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-20-0018 ORDER TO CEASE AND DESIST, ORDER ASSESSING CIVIL PENALTIES, AND CONSENT TO ENTRY OF ORDER

The Director of the Department of Consumer and Business Services for the State of Oregon ("Director"), acting in accordance with Oregon Revised Statutes ("ORS") chapters 731, 732, 733, 734, 735, 737, 742, 743, 743A, 744, 746, 748 and 750 ("Insurance Code"), commenced this administrative proceeding to take enforcement action against Employee Benefit Management Services, LLC ("Respondent").

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

Now, therefore, as evidenced by the authorized signatures subscribed on this 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 has been licensed by the Director, by and through the Division of Financial Regulation, ("the Division") as an Oregon third party administrator since August 23, 1994. Respondent's License expires on August 31, 2021. Respondent's NAIC license number is 100157549.

2. Respondent was licensed as a third party administrator in Oregon throughout calendar year 2018.

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350 Winter Street NE, Suite 410
Salem, OR 97301-3881
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3. Respondent did not file its annual report for the 2018 calendar year on or before the deadline of March 1, 2019.

4. The Division reminded Respondent of its annual reporting requirement by email on January 29, 2019, and advised that if Respondent did not file its 2018 annual report on or before March 1, 2019, Respondent could be subject to civil penalties, license suspension, or license revocation.

5. The Division advised Respondent by email on December 13, 2019, that the Division had not received Respondent's 2018 annual report. The Division gave Respondent an additional 30 days from December 16, 2019, to file its 2018 annual Report.

6. Respondent did not file its 2018 annual report within 30 days of December 13, 2019.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

7. 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.

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

9. 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 annual reports with the Division for the 2018 calendar year.

10. The deadline for Respondent to file the 2018 annual report with the Division was March 1 2019. Respondent did not file its 2018 annual report with the Division on or before the deadline, in violation of ORS 744.738(1) and OAR 836-075-0040.

11. 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.

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12. Under ORS 731.988(1), the Director may assess a civil penalty of up to $10,000 against any person that violates a provision of the Insurance Code or any lawful rule or final order of the Director.

ORDERS

Now therefore, the Director issues the following Orders:

13. As authorized by ORS 731.252(1), the Director ORDERS Respondent to CEASE AND DESIST from violating any provision of the Insurance Code or the administrative rules promulgated thereunder.

14. In accordance with ORS 731.988(1), the Director assesses a CIVIL PENALTY of $300 (three hundred dollars) against Respondent for violating ORS 744.738(1) and OAR 836-075-0040.

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

16. This Order is a "Final Order" under ORS 183.310(6)(b). Subject to that provision, the entry of this Order does not limit other remedies that are available to the Director under Oregon law.

SO ORDERED this 15TH day of January, 2021.

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, James Vertino , state that I was an officer of EMPLOYEE BENEFIT MANAGEMENT SERVICES, LLC and authorized to act on its behalf. I have read the foregoing Order and that I know and fully understand the contents hereof. I have been advised of EMPLOYEE BENEFIT MANAGEMENT SERVICES, LLC's right to a hearing and right to be represented by counsel in this matter. EMPLOYEE BENEFIT MANAGEMENT SERVICES, LLC 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. EMPLOYEE BENEFIT MANAGEMENT SERVICES, LLC understands that the Director reserves the right to take further actions against it to enforce this Order or to take appropriate action upon discovery of other violations of the Oregon Insurance Code by EMPLOYEE BENEFIT MANAGEMENT SERVICES, LLC will fully comply with the terms and conditions stated herein.

EMPLOYEE BENEFIT MANAGEMENT SERVICES, LLC understands that this Consent Order is a public document.

Signature: */s/ James Vertino*

Position Held: CEO

State of Montana

County of Yellowstone

Signed or attested before me on this 25 day of November, 2020

By _____.

_____
Notary Public

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