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

In the Matter of:	Case No. INS-16-0337
Institution Solutions I LLC, nka Institution Solutions II, LLC Respondent.	ORDER TO CEASE AND DESIST, CONSENT TO ENTRY OF FINAL ORDER AND ORDER TO VACATE

The Director of the Department of Consumer and Business Services for the State of Oregon (Director) conducted an investigation into Institution Solutions I LLC, (Respondent) and determined that Respondent engaged in activities constituting violations of Oregon Revised Statutes (ORS) chapters 731, 732, 733, 734, 735, 737, 742, 743, 743A, 744, 746, 748 and 750 ("Insurance Code"). On October 18, 2016, the Director issued an Order to Cease and Desist, Notice of Suspension of License and Right to Administrative Hearing. Respondent did not timely respond and the Director issued a Final Order on November 23, 2016. Respondent paid a civil penalty of $500 to the Director on February 10, 2017.

Respondent now wishes to resolve and settle this matter with the Director;

NOW THEREFORE, as evidenced by the authorized signature subscribed on this Consent Order, Respondent hereby consents to entry of this order upon the Director's Findings of Fact and Conclusions of Law as stated hereinafter.

FINDINGS OF FACT

The Director FINDS that:

1. Respondent was first issued a TPA License on January 9, 2006. The license number assigned to Respondent was 0100166616. The license has been timely renewed since that time and is currently set to expire on January 31, 2018.

2. Respondent was licensed as a third party administrator in Oregon for the entire 2015 calendar year.

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3. Each TPA is required to file an annual report for the preceding year no later than March 1 of the subsequent year. In this instance, the Respondent was required to file the report due for the year 2015 by March 1, 2016.

4. Respondent did not file the report by the required date.

5. On July 20, 2016, the Division of Financial Regulation, (Division) sent an email to Respondent 's email address of record, dtaylor@isillc.com , notifying them of the requirement and setting a deadline to file the report of August 20, 2016, or the matter would be referred to the Division's Enforcement Section.

6. Respondent did not file the required report until December 21, 2016.

Prior Order

7. On October 18, 2016, the Director issued an Order to Cease and Desist, Notice of Suspension of License and Right to an Administrative Hearing.

8. On October 24, 2016, the Notice Order was served on Respondent.

9. The Director did not receive a written response to the above order.

10. On November 23, 2016, the Director issued the Final Order to Cease and Desist, Order Suspending License and Order Assessing Civil Penalties Entered on Default.

11. On December 19, 2016, Respondent contacted the Division regarding this matter.

12. On Or about February 10, 2017, Respondent sent the Division a check for $500 in payment o f civil penalties.

13. An investigation into the matter revealed that Respondent had not received the certified copy of the Final Order. The U. S. Post office was holding the document until the Respondent re-opened its doors for business.

14. Respondent has undergone a name change and is now known as Institution Solutions LLC II. According to the U. S. Post Office tracking information regarding the certified mailing, the Default Order has never been delivered to Respondent.

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15. The prior order dated November 23, 2016, is **vacated**. Respondent now wishes to enter into a Consent Order.

CONCLUSIONS OF LAW

The Director concludes that:

1. A person may not transact business or purport or offer to transact business as a third party administrator in Oregon unless the person is licensed by the Director, by and through the Division, as a third party administrator. ORS 744.702

2. Respondent is licensed with the Division as a third party administrator.

3. Under ORS 744.718(2)(j), the Director may suspend a third party administrator license if a licensee violates any rule or order of the Director or any provision of the Insurance Code.

4. Under ORS 744.738(1) and Oregon Administrative Rule (OAR) 836-075-0040, Respondent, as a third party administrator licensee in Oregon, was required to file an annual report with the Division for the 2015 calendar year.

5. The deadline for Respondent to file the 2015 annual report with the Division was March 1, 2016. Respondent did not file its 2015 annual report with the Division on or before the deadline in violation of ORS 744.738(1) and OAR 836-075-0040.

6. Respondent did file the required report after the Division issued the prior order on default. The report was filed on December 21, 2016.

7. The Director may suspend Respondent's Oregon third party administrator license under ORS 744.718(2)(j) on the basis that Respondent violated Insurance Code provision ORS 744.738(1) and OAR 836-075-0040.

ORDERS

NOW, THEREFORE, THE DIRECTOR ISSUES THE FOLLOWING ORDERS:

1. The Director, pursuant to ORS 731.252, hereby vacates the Final Order previously entered in this case and orders Respondent to cease and desist from violating Oregon's

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Insurance Code or the administrative rules promulgated thereunder.

2. The Director hereby orders the Respondent to do the following within 10 days of the date of this order:

a. File the 2016 annual report for Institution Solutions I that was due by March 1, 2017;

b. After filing the 2016 annual report, surrender the license for Institution Solutions I;

c. Notify the Division's Licensing Section of the name change from Institution Solutions I LLC to Institution Solutions II LLC;

d. If the above actions are not completed within the time frame set out above, the Director will pursue further action in order to resolve these matters.

3. The Director, pursuant to ORS 731.988 may assess civil penalties of up to $1,000 per violation for each separate instance of violation. The Director hereby orders Respondent to pay a civil penalty of $1,000 for one violation of ORS 744.738(1) and OAR 836-075-0040. However, the Director will suspend $500 of the $1,000 civil penalty if the Respondent pays $500 of the $1,000 civil penalty provided Respondent does not violate any provision of the Oregon Insurance Code and the rules promulgated thereunder or any rule, order, or policy issued by the Division. If Respondent is found to have committed any such violation, then the suspended portion of the assessed civil penalty will become immediately due and payable. If Respondent does not violate the Oregon Insurance Code and the rules promulgated thereunder or any rule, order, or policy issued by the Division rule, for three years starting from the date of the Final Order, the suspended portion of the civil penalty is waived.

4. The Director acknowledges receipt of $500 from Respondent via check dated February 10, 2017.

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5. The entry of this order in no way further limits remedies that may be available to the Director under Oregon law.

Dated this 2nd day of June, 2017 at Salem, Oregon.

PATRICK M. ALLEN, Director
Department of Consumer and Business Services

/S/ David Tatman
David C. Tatman, Chief of Enforcement
Division of Financial Regulation

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ENTITY CONSENT TO ENTRY OF ORDER

I, Paul E. Clampitt state that I am an officer of Institution Solutions I, LLC nka Institution Solutions II , LLC (Respondent) and I am authorized to act on its behalf. I have read the foregoing order and I know and fully understand the contents hereof. I have been advised of the right to a hearing and of the right to be represented by counsel in this matter. Respondent voluntarily and without any force or duress consents to the entry of this order expressly waiving any right to a hearing in this matter. Respondent understands that the Director reserves the right to take further actions to enforce this order or to take appropriate action upon discovery of other violations of the Oregon Insurance Code. Respondent will fully comply with the terms and conditions stated herein.

Respondent further assures the Director that neither Respondent nor its officers, directors, employees, or agents will affect Insurance activities in Oregon unless such activities are in full compliance with the Oregon Insurance Code. Respondent understands that this consent order is a public document.

By /S/ Paul E. Clampitt Owner
Title

ACKNOWLEDGMENT

State of Texas)
)ss.
County of Dallas)

This instrument was acknowledged before me on June 01, 2017 by Paul E. Clampitt.

/S/ Diana Taylor
Notary Public

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