

LARRY HOGAN
Governor

BOYD K. RUTHERFORD
Lt. Governor



AL REDMER, JR.
Commissioner

NANCY GRODIN
Deputy Commissioner

**INSURANCE
ADMINISTRATION**

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December 17, 2015

CERTIFIED MAIL
RETURN RECEIPT REQUESTED
REGULAR MAIL

Perry Hall Dental Associates, LLC
8647 Belair Road
Baltimore, MD 21236

Dr. John N. Stamas, DDS
8647 Belair Road
Baltimore, MD 21236

John Breviu, Esq.
Stinson, Leonard and Street, LLP
150 S. Fifth Street, Suite 2300
Minneapolis, MN 55402

Re: MIA v. Perry Hall Dental Associates, LLC and Dr. John N. Stamas, DDS
Case No.: MIA-2015-10-014

Dear Parties:

A copy of the fully executed Consent Order is enclosed for your records.

Sincerely,

Melanie Gross
Executive Assistant to the Deputy Commissioner

Enclosure

cc: Al Redmer, Jr., Commissioner
Brenda Wilson, Associate Commissioner
J. Van Lear Dorsey, Principal Counsel
Philip Pierson, Assistant Attorney General
Mary Kwei, Chief, Life and Health Complaints

MARYLAND INSURANCE
ADMINISTRATION

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BEFORE THE MARYLAND
INSURANCE COMMISSIONER

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v.

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PERRY HALL DENTAL
ASSOCIATES, LLC
8647 BELAIR ROAD
BALTIMORE, MD 21236

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MIA CASE NO: MIA-2015-10-014

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and

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DR. JOHN N. STAMAS, DDS
8647 BELAIR ROAD
BALTIMORE, MD 21236

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CONSENT ORDER

The Maryland Insurance Commissioner (“Commissioner”) enters this Consent Order (“Order”) with the consent of Perry Hall Dental Associates, LLC (“Perry Hall Dental”) and Dr. John N. Stamas, DDS (“Dr. Stamas”) (collectively “the Respondents”), pursuant to Md. Ann. Code, Insurance (“Insurance Article”) §§ 2-108, 2-204, and any other applicable sections, as follows:

EXPLANATORY STATEMENT AND FINDINGS OF FACT

1. Perry Hall Dental is a limited liability company with a principal office and mailing address of 8647 Belair Road, Baltimore, MD 21236. Dr. Stamas is a board-certified doctor of dental surgery and a principal of Perry Hall Dental. Neither of the Respondents, Perry Hall Dental or Dr. Stamas, has a certificate of authority to transact the business of insurance in Maryland.
2. On October 16, 2015, the Administration issued an Order against the Respondents (“Initial Order”) finding various violations of the Insurance Article.

3. The findings stated in the Initial Order are incorporated herein by reference and admitted to by Respondents.
4. Respondents requested a hearing to contest the Initial Order.
5. The parties agree to this Order to avoid litigation and to fully and finally resolve all issues stated in the Initial Order.

ORDER

WHEREFORE, for the reasons set forth above, it is this 17th day of December, 2015, **ORDERED** by the Commissioner and consented to by Respondents that:

- A. Effective January 1, 2016, the Perry Hall Dental Premium Plus Plan will discontinue issuing both new and renewal memberships.
- B. Beginning January 1, 2016, any member of the Perry Hall Dental Premium Plus Plan is permitted to voluntarily terminate his or her membership in the plan. Members seeking to terminate membership may do so by providing of one (1) month's notice of their intention to withdraw from the plan.
- C. Before January 1, 2016, Respondents shall notify all members of the plan in writing of their right to terminate their memberships. Upon such termination, members will no longer be obligated to pay periodic fees, and will no longer be eligible for coverage. Any members who have made membership fee payments covering periods longer than one (1) month and who choose to terminate their membership shall be entitled to a refund of amounts paid in excess of one (1) months' membership fee.
- D. Any memberships that have been entered into prior to January 1, 2016, and that have not been voluntarily terminated as described above, are to be administered under the

terms of the membership agreement until the end of the current membership periods. Respondents are directed to collect membership payments and provide benefits under the terms of the currently in-force agreements for the remainder of all memberships that are in force as of January 1, 2016, and that are not voluntarily terminated.

- E. Respondents are directed to provide an affirmation to MIA no later than February 1, 2016, that current members of the plan have been informed of their right to terminate membership, and that their policies will not be renewed. This affirmation shall be sent to Brenda Wilson, Associate Commissioner, Life & Health, 200 St. Paul Place, Suite 2700, Baltimore, MD 21202, and shall reflect the case number captioned at the beginning of this Order.
- F. Upon the end of the expiration of the last currently in-force agreement, Perry Hall Dental Associates, LLC and Dr. Stamas are to cease the operation of the Plan. The Commissioner anticipates that this will occur no later than December 31, 2016. After this date, Perry Hall Dental Associates, LLC, Dr. Stamas, and their affiliates, agents, directors, employees, managers, members, officers, principals, or trustees, shall not operate a dental plan organization or conduct or engage in the business of insurance in the State of Maryland without authority, licenses, and the express written permission of the Maryland Insurance Administration.
- G. Respondents are directed to provide an affirmation to MIA no later than February 1, 2017, that it has fully complied with this Order. This affirmation shall include a statement to the effect that all previously in-force memberships have expired and that Respondents are no longer operating the Plan, are no longer operating any other plan that constitutes insurance, and are not otherwise transacting an insurance business in the State

of Maryland. This affirmation shall be sent to Brenda Wilson, Associate Commissioner, Life & Health, 200 St. Paul Place, Suite 2700, Baltimore, MD 21202, and shall reflect the case number captioned at the beginning of this Order.

- H. The parties acknowledge that this Order contains the entire agreement between the parties relating to the administrative actions addressed herein and that this Order resolves all matters relating to the factual assertions and agreements contained herein. This Order supersedes the Initial Order other than to the extent that the terms and findings of the Initial Order are incorporated into this Order by reference. All time frames set forth in this Order may be amended or modified only by subsequent written agreement of the parties. The Administration will impose no sanction upon Respondents beyond the terms of this Order for the conduct described in the Initial Order.
- I. Respondents have had the opportunity to have this Order reviewed by legal counsel of their choosing, and are aware of the benefits gained and obligations incurred by the execution of the Order. Respondents waive any and all rights to any hearing or judicial review of this Order to which they would otherwise be entitled under the Insurance Article with respect to any of the determinations made or actions ordered by this Order.
- J. For the purposes of the Administration and for any subsequent administrative or civil proceedings concerning Respondent, whether related or unrelated to the foregoing paragraphs, and with regard to requests for information about the Respondent made under the Maryland Public Information Act, or properly made by governmental agencies, this Order will be kept and maintained in the regular course of business by the Administration. For the purposes of the business of the Administration, the records and publications of the Administration will reflect this Order.

- K. Nothing herein shall be deemed a waiver of the Commissioner's right to proceed in an administrative action or civil action to enforce the terms of this Order. Failure to fully comply with the terms of this Order may subject Respondent to further legal and/or administrative action.
- L. This Order shall be effect upon signing by the Commissioner or his designee, and is a Final Order of the Commissioner under § 2-204 of the Insurance Article.

ALFRED W. REDMER, JR.
INSURANCE COMMISSIONER

By: Brenda A. Wilson

Brenda Wilson, Associate Commissioner
Life & Health Insurance Unit

RESPONDENTS' CONSENT

Respondent DR. JOHN STAMAS hereby CONSENTS to the representations made in, and terms of, this Consent Order.

12/16/15
Date

[Signature]
Dr. John Stamas

Respondent PERRY HALL DENTAL ASSOCIATES, LLC hereby CONSENTS to the representations made in, and to the terms of, this Consent Order. On behalf of Respondent, the undersigned hereby affirms that he or she has taken all necessary steps to obtain the authority to bind Respondents to the obligations stated herein and does, in fact, have the authority to bind Respondents to the obligations stated herein.

12/16/15
Date

[Signature]
Authorized Signatory

sole member
Title