

**STATE OF VERMONT
DEPARTMENT OF FINANCIAL REGULATION**

IN RE: CLAIMCHOICE ADMINISTRATORS, LLC VT LICENSE # 518303024)))))	DOCKET NO. 24-003-I
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DEFAULT JUDGMENT AND ORDER

I. FINDINGS OF FACT

1. Respondent ClaimChoice Administrators, LLC (“Respondent”) holds Vermont non-resident third party administrator license # 518303024.

2. License # 518303024 was issued on July 18, 2022 and expires on June 30, 2025.

3. Respondent’s resident state is Michigan.

4. Respondent is responsible for filing an annual report with the Commissioner pursuant to Section 15 of the Third Party Administrators Rule (“TPA Rule”), on or before July 1 of each calendar year, that covers its activities from the preceding calendar year and meets all requirements identified in Section 16 of the TPA Rule.

5. Between July 5, 2023 and January 25, 2024, representatives of the Insurance Division sent at least five e-mails to Respondent, mailed one letter to Respondent, and made at least one call to Respondent using both the contact information provided by Respondent in its application and the contact information available on Respondent’s website, to remind Respondent of the responsibility to file an annual report, inform Respondent that such a report had not been received covering its activities for 2022, and ask for an update.

6. As of January 25, 2024, the Insurance Division had received no response to any of the correspondence identified in Paragraph 5.

7. On January 26, 2024, the Insurance Division served upon Respondent the Petition for Revocation of License (“Petition”) and Notice of Right to Request Hearing (“Notice”) filed in the above-captioned matter.

8. A return receipt was received by the Insurance Division showing that the Petition and Notice were received by Respondent on January 27, 2024.

9. On February 8, 2024, the Insurance Division received, by U.S. mail, a copy of two annual report forms that appeared to have been completed by Respondent and to provide unaudited profit and loss data for Respondent for 2022 and 2023 but failed to include certification by two officers of the company that the unaudited data was “true and correct” as required by Section 16 of the TPA Rule.

10. Between February 8, 2024 and March 20, 2024, the Insurance Division, and the attorney representing the Insurance Division, sent an e-mail and made a call to Respondent to identify the deficiencies in the annual report forms and request a response, but these communications were unanswered.

11. As of March 20, 2024, the Insurance Division had not received an annual report from Respondent covering its activities within the 2022 calendar year that meets the requirements of Section 16 of the TPA Rule.

12. As of the effective date of this Default Judgment and Order, more than 30 days after service of the Petition and Notice, no answer, request for a hearing, or other defense to the Petition has been received from Respondent.

13. More than 10 days have passed since the Insurance Division filed a motion for default judgment in the above-captioned matter and served the motion on Respondent.

II. CONCLUSIONS OF LAW

14. Because Respondent failed to timely file an annual report covering its activities for the 2022 calendar year that meets the requirements of Section 16 of the TPA Rule, revocation of Respondent's Vermont non-resident third party administrator license, and assessment of a fine, is authorized pursuant to Sections 17.B.6 and 17.E of the TPA Rule.

15. Because no answer, request for a hearing, or other defense to the Petition has been received by the Insurance Division from Respondent, and as more than 10 days have passed since the Insurance Division filed a motion for default judgment, the allegations contained in the Petition are treated as proven and a default judgment may be entered in the above-captioned matter pursuant to Sections 1.04(H) and (V) of the Vermont Department of Financial Regulation Administrative Procedures.

III. ORDER

16. Based on the findings of fact and conclusions of law set forth above, a default judgment is entered against Respondent, and the following is hereby ordered:

- a. The Vermont non-resident third party administrator license # 518303024 of ClaimChoice Administrators, LLC is revoked, effective immediately, and Respondent shall immediately cease and desist all operations in Vermont.
- b. Within 15 calendar days of the entry of this Default Judgment and Order, Respondent shall pay a fine of \$1000.00 to the Vermont Department of

Financial Regulation. Payment shall be made via wire or check made payable to the “Department of Financial Regulation” and mailed to:

Attn: Cheryl Lancaster
Department of Financial Regulation
89 Main Street
Montpelier, VT 05620-3101

- c. Within 15 calendar days of the entry of this Default Judgment and Order, Respondent shall file an annual report with the Insurance Division for its activities in Vermont in calendar year 2022 that meets the requirements of Section 16 of the TPA Rule.
- d. By July 1, 2024, Respondent shall file an annual report with the Insurance Division that covers its activities in Vermont from January 1, 2023 to date and otherwise meets the requirements of Section 16 of the TPA Rule.

Dated at Montpelier, Vermont this 10th day of April 2024

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By Kevin Gaffney _____
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Commissioner of Financial Regulation
Vermont Department of Financial Regulation