

**FILED**

FEB 25 2020

INSURANCE REGULATION  
Docketed by: 



**OFFICE OF INSURANCE REGULATION**

**DAVID ALTMAIER**  
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 259877-20-CO

Application for the Issuance of a  
Certificate of Authority as a Life and Health Insurer to  
LASSO HEALTHCARE INSURANCE COMPANY

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CONSENT ORDER

THIS CAUSE came on for consideration upon the filing of an application with the FLORIDA OFFICE OF INSURANCE REGULATION ("OFFICE") for the issuance of a Certificate of Authority to LASSO HEALTHCARE INSURANCE COMPANY ("APPLICANT") as an authorized foreign insurer, pursuant to Sections 624.401, 624.404, and 624.413, Florida Statutes, to write the (0450) Accident and Health line of insurance in this state ("Application"). Following a complete review of the entire record, and upon consideration thereof, and being otherwise fully advised in the premises, the OFFICE hereby finds as follows:

1. The OFFICE has jurisdiction over the subject matter and the parties herein.
2. APPLICANT has applied for and, subject to the present and continuing satisfaction of the requirements, terms, and conditions established herein, has satisfactorily met all of the conditions precedent to the granting to it of a Certificate of Authority to operate as a foreign insurer in Florida, pursuant to the requirements set forth for such licensure in the Florida Insurance Code.
3. APPLICANT is a life and health stock insurer domiciled in the state of Texas. APPLICANT represents it is 100% owned by PORT HOLDINGS, INC. ("PHI"), a Pennsylvania corporation, which is 63.5% owned by Craig J. Ritter, 15.5% owned by James B. Handlan, 10.5%

owned by David D. Dietz, and 10.5% owned by D. Scott Kowalski, all individuals, with no other 10% or greater shareholders.

4. APPLICANT and PHI have made material representations that, except as disclosed in the Application, none of the officers and directors of APPLICANT, and none of the officers, directors, and 10% or greater shareholders of PHI, have been found guilty of, or have pleaded guilty or nolo contendere to, a felony or a misdemeanor, other than a minor traffic violation.

5. APPLICANT and PHI have further represented that they have submitted complete background information on each of the individuals referenced in paragraph 4 above. If said information has not been provided to the OFFICE, or if the sources utilized by the OFFICE in its investigation process reveal that the representations made in paragraph 4 above are inaccurate, any such individual shall be removed as officer, director, or 10% or greater shareholder of said entity within 30 days of receipt of notification from the OFFICE and replaced with a person or persons acceptable to the OFFICE.

6. If, upon receipt of such notification from the OFFICE, pursuant to paragraph 5 above, APPLICANT or PHI does not timely take the required corrective action, APPLICANT and PHI agree that such failure to act would constitute an immediate serious danger to the public and the OFFICE may immediately suspend, revoke, or take other administrative actions as it deems appropriate upon the Certificate of Authority of APPLICANT without further proceedings, pursuant to Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

7. The OFFICE has relied upon the representations in the Plan of Operation and supporting documents that APPLICANT has submitted with its Application. Written approval must be secured from the OFFICE prior to any material deviation from said Plan of Operation.

8. APPLICANT shall file with the OFFICE, via the National Association of Insurance Commissioners' electronic filing system, full and true statements of its financial condition, transactions, and affairs as required by Section 624.424, Florida Statutes, in a complete and timely manner.

9. Notwithstanding the provisions of Section 625.340, Florida Statutes, APPLICANT understands and agrees that it shall be subject to the requirements of Parts I and II of Chapter 625, Florida Statutes, in the same manner as Florida domestic insurers, and that non-qualifying assets or investments in excess of the limitations set forth in Parts I and II of Chapter 625, Florida Statutes, shall be non-admitted by the OFFICE and APPLICANT's surplus as to policyholders adjusted accordingly.

10. APPLICANT shall not transact any new business in Florida until APPLICANT's forms and rates for those lines of business have been approved in writing by the OFFICE, unless so exempted pursuant to Sections 627.062 or 627.410, Florida Statutes.

11. APPLICANT shall maintain an acceptable anti-fraud plan that complies with Section 626.9891, Florida Statutes, and Chapter 69D-2, Florida Administrative Code.

12. APPLICANT shall notify the OFFICE within 10 business days of any dispute, breach of, nonperformance of, or default under, any agreement with any affiliate, reinsurer, or third-party vendor providing services, directly or indirectly, to APPLICANT or any other change that could result in or cause a material adverse change in the financial condition, business performance, operations, or property of APPLICANT or its affiliates or subsidiaries.

13. APPLICANT and PHI affirm that all information, explanations, representations, statements, and documents provided to the OFFICE in connection with the Application, including all attachments and supplements thereto, are true and correct and fully describe all transactions,

agreements, ownership structures, understandings, and control with regard to current and future operations of APPLICANT. APPLICANT and PHI further agree and affirm that said information, explanations, representations, statements, and documents, including all attachments and supplements thereto, are material to the issuance of this Consent Order and have been relied upon by the OFFICE in its determination to enter into this Consent Order.

14. APPLICANT shall report to the OFFICE, Life & Health Financial Oversight, any time that APPLICANT is named as a party defendant in a class action lawsuit within 15 days after the class is certified. APPLICANT shall include a copy of the complaint at the time it reports the class action lawsuit to the OFFICE.

15. APPLICANT shall maintain an information security program for the security and protection of confidential and proprietary information under its control that complies with all applicable laws and regulations regarding information security. APPLICANT agrees that it shall continually monitor and enhance its information security program in order to mitigate data security breaches. APPLICANT further agrees that it shall notify the OFFICE within 5 business days of identifying a data breach.

16. Executive Order 13224 prohibits any transactions by U.S. persons involving the blocked assets and interests of terrorists and terrorist support organizations. APPLICANT shall maintain and adhere to procedures necessary to detect and prevent prohibited transactions with those individuals and entities which have been identified at the Treasury Department's Office of Foreign Assets Control website, <http://www.treas.gov/ofac>.

17. Within 60 days from the date of execution of this Consent Order, APPLICANT shall submit, or cause to be submitted, to the OFFICE a certification evidencing compliance with all of the requirements of this Consent Order. Any exceptions shall be so noted and contained in the

certification. Exceptions noted in the certification shall also include a timeline defining when the outstanding requirements of the Consent Order will be complete. Said certification shall be submitted to the OFFICE via electronic mail and directed to the attention of the Assistant General Counsel representing the OFFICE in this matter and as named in this Consent Order.

18. Any deadlines, reporting requirements, other provisions, or requirements set forth in this Consent Order may be altered or terminated by written approval of the OFFICE. Such written approval by the OFFICE is subject to statutory or administrative regulation limitations.

19. APPLICANT and PHI expressly waive a hearing in this matter, the making of findings of fact and conclusions of law by the OFFICE, and all further and other proceedings herein to which they may be entitled by law or rules of the OFFICE. APPLICANT and PHI hereby knowingly and voluntarily waive all rights to challenge or to contest this Consent Order in any forum available to them, now or in the future, including the right to any administrative proceeding, state or federal court action, or any appeal.

20. APPLICANT and PHI affirm that all requirements set forth herein are material to the issuance of this Consent Order.

21. APPLICANT and PHI agree that, upon execution of this Consent Order, failure to adhere to one or more of the terms and conditions contained herein may result, without further proceedings, in the OFFICE suspending, revoking, or taking other administrative action as it deems appropriate upon APPLICANT's Certificate of Authority in this state in accordance with Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

22. Each party to this action shall bear its own costs and fees.

23. The parties agree that this Consent Order shall be deemed to be executed when the OFFICE has signed and docketed a copy of this Consent Order bearing the signatures of the

authorized representatives of APPLICANT and PHI, notwithstanding the fact that the copy may have been transmitted to the OFFICE electronically. Further, APPLICANT and PHI agree that the signatures of their authorized representatives as affixed to this Consent Order shall be under the seal of a Notary Public.

WHEREFORE, the agreement between LASSO HEALTHCARE INSURANCE COMPANY, PORT HOLDINGS, INC., and the FLORIDA OFFICE OF INSURANCE REGULATION, the terms and conditions of which are set forth above, is APPROVED, and the Application for a Certificate of Authority to be an authorized foreign insurer writing the (0450) Accident and Health line of insurance in this state, pursuant to Sections 624.401, 624.404, and 624.413, Florida Statutes, is APPROVED.

FURTHER, all terms and conditions contained herein are hereby ORDERED.

DONE and ORDERED this 25 day of February, 2020.



*David Altmaier*

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David Altmaier, Commissioner  
Office of Insurance Regulation

By execution hereof, LASSO HEALTHCARE INSURANCE COMPANY consents to entry of this Consent Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind LASSO HEALTHCARE INSURANCE COMPANY to the terms and conditions of this Consent Order.

LASSO HEALTHCARE INSURANCE COMPANY

By: [Signature]

[Corporate Seal]

Print Name: Raymond S. Schroeder

Title: CFO / Treasurer

Date: 2-25-20

STATE OF Pennsylvania

COUNTY OF Dauphin

The foregoing instrument was acknowledged before me by means of  physical presence

or  online notarization, this 25<sup>th</sup> day of February 2020, by Raymond Schroeder

as CFO / Treasurer for Lasso Healthcare  
(type of authority; e.g., officer, trustee, attorney in fact) (company name)

[Signature]  
(Signature of the Notary)

Rosemary Snow  
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known  OR Produced Identification \_\_\_\_\_

Type of Identification Produced \_\_\_\_\_

My Commission Expires: July 21, 2021

COMMONWEALTH OF PENNSYLVANIA  
NOTARIAL SEAL  
Rosemary Snow, Notary Public  
Susquehanna Twp., Dauphin County  
My Commission Expires July 21, 2021  
MEMBER PENNSYLVANIA ASSOCIATION OF NOTARIES

By execution hereof, PORT HOLDINGS, INC., consents to entry of this Consent Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that he or she has the authority to bind PORT HOLDINGS, INC., to the terms and conditions of this Consent Order.

PORT HOLDINGS, INC.

By: [Signature]

[Corporate Seal]

Print Name: Raymond S Schroeder

Title: CEO / Treasurer

Date: 2-25-20

STATE OF Pennsylvania

COUNTY OF Dauphin

The foregoing instrument was acknowledged before me by means of  physical presence

or  online notarization, this 25<sup>th</sup> day of February 2020, by Raymond Schroeder

as CEO / Treasurer for Port Holdings, Inc.  
(type of authority; e.g., officer, trustee, attorney in fact) (company name)

[Signature]  
(Signature of the Notary)

Rosemary Snow  
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known  OR Produced Identification

Type of Identification Produced \_\_\_\_\_

My Commission Expires: July 21, 2021

COMMONWEALTH OF PENNSYLVANIA  
NOTARIAL SEAL  
Rosemary Snow, Notary Public  
Susquehanna Twp., Dauphin County  
My Commission Expires July 21, 2021  
MEMBER, PENNSYLVANIA ASSOCIATION OF NOTARIES



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