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FILED

BEFORE THE DEPARTMENT OF INSURANCE
STATE OF NEBRASKA

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STATE OF NEBRASKA

In the Matter of the Unauthorized)	SUMMARY ORDER
Insurance Activities of)	TO CEASE AND DESIST
)	
AMERICAN HEALTHCARE)	AND NOTICE OF RIGHTS
PLANS, INC. d/b/a AMERICAN)	
HEALTH and d/b/a AMERICAN)	
HEALTHCARE,)	
)	
Unauthorized Entities,)	
)	
and)	CAUSE NO.: I-84
)	
STEVEN DORFMAN)	
)	
Individual Respondent.)	
)	

The Department of Insurance (herein the "Department"), by and through its Director, Bruce R. Ramge, upon Petition for Cease and Desist filed by Department counsel, Joel F. Green, hereby orders American Healthcare Plans, Inc. d/b/a American Health and American HealthCare, and Steven Dorfman (collectively and herein "Respondents") to immediately CEASE AND DESIST issuing, making, providing, selling or offering, either directly or indirectly, insurance or insurance type benefits in the State of Nebraska which are not insured by an insurer licensed to transact insurance in the state. Specifically, pursuant to NEB. REV. STAT. § 44-2002, NOTICE IS HEREBY GIVEN:

1. That the Director of Insurance is charged with enforcement of the insurance laws of the State of Nebraska. See, NEB. REV. STAT. § 44-101 ET SEQ., including unauthorized activities of insurers;
2. That NEB. REV. STAT. § 44-2002(2) defines an insurer to include all corporations, associations, partnerships, and individuals engaged as principals in the business of insurance and shall also include interinsurance exchanges and mutual benefit societies;

3. That NEB. REV. STAT. § 44-303 provides that an insurer must obtain a certificate of authority before transacting the business of insurance in the State of Nebraska;
4. That NEB. REV. STAT. § 44-201(4) defines accident and sickness insurance to mean insurance against loss or expense resulting from the sickness of the insured, from bodily injury or death of the insured by accident, or both, and every insurance pertaining thereto;
5. That the Unauthorized Insurers Act, NEB. REV. STAT. § 44-2001 ET SEQ., provides that “[i]t shall be unlawful for any insurer to transact insurance business in this state, as set forth in subsection (2) of this section without a certificate of authority from the director.” Subsection (2) provides that “[t]he following acts in this state effected by mail or otherwise by or on behalf of an unauthorized insurer shall constitute the transaction of an insurance business in this state . . . :
 - (a) The making of or proposing to make, as an insurer, an insurance contract;
 - (b) The making of or proposing to make, as guarantor or surety, any contract of guaranty or suretyship as a vocation and not merely incidental to any other legitimate business or activity of the guarantor or surety;
 - (c) The taking or receiving of any application for insurance;
 - (d) The receiving or collection of any premium, commission, membership fees, assessments, dues, or other consideration for any insurance or any part thereof;
 - (e) The issuance or delivery of contracts of insurance to residents of this state or to persons authorized to do business in this state;
 - (f) Directly or indirectly acting as an agent for or otherwise representing or aiding on behalf of another any person or insurer in the solicitation, negotiation, procurement, or effectuation of insurance or renewals thereof or in the dissemination of information as to coverage or rates, or forwarding of applications, or delivery of policies or contracts, or inspection of risks, a fixing of rates or investigation or adjustment of claims or losses or in the transaction of matters subsequent to effectuation of the contract and arising out of it; or in any other manner representing or assisting a person or insurer in the transaction of insurance with respect to subjects of insurance resident, located, or to be performed in this state. This subsection shall not operate to prohibit full-time salaried employees of a corporate insured from

acting in the capacity of an insurance manager or buyer in placing insurance on behalf of such employer;

- (g) The transaction of any kind of insurance business specifically recognized as transacting an insurance business within the meaning of the statutes relating to insurance; or
 - (h) The transacting or proposing to transact any insurance business in substance equivalent to any of the provisions of subdivisions (a) through (g) of this subsection in a manner designed to evade the provisions of the statutes”;
6. That the Respondents are not licensed or authorized to transact business as insurers, insurance producers or insurance agencies in the State of Nebraska at all relevant times hereto;
7. That following an investigation into this matter, the Department of Insurance has reasonable cause to believe that Respondents are engaged, either directly or on behalf of an unauthorized insurer, in the business of transacting insurance in the state without a license, in particular, are violating and have violated NEB. REV. STAT. § 44-2002(2)(a), (c) – (h) in that:
- (a) Respondents have acted in concert to market, sell, solicit and/or negotiate a product represented by Respondents to be insurance to Nebraska residents. Respondents have caused this product to be advertised and sold to Nebraska consumers through the internet at the following website: www.ahcponline.com. That website is no longer published.
 - (b) Respondents have issued, underwritten insurance, or transacted insurance in Nebraska affecting subjects located wholly or in part in Nebraska and to be performed in Nebraska, including plans or policies represented by Respondents to be insurance covering Nebraska residents.
 - (c) In March of 2011, Respondents sold or caused to be sold a product represented to be insurance to Nebraska resident, Kathleen T. Bonnell. Between March 3, 2011, and April 6, 2011, Ms. Bonnell provided \$335.00 to Respondents from a checking account via electronic withdrawal as payment for two months of premiums for the product marketed as health insurance and offered by Respondents.
 - (d) Respondents sold or caused to be sold a product represented to be insurance to Nebraska resident, Sandra J. Simon. Ms. Simon provided \$436.00 to Respondents as payment of for one month of premium for the product marketed as health insurance and offered by Respondents.

- (e) Respondents have been the subject of an Emergency Cease and Desist Order filed by the Commissioner of the Indiana Department of Insurance on or around July 14, 2011, entitled:

IN THE MATTER OF:

American Healthcare Plans, Inc.
d/b/a American Health
1314 E. Las Olas Blvd, Suite 721
Ft. Lauderdale, FL 33301

Steven Dorfman
c/o American Healthcare Plans, Inc.
1314 E. Las Olas Blvd, Suite 721
Ft. Lauderdale, FL 33301

Cause Number: 10468-CO11-0712-010

- (f) The Cease and Desist Order sets forth, in part, that Respondents transacted the unauthorized business of insurance in the State of Indiana by engaging in the sale, solicitation and/or negotiation of a product represented to be insurance to citizens of the State of Indiana. The Cease and Desist Order was finalized and remains in effect subject to further orders of the Insurance Commissioner of the State of Indiana.
- (g) In its motion for an Emergency Cease and Desist Order, the Enforcement Division of the Indiana Department of Insurance alleged Respondents offered insurance products via their website, www.ahcponline.com, to consumers in Indiana and elsewhere and that Respondents referred to themselves as a health insurance company.
- (h) The Respondents, allegations, and findings of fact set forth in the Indiana Cease and Desist Order are similar in content to the allegations set forth in detail in the Petition for Cease and Desist in this matter.
8. That the aforementioned acts described in Paragraph 7 are unlawful and constitute violations of the Unauthorized Insurers Act and the Insurance Producers Licensing Act and fall within the purview of the Department's authority to exercise powers authorized by law including the issuance of a summary order to cease and desist such activities pursuant to NEB. REV. STAT. § 44-2003(2);
9. That the Unauthorized Insurers Act, NEB. REV. STAT. § 44-2002(3)(a) provides that "[t]he failure of an insurer transacting insurance business in

this state to obtain a certificate of authority shall not impair the validity of any act or contract of such insurer and shall not prevent such insurer from defending any action at law or suit in equity in any court of this state, but no insurer transacting insurance business in this state without a certificate of authority shall be permitted to maintain an action in any court of this state to enforce any right, claim, or demand arising out of the transaction of such business until such insurer shall have obtained a certificate of authority;

10. And, finally, that NEB. REV. STAT. § 44-2002(3)(b) provides that “[i]n the event of failure of any such unauthorized insurer to pay any claim or loss within the provisions of any insurance contract, any person who assisted or in any manner aided directly or indirectly in the procurement of such insurance contract *shall be liable* to the insured for the full amount of the claim or loss in the manner provided by the provisions of such insurance contract.” (Emphasis added).

WHEREFORE, pursuant to the Nebraska Insurance Code, specifically NEB. REV. STAT. §§ 44-2003(2) and 44-4050, I, Bruce R. Ramage, do hereby find that the continued transaction of insurance by Respondents without a Certificate of Authority or appropriate producers license issued by the Department of Insurance, are violations of the Nebraska Insurance Code and, as such, constitute an immediate danger to the public welfare by placing the public in grave harm so as to necessitate this immediate issuance of an Order.

ACCORDINGLY, IT IS THEREFORE CONSIDERED, ORDERED AND ADJUDGED that Respondents shall immediately CEASE AND DESIST from transacting the business of insurance in this State including acting or holding themselves out as insurers exempt from regulation in this State or insurance producers, either directly or indirectly, whether under Respondents’ own names or any other name whatsoever used by any Respondent individually.

IT IS ORDERED that Respondents shall forthwith notify each and every Nebraska resident of the cessation of all insurance business because Respondents are unlicensed, that no additional premium funds or consideration will be accepted by Respondents from said Nebraska residents.

IT IS FURTHER ORDERED that Respondents shall add a disclaimer to any and all websites advertising Respondents products or services that said products and services “are not available in the State of Nebraska.”

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NOTICE OF RIGHTS

A hearing on this matter may be requested in writing within ten (10) business days after receipt of this Order as authorized under NEB. REV. STAT. § 44-2003(2). If a hearing is requested, the Director shall schedule a hearing within ten (10) business days after receipt of the request.

Dated this 4th day of January, 2012.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE,



BRUCE R. RAMGE
Director of Insurance

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing SUMMARY ORDER TO CEASE AND DESIST was served upon Respondents by certified mail, return receipt requested, on this 4th day of January, 2012, to the following:

American Healthcare Plans, Inc.
d/b/a American Health
d/b/a American HealthCare
1314 E. Las Olas Blvd, Suite 721
Ft. Lauderdale, FL 33301

and

Spiegel & Utrera P.A.
1820 SW 22 Street, 4 Fl.
Miami, FL 33145
Registered Agent for Respondent

Steven Dorfman
c/o American Healthcare Plans, Inc.
1314 E. Las Olas Blvd, Suite 721
Ft. Lauderdale, FL 33301

A handwritten signature in blue ink, reading "Tracy A. Shuker", written over a horizontal line.