

STATE OF NEW JERSEY  
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

Proceedings by the Commissioner of	)	
Banking and Insurance, to fine, suspend	)	CONSENT
and/or revoke the third party administrator	)	ORDER
license of Boon-Chapman Benefit	)	
Administrators Inc.	)	

THIS MATTER, having been opened by the Commissioner of Banking and Insurance ("Commissioner"), State of New Jersey, upon information that Boon-Chapman Benefit Administrators Inc. ("Boon") may have violated provisions of the insurance laws of the State of New Jersey; and

WHEREAS, Boon is licensed as a third party administrator pursuant to N.J.S.A. 17B:27B-4; and

WHEREAS, Boon is subject to the statutes governing third party administrators, N.J.S.A. 17B:27B-1 to -25, and to the regulations governing third party administrators, N.J.A.C. 11:23-1.1 to -4.3; and

WHEREAS, pursuant to N.J.S.A. 17B:27B-13, entities licensed as third party administrators are required to file an annual report with the Commissioner for the preceding calendar year in a form and manner prescribed by the Commissioner; and

WHEREAS, pursuant to N.J.A.C. 11:23-3.8, a third party administrator must file by June 1 of each year an annual report for the preceding calendar year consisting of an audited financial statement and unaudited information together with a \$100 filing fee. The unaudited information

shall contain the complete names and addresses of all benefits payers with which the third party administrator had a contract in effect during the preceding calendar year and the status of all contracts in effect in the previous year; and

WHEREAS, pursuant to N.J.S.A. 17B:27B-14(d), the Commissioner may suspend or revoke the license of a third party administrator who has violated any lawful rule or order of the Commissioner or any provision of State law; and

WHEREAS, pursuant to N.J.S.A. 17B:27B-24, the Commissioner may impose a civil administrative penalty in an amount not less than \$250 nor more than \$5,000 for each day that a third party administrator is in violation of N.J.S.A. 17B:27B-1 to -25; and

WHEREAS, on October 10, 2018 the Department issued Order to Show Cause E18-104 against Boon alleging that Boon failed to file its 2017 annual report; and

WHEREAS, Boon filed its 2017 annual report on October 18, 2018;

WHEREAS, cause does exist under N.J.S.A. 17B:27B-24 to impose a civil penalty for the violation of N.J.S.A. 17B:27B-13 and N.J.A.C. 11:23-3.8; and

WHEREAS, Boon has waived its right to a hearing in this matter and consents to imposition of a civil penalty in the amount of ten thousand dollars (\$10,000.00); and


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

NOW THEREFORE IT IS ON this 5th day of November 2018

ORDERED AND AGREED, that Boon shall pay a civil penalty of \$10,000.00 upon its execution of this Consent Order. The payment shall be made by a certified check or money order, made payable to "State of New Jersey – General Treasury" and shall be sent to Tim Stroud,

Insurance Examiner II, Office of Solvency Regulation, Department of Banking and Insurance, P.  
O. Box 325, Trenton, NJ 08625-0325; and

IT IS FURTHER ORDERED AND AGREED, that this Consent Order represents a final  
agency decision and constitutes a final resolution of the allegations of this Consent Order.

  
\_\_\_\_\_  
Marlene Caride  
Commissioner

Consented as to Form, Content and Entry:

  
\_\_\_\_\_  
Kei S. Chapman  
Boon-Chapman Benefit Administrators Inc.

11/5/2018  
\_\_\_\_\_  
Date