

Arkansas Insurance Department

Asa Hutchinson
Governor



Allen Kerr
Commissioner

January 26, 2015

Mr. LeRoy Wood, Founder
Arkansas Funeral Care, LLC.
2620 West Main Street
Jacksonville, Arkansas 72076

RE: Notice of Administrative Hearing

Dear Mr. Wood:

Enclosed please find a Notice of Administrative Hearing scheduled pursuant to AID Order # 2015-011, in re: "Emergency Order: Arkansas Funeral Care, LLC"

NOTICE OF HEARING

Please be advised that an administrative hearing will take place on February 11, 2015, at 10:00 A.M. in the First Floor Hearing Room of the Arkansas Insurance Department ("Department"), 1200 West Third Street, Little Rock, AR 72201-1904. The hearing will be held before Insurance Commissioner ("Commissioner"), Allen Kerr, or his designated Hearing Officer, concerning the following matters.

ALLEGATIONS

1. Arkansas Funeral Care, LLC ("Respondent") is licensed by the Department to sell and transact prepaid funeral benefits contracts in this State.
2. The Respondent organization is a funeral home located and operating in Jacksonville, Arkansas.
3. On or about January 23, 2015, the Respondent voluntarily surrendered its permit to conduct business as a funeral home with the Arkansas State Board of Embalmers and Funeral Directors (hereafter, the "Board").
4. The Respondent's loss of license with the Board is in violation of Ark. Code Ann. § 23-40-109(b) which provides that an organization licensed by the Department to transact prepaid funeral benefits contracts in this State must maintain an active license in good standing with the Arkansas State Board of Embalmers and Funeral Directors in order for the organization to provide funeral services and funeral merchandise in prepaid funeral benefits contracts as contracted or issued by the organization.
5. Pursuant to Ark. Code Ann. § 23-40-111(b)(2), after notice to the licensee and after a hearing, the Commissioner may suspend any permit issued by him under the Arkansas Prepaid Funeral Benefits law ("Prepaid Funeral Benefits Law") for up to thirty-six (36)

months or may revoke or refuse to continue any permit so issued if the Commissioner finds that the licensee has failed to comply with any material provision of the Prepaid Funeral Benefits Law or any valid rule and regulation or order that the Commissioner has prescribed. However, pending a promptly scheduled hearing, the Commissioner has authority to summarily suspend any prepaid funeral benefits license issued by him on an emergency basis if the public health, safety, or welfare imperatively requires emergency action under Ark. Code Ann. §23-40-111(b)(4).

6. Ark. Code Ann. § 23-40-109(b) is a material provision of the Arkansas Prepaid Funeral Benefits law.
7. The Respondent has a number of active or outstanding prepaid funeral benefits contracts in this State.
8. The Department seeks revocation of the Respondent's license to transact the business of prepaid funeral benefits contracts in this State and an Order appropriately governing the ongoing administration and transfer of such business to substitute providers in order that outstanding contracts of Respondent may be performed for contract holders as such become due.
9. In addition, the Department seeks to review whether or to what extent AID Order # 2015-011, or any of its provisions, should be modified or entered into permanent form.
10. This Notice is scheduling the administrative hearing referenced in AID Order # 2015-011.

Your written notification by mail or facsimile that you have received this notice of hearing must be received in this office within ten (10) days of your receipt of this notice. If your written notification is not received by the Department within ten (10) days, any and all expenses incurred by the Department in continuing the hearing or in notification of witnesses, including, but not limited to phone calls, issuance of subpoenas and postage, will be charged to the party or parties requesting such continuance. If you or your attorneys determine that a continuance is necessary, please call me or Ms. LoRaine Rowland at (501) 371-2831.

Sincerely,



Booth Rand
Managing Attorney
booth.rand@arkansas.gov
(501) 371-2820

cc: LoRaine Rowland, Administrative Analyst