

JUL 02 2020

BEFORE THE DEPARTMENT OF INSURANCE
STATE OF NEBRASKA

FILED

STATE OF NEBRASKA)	
DEPARTMENT OF INSURANCE,)	
)	FINDINGS OF FACT,
PETITIONER,)	CONCLUSIONS OF LAW,
)	RECOMMENDED ORDER AND
VS.)	ORDER
)	
CORPORATE PLAN MANAGEMENT,)	
LLC,)	CAUSE NO. C-2565
)	
RESPONDENT.)	

This matter came on for hearing on June 11, 2020, before Tracy A. Burns, a hearing officer duly appointed by the Director of the Nebraska Department of Insurance. The Nebraska Department of Insurance ("Department") was represented by its attorney, Thomas C. Green. Corporate Plan Management, LLC ("Respondent"), was not present and was not represented by counsel. The proceedings were recorded by Shelly Storie, a licensed Notary Public. Evidence was introduced, and the matter was taken under advisement. As a result of the hearing, the hearing officer makes the following Findings of Fact, Conclusions of Law, and Recommended Order.

FINDINGS OF FACT

1. The Department has jurisdiction over the subject matter and Respondent pursuant to Neb. Rev. Stat. §§ 44-101.01 and 44-5801 to 44-5816. Said jurisdiction and control have been present at all times material hereto.

2. Respondent is a third-party administrator organized and existing under the laws of the State of Kansas. Respondent was licensed to engage in the business of

insurance in Nebraska as a third-party administrator at all times material hereto.

(Ex. 1)

3. On or about February 11, 2020, the Petition and Notice of Hearing were served upon the Respondent by mailing the same to the Respondent's business address of record by certified mail, return receipt requested, and by regular U.S. mail. Respondent received the Petition and Notice of Hearing as evidenced by the signed Domestic Return Receipt returned to the Department on or about February 19, 2020. (Ex. 2, Attachment 1)

4. On or about March 25, 2020, the Motion for Continuance and the Order Granting Motion for Continuance was served upon the Respondent by mailing the same to the Respondent's business address of record by certified mail, return receipt requested, and by regular U.S. mail. Respondent received the Motion for Continuance and the Order Granting Motion for Continuance on March 30, 2020, as evidence by the signed Domestic Return Receipt returned to the Department on or about April 2, 2020. (Ex. 2, Attachment 2)

5. On or about July 5, 2019, the Department received an application for a certificate of authority for an entity named CPM, Inc. to act as a third party administrator in Nebraska. The President/CEO of Corporate Plan Management, Glenda Marple, sent the materials for the CPM, Inc. application. (Ex. 3)

5. On or about July 30, 2019, an Order ("July Order") was entered by the Department that suspended the Respondent's third-party administrator certificate of authority until such time as the 2018 annual report was filed, the two hundred dollar filing fee was paid, and the required forfeiture fee was paid. The amount of the forfeiture fee was to be calculated upon submission of the report to the Department. The filing fee remains

unpaid and the Respondent's certificate of authority remains suspended at this time. (Ex. 1 and Ex. 3, Attachment 2)

6. On or about August 15, 2019, the Department responded to Respondent's application for a certificate of authority for CPM, Inc. including requested additional information related to CPM and remind Respondent that no actions were taken to comply with the July Order that required filing of the 2018 annual statement and payment of the two hundred dollar filing fee and forfeiture fees. (Ex. 3, Attachment 1)

7. On or about November 4, 2019, the Department addressed a letter to Respondent acknowledging the 2018 annual statement was filed on September 17, 2019, two hundred days after the March 1, 2019, filing deadline, and reminded Respondent the two hundred dollar filing fee was still owing. In addition, Respondent was offered a settlement which included paying the \$10,000.00 forfeiture fee due and owing on September 17, 2019 and the two hundred dollar filing fee if payment was remitted within thirty days of the date of November 4, 2019, letter. (Ex. 3, Attachment 2)

8. On or about December 5, 2019, one day after the settlement offer concluded, Respondent sent a letter requesting the Department reduce the forfeiture fee to \$5,000.00 as the \$10,000.00 fee would be a substantial burden on the company finances. Neither the proposed forfeiture fee nor the two hundred dollar annual fee was enclosed with the letter. (Ex. 3 and Ex. 3, Attachment 3)

9. As of June 10, 2020, the Department had not received the filing fee or forfeiture fee, and the total amount of forfeiture fee due as of June 10, 2020, based on a rate of \$50.00 per day at 467 days, is \$23,350.00. (Ex. 3 and Ex. 4)

CONCLUSIONS OF LAW

1. The Department has jurisdiction and control over Respondent as a third-party administrator licensed in the State of Nebraska pursuant to Neb. Rev. Stat. §§ 44-101.01 and 44-5801 to 44-5816.

2. Respondent received proper Notice of these proceedings.

3. Pursuant to Neb. Rev. Stat. § 44-5814(3), at the time of filing its annual report, the third party administrator shall pay to the Director a filing fee of two hundred dollars.

4. Pursuant to Neb. Rev. Stat. § 44-5814(4)(b) a third party administrator who fails to comply with requirements and any orders issued under in Neb. Rev. Stat. § 44-5814 shall forfeit fifty dollars for each day thereafter such failure continues and the third party administrator continues to transact any business of insurance.

5. Pursuant to Neb. Rev. Stat. § 44-5815(2)(a), the Director may, in his discretion, suspend or revoke the certificate of authority as a third party administrator if the director finds that the third party administrator has violated any order of the Director.

6. Respondent is in violation of Neb. Rev. Stat. §§ 44-5814(3) and the July 30, 2019 Order, specifically not paying the filing fee or forfeiture to the date the report calculated on the date the report was filed.

DISCUSSION

The Department presented sufficient evidence to show Respondent received proper notice of these proceedings. The Respondent has failed to pay the filing fee and forfeiture fee as dictated in the July Order. Respondent continues to ignore the lawful authority of the Department by failing to comply with Nebraska statutes and the lawful Order issued by the Director.

RECOMMENDED ORDER

Based on the Findings of Fact and Conclusions of Law, it is recommended that:

Respondent pay the two hundred dollar annual filing fee within thirty days of the date this order is issued. Respondent will pay a forfeiture fee in the amount of \$10,000.00 as calculated through September 17, 2019, the date the annual report was filed as stated in the July Order, within thirty days of the date this order is issued. Failure to comply with this Order will result in the revocation of the Respondent's Certificate of Authority on the thirty-first day after this order is issued. The Nebraska Department of Insurance shall retain jurisdiction of this matter for the purpose of enabling Respondent or the Department of Insurance to make application for such further orders as may be necessary.

Dated this 2nd day of July, 2020.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE



Tracy A. Burns
Hearing Officer

CERTIFICATE OF ADOPTION

I have reviewed the foregoing Findings of Fact, Conclusions of Law, and Recommended Order and hereby certify that the Recommended Order is adopted as the official and final Order of this Department in the matter of State of Nebraska Department of Insurance vs. Corporate Plan Management, LLC, Cause No. C- 2565.

Dated this 2 day of July, 2020.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE



Bruce R. Ramge
Director of Insurance

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Findings of Fact, Conclusions of Law, Recommended Order, and Order was served upon the Respondent by mailing a copy to Respondent at Respondent's registered business address at 1220 SW Executive Drive, Topeka, KS 66615, by certified mail, return receipt requested, and by regular U.S. mail on this 3rd day of July, 2020.

