

# Publications

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## Recent Regulatory Action Against an Unlicensed Insurance Administrator in Florida

The Florida Office of Insurance Regulation (“Florida OIR”) recently took regulatory action against a New York-based company (“Company”) regarding its alleged unlicensed activities in Florida. According to the Florida OIR, the Company had been administering business on behalf of admitted insurers in Florida without a Certificate of Authority as an Insurance Administrator in Florida, in violation of Section 626.8805(1), Florida Statutes.

This matter apparently came to the attention of the Florida OIR as a result of the Company’s filing its application for an Insurance Administrator Certificate of Authority in Florida. The Florida OIR’s Insurance Administrator application requires applicants to provide a Plan of Operation and state if any administrative services are currently being performed for any insurer on behalf of Florida residents.

As a result of the above allegations, the Company recently entered into a Consent Order with the Florida OIR in which it agreed to the assessment of a fine of \$10,000 for each written agreement it had entered into with an insurer as an unlicensed Insurance Administrator. The total fine assessed was \$50,000, pursuant to Section 626.8805(1) Florida Statutes.

In addition to assessing the \$50,000 penalty, the Florida OIR also approved the Company’s application for a Certificate of Authority as an Insurance Administrator in Florida in the Consent Order.

As reported in one of our prior e-Alerts, the Company had previously entered into a Consent Order with the Tennessee Department of Commerce and Insurance (“Tennessee Department”) in 2015 for allegedly entering into a contract with an insurer to provide TPA services in Tennessee without being licensed as an Administrator in Tennessee. As a result, the Company entered into a Consent Order with the Tennessee Department in 2015 in which it was ordered to pay a \$20,000 penalty and to cease and desist from conducting unlicensed TPA services in Tennessee until such time that it obtained an Administrator license in Tennessee.

## Related People

- Steven L. Imber
- Justin T. Liby
- Jennifer L. Osborn

## Related Capabilities

- Insurance
- Third Party Administrator (TPA) Licensing & Compliance Services

**For More Information on Our TPA and PBM Team**

Polsinelli's TPA and PBM teams provide TPA and PBM licensing services, TPA and PBM regulatory and compliance services, drafting and negotiating of administrative services agreements and a number of other TPA and PBM services. Our teams include attorneys who were former in-house counsel for TPAs, as well as attorneys who were formerly insurance regulators. By leveraging its extensive experience representing TPAs and PBMs, our TPA and PBM teams help clients avoid the learning curve and related cost implications that can be experienced by working with companies or attorneys less familiar with the regulatory and compliance needs of TPAs and PBMs. To learn more about our TPA and PBM Licensing and Compliance practices or to contact a member of our TPA and PBM Licensing and Compliance services teams, please visit our Third Party Administrators page on our website.