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UTAH STATE  
INSURANCE DEPT.

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**BEFORE THE INSURANCE COMMISSIONER  
OF THE STATE OF UTAH**

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<p><b>COMPLAINANT:</b></p> <p>UTAH INSURANCE DEPARTMENT</p> <p><b>RESPONDENT:</b></p> <p>US HEALTHCARD LLC dba QUALIFIED HEALTH 827 Montgomery Street Brooklyn, NY 11213-5280 Utah Company Id. No. 169324</p>	<p><b>STIPULATION AND ORDER</b></p> <p>Docket No. 2012-110 HL</p> <p>Enf. Case No. 3177</p>
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**STIPULATION**

1. Respondent, US Healthcard LLC dba Qualified Health ("Qualified Health") is a non-resident health discount program marketer, Utah Company Identification No. 169324.
2. Respondent stipulates with the Complainant, Utah Insurance Department, as follows:
  - a. If a hearing were held, witnesses called by the Complainant could offer and introduce evidence that would support the Findings of Fact herein;

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- b. Respondent admits the Findings of Fact and Conclusions made therefrom;
- c. Respondent stipulates to the summary entry of the Order herein which shall be in lieu of other administrative proceedings by Complainant in this matter; and
- d. Respondent and Complainant have negotiated the terms of the Order entered herein and Respondent agrees to its entry and further agrees to be bound by all its terms.

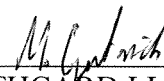
3. Respondent is aware of its right to a hearing at which it may be represented by counsel, present evidence and cross-examine witnesses. Respondent has irrevocably waived its right to such hearing and to any appeal related thereto.

4. Respondent admits the jurisdiction of the State of Utah Insurance Commissioner as to all matters herein.

5. Respondent is acting herein free from any duress or coercion of any kind or nature, having been advised fully as to its rights set forth herein.

6. Respondent acknowledges that the issuance of this Order by the Commissioner is solely for purpose of disposition of the matter entitled herein.

DATED this 13 day of July, 2012.

  
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US HEALTHCARD LLC dba QUALIFIED  
HEALTH  
Meyer Gutnick, President

  
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UTAH INSURANCE DEPARTMENT  
M. Gale Lemmon, Assistant Attorney General

Based upon the foregoing Stipulation and information in the file, the Presiding Officer makes the following Findings of Fact:

**FINDINGS OF FACT**

1. On December 14, 2011, the Utah Insurance Department was notified that a complaint had been filed against Respondent with the Utah Department of Commerce, Division of Consumer Protection.
2. Upon review of Department records, it was determined that Respondent did not hold an active Health Discount Program Marketer License. Respondent had previously been licensed, but its license was inactivated for non-renewal due to Respondent's failure to pay the renewal fee due in December 2010.
3. On January 25, 2012, the Division of Consumer Protection again contacted the Department to inform it of the resolution of their investigation of Respondent.
4. On or around May 1, 2012, the Department contacted the Respondent and requested information regarding its activities in Utah and its failure to renew its license.
5. On May 14, 2012, Respondent provided an explanation as requested. Respondent stated that it had ceased accepting business from Utah; and that they desired to be appropriately licensed. An application for a Health Discount Program Marketer License with all the required attachments was included with Respondent's May 14, 2012 explanation.
6. The Department reviewed and approved Respondent's application for license, effective May 14, 2012.
7. On May 21, 2012, Respondent agreed to an administrative forfeiture in the amount of \$1,500.00 and probation for a period of twelve (12) months.

Based upon the foregoing Stipulation and Findings of Fact, the Presiding Officer enters the following Conclusions of Law:

**CONCLUSIONS OF LAW**

1. Utah Code Ann. § 31A-8a-201 states in part as follows:

(1) Except as provided in Subsection 31A-8a-103(3), prior to operating a health discount program, as person shall:

- (a) be authorized to transact business in this state; and
- (b) be licensed by the commissioner.

2. Respondent violated the above when it conducted business in Utah as a Health Discount Program Marketer without a valid license.

3. An administrative forfeiture in the amount of \$1,500.00 and probation for twelve months is appropriate in this matter.

Based upon the foregoing Stipulation, Findings of Fact, and Conclusions of Law, the Presiding Officer herewith enters the following Order:

**ORDER**

IT IS HEREBY ORDERED:

1. Respondent, US Healthcard LLC dba Qualified Health is assessed an administrative forfeiture in the amount of \$1,500.00. The forfeiture shall be paid to the Department within 30 days of the date of this Order.

2. Respondent's license is placed on probation for a period of twelve months commencing with the date of this Order. The terms of probation are that Respondent shall make timely payment of the forfeiture and shall have no further violations of Utah statutes, Department

rules, or any order of the Commissioner.

DATED this 17<sup>th</sup> day of July, 2012.

NEAL T. GOOCH  
Insurance Commissioner



Handwritten signature of Mark E. Kleinfeld in cursive script, written over a horizontal line.

MARK E. KLEINFELD  
Administrative Law Judge  
Utah Insurance Department  
State Office Building , Room 3110  
Salt Lake City, UT 84114  
Telephone: (801) 538-3800

**NOTIFICATION**

You are hereby notified that a failure to obey and Order of the Commissioner may subject you to further penalties, including forfeiture of up to \$5,000.00 per violation and the suspension or revocation of your license and the filing of an action in district court, which may impose forfeitures of up to \$10,000.00 per day for continued violation.

You are further notified that other jurisdictions in which you may be licensed may require that you report this action to them.