STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCIAL REGULATION

In the Matter of: EMPLOYEE BENEFIT MANAGEMENT SERVICES, LLC, Respondent.	Case No. INS-24-0077 FINAL ORDER TO CEASE AND DESIST AND FINAL ORDER ASSESSING CIVIL PENALTY, ENTERED BY CONSENT

The Director of the Department of Consumer and Business Services for the State of Oregon (the "Director"), acting under Oregon Revised Statutes ("ORS") chapters 731, 732, 733, 734, 735, 737, 742, 743, 743A, 743B, 744, 746, 748, and 750 and the rules promulgated thereunder (collectively, the "Insurance Code"), investigated the business activities of Employee Benefit Management Services, LLC ("Respondent") and determined that Respondent engaged in a violation of the Insurance Code.

Respondent wishes to resolve and settle this matter with the Director.

Now, therefore, as evidenced by the signatures subscribed in this Order, Respondent hereby CONSENTS to entry of this Order upon the Director's Findings of Fact and Conclusions of Law below.

FINDINGS OF FACT

The Director FINDS that:

1. Respondent is a third-party administrator licensed in Oregon through the Division of Financial Regulation (the "Division") since July 1994. Its National Producer Number is 42865.

2. Respondent's principal place of business is 3333 Hesper Road, Billings, Montana 59102.

Division of Financial Regulation
Labor and Industries Building
350 Winter Street NE, Suite 410
Salem, OR 97301-3881
Telephone: (503) 378-4387

3. Licensed third-party administrators must file an annual report for the preceding calendar year with the Director, through the Division, by March 1 of each year. Respondent did not file its 2023 annual report by March 1, 2024.

4. On July 11, 2024, the Division emailed Respondent's email address of record, notifying Respondent that its 2023 annual report was past due and extended the deadline to August 10, 2024. The email stated that if Respondent did not file the report by August 10, 2024, the matter would be referred for enforcement action, which could result in monetary civil penalties or a licensing action.

5. Respondent filed its 2023 annual report on January 14, 2025.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

6. The Director has jurisdiction over Respondent's business activities under ORS 731.236.

7. ORS 744.738(1) requires third-party administrators to file an annual report for the preceding calendar year with the Director, through the Division, by March 1 of each year, or within such extension of time as the Director may grant.

8. By failing to file its 2023 annual report by August 10, 2024, Respondent violated ORS 744.738(1).

9. Because the Director has reason to believe that Respondent violated ORS 744.738(1), the Director may, under ORS 731.252(1), order Respondent to cease and desist from violating that statute.

10. ORS 731.988(1) authorizes the Director to assess a civil penalty against Respondent of up to $10,000 per violation of the Insurance Code.

ORDERS

Now, therefore, the Director issues the following Order and Proposed Orders:

11. As authorized by ORS 731.252(1), the Director ORDERS Respondent to

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CEASE AND DESIST from violating ORS 744.738(1).

12. As authorized by ORS 731.988(1), the Director ORDERS Respondent to pay a $1,000 CIVIL PENALTY for violating ORS 744.738(1).

13. The Director SUSPENDS $500 of the CIVIL PENALTY, provided:

A. Respondent pays the $500 non-suspended civil penalty; and

B. Does not violate the terms of this Order or the Insurance Code for a period of three years from the effective date of this Order.

14. If Respondent fails to satisfy the above conditions, the suspended civil penalty ($500) becomes immediately due and owing. Otherwise, the Director will waive the suspended civil penalty three years after the effective date of this Order.

15. Along with this Order, Respondent shall submit to the Director $500 as payment for the non-suspended civil penalty.

16. This Order is binding upon Respondent's successors and assigns.

17. This is a "Final Order" under ORS 183.310(6)(b). Subject to that provision, entry of this Order does not limit or prevent further remedies available to the Director under Oregon law to enforce this Order or take action for violations of this Order or violations of the Insurance Code not covered by this Order.

SO ORDERED this 11th day of February, 2025.

ANDREW R. STOLFI, Director
Department of Consumer and Business Services

/s/ Dorothy Bean
Dorothy Bean, Chief of Enforcement
Division of Financial Regulation

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ENTITY CONSENT TO ENTRY OF ORDER

I, Troy Sisum, am an officer or manager of Employee Benefit Management Services, LLC ("Respondent"), and I am authorized to act and sign on its behalf. I have read the foregoing Order, and I know and fully understand the contents hereof. The factual allegations stated herein are true and correct. I have been advised of Respondent's right to a hearing and right to be represented by counsel in this matter. Respondent voluntarily consents to the entry of this Order without any force or duress, expressly waiving any right to a hearing in this matter, as well as any rights to administrative or judicial review of this Order. Respondent understands that the Director reserves the right to take further action against Respondent to enforce this Order or to take appropriate action upon discovery that Respondent has committed other violations of the Insurance Code. Respondent, along with its officers, directors, employees, or agents, will fully comply with the terms and conditions stated herein.

Respondent understands that this Order is a public document.

Signature: */s/ Troy Sisum*

Position Held: Chief Legal Officer

State of Texas

County of Dallas

Signed or attested before me by Troy Sisum on this 31st day of January, 2025.

/s/ Consuelo Aviles Flores

Notary Public

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