

GARY D. JOSEPHSON #5299  
Assistant Attorney General  
SEAN D. REYES #7969  
Attorney General  
PO Box 140874  
Salt Lake City, UT 84114-0874  
Telephone: 801-366-0375  
gjosephson@utah.gov

Attorneys for Utah Insurance Department

---

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

---

<p>UTAH INSURANCE DEPARTMENT,  Complainant,  v.  MBA BENEFIT ADMINISTRATORS, INC. PO BOX 57340, Salt Lake City, UT 84157 License Number 4144  Respondent.</p>	<p><b>STIPULATION AND ORDER</b></p> <p>Docket No. 2016-084 LC</p> <p>Enf. Case No. 3797</p> <p>Gregory Soderberg, J.D. Administrative Law Judge Utah Insurance Department</p>
---	---

---

**STIPULATION**

The Utah Insurance Department (“Department”), by and through its legal counsel, Gary D. Josephson, and MBA Benefits Administrators (“Respondent”), by and through its Vice President, Vince Klingler, hereby stipulate and agree as follows:

1. Respondent is an active licensed Third Party Administrator in the State of Utah, with an address of PO Box 57340, Salt Lake city, UT 84157. Respondent’s License Number is 4144.

2. The Department has jurisdiction over the parties and subject matter of this administrative action.

3. Respondent acknowledges notice of agency action pursuant to Utah Code § 63G-4-201; acknowledges that this Stipulation and Order is an informal proceeding pursuant to Utah Code Section 63G-4-202; and irrevocably waives the right to any hearing, review or appeal concerning this matter.

4. Respondent acknowledges its right to be represented by legal counsel in this matter and has either sought the advice of legal counsel or waived its right to do so.

5. This signed Stipulation, along with any Findings of Fact and Conclusions of Law, shall not be subject to any reconsideration, renegotiation, modification, hearing or agency review or appeal.

6. The Findings of Fact and Conclusions of Law presented below are accepted by the parties.

7. The issuance of the signed and adopted Order proposed below is solely for the purpose of disposing of the specific matter entitled herein.

8. The only promises, agreements and understandings that the parties have regarding this matter are contained in this Stipulation.

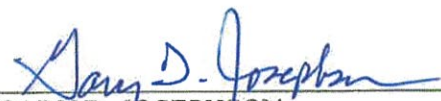
9. Respondent enters into this Stipulation voluntarily, knowingly, and free from any coercion of any kind.

10. The persons signing this Stipulation on behalf of the named parties hereby affirm that they are authorized to sign and bind the parties.

Dated this 7 day of July, 2016.

  
\_\_\_\_\_  
Vince Klingler, Vice President  
MBA BENEFIT ADMINISTRATORS, INC.

Dated this 7<sup>th</sup> day of July, 2016.

  
\_\_\_\_\_  
GARY D. JOSEPHSON,  
Assistant Attorney General  
UTAH DEPARTMENT OF INSURANCE

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

**FINDINGS OF FACT**

1. In the course of a separate Department investigation of a licensed insurance company, the investigator noted that that company was utilizing Respondent as a third party administrator. When a verification of Respondent's license was undertaken, it was discovered that Respondent's license had lapsed on February 29, 2016, for failure to renew.
2. Although the Department generated an inactivation notice to Respondent shortly after the license had lapsed, Respondent's did not reinstate its license until April 11, 2016.
3. When contacted by the Department, Respondent admitted it acting in the capacity of third party administrator during the time of the lapsed license.
4. It was also discovered that, prior to the 2016 license lapse, Respondent had allowed its license to lapse two other times.

5. On June 22, 2016, Respondent agreed to \$5,000.00 recommended forfeiture.

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

### **CONCLUSIONS OF LAW**

1. Utah Code Section 31A-25-201 states: "(1) A person may not perform, offer to perform, or advertise any service as a third party administrator in Utah, without a valid license under Section 31A-25-203 and express authority from all insurers it represents."
2. Respondent violated the above cited statute when it conducted business as a third party administrator during a period when its license was lapsed.
3. An administrative forfeiture in the amount of \$5,000.00 recommended by the Department and agreed to by the Respondent is appropriate under the circumstances.

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

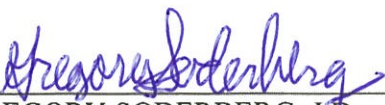
### **ORDER**

#### **IT IS HEREBY ORDERED:**

1. Respondent, MBA Benefit Administrators, Inc., is hereby assessed an administrative forfeiture in the amount of \$5,000.00 to be paid to the Department within thirty (30) days of the date this Order is signed.

DATED this 7<sup>th</sup> day of July, 2016.

TODD E. KISER  
Insurance Commissioner

  
\_\_\_\_\_  
GREGORY SODERBERG, J.D.  
Administrative Law Judge  
Utah Department of Insurance  
State Office Building, Room 3110  
Salt Lake City, UT 84114  
Telephone (801) 538-3800

**NOTIFICATION TO RESPONDENT**

You are hereby notified that a failure to obey an Order of the Commissioner may subject you to further penalties, including forfeitures of up to \$5,000 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 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.