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BEFORE THE UTAH INSURANCE COMMISSIONER

<p>UTAH INSURANCE DEPARTMENT, Complainant, vs. NATHAN BEESON, and HEALTHCARE SOLUTIONS INC., Respondents.</p>	<p style="text-align: center;">NOTICE OF AGENCY ACTION AND ORDER</p> <p>Docket No. 2022-4402</p> <p>Donald H. Hansen Administrative Law Judge/Presiding Officer</p>
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NOTICE OF AGENCY ACTION

The Utah Insurance Department (“the Department”) commences this agency action as an informal adjudicative proceeding against Nathan Beeson and HealthCare Solutions Inc., (“Respondents”) 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 -8.

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 Nathan Beeson’s Utah resident producer individual insurance license number 598468 and 888903 (not active), are revoked.

2. Respondent HealthCare Solutions Inc.’s non-resident producer organization license number 855465 is revoked.

3. Pursuant to Utah Code § 63G-4-203(1)(i) and Utah Admin. Code R590-160-8(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 the Respondents unless a request for a hearing on this matter is received from the Respondents prior to that date.

4. A request for a hearing shall be in writing and sent by email to uidadmindcases@utah.gov or by U.S. mail to Office of the Administrative Law Judge, Utah Insurance Department, 4315 S. 2700 W., Suite 2300, Taylorsville, UT 84129. The request for hearing shall be signed by the person making the request and shall state the basis for the relief requested.

4. Failure to request a hearing will result in the Respondents being bound by this Order. Failure to request a hearing will be deemed a failure to exhaust administrative remedies and will

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preclude any further administrative or judicial review or appeal of this matter.

DATED this 18th day of October, 2022.

JONATHAN T. PIKE
Utah Insurance Commissioner

/s/ Donald H. Hansen
DONALD H. HANSEN
Administrative Law Judge/Presiding Officer
Utah Insurance Department
4315 S. 2700 W., Suite 2300
Taylorsville, UT 84129
Telephone: 801-957-9321
Email: uidadmincases@utah.gov

NOTICE REGARDING ENFORCEMENT OF THE ORDER

Failure to obey this Order may subject you to further penalties that include a forfeiture of up to \$5,000 per violation, with each day of the violation constituting a separate violation. Other penalties for failing to obey this Order may include license suspension, probation, refusal to renew, or revocation. Failure to obey this Order may also result in an action taken against you in a court of competent jurisdiction where forfeitures of up to \$10,000 for each day the failure to comply continues until judgment is rendered. If you are licensed in other jurisdictions, you may be required to report this proceeding in those jurisdictions.

DECLARATION

Under criminal penalty of Utah law, I, Carrie Backus, declare the following:

1. I am currently employed as a Market Conduct Examiner with the Utah Insurance Department (“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 Nathan Beeson and HealthCare Solutions, Inc. (“Respondents”) 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. Respondent Nathan Beeson holds a Utah resident producer individual insurance license with accident and health or sickness and life representative lines of authority, Utah license number 598468 and 888903 (not active).
- b. Respondent HealthCare Solutions Inc., is a Wyoming corporation, 100% owned and managed by Respondent Nathan Beeson, which holds non-resident producer organization license number 855465.
- c. Respondent Beeson applied for and obtained a Utah resident producer individual insurance license on December 7, 2016, Utah license number is 598468. The license was scheduled to expire on October 31, 2021.
- d. On October 21, 2021, ten days before his resident license was set to expire, Respondent Beeson voluntarily surrendered his Utah resident producer individual

insurance license and applied for and was issued a nonresident producer individual insurance license, license number 888903.

e. On November 4, 2021, after being denied a Wyoming resident producer license, Respondent Beeson allowed his Utah nonresident license to lapse and requested reinstatement of his Utah resident producer individual insurance license.

f. On November 10, 2021, Respondent Beeson was reissued his Utah resident producer individual insurance license, Utah license number 598468.

g. In Spring 2022, the Department learned about a 2017 civil action taken against the Respondent Beeson, as well as businesses owned by Respondent Beeson, filed in the United States District Court for Utah, Case No. 2:17-cv-00506-RJS. The complaint was brought against Respondent Beeson by the Federal Trade Commission (FTC) for deceptive and abusive marketing practices that included violations for unfair or deceptive acts or practices affecting commerce; misrepresentations or deceptive omissions of material fact; violations of the FTC Act, 15 U.S.C. § 45 in connection with telemarketing; and violations of the FTC's trade regulation rule entitled Telemarketing Sales Rule ("TSR"), 16 C.F.R. Part 310, in the operation of a telemarketing scheme offering consumers purported business coaching services and products. The complaint alleged that consumers suffered substantial injury and that the defendants reaped unjust enrichment.

h. Respondent Beeson, neither admitting or denying any of the allegations in the complaint, entered into a Stipulated Order for Permanent Injunction and Monetary Judgment on June 7, 2017. Respondent Beeson was ordered to pay a Judgment in the

amount of Ten Million and Five Hundred thousand Dollars (\$10,500,000) in favor of the Commission against the Settling Defendants, jointly and severally, as equitable monetary relief.

i. Respondent Beeson failed to immediately report to the commissioner the civil action he was named or involved in, and the resulting judgment and injunction entered against him based on conduct involving fraud, deceit, misrepresentations, or a violation of an insurance law or rule as required by Utah Code Ann. § 31A-23a-111(7)(c).

j. On June 11, 2021, Respondent HealthCare Solutions, Inc., through Respondent Beeson, obtained non-resident producer organization license number 855465. Respondents failed to report to the commissioner the civil action and resulting judgment and injunction at the time of the application.

k. On April 27, 2022, in response to the Department's April 4, 2022, request for information, Respondent Beeson, through his attorney, indicated that because he neither admitted or denied the allegations and there was no finding of fault in this case, the Respondents did not believe the civil proceeding had to be reported to the Department.

l. Subsequent to the initial investigation, the Department learned that Respondent Beeson's Wyoming non-resident producer license had been revoked by the Wyoming Insurance Department on September 21, 2022. The revocation was based on allegations that include providing incorrect, misleading, incomplete, or materially untrue information in Respondent Beeson's license application, obtaining or attempting to obtain a license through misrepresentation or fraud, and using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial

irresponsibility in the conduct of business. To date, both Respondents have failed to immediately report this revocation to the Department as required by Utah Code § 31A-23a-111(7)(a) and(b).

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

- a. Utah Code § 31A-23a-111(5)(b)(i), by being unqualified for a license under Utah Code § 31A-23a-104, 105, or 107;
- b. Utah Code § 31A-23a-111(5)(b)(ii), by violating an insurance statute or rule as outlined herein;
- c. Utah Code § 31A-23a-111(5)(b)(xvi) in the conduct of business in this state or elsewhere uses fraudulent, coercive, or dishonest practices; or demonstrates incompetence, untrustworthiness, or financial irresponsibility;
- d. Utah Code § 31A-23a-111(5)(b)(xxiv), by engaging in a method or practice in the conduct of business that endangers the legitimate interests of customers and the public;
- e. Utah Code § 31A-23a-111(7)(c) by failing to immediately report to the commissioner a judgment or injunction entered against that person, based on conduct involving fraud, deceit, misrepresentation or a violation of an insurance law or rule.
- f. Utah Code § 31A-23a-111(7)(a) and (b) by failing to immediately report to the commissioner a revocation, suspension, or limitation of the person's license in another state or the imposition of a disciplinary sanction imposed on that person by another state.

5. Based on Utah Code §§ 31A-2-308, 31A-23a-111 and other similar enforcement cases,
the Respondents' insurance licenses should be revoked.

DATED this 12th day of October, 2022, at Salt Lake City, Salt Lake County, Utah.

/s/ Carrie Backus

Carrie Backus, Market Conduct Examiner
Utah Insurance Department

CERTIFICATE OF SERVICE

The undersigned hereby certifies that on this date a true and correct copy of the foregoing Notice of Agency Action and Order, with the Declaration attached to it, was emailed to:

Nathan Beeson
[REDACTED]

HealthCare Solutions Inc.
[REDACTED]

Jon M. Hogelin
Attorney for the Respondents
[REDACTED]

and

Carrie Backus
Utah Insurance Department
[REDACTED]

DATED this 18th day of October, 2022.

/s/ Jeanine Couser
Jeanine Couser
Utah Insurance Department
4315 S. 2700 W., Suite 2300
Taylorsville, UT 84129
801-957-9321