

Mike Winsor
Montana State Auditor's Office
840 Helena Avenue
Helena, MT 59601
406-444-2040

Attorney for the Department of Insurance

**BEFORE THE COMMISSIONER OF SECURITIES AND INSURANCE
OFFICE OF THE STATE AUDITOR
STATE OF MONTANA**

IN THE MATTER OF:

)
) Case No. INS 2007-79
)

NATIONAL ALLIANCE OF ASSOCIATIONS,
a.k.a. NATIONAL TRADE BUSINESS
ASSOCIATION, a.k.a. NATIONAL
TRANSPORTATION BENEFITS ALLIANCE
ASSOCIATION, a.k.a. NATIONAL TRADE
BUSINESS ALLIANCE OF AMERICA, a.k.a.
ALLIANCE ASSOCIATION HEALTH, a.k.a
QUALIFIED ADMINISTRATIVE SPECIALISTS
OF AMERICA, a.k.a. AMERICAN EMPLOYERS
ASSOCIATION, a.k.a. NATIONAL ALLIANCE
HEALTHCARE, a.k.a. HEALTHCARE ALLIANCE,
a.k.a. ASSOCIATION HEALTH CARE
MANAGEMENT INC., a.k.a. ALLIANCE
HEALTH, a.k.a. AFFINITY HEALTH, a.k.a
AFFINITY ASSOCIATION GROUP, a.k.a.
NATIONAL ASSOCIATION OF PRIVATE
ENTERPRISE, a.k.a. ALLIANCE ASSOCIATION
HEALTH, a.k.a. NATIONAL ALLIANCE OF
ENTREPRENEURS;

)
) **CONSENT AGREEMENT AND FINAL**
) **ORDER FOR RESPONDENTS**
) **ACCESSONE CONSUMER HEALTH,**
) **INC., ROBERT FORTIER, CAREY**
) **DANIEL ADAMS, AND JULIAN**
) **STUART CRAWFORD**
)

PROFESSIONAL BENEFITS CONSULTANTS OF
DELAWARE, a.k.a. PROFESSIONAL BENEFITS
CONSULTANTS INC., a.k.a. PBC DIRECT, a.k.a.
PERSONAL BENEFITS CONSULTANTS INC.;

THOMAS J. SULLIVAN; JAMES DOYLE;
CHRISTOPHER ASHIOTES; ROBERT
FORTIER; MICHAEL B. ROBERTS; and DAWN
MAAHS; individually and/or in their capacities as
officers, directors or agents of the above-named
entities;

ACCESS ONE CONSUMER HEALTH INC.,

CAREY DANIEL ADAMS; and JULIAN STUART)
CRAWFORD; individually and/or in their capacities as)
officers, directors or agents of the immediately)
foregoing entities;)

SEBRITE AGENCY INC.; MINNESOTA E-BIZ;)
DIRECT SERVICES ASSOCIATION; DP HEALTH)
MANAGEMENT SERVICES LLC; WORLDWIDE)
INSURANCE AND REINSURANCE SERVICES INC.;)
PRO-TEC ADMINISTRATORS/ ENHANCEMENT)
SERVICES INC.; CONSUMER ALLIANCE USA,)
a.k.a CAUSA; PROFESSIONAL RISK AND ASSET)
MANAGEMENT INSURANCE SERVICES INC.;)
SMART DATA SOLUTIONS LLC;)

RICHARD RANDALL, JR.; TONY DENNIS; CODY)
KOTKE; RANDY TROLLOP; CHRIS NOVINGER;)
JOHN VANHARA; YAMIL D. EMEDAN;)
CHRISTOPHER HUMMER; CARMEN JOY; AL)
KLINE; DEREK A. SEIWERT; JERRY SARVADI,)
a.k.a GERALD SARVADI; MARK KUHL; SCOTT)
INTRAVIA; CAMERON STRONG; MICHAEL)
SACKETT and DAVID P. WILSON; BART POSEY;)
RICHARD BACHMAN; OBED KIRKPATRICK;)
individually and/or in their capacities as officers,)
directors or agents of the immediately foregoing entities;)

CONSOLIDATED WORKERS ASSOCIATION INC.;)
CLAIMS AND BENEFIT MANAGEMENT INC., a.k.a)
CLAIMS MANAGEMENT SERVICE, a.k.a CBM)
ADMINISTRATORS, a.k.a. CBMC;)
HEALTHCARE RECOVERY SYSTEMS, INC.;)
INTEGRATED HEALTH BENEFITS; NATIONAL)
ALLIANCE OF BENEFIT SERVICES)
ASSOCIATION; WALTER CECCHINI; BRAD)
WESSLER; individually and/or in their capacities as)
officers, directors or agents of the immediately)
foregoing entities;)

PAYLOGIX, LLC; RICHARD PFADENHAUER,)
and LEE DELORENZO, individually and/or in their)
capacities as officers, directors or agents of)
PAYLOGIX;)

Respondents.)

This Consent Agreement dated this 15th day of July, 2010, is between the Montana Insurance Department ("Department"), acting pursuant to Mont. Code Ann. § 2-4-603 and the authority of the Insurance Code, Mont. Code Ann. § 33-1-101, *et. seq.*, and AccessOne Consumer Health, Inc., Robert Fortier, Carey Daniel Adams, and Julian Stuart Crawford (referred to collectively herein as "Respondents").

RECITALS

WHEREAS, the Department issued a Notice of Proposed Agency Action and Opportunity for Hearing against the Respondents on September 3, 2009, alleging violations of the Montana Insurance Code, including, but not limited to violations of Mont. Code Ann. §§ 33-38-105 and 33-1-1301;

WHEREAS, the Allegations of Fact and Conclusions of Law contained in the Notice of Proposed Agency Action and Opportunity for Hearing are incorporated herein by reference;

WHEREAS, the Respondents neither admit nor deny the Allegations of Fact and Conclusions of Law contained in the Notice of Proposed Agency Action and Opportunity for Hearing; and

WHEREAS, the Department and the Respondents agree that the parties' best interests would be served by entering into the following specific agreement and undertakings set forth below.

NOW, THEREFORE, in consideration of the mutual undertakings established herein, the Department and the Respondents enter into the following:

AGREEMENT

1. The Respondents acknowledge the Commissioner of Securities and Insurance, Office of the State Auditor (the "CSI"), and the Department have jurisdiction over the subject matter of the above-entitled proceeding.

2. The Respondents acknowledge they were advised of their option to be represented by legal counsel, have consulted with legal counsel regarding this Consent Agreement, and are satisfied with the services of their legal counsel.

3. The Respondents acknowledge that they have read and understand each term of this Consent Agreement and they enter into this Consent Agreement voluntarily and without reservation.

4. The Respondents stipulate and agree with the Department that this Consent Agreement resolves alleged violations set forth in the Notice of Proposed Agency Action and Opportunity for Hearing.

5. The Respondents and the Department hereby acknowledge and agree that this Consent Agreement constitutes the entire agreement between the parties and that no other promises or agreements, either express or implied, have been made by the Department or by any member, officer, agent, or representative of the Department to induce the Respondents to enter into this Consent Agreement.

6. Any notice provided for in this Consent Agreement and any other communication between the Department and the Respondents are legally sufficient if given in the following manner:

(a) notice to the Department may be given by mailing the notice by United States mail, postage paid and addressed to the Department as follows:

Mike Winsor
Montana State Auditor's Office
840 Helena Avenue
Helena, MT 59601

(b) notice to Respondents may be given by mailing the notice by United States mail, postage paid and addressed as follows:

George R. Katosic, Esq.
300 North Coit Road, Suite 350

Richardson, TX 75080

(c) Either party shall give to the other party notice of change of address, or the substitution of counsel, for the giving of notices in the manner provided in this Consent Agreement, if applicable.

7. With respect to the Notice of Agency Action and Opportunity for Hearing, the Respondents specifically and affirmatively waive a contested case hearing and elect to resolve this matter on the terms and conditions set forth herein.

8. The Respondents fully and forever release and discharge the CSI, Department, and all Department employees and agents from any and all actions, claims, causes of action, demands, or expenses for damages or injuries, whether asserted or unasserted, known or unknown, foreseen or unforeseen, arising out of this administrative action and the Factual Allegations and Conclusions of Law incorporated by reference in this Consent Agreement.

9. The parties acknowledge and agree that this Consent Agreement may not be modified orally, and any subsequent modifications to this Consent Agreement must be mutually agreed upon in writing to be effective.

10. The Department and the Respondents agree that this Consent Agreement shall be incorporated into and made a part of the attached Final Order issued by the Commissioner herein.

11. The Respondents further understand that, upon the signing of the Final Order by the Commissioner or her representative, this Consent Agreement and Final Order will be an order of the CSI and failure to comply with it may constitute a separate violation of the Montana Insurance Code, as provided in Mont. Code Ann. § 33-1-318, and may result in subsequent legal action by the Department.

12. Upon execution of this Consent Agreement, full payment of an administrative penalty and full payment of contributions to Montana consumers as set forth in Paragraph 15 below, the Department will not commence any further administrative, civil, or other legal action based upon the allegations set forth in the Notice of Proposed Agency Action and Opportunity for Hearing that occurred prior to the execution of this Consent Agreement.

13. This Consent Agreement shall be effective upon signing of the Final Order.

14. The Respondents acknowledge that this Consent Agreement and Final Order are public records under Montana law and as such may not be sealed or otherwise withheld from the public.

15. The Department and the Respondents further agree as follows:

(a) Respondents have cooperated with the Department, ceased the sales of medical care discount cards in Montana, and agreed to cease and desist marketing, promoting, selling, or distributing medical care discount cards in Montana without first applying for and receiving a certificate of registration from the Department. Pursuant to Mont. Code Ann. § 33-38-105, Respondents may not apply for a certificate of registration until after five years have elapsed from the previous denial of a certificate of registration from this office and/or from any investigation for or finding of a violation of a statute or regulation in any jurisdiction.

(b) Within 60 days of the execution of this Consent Agreement and Final Order, Respondents shall make contributions to each of the Montana consumers identified in Exhibit "A," in the agreed aggregate amount of Nine Thousand Nine Hundred Eighty-Three Dollars (\$9,983.00), such contributions being greater than the One Hundred and Fifty-Eight Dollars (\$158.00) total gross receipts received by Respondents from the sale of medical care discount cards in Montana.

(c) Contribution payments shall be made directly to the consumers identified in Exhibit "A" attached hereto and in the amounts set forth therein. Respondents shall send said payments in any manner that can be traced including, but not limited to, certified mail or with delivery confirmation.

(i) Payment shall be accompanied by a letter to each consumer listed in Exhibit "A" notifying each consumer of the restitution she/he will receive. The letter must be approved by the Department prior to mailing. A copy of every letter sent shall be sent to the CSI no later than 30 days after mailing.

(ii) Copies of cancelled checks showing payment to each consumer identified in Exhibit "A" shall be sent to the CSI within 120 days of the execution of this Consent Agreement and Final Order. If a given contribution check is not cancelled within this 120 day period, the Respondents must so notify the Department and produce a copy of the contribution check and proof that the check was mailed.

(d) If any payment to a consumer listed in Exhibit "A" is returned as undeliverable, Respondents shall take or cause reasonable steps to be taken to locate that consumer. If thereafter, the consumer still is not located, a list of all consumers that have not been located must be provided to the Department, and all funds due or payable to those consumers whose last known address are in the state of Montana, but not deliverable, shall be delivered to the Montana Department of Revenue pursuant to the provisions of the "Uniform Unclaimed Property Act," Mont. Code Ann. § 70-9-801, *et seq.*, to be processed as set forth in that Act. The Respondents shall provide all available information as requested by the Montana Department of Revenue Administrator to handle the funds as unclaimed property. The Respondents shall deliver a report to the CSI no later than 180 days after the execution of this Consent Agreement and Final Order,

that details the amounts that were delivered to the Montana Department of Revenue Administrator for treatment as unclaimed property under the "Uniform Unclaimed Property Act."

(i) In the event Respondents fail to make payments as described above, or fail to timely provide proof of any such payments to the CSI, the suspended portion of the administrative penalty as set forth in Paragraph 15(e) below shall become immediately due and owing to the CSI.

(e) The Department and Respondents hereby stipulate and agree to the imposition of an administrative penalty upon the Respondents in the amount of Twenty Thousand Dollars (\$20,000.00), of which Ten Thousand (\$10,000.00) shall be permanently, fully, and completely suspended, subject to full and continuing performance of this agreement by the Respondents.

(i) The administrative penalty shall be due within ten days of the effective date of this Consent Agreement Order as set forth in Paragraph 13 above.

(ii) Checks should be payable to the Montana State Auditor's Office, and sent to the Commissioner of Securities and Insurance (CSI), Office of the Montana State Auditor, Attention: Mike Winsor, 840 Helena Avenue, Helena, Montana, 59601.

(iii) In the event that Respondents fail to make timely payment as set forth above in Paragraph 15(e)(i), substantially fail to fully perform their obligations under this Consent Agreement and Final Order, and/or violate the provisions of Mont. Code Ann. § 33-1-101, *et seq.*, the Respondents stipulate and agree to pay the suspended portion of the administrative penalty in the amount of Ten Thousand Dollars (\$10,000).

16. Additionally, the Respondents agree to refrain from engaging in the following conduct in the state of Montana without first applying for and being issued a certificate of registration by the Department:

(a) marketing, promoting selling or distributing medical care discount card products to or soliciting Montana residents by email, facsimile, telephone, mail, internet or any other means so as to induce Montana residents to purchase any form medical care discount card product under any of the identified business organizational titles or under any other name or organization; and

(b) engaging in any other act, practice, or course of business that violates any section of the Montana Insurance Code.

DATED this 15th July day of ~~June~~, 2010.



Mike Winsor
Attorney for the Department of Insurance

DATED this 7th July day of ~~May~~, 2010.

ACCESSONE CONSUMER HEALTH, INC.



By: _____

Its: President

STATE OF South Carolina
County of: Greenville : ss.

SUBSCRIBED and SWORN to before me this 7th day of July, 2010.



(Signature)

Alice T. Langford
(Printed name)

Notary Public for the State of: South Carolina

Residing at: Moore, SC

My Commission Expires ~~My~~ **Commission Expires**
April 20, 2015

DATED this 30th day of JUNE, 2010.

[Signature]
ROBERT FORTIER

STATE OF Texas)
County of: Tarrant) : ss.

SUBSCRIBED and SWORN to before me this 30th day of JUNE, 2010.



[Signature]
(Signature)

Brian James Smith
(Printed name)

Notary Public for the State of: Texas

Residing at: Lolloyville

My Commission Expires: 6-26-2011

DATED this 7th day of July, 2010.

[Signature]
CAREY DANIEL ADAMS

STATE OF South Carolina)
County of: Spartanburg) : ss.

SUBSCRIBED and SWORN to before me this 7th day of July, 2010.

[Signature]
(Signature)

Alice T. Langford
(Printed name)

Notary Public for the State of: SC

Residing at: More, SC

My Commission Expires: My Commission Expires April 20, 2015

DATED this 30 day of ^{June}~~May~~, 2010.


JULIAN STUART CRAWFORD

STATE OF South Carolina
County of: Greenville : ss.

SUBSCRIBED and SWORN to before me this 1 day of July, 2010.

Sheri M. Regan
(Signature)

Sheri M. Regan
(Printed name)

Notary Public for the State of: SC

Residing at: Greenville

My Commission Expires: 5-5-18

FINAL ORDER

Pursuant to the authority vested by Mont. Code Ann. § 2-4-603, and the Montana Insurance Code, Mont. Code Ann. § 33-1-101, *et seq.*, and upon review of the foregoing Consent Agreement and Final Order and good cause appearing therefor,

IT IS ORDERED that the foregoing Consent Agreement between the Insurance Department and the Respondents is hereby adopted as if set forth fully herein.

DATED this 5th day of JULY, 2010.

MONICA J. LINDEEN
Commissioner of Securities and Insurance

By: Robert W. Moon
ROBERT W. MOON
Deputy Commissioner of Insurance

cc: Mike Winsor, Insurance Department
Respondents

Exhibit A

NAA et al. – Cause No. INS-2007-70

Contribution Table

Last Name	First Name	Amount
[REDACTED]	[REDACTED]	\$ 863.00
[REDACTED]	[REDACTED]	\$1202.00
[REDACTED]	[REDACTED]	\$ 494.00
[REDACTED]	[REDACTED]	\$ 921.00
[REDACTED]	[REDACTED]	\$ 523.00
[REDACTED]	[REDACTED]	\$ 921.00
[REDACTED]	[REDACTED]	\$ 324.00
[REDACTED]	[REDACTED]	\$ 921.00
[REDACTED]	[REDACTED]	\$ 424.00
[REDACTED]	[REDACTED]	\$ 843.00
[REDACTED]	[REDACTED]	\$ 863.00
[REDACTED]	[REDACTED]	\$ 821.00
[REDACTED]	[REDACTED]	\$ 863.00
TOTAL		\$ 9983.00