



THE TREASURER OF THE STATE OF FLORIDA
DEPARTMENT OF INSURANCE

Tom Gallagher

IN THE MATTER OF:

CASE NO.: 43161-02-CO

**AMERICAN BENEFIT PLANS;
UNITED EMPLOYERS VOLUNTARY EMPLOYEE
BENEFICIARY ASSOCIATION;
UNITED EMPLOYERS VOLUNTARY EMPLOYEE
BENEFICIARY ASSOCIATION I;
NATIONAL ASSOCIATION FOR WORKING AMERICANS;
NATIONAL ASSOCIATION OF WORKING AMERICANS;
AMERICAN ASSOCIATION OF AGRICULTURE, FORESTRY
AND FISHING WORKERS;
AMERICAN ASSOCIATION OF TRANSPORTATION,
COMMUNICATION, ELECTRICAL, GAS AND SANITARY
WORKERS;
AMERICAN ASSOCIATION OF WHOLESALE TRADE
WORKERS;
AMERICAN ASSOCIATION OF MANUFACTURER WORKERS;
AMERICAN ASSOCIATION OF SERVICE WORKERS;
AMERICAN ASSOCIATION OF PROFESSIONAL WORKERS;
ELECTRONIC BENEFITS GROUP, INC.;
ENHANCED HEALTH MANAGEMENT;
THE FOUR CORNERS COMPANY, LLC;
FOUR CORNERS COMPANY, LLC;
FOUR CORNERS CO., LLC;
ROBERT DAVID NEAL, INDIVIDUALLY;
ROBERT DAVID NEAL, INDIVIDUALLY AND D/B/A
AMERICAN BENEFIT PLANS, UNITED EMPLOYERS VOLUN-
TARY BENEFICIARY ASSOCIATION, UNITED EMPLOYERS
VOLUNTARY BENEFICIARY ASSOCIATION I, NATIONAL
ASSOCIATION FOR WORKING AMERICANS, NATIONAL
ASSOCIATION OF WORKING AMERICANS;
ROBERT NEAL POINTER, INDIVIDUALLY;
ROBERT NEAL POINTER D/B/A ELECTRONIC BENEFITS
GROUP, INC., AMERICAN BENEFIT PLANS, AND
AMERICAN BENEFIT PLANS D/B/A ELECTRONIC BENEFITS
GROUP, INC.;
JOSE MICHAEL MANGAWANG, INDIVIDUALLY**

JOSE MICHAEL MANGAWANG D/B/A NATIONAL ASSOCIATION FOR WORKING AMERICANS, NATIONAL ASSOCIATION OF WORKING AMERICANS, AMERICAN BENEFIT PLANS, AND ENHANCED HEALTH MANAGEMENT; JOHN BAPTIST RAMIREZ A/K/A JOHNNY RHONDO, INDIVIDUALLY; JOHN BAPTIST RAMIREZ A/K/A JOHNNY RHONDO, D/B/A THE FOUR CORNERS COMPANY, LLC, FOUR CORNERS COMPANY, LLC, FOUR CORNERS CO., LLC, THE 4 CORNERS COMPANY, LLC, CONSULTANTS FOR BUSINESS.

IMMEDIATE FINAL ORDER

**TO: AMERICAN BENEFIT PLANS
NATIONAL ASSOCIATION FOR WORKING AMERICANS
NATIONAL ASSOCIATION OF WORKING AMERICANS
AMERICAN ASSOCIATION OF AGRICULTURE, FORESTRY
AND FISHING WORKERS
AMERICAN ASSOCIATION OF TRANSPORTATION,
COMMUNICATION, ELECTRICAL, GAS AND SANITARY
WORKERS
AMERICAN ASSOCIATION OF WHOLESALE TRADE
WORKERS
AMERICAN ASSOCIATION OF MANUFACTURER WORKERS
AMERICAN ASSOCIATION OF SERVICE WORKERS
AMERICAN ASSOCIATION OF PROFESSIONAL WORKERS
9288 Huntington Square, Suite B
Fort Worth, Texas 76180**

**UNITED EMPLOYERS VOLUNTARY EMPLOYEES
BENEFICIARY ASSOCIATION
UNITED EMPLOYERS VOLUNTARY EMPLOYEES
BENEFICIARY ASSOCIATION I
C/O FOUR CORNERS COMPANY, LLC
22365 El Toro Road, #186
Lake Forest, California 92630**

**UNITED EMPLOYERS VOLUNTARY EMPLOYEES
BENEFICIARY ASSOCIATION
UNITED EMPLOYERS VOLUNTARY EMPLOYEES
BENEFICIARY ASSOCIATION I
C/O its Treasurer, JUANDA K. ANDERSON
22365 El Toro Road, #186
Lake Forest, California 92630**

**ROBERT DAVID NEAL, INDIVIDUALLY
ROBERT DAVID NEAL, IN ALL REPRESENTATIVE CAPACITIES
9288 Huntington Square, Suite B
Fort Worth, Texas 76180**

ROBERT NEAL POINTER, INDIVIDUALLY
ROBERT NEAL POINTER, IN ALL REPRESENTATIVE CAPACITIES
9288 Huntington Square, Suite B
Fort Worth, Texas 76180

ENHANCED HEALTH MANAGEMENT, INC.
2331 West Lincoln Avenue
Anaheim, California 92801

JOSE MICHAEL MANGAWANG, INDIVIDUALLY
JOSE MICHAEL MANGAWANG, IN ALL REPRESENTATIVE CAPACITIES
2331 West Lincoln Avenue
Anaheim, California 92801

THE FOUR CORNERS COMPANY, LLC
FOUR CORNERS COMPANY, LLC
FOUR CORNERS CO., LLC
THE 4 CORNERS COMPANY, LLC
22365 El Toro Road, #186
Lake Forest, California 92630

JOHN BAPTIST RAMIREZ A/K/A JOHNNY RHONDO, INDIVIDUALLY
JOHN BAPTIST RAMIREZ A/K/A JOHNNY RHONDO, IN ALL
REPRESENTATIVE CAPACITIES
22365 El Toro Road, #186
Lake Forest, California 92632

ELECTRONIC BENEFITS GROUP, INC.
9288 Huntington Square, Suite B
Fort Worth, Texas 76180

YOU ARE HEREBY NOTIFIED that pursuant to the Florida Insurance Code including, Sections 624.307, 624.317, 624.318, 626.201, and 120.569, *Florida Statutes*, the Treasurer and Insurance Commissioner of the State of Florida has caused an investigation to be made of the insurance-related activities of AMERICAN BENEFIT PLANS, UNITED EMPLOYERS VOLUNTARY EMPLOYEE BENEFICIARY ASSOCIATION, UNITED EMPLOYERS VOLUNTARY EMPLOYEE BENEFICIARY ASSOCIATION I, NATIONAL ASSOCIATION FOR WORKING AMERICANS, NATIONAL ASSOCIATION OF WORKING AMERICANS, AMERICAN ASSOCIATION OF AGRICULTURE, FORESTRY AND FISHING WORKERS, AMERICAN ASSOCIATION OF TRANSPORTATION, COMMUNICATION, ELECTRICAL, GAS AND SANITARY WORKERS

AMERICAN ASSOCIATION OF WHOLESALE TRADE WORKERS, AMERICAN ASSOCIATION OF MANUFACTURER WORKERS AMERICAN ASSOCIATION OF SERVICE WORKERS AMERICAN ASSOCIATION OF PROFESSIONAL WORKERS ELECTRONIC BENEFITS GROUP, INC., ENHANCED HEALTH MANAGEMENT, THE FOUR CORNERS COMPANY, LLC, FOUR CORNERS COMPANY, LLC, FOUR CORNERS CO., LLC, ROBERT DAVID NEAL, *INDIVIDUALLY*, ROBERT DAVID NEAL *D/B/A AMERICAN BENEFIT PLANS*, *UNITED EMPLOYERS VOLUNTARY BENEFICIARY ASSOCIATION*, *UNITED EMPLOYERS VOLUNTARY BENEFICIARY ASSOCIATION I*, *NATIONAL ASSOCIATION FOR WORKING AMERICANS*, *NATIONAL ASSOCIATION OF WORKING AMERICANS*, ROBERT NEAL POINTER, *INDIVIDUALLY*, ROBERT NEAL POINTER *D/B/A ELECTRONIC BENEFITS GROUP, INC.*, *AMERICAN BENEFIT PLANS D/B/A ELECTRONIC BENEFITS GROUP, INC.*, JOSE MICHAEL MANGAWANG, *INDIVIDUALLY*, JOSE MICHAEL MANGAWANG *D/B/A NATIONAL ASSOCIATION FOR WORKING AMERICANS*, *NATIONAL ASSOCIATION OF WORKING AMERICANS*, *AMERICAN BENEFIT PLANS*, AND *ENHANCED HEALTH MANAGEMENT*, JOHN BAPTIST RAMIREZ *A/K/A JOHNNY RHONDO*, *INDIVIDUALLY*, JOHN BAPTIST RAMIREZ *A/K/A JOHNNY RHONDO D/B/A THE FOUR CORNERS COMPANY, LLC*, *FOUR CORNERS COMPANY, LLC*, *FOUR CORNERS CO., LLC*, *THE 4 CORNERS COMPANY, LLC*, *CONSULTANTS FOR BUSINESS* (hereafter collectively referred to as RESPONDENTS.). As a result of that investigation, the Treasurer and Insurance Commissioner finds:

1. None of the Respondents, except ROBERT DAVID NEAL, who has only non-resident agent licensure, are currently licensed or authorized, nor have they ever been licensed or authorized to transact insurance, or to operate as a Multiple Employer Welfare Arrangement (hereafter, MEWA) in this State. All insurers and MEWAs that, and persons who, transact insurance in Florida are required by Florida law to hold a Florida Certificate of Authority in order to conduct business in this State in accordance with Sections 624.11 and 624.437(2), *Florida Statutes*, respectively.

2. Despite the absence of any certificate of authority to transact insurance or to operate a MEWA in this State, Respondents have in the past engaged and currently engage in the unlicensed, unauthorized, and therefore illegal business of insurance and/or as an illegal MEWA (*as contemplated and defined by the Employee Retirement Income Security Act of 1974, as amended, 29 U.S.C. ss.1001, et seq.*) [hereafter “ERISA”]) in violation of the Florida Insurance Code including, Sections 624.401(2) and 624.437(2),

and 626.901, *Florida Statutes*, respectively. Specifically, the Respondents or some of them undertake to insure the health risks of their participants by providing payment for medical and hospital services.

3. Section 624.02, *Florida Statutes* defines “Insurance” as follows: *“Insurance” is a contract whereby one undertakes to indemnify another or pay or allow a specified amount or a determinable benefit upon determinable contingencies.*

4. Section 624.03, *Florida Statutes* defines “Insurer” as follows: *“Insurer” includes every person engaged as indemnitor, surety, or contractor in the business of entering into contracts of insurance or annuity.*

5. Section 624.09, *Florida Statutes* defines “Authorized”, “Unauthorized insurer” as follows: *(1) An “authorized” insurer is one duly authorized by a subsisting certificate of authority issued by the department to transact insurance in this state. (2) An “unauthorized” insurer is one not so authorized.*

6. Section 624.10, *Florida Statutes* defines “Transacting insurance” as follows: *“Transact” with respect to insurance includes any of the following, in addition to other applicable provisions of the code: (1) solicitation or inducement. (2) Preliminary negotiations. (3) Effectuation of a contract of insurance. (4) Transaction of matters subsequent to the effectuation of a contract of insurance and arising out of it.*

7. Section 624.437(1), *Florida Statutes* defines “Multiple Employer Welfare Arrangement” as follows: *[a]n employee welfare benefit plan or any other arrangement which is established or maintained for the purpose of offering or providing health insurance benefits or any other benefits, described in s. 624.33, other than life insurance benefits, to the employees of two or more employers, or to their beneficiaries.*

8. Section 626.88(1), *Florida Statutes* defines “Administrator” as follows: *[a]ny person who directly or indirectly solicits or effects coverage of, collects charges or premiums from, or adjusts or settles claims on residents of this state in connection with authorized commercial self-insurance funds or with insured or self-insured programs which provide life or health insurance coverage of any other expenses described in s.624.33(1), other than any of the following persons... (none of which exceptions are applicable).*

9. Section 626.8805(1), *Florida Statutes* provides, in pertinent part: *It is unlawful for any person to act as or to hold himself or herself out to be an administrator in this state without a valid certificate of authority issued by the Department pursuant to ss. 626.88-626.894.*

10. None of the Respondents are subject to any exception to the requirements of the Florida Insurance Code for a Certificate of Authority or other appropriate licensure to engage in the business of insurance or to operate as a MEWA in Florida.

11. Each of the Respondents presently engage, and have in the past engaged, in the unlicensed, unauthorized, and therefore illegal, insurance business in Florida as an unlicensed, unauthorized, and therefore, illegal insurer and/or MEWA under the guise of soliciting, making representations to the public concerning, establishing, administering, handling claims for, and otherwise operating alleged ERISA plans. They do so, in part, under the ruse of various interest, trade and occupational “associations”, including the National Association of Working Americans a/k/a National Association for Working Americans and the other “associations” set forth in the caption of this Order. They also do so under the rubric, guise, and canard of establishing Voluntary Employee Benefit Associations (VEBAs) as risk-bearing financial arrangements and promoting such creations as exempt from State insurance regulation. In fact, the “associations” and “VEBAs” are utilized as nothing more than conduits and facades for the conduct of an unlicensed, unauthorized, and therefore, illegal health insurance and/or MEWA business. To the best of the Department’s information, there are approximately 13,000 Floridians who have been afforded coverage by or through the Respondents or some of them.

12. The Respondents have established, solicited, sold, made representations and misrepresentations to the public concerning, administered, handled claims for, and otherwise operated such unlicensed, unauthorized, and therefore illegal health insurance or MEWA arrangements, and continue to do so, to persons throughout Florida including, Professional Employer Organizations, individual employers, and consumers. The various arrangements are and have been known by a variety of product names, including numerous permutations and versions of one called, *UltraMedChoice Health Plan*, and are promoted and supported through a network of Florida- licensed insurance agents, third-party administrators, supposed affinity and business organizations, and others, some of whom/which include:

<u>NAME</u>	<u>LOCATION</u>
Susan Pine (Lic. # A207606) Quik-Quote Insurance Agency	Plantation, Florida
Ray Pinto (Lic. #A207789) Quik-Quote Insurance Agency	Plantation, Florida
Bertany Association for Travel and Leisure (BAFTAL) (Affiliated also with Pine, Pinto, and Quik-Quote)	Plantation, Florida

Advanced Administration, Inc.	Maitland, Florida
Fidelity Benefit Administrators	Bradenton, Florida
Eugene Clay Ennis (Lic. #A077899) (Affiliated with Fidelity Benefit Administrators)	Bradenton, Florida
Starling & Associates Gary Bastie, Mgr. (Lic. #A015669)	St. Petersburg, Florida
Phillip Bernard Price H. Wayne White & Associates, Inc.	Altoona/Leesburg, Florida
H Wayne White (Lic. #283025) H. Wayne White & Associates, Inc.	Leesburg, Florida
National Health Plans, Inc.	Lady Lake, Florida
Audrey Cynthia Snow (Lic. #A248382) Reliable Insurance & Financial Services	Lake Worth, Florida
Daryl Brian Williams (Lic. #A285479)	Orlando, Florida
Risk Transfer, Inc. Richard Speranza (Lic. #A250772) (Affiliated with Advanced Administration, Inc.)	Maitland, Florida
John E. ("Jack") Devlin (Lic. #A067180) (Affiliated with Advanced Administration, Inc.)	Maitland, Florida
The Dardick [Insurance] Agency	Miami, Florida
American Employee Benefit Association (AEBA) (Marketed, in part, through The Dardick Agency)	Miami, Florida
Joseph Theodore Saigh (A229876)	Orlando, Florida Troy, Michigan Sterling Heights, Michigan
Lawrence Wells (A281191)	Orlando, Florida Troy, Michigan Farmington Hills, Michigan
Financial Healthcare Systems of Florida (Affiliated with Saigh and Wells)	Orlando, Florida
Financial Insurance Agency, Inc. (Affiliated with Saigh and Wells)	Troy, Michigan
Bruce Dale McKinney (A173566)	Tampa, Florida
Doug Sinkovich (D038165)	Destin, Florida

Jeffrey Allen Milrad (A180379)	Hollywood, Florida
John George Hoover (D023942) Strategic Group Services	Bradenton, Florida
Franklin I. Sauls (D044001)	Marianna, Florida
Insurcare, Inc.	Dunedin, Florida
Sally Pittman (A208115)	Jacksonville, Florida

The various products are also promoted, and sales solicited through an incestuous, intertwined, and linked series of websites that are readily accessible by Florida consumers and businesses. Among those websites are: www.ConsultantsForBusiness.com, www.thefourcorners.com , and www.themarketingman.com . Representative copies of pages from the websites, and other advertising material, are attached as composite Exhibit “A”.

13. As evidenced by the geographic dispersion and range of the insurance agents and other marketing and servicing outlets that are soliciting, promoting, selling, and servicing the unauthorized health plan(s), the use of widely accessible electronic and digital media, and marketing affronts to and through Professional Employer Organizations, the unauthorized health coverage is being spread widely and in all parts of the State of Florida.

14. In conjunction with its solicitation, Respondents or some of them have placed and continue to publish, disseminate, circulate, and otherwise place before the public statements regarding the business of insurance that are untrue, deceptive, or misleading. Among those misrepresentations are that the coverage and the rights of the parties to the contract are governed by the Employee Retirement Income Security Act (ERISA), and that the Respondents’ activities are exempt from regulation by the Department, all in violation of the Florida Insurance Code including, Sections 624.401(1), 624.437, and 626.9541, *Florida Statutes*. Specifically, although purporting to be subject only to Federal regulation as [an] ERISA plan, AMERICAN BENEFIT PLANS and/or UNITED EMPLOYERS VOLUNTARY EMPLOYEE BENEFICIARY ASSOCIATION and/or UNITED EMPLOYERS VOLUNTARY EMPLOYEE BENEFICIARY ASSOCIATION I and/or the other entities and “associations” named herein, fail to meet even the most rudimentary prerequisites of [an] ERISA plan.

One of the many factors that disqualify these products as ERISA plans exempt from Department regulation, is that they are generic products marketed and sold to multiple employers in which no single

employer fully self-insures the health claims of its own employees. Employers in a Multiple Employer Welfare Arrangement (MEWA) do not individually self-insure. Instead, the MEWA pools the liabilities of and contributions from the participating employers and is itself risk-bearing just as the Respondents are. Under ERISA, only individual, single-employer based, fully self-insured plans are exempt from State insurance regulation. MEWAs, in which the liabilities of multiple, unrelated employers are pooled, are subject to State insurance regulation.

Further, although a MEWA may claim exemption under ERISA from State insurance regulation based upon being collectively bargained, there must first have been a determination by the United States Department of Labor that it is a *bona fide* collectively bargained arrangement. There has been no such determination made as to any of the Respondents or plans that they offer. In fact, to the contrary, the United States Department of Labor expressly determined that UEVEBA was subject to State insurance regulation. A copy of that determination is attached as Exhibit “B”.

15. Alternatively, through the nominal enrollment of consumers into NATIONAL ASSOCIATION FOR WORKING AMERICANS or NATIONAL ASSOCIATION OF WORKING AMERICANS, and/or UNITED EMPLOYERS VOLUNTARY EMPLOYEE BENEFICIARY ASSOCIATION and/or UNITED EMPLOYERS VOLUNTARY EMPLOYEE BENEFICIARY ASSOCIATION I, and/or the other “associations” named herein, Respondents or some of them have attempted to create the illusion that [an] association exists and operates in accordance with Section 627.654(1)(a), *Florida Statutes*. That statute provides, in pertinent part:

A group of individuals may be insured under a policy issued to an association...which association has a constitution and bylaws and not less than 25 individual members and which has been organized and has been maintained in good faith for a period of 1 year for purposes other than that of obtaining insurance...

However, there does not now exist, nor has there ever existed, an insurance policy issued by a Florida authorized insurer that provides primary insurance for members/enrollees, and the plans are not otherwise “fully insured” as required by Florida law. Instead, in return for the “premium” paid for the health coverage, benefits are paid, in whole or in part, by AMERICAN BENEFIT PLANS, NATIONAL ASSOCIATION FOR WORKING AMERICANS or NATIONAL ASSOCIATION OF WORKING

AMERICANS, and/or UNITED EMPLOYERS VOLUNTARY EMPLOYEE BENEFICIARY ASSOCIATION and/or UNITED EMPLOYERS VOLUNTARY EMPLOYEE BENEFICIARY ASSOCIATION I, and/or the other entities and “associations” named herein from its/their then-current cash flow, aggregate participant “contributions”, “membership fees”, “dues”, or other assets. As such, all or some of those entities are themselves bearing the risk of the medical and health-related claims of those persons covered by policies or benefit contracts issued to multiple employers or individuals throughout the State of Florida, without being licensed as either an insurer or as a Multiple Employer Welfare Arrangement as required by Florida law, and without meeting the statutory financial requirements of Florida law.

16. As a result of transactions as or on behalf of unlicensed insurers or MEWAs that have not satisfied the statutory requirements necessary to obtain a Certificate of Authority, the Respondents present a grave and immediate risk of financial harm to the residents of Florida. Without a determination by the Department that the insurer or MEWA meets the statutory capital, surplus, operational, and other requirements, the particularized harm resulting from its operation in Florida include:

A. The potential inability to meet financial obligations to Florida residents and entities to whom and to which it has issued policies of insurance or other coverage contracts, caused in whole or in part by insufficient capital, surplus and reserves, by charging inadequate or otherwise actuarially unsound rates or premiums, and by enterprise management that is unlicensed, untrained, and unskilled in insurance operations. In fact, the rates (premiums) charged by AMERICAN BENEFIT PLANS, NATIONAL ASSOCIATION FOR WORKING AMERICANS or NATIONAL ASSOCIATION OF WORKING AMERICANS, and/or UNITED EMPLOYERS VOLUNTARY EMPLOYEE BENEFICIARY ASSOCIATION and/or UNITED EMPLOYERS VOLUNTARY EMPLOYEE BENEFICIARY ASSOCIATION I, and/or the other “associations” named herein, as reflected on its/their solicitation material, are significantly less than those rates charged by legitimate, licensed insurers and approved by the Department for comparable health insurance coverage, and reflect actuarial insufficiency in comparison to the benefits promised in the contracts.

B. The issuance of policies or contracts on forms that have not been approved by the Department of Insurance and which therefore do not contain the safeguards and disclosures for the benefit of the public that have been determined by the Legislature to be necessary and that are required by the

Florida Insurance Code;

C. The adverse financial impact upon healthcare providers from illicit insurance activity and from the non-payment of claims, when health care goods and services have been furnished to Florida residents in reliance, in whole or in part, upon the perception or representation that legitimate health insurance or HMO coverage existed to pay for the goods and services;

D. In part, by offering rates that are substantially below those charged by licensed insurers, Respondents induce potential enrollee/employers to abandon their legitimate insurance with lawful, licensed, and regulated insurers, and to purchase the unauthorized and illicit products. By so doing, the enrollees/employers lose both the legal and the financial safeguards that attend group health insurance with an entity that is licensed and regulated by the Department. Those safeguards include, mandatory financial reporting to and oversight by the Department, including as to reserves, which have a direct relationship to the entity's ability to pay claims on an ongoing basis, and requirements that persons who sell such coverage and who handle claims made under it be licensed and otherwise under the jurisdiction of the Department to ensure minimal competence, honesty, and adherence to applicable requirements of the Florida Insurance Code.

E. The adverse impact on future insurability of Florida residents who participate in such illegal plans, under statutes mandating guaranteed-issue health coverage for those persons having requisite prior creditable coverage from or through a legitimate health insurer or HMO.

17. The Respondents' unlicensed transaction of insurance business places Florida residents at grave and immediate risk for the further reason that those entities have not complied with the Department's application procedure for entities that wish to conduct insurance or MEWA business in the State. As a condition of licensure, principals of insurers, MEWAs, and other risk-bearing entities must submit an application to the Department of Insurance, undergo a background check, and otherwise be determined to have the requisite knowledge, experience, honesty, and integrity to transact insurance. These statutes were enacted for the benefit and the protection of the insurance-buying public by requiring that only honest and competent individuals obtain an insurance license and serve as principals of insurance/MEWA entities. The Respondents' unlicensed transaction of insurance business therefore deprives Florida consumers of the benefits of such statutory requirements of competence and honesty. Indeed, ROBERT DAVID NEAL is presently under Federal indictment for several crimes including,

health care fraud.

18. In State vs. Knott, 166 Fla. 835 (Fla., 1936), the Florida Supreme Court found “that the business of insurance so directly affects the public that it is generally considered to be affected with a public interest, and, being so, is subject to the regulation and control by the Legislature, which includes the power to license and regulate the agents through whom such business is conducted”. Id. at 837. The Court further held that “it would be difficult to find a business that more vitally affects the public interest... Id. In Natelson vs. Department of Insurance, 454 So.2d 31 (Fla. 1st DCA, 1984), the court stated that the business of insurance is “greatly affected by the public trust”. Id. at 31. Indeed, insurance contracts are characterized by the law as uberrimae fidei contracts, and as such are agreements “of utmost good faith”.

19. Based upon the foregoing allegations, the Department of Insurance asserts that the Respondents are engaging in the unauthorized and therefore illegal business of insurance in Florida in violation of the Florida Insurance Code including, Sections 624.410, 624.11, 626.112, 624.401(1), 624.437, 626.451, 626.9521, 626.9541, 626.901, and 627.410, *Florida Statutes*.

WHEREFORE, pursuant to the Florida Insurance Code including, Section 624.437(2), *Florida Statutes* as well as Section 120.569(n), *Florida Statutes*, the Treasurer and Insurance Commissioner finds that the continued transaction of insurance without licensure by AMERICAN BENEFIT PLANS, NATIONAL ASSOCIATION FOR WORKING AMERICANS or NATIONAL ASSOCIATION OF WORKING AMERICANS, and/or UNITED EMPLOYERS VOLUNTARY EMPLOYEE BENEFICIARY ASSOCIATION (*UEVEBA*) and/or UNITED EMPLOYERS VOLUNTARY EMPLOYEE BENEFICIARY ASSOCIATION I (*UEVEBA I*), AMERICAN BENEFIT PLANS, NATIONAL ASSOCIATION FOR WORKING AMERICANS or NATIONAL ASSOCIATION OF WORKING AMERICANS, and/or UNITED EMPLOYERS VOLUNTARY EMPLOYEE BENEFICIARY ASSOCIATION and/or UNITED EMPLOYERS VOLUNTARY EMPLOYEE BENEFICIARY ASSOCIATION I, AMERICAN ASSOCIATION OF AGRICULTURE, FORESTRY AND FISHING WORKERS, AMERICAN ASSOCIATION OF TRANSPORTATION, COMMUNICATION, ELECTRICAL, GAS AND SANITARY WORKERS AMERICAN ASSOCIATION OF WHOLESALE TRADE WORKERS, AMERICAN ASSOCIATION OF MANUFACTURER WORKERS, AMERICAN ASSOCIATION OF SERVICE WORKERS,

AMERICAN ASSOCIATION OF PROFESSIONAL WORKERS, ENHANCED HEALTH MANAGEMENT; THE FOUR CORNERS COMPANY, LLC, FOUR CORNERS COMPANY, LLC, FOUR CORNERS CO., LLC, ROBERT DAVID NEAL, ROBERT NEAL POINTER, JOSE MICHAEL MANGAWANG, and JOHN BAPTISE RAMIREZ, a/k/a JOHNNY RHONDO and in violation of the Florida Insurance Code, constitutes an immediate danger to the public welfare so as to require the issuance of this Immediate Final Order.

Accordingly, **IT IS HEREBY ORDERED:**

A). The Respondents, whether acting in the State of Florida as an insurer, a Multiple Employer Welfare Arrangement, insurance agents, insurance agencies, insurance adjusters, third-party administrators, managing general agents, or otherwise engaging in the business of insurance, either directly or indirectly through named and unnamed persons, entities, agents, or otherwise, shall forthwith **CEASE AND DESIST** from the transaction of any new or renewal insurance business as or on behalf of unauthorized insurers.

B). The Respondents shall forthwith notify, in writing, each and every agent, broker, salesperson, and other marketing outlet that is presently or that has in the past been used to solicit, sell, or deliver its products in Florida of the cessation of their Florida business because they are unlicensed, and due to this Immediate Final Order, and shall also inform such persons and entities that no further applications will be accepted or contracts issued. Respondents shall further direct each and every agent, broker, salesperson, and other marketing outlet, in writing, to forthwith offer to replace the health coverage of each client, consumer, and person or entity afforded coverage under any of their policies, contracts, or plans with substantially comparable coverage provided by a Florida licensed insurer or health maintenance organization.

The Respondents shall furnish for approval or edit a draft of such notification to the Department within five (5) business days of this Immediate Final Order. Respondents shall thereafter, within five (5) business days of receipt by mail or by fax of the Department's approval or edits, mail such letter (in revised form if edited by the Department) to all such agents, brokers, salespersons, and other marketing outlets, and shall immediately thereafter file the sworn attestations of ROBERT DAVID NEAL, ROBERT NEAL POINTER, JOSE MICHAEL MANGAWANG and JOHN BAPTIST RAMIREZ a/k/a/JOHNNY RHONDO that there has been full compliance with this provision.

C). The Respondents shall forthwith notify in writing each Florida subscriber, member, and beneficiary of, and each applicant for, any policy, contract, plan, or other product of the cessation of their business in Florida because it is unlicensed, and due to this Immediate Final Order, and that each such subscriber, member, beneficiary, and applicant should immediately obtain health coverage from a licensed insurer or Health Maintenance Organization.

The Respondents shall furnish for approval or edit a draft of such notification to the Department within five (5) business days of this Immediate Final Order. They shall, within five (5) business days of receipt by mail or by fax of the Department's approval or edits, mail such notice (in revised form if edited by the Department) to each such subscriber, member, beneficiary, and applicant, and shall immediately thereafter file the sworn attestations of ROBERT DAVID NEAL, ROBERT NEAL POINTER, JOSE MICHAEL MANGAWANG and JOHN BAPTIST RAMIREZ a/k/a/JOHNNY RHONDO that there has been full compliance with this provision.

If more than one individual in any household is a subscriber, member, beneficiary or applicant, a single notice, properly addressed, to any one such person in that household shall constitute notice to all persons in that household.

In those situations in which the parties named herein contends that a group, association, or other multi-participant policy or contract was issued or applied for, the Respondents shall furnish the requisite notice to each participant, member, beneficiary, and person afforded or to be afforded coverage under each policy or contract. If there is more than one participant, member, beneficiary, or person afforded or to be afforded coverage within a single household, one notice, properly addressed to any one such person in that household shall constitute notice to all persons in that household.

D). The Respondents shall, within fifteen (15) calendar days from the date hereof, deliver to the Department all documents, materials, and things that are itemized on the attached Exhibit "C". The materials shall be accompanied by the sworn attestations of ROBERT DAVID NEAL, ROBERT NEAL POINTER, JOSE MICHAEL MANGAWANG and JOHN BAPTIST RAMIREZ a/k/a/JOHNNY RHONDO that they conducted a diligent search of all of the records within the actual or constructive control of and of the associations cited herein, and that the materials delivered to the Department in compliance with this provision constitute all of the documents that were located.

E). The Respondents, shall, within fifteen (15) calendar days from the date hereof, deliver to the

DEPARTMENT a full and complete accounting of all premiums and “association” dues collected, and claims paid or incurred, since the inception of its operation in Florida.

F). Subject to the other mandates of this Immediate Final Order, and as may be consistent with the pending proceeding in the District Court of Travis County Texas, 53rd Judicial Circuit (styled, *The State of Texas vs. American Benefit Plans, et al*), the Respondents shall continue to be responsible for the payment of claims, and otherwise for the timely fulfillment of its contractual obligations to each subscriber, member, beneficiary, and provider until all Florida claims have been paid. They shall use their assets, including reserves, solely for the payment of claims. For the protection of the public, and to preserve books, records and assets of none of the parties named herein, nor their officers, directors, managers, members, stockholders, trustees, subscribers, agents, employees, associates, or affiliates shall take or permit any action that might waste, conceal or otherwise dispose of the assets, property, books, records, and accounts.

G). Subject to, and consistent with the ongoing Texas proceeding described in Paragraph “F” above, the entry of this Immediate Final Order, or any amendment thereto, shall not be interpreted as having, nor shall it have, the effect of abrogating any statutory, common law, or contractual rights of any subscriber, member, beneficiary, or person afforded coverage under any contract, policy, or plan policy or contract, or of any person that furnished health care goods or services pursuant to or in reliance upon the existence of a contract, policy, or plan with, from, or involving the Respondents .

H). The issuance of this Immediate Final Order and the procedural safeguards set forth herein are concluded to be fair under the circumstances due to the potential grave harm resulting from unauthorized insurance entities engaging in the business of insurance in Florida. A Notice of Intent to Issue a Cease and Desist Order and Assess Penalty will be issued following this Immediate Final Order. Procedures set forth therein afford the Respondents the opportunity to request a proceeding pursuant to Section 120.57, *Florida Statutes*.

DONE AND ORDERED this _____ day of _____, 2002.

KEVIN MCCARTY
Deputy Insurance Commissioner

NOTICE OF RIGHTS

You are hereby notified pursuant to Section 120.569(1), *Florida Statutes*, that you have the right to request a hearing. The request for hearing must be in writing and filed with the Department within five (5) days of the receipt of this Order, excluding weekends or holidays. If a written request is timely filed, the affected party(ies) will be given an opportunity for a hearing at a convenient time in Tallahassee, Florida. The hearing will be limited to a review of the finding that the facts recited present an immediate threat to the public health, safety, and welfare sufficient to justify the entry of this Immediate Final Order. Failure to file a request for a hearing within five (5) days constitutes a waiver, and no hearing will be held.

You are hereby further notified that you have a right to request an advisory opinion or information letter as to your status and as to the effect of certain acts and transactions under the Retirement Income Security Act (ERISA) pursuant to ERISA Proc. 76-1, from the Pension and Welfare Benefits Administration of the United States Department of Labor, 200 Constitution Avenue NW, Washington, D.C. 20210

Any party to these proceedings adversely affected by this Order is entitled to seek review of this Order pursuant to Section 120.68, *Florida Statutes*, and Rule 9.110, *Fla.R.App.P.* Review proceedings must be instituted by filing a petition or notice of appeal with the General Counsel, acting as the agency clerk, at 612 Larson Building, Tallahassee, Florida 32399-0333, and a copy of the same with the appropriate district court of appeal, within thirty (30) days of rendition of this Order.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Immediate Final Order has been sent by Certified Mail this _____ day of _____, 2002 to:

**AMERICAN BENEFIT PLANS
NATIONAL ASSOCIATION FOR WORKING AMERICANS**

**NATIONAL ASSOCIATION OF WORKING AMERICANS
AMERICAN ASSOCIATION OF AGRICULTURE, FORESTRY
AND FISHING WORKERS
AMERICAN ASSOCIATION OF TRANSPORTATION,
COMMUNICATION, ELECTRICAL, GAS AND SANITARY
WORKERS
AMERICAN ASSOCIATION OF WHOLESALE TRADE
WORKERS
AMERICAN ASSOCIATION OF MANUFACTURER WORKERS
AMERICAN ASSOCIATION OF SERVICE WORKERS
AMERICAN ASSOCIATION OF PROFESSIONAL WORKERS**
9288 Huntington Square, Suite B
Fort Worth, Texas 76180

**UNITED EMPLOYERS VOLUNTARY EMPLOYEES
BENEFICIARY ASSOCIATION
UNITED EMPLOYERS VOLUNTARY EMPLOYEES
BENEFICIARY ASSOCIATION I**
C/O FOUR CORNERS COMPANY, LLC
22365 El Toro Road, #186
Lake Forest, California 92630

**UNITED EMPLOYERS VOLUNTARY EMPLOYEES
BENEFICIARY ASSOCIATION
UNITED EMPLOYERS VOLUNTARY EMPLOYEES
BENEFICIARY ASSOCIATION I**
C/O its Treasurer, JUANDA K. ANDERSON
22365 El Toro Road, #186
Lake Forest, California 92630

**ROBERT DAVID NEAL, INDIVIDUALLY
ROBERT DAVID NEAL, IN ALL REPRESENTATIVE CAPACITIES**
9288 Huntington Square, Suite B
Fort Worth, Texas 76180

**ROBERT NEAL POINTER, INDIVIDUALLY
ROBERT NEAL POINTER, IN ALL REPRESENTATIVE CAPACITIES**
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Fort Worth, Texas 76180

ENHANCED HEALTH MANAGEMENT, INC.
2331 West Lincoln Avenue
Anaheim, California 92801

**JOSE MICHAEL MANGAWANG, INDIVIDUALLY
JOSE MICHAEL MANGAWANG, IN ALL REPRESENTATIVE CAPACITIES**
2331 West Lincoln Avenue
Anaheim, California 92801

THE FOUR CORNERS COMPANY, LLC
FOUR CORNERS COMPANY, LLC
FOUR CORNERS CO., LLC
THE 4 CORNERS COMPANY, LLC

22365 El Toro Road, #186
Lake Forest, California 92630

JOHN BAPTIST RAMIREZ A/K/A JOHNNY RHONDO, INDIVIDUALLY
JOHN BAPTISE RAMIREZ A/K/A JOHNNY RHONDO, IN ALL
REPRESENTATIVE CAPACITIES

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