

HELEN A. FROHLICH #8814
Assistant Attorney General
SEAN D. REYES #7969
Attorney General
Attorneys for Utah Insurance Department
160 East 300 South, 5th Floor
P.O. Box 140874
Salt Lake City, Utah 84114-0874
Telephone: (801)366-0375
Email: hfrohlich@agutah.gov

BEFORE THE UTAH INSURANCE COMMISSIONER

<p>UTAH INSURANCE DEPARTMENT, Complainant, vs. EBIX HEALTH ADMINISTRATION EXCHANGE INC., Respondent.</p>	<p>NOTICE OF AGENCY ACTION AND ORDER Docket No. 2018-4063 Lisa Watts Baskin Presiding Officer</p>
--	---

NOTICE OF AGENCY ACTION

The Utah Insurance Department (“the Department”) commences this agency action against Respondent Ebix Health Administration Exchange, Inc. (“Respondent”) pursuant to Utah Code §§ 31A-2-201 and 63G-4-201 through 203 and to Utah Admin. Code R590-160.

This agency action is based on the facts and law set forth in the attached Declaration and is designated as an informal adjudicative proceeding pursuant to Utah Code § 63G-4-202(1) and Utah Admin Code R590-160-4 and 7.

ORDER

Based on the facts and the law set forth in the attached Declaration, and good cause appearing, the Utah Insurance Commissioner orders as follows:

1. Respondent shall forfeit to the Department the amount of \$2,500.00.
2. Pursuant to Utah Code§ 63G-4-203(1)(i) and Utah Admin. Code R590-160-7(1), this informal adjudicative proceeding shall be deemed closed, and this Order shall become final and take full effect, 15 days after this Notice of Agency Action and Order is emailed to Respondent unless a request for a hearing on this matter is received from Respondent prior to that date.
3. A request for a hearing shall be sent by email to uidadmincases@utah.gov or by U.S. mail to Office of the Administrative Law Judge, Utah Insurance Department, 3110 State Office Building, Salt Lake City, UT 84114. The request for hearing shall be signed by the person making the request and shall state the basis for the relief requested.
4. If you fail to request a hearing you will be bound by this Order. Failure to request a hearing will be deemed a failure to exhaust administrative remedies and will preclude any further administrative or judicial review or appeal of this matter.

DATED this 28th day of December, 2018.

TODD E. KISER
Utah Insurance Commissioner

/s/ Lisa Watts Baskin
LISA WATTS BASKIN
Presiding Officer
Utah Insurance Department
3110 State Office Building
Salt Lake City, UT 84114
801-538-3800
Email: uidadmincases@utah.gov

NOTICE REGARDING ENFORCEMENT OF THE ORDER

Failure to obey the Order may subject you to further penalties that include forfeitures of up to \$2,500 per violation, license suspension or revocation, further enforcement action before the Utah District Court where forfeitures of up to \$10,000 may be imposed. If you are licensed in other jurisdictions, you may be required to report this proceeding to those jurisdictions.

DECLARATION

Under criminal penalty of Utah law, I, Bill Stimpson, declare the following:

1. I am currently employed as a Market Conduct Examiner with the Utah Insurance Department where my responsibilities include investigating and enforcing Utah insurance laws.
2. I submit this Declaration as the basis for issuing the Notice of Agency Action and Order against Ebix Health Administration Exchange, Inc. to which this Declaration is attached.
3. Based on my personal knowledge and/or based on the facts appearing in the Department's records and files, the following facts are true:
 - a. Ebix Health Administration Exchange is a TPA affiliate of Fidelity Security Life Insurance Company ("FSL") with a Third Party Administrator license no. #432470.
 - b. On or about October 6, 2017, a complaint was filed with the Department regarding a claim for dental services on April 4, 2017.
 - c. The dental office received multiple notifications that the claim was under review, but 6 months later, the claim had not been paid.
 - d. On October 20, 2017, FSL responded to the Department's request for information and indicated that a computer system issue involving the coding of the service had prevented the claim from being timely processed.
 - e. The claim was processed and a check was mailed to the dental office on October 13, 2017.
 - f. In 2016, the Department received a complaint from the same dental office regarding the same insured. Ebix delayed processing three claims due to an unexplained clerical error.

4. The above declared facts demonstrate that the following Utah insurance law(s) were not complied with:

a. Respondent violated Utah Code § 31A-26-301(1)(a) by failing to timely pay a valid claim.

b. Respondent violated Utah Code § 31A-26-301.6(3) by failing to timely pay a valid claim.

5. Based on Utah Code § 31A-2-308 and other similar enforcement cases, the proper forfeiture for the violations should be \$2,500.00.

DATED this 19 day of Dec 2018.



Bill Stimpson, Market Conduct Examiner
Utah Insurance Department