

C. Health Network America, Inc. (“HNA”) was licensed to operate as a third party administrator in New Jersey on July 22, 2005; and

D. By letter dated December 3, 2013 the Department advised HNA that it was required to file 2013 audited financial statement with the Department by June 2, 2014; and

E. HNA failed to file a 2013 audited financial statement on or before June 2, 2014, which failure has continued to date; and the Department communicated with HNA about its defalcation as follows:

1. The Department e-mailed HNA on June 3, 2014 to advise that it was granted an extension until June 30, 2103 to file a 2013 audited financial statement.; and

2. On July 16, 2014 HNA e-mailed the Department advising that its financial statements were not complete and requested an additional extension until July 31, 2014, which the Department granted by e-mail of July 9, 2014; and

3. On August 7, 2014 the Department e-mailed HNA and advised that it had not received the 2013 audited financial statement that was due on July 31, 2014; and

4. On August 13, 2014 the Department e-mailed HNA advising that it did not receive a message to its August 7, 2014 e-mail or to voice-mail messages; and

5. By e-mail dated August 13, 2014, HNA advised that its financial statements are included in the consolidated statements of its parent whose statements have been delayed. HNA advised that it expected to file a 2013 audited financial statement with the Department by September 15, 2014; and

6. By e-mail of August 14, 2014 the Department granted HNA a third extension until September 15, 2014 for the filing of the audited 2013 financial statement of HNA's parent; and

7. By e-mail of September 15, 2014 HNA advised that there had been a further delay in the issuance of the 2013 consolidated financial statement; and

8. By e-mail of September 15, 2014, the Department advised HNA that the 2013 audited financial statement was then 3 ½ months late; and

9. By e-mail of October 21, 2014, the Department advised HNA that the 2013 audited financial statement was now 141 days late and must be received by October 24, 2014; and

10. By e-mail of October 29, 2013 the Department advised HNA that it was granted a final extension until November 12, 2014 to submit the 2013 audited financial statement; and

E. HNA has not filed a 2013 audited financial statement with the Department and such statement is now over 175 days late; and

NOW THEREFORE IT IS ON this 17TH day of November, 2014

ORDERED that pursuant to N.J.S.A. 17B:27B-14(d), N.J.S.A. 17B:27B-24 and N.J.A.C. 11:23-4.1(a) 4;

1. The third party administrator license issued to HNA is hereby revoked, subject to retroactive reinstatement pursuant to the conditions set forth in paragraph 2 below.

2. The third party administrator license issued to HNA may be reinstated retroactive to the date of issue provided that:

- a. HNA files a 2013 audited financial statement with the Department within 30 days of the date of this Order; and
- b. HNA pays a fine of \$5,000 in one lump sum, made payable by check or money order to "Treasurer, State of New Jersey," within 30 days of the date of this Order, sent to the attention of Gale Simon, Assistant Commissioner, Consumer Protection Services, Department of Banking and Insurance, P. O. Box 329, Trenton, NJ 08625-0329.

3. If HNA wishes to request an administrative hearing, it shall submit its request in writing no later than 30 days following the date of this Order to Gale Simon, Assistant Commissioner, Consumer Protection Services, Department of Banking and Insurance, P. O. Box 329, Trenton, NJ 08625 or by faxing the hearing request to the Department at (609) 292-5337. The request shall include:

- (a) The name, address, daytime telephone number and fax number of a contact person of the third party administrator familiar with the matter;
- (b) A statement requesting a hearing; and
- (c) A concise statement with a separate response to each of the specified facts set forth in this Order disputed by HNA, describing the basis for HNA's contention that such findings of fact set forth are erroneous.

4. If no hearing is requested within 30 days of the date of this Order, this Order constitutes a final agency decision and becomes effective immediately on that date. Any appeals from this Order must be filed with the New Jersey Superior Court, Appellate Division within 45 days from that date.

5. Questions by HNA regarding this Order may be directed to Tim Stroud,
Insurance Examiner, Office of Solvency Regulation.



Peter L. Hartt
Acting Director of Insurance