

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

Proceedings by the Commissioner of)
Banking and Insurance, State of New)
Jersey, to fine A and E Billing) **CONSENT ORDER**
Services Corporation and Ernesto
Berdu

TO: A and E Billing Services Corporation
1139 E. Jersey Street, Suite 618
Elizabeth, New Jersey 07201

Ernesto Berdu
826 Pearl Street, Apt. 2
Elizabeth, New Jersey 07202

THIS MATTER, having been opened by the Commissioner of Banking and Insurance ("Commissioner"), State of New Jersey, upon information that A and E Billing Services Corporation and Ernesto Berdu (collectively, "Respondents"), may have violated various provisions of the insurance laws of the State of New Jersey; and

WHEREAS, Respondents are subject to the provisions of N.J.S.A. 17B:27B-1 to -25; and

WHEREAS, pursuant to N.J.S.A. 17B:27B-1, a third-party billing service is defined as a person or entity that is paid by a health care provider to process claims or claims payments on behalf of the health care provider; and

WHEREAS, pursuant to N.J.S.A. 17B:27B-16 and N.J.A.C. 11:23-5.1(a), on and after January 1, 2002, no person shall act as, offer to act as or hold himself out to be a third-party billing service without being certified by the Commissioner; and

WHEREAS, pursuant to N.J.A.C. 11:1-12.2(a), active officers shall be individually responsible for all insurance related conduct of the corporate licensee; and

WHEREAS, pursuant to N.J.A.C. 11:23-5.1(b), all third party billing services shall obtain certification prior to operating in this State; and

WHEREAS, pursuant to N.J.S.A. 17B:27B-24, any third party billing service that violates N.J.S.A. 17B:27B-16 is subject to a civil administrative penalty in the amount not less than \$250 but no more than \$5,000 for each day that a third-party billing service is in violation of the Act; and

WHEREAS, the Commissioner issued Order to Show Cause E23-10 ("OTSC E23-10") on February 17, 2023, alleging violations of New Jersey insurance laws by Respondents as set forth in the following Counts:

COUNT ONE

IT APPEARING THAT, A and E Billing Services Corporation was originally incorporated in New Jersey on May 21, 2006; and

IT FURTHER APPEARING THAT, A and E Billing Services Corporation commenced

business as a third party billing service in New Jersey on or about December 13, 2007; and

IT FURTHER APPEARING THAT, Ernesto Berdu ("Berdu") is the sole owner of A and E Billing Services Corporation; and

IT FURTHER APPEARING THAT, as the sole owner of A and E Billing Services Corporation, Berdu knew of and/or directed the illegal acts alleged herein and is thus liable for the violations for that reason and under N.J.A.C. 11:1-12.2(a); and

IT FURTHER APPEARING THAT, between December 2007 and the present, Respondents have acted as a third party billing service in New Jersey; and

IT FURTHER APPEARING THAT, between December 2007 and February 2022, while not certified as a third party billing service, Respondents performed third party billing services for at least twelve (12) clients in New Jersey; and

IT FURTHER APPEARING THAT, on February 4, 2022, A and E Billing Services Corporation submitted an application for certification as a third party billing service to the Commissioner; and

IT FURTHER APPEARING THAT, A and E Billing Services Corporation was certified by the Commissioner as a third party billing service on July 28, 2022; and

IT FURTHER APPEARING THAT, A and E Billing Services Corporation acted as a third party billing service in New Jersey when it was not certified as a third party billing service from December 13, 2007, to February 4, 2022, for a period of 5,167 days; and

IT FURTHER APPEARING THAT, because Respondents acted as a third-party billing service without the required certification,

they violated N.J.S.A. 17B:27B-16, N.J.A.C. 11:23-5.1(a), and N.J.A.C. 11:23-5.1(b); and

WHEREAS, Respondents were given notice of the aforesaid allegations and an opportunity to contest them at a hearing; and

WHEREAS, Respondents admit and take responsibility for the violations of the above-cited statutes and regulations; and

WHEREAS, this matter should be resolved upon the consent of the parties without resort to a formal hearing on the aforementioned violations; and

WHEREAS, Respondents have waived their rights to a hearing; and

NOW, THEREFORE, IT IS on this 4th day of April, 2024,

ORDERED that Respondents shall pay a civil penalty of five thousand dollars (\$5,000.00); and

IT IS FURTHER ORDERED AND AGREED, that any future violation of the Act shall be considered a subsequent violation; and

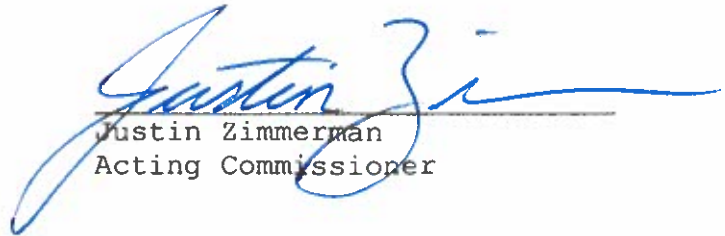
IT IS FURTHER ORDERED AND AGREED, that the \$5,000 shall be paid by wire transfer, certified check, cashier's check or money order made payable to the "**Commissioner, New Jersey Department of Banking and Insurance**" and the full amount shall be paid immediately upon execution of this Consent Order by Respondents; and

IT IS FURTHER ORDERED AND AGREED, that this signed Consent Order, together with the payment of \$5,000.00, shall be remitted to:

Chandra M. Arkema, Deputy Attorney General
State of New Jersey, Division of Law
R.J. Hughes Justice Complex
25 Market Street
P.O. Box 117
Trenton, New Jersey 08625


IT IS FURTHER ORDERED AND AGREED, that Respondents are currently, and have been since 2022, duly certified and shall not engage in third-party billing services without the required certification; and

IT IS FURTHER ORDERED AND AGREED, that the provisions of this Consent Order represent a final agency decision and constitute final resolution of the violations contained herein.


Justin Zimmerman
Acting Commissioner

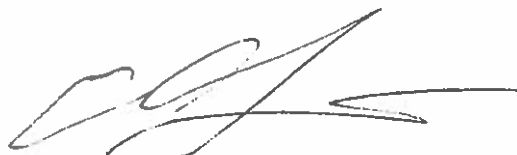
**Consented to as to
Form, Content and
Entry:**

Date: 01/24/2024


Ernesto Berdu, Individually and
as Owner of A and E Billing
Services Corporation

Date: _____

1/30/24



Alexandra Garcia-Watts, Esq.
Counsel for Respondents

MATTHEW J. PLATKIN
ATTORNEY GENERAL OF NEW JERSEY

Date: _____

2/2/24



Chandra M. Arkema
Deputy Attorney General
Attorney for the New Jersey
Department of Banking and
Insurance