

STATE OF NEW JERSEY  
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

Proceedings by the Commissioner )  
of Banking and Insurance, State )  
of New Jersey, to fine and )  
revoke the insurance producer ) FINAL  
licenses of PJP Health Agency ) ORDER  
Inc., Ref. No. 1226091, James )  
V. Struss, Ref. No. 1092519, )  
and Philip Eneo Teseo, Ref. No. )  
1081114. )

TO: PJP Health Agency Inc.  
3 Huntington Quad  
Suite 400N  
Melville, NY 11747

James V. Struss  
3 Huntington Quad  
Suite 400N  
Melville, NY 11747

Philip Eneo Teseo  
3 Huntington Quad  
Suite 400N  
Melville, NY 11747

This matter, having been opened to the Commissioner of Banking and Insurance ("Commissioner"), State of New Jersey, upon information that PJP Health Agency Inc. ("PJP"), formerly licensed as a non-resident business entity insurance producer pursuant to N.J.S.A. 17:22A-32b, PJP's designated responsible licensed producer James V. Struss, formerly licensed as a non-resident individual insurance producer pursuant to N.J.S.A. 17:22A-34, and PJP's chief executive officer Philip Eneo Teseo, formerly licensed as a non-resident individual producer pursuant to N.J.S.A. 17:22A-34, may have violated various provisions of the insurance laws of the State of New Jersey; and

WHEREAS, PJP, Struss, and Teseo (collectively the "Respondents") are subject to the provisions of the New Jersey Insurance Producer Licensing Act, N.J.S.A. 17:22A-26 et seq. ("Producer Act"); and

WHEREAS, the Commissioner shall retain the authority to enforce the provisions of, and impose any penalty or remedy authorized by the Producer Act or Title 17 of the Revised Statutes or Title 17B of the New Jersey Statutes, even if the person's license or registration has been surrendered or has lapsed by operation of law, pursuant to N.J.S.A. 17:22A-40d; and

WHEREAS, on April 7, 2014, the Commissioner issued Order to Show Cause No. E14-38, alleging that Respondents violated various provisions of the New Jersey insurance laws, as set forth in the following Count 1:

**COUNT 1**

IT APPEARING THAT, on September 19, 2013, Respondents and the Commissioner executed Consent Order No. E13-99 [A true and exact copy of Consent Order No. E13-99 is attached as Exhibit 1]; and

IT FURTHER APPEARING THAT, pursuant to Consent Order No. E13-99, Respondents agreed to the permanent surrender of their insurance producer licenses; and

IT FURTHER APPEARING THAT, pursuant to Consent Order No. E13-99, Respondents were forever barred from applying or reapplying for any New Jersey insurance producer license; and

IT FURTHER APPEARING THAT, pursuant to Consent Order No. E13-99, Respondents admitted to providing application forms to insureds that did not advise them that PJP would be charging a fee to maintain the insured's National Congress of Employers, Inc. ("NCE") membership and associated costs that was in addition to the Horizon Blue

Cross/Blue Shield of New Jersey ("Horizon") individual health benefits plan premium,; and

IT FURTHER APPEARING THAT, pursuant to Consent Order No. E13-99, Respondents admitted that they had not entered into a fee agreement with the insureds, nor did the insureds authorize Respondents to act on their behalf with respect to their NCE membership status; and

IT FURTHER APPEARING THAT, pursuant to Consent Order No. E13-99, Respondents admitted that they charged over \$385,000.00 in memberships fees, in addition to the Horizon premium, to New Jersey residents enrolled in the Horizon individual health benefits plans through purchase of a NCE membership; and

IT FURTHER APPEARING THAT, pursuant to Consent Order No. E13-99, Respondents agreed to provide refunds to 310 New Jersey residents, in the amounts listed in Exhibit A of Consent Order No. E13-99; and

IT FURTHER APPEARING THAT, pursuant to Consent Order No. E13-99, Respondents agreed to complete the aforementioned refunds within ninety (90) days of the Consent Order's September 19, 2013 execution date; and

IT FURTHER APPEARING THAT, pursuant to Consent Order No. E13-99, Respondents agreed that, in the event full payment of the restitution is not made or any payment is not made in accordance with this Order, the Commissioner may exercise any and all remedies available by law, including but not limited to recovery of any unpaid amounts in summary proceedings, in accordance with the penalty enforcement law, N.J.S.A. 2A:58-10 et seq.; and

IT FURTHER APPEARING THAT Respondents were to have provided restitution to the 310 New Jersey residents listed in Exhibit A of Consent Order No. E13-99 by December 18, 2013; and

IT FURTHER APPEARING THAT, to date, Respondents have only provided refunds to forty (40) of the 310 New Jersey residents who were owed restitution [A true and exact copy of the list of New Jersey residents who have received restitution in this matter is attached as Exhibit 2]; and

IT FURTHER APPEARING THAT Respondents have only provided refunds to the forty (40) New Jersey residents who were owed the smallest amount of money; and

IT FURTHER APPEARING THAT, to date, Respondents have only provided restitution in the amount of \$9,515.94; and

IT FURTHER APPEARING THAT, on or about December 18, 2013, Respondents violated an order of the Commissioner by failing to provide restitution to the New Jersey

residents listed in Exhibit A of Consent Order No. E13-99, in violation of N.J.S.A. 17:22A-40a(2) and N.J.A.C. 11:17D-2.2; and

IT FURTHER APPEARING THAT, each day thereafter, Respondents violated an order of the Commissioner by failing to provide restitution to the New Jersey residents listed in Exhibit A of Consent Order No. E13-99, in violation of N.J.S.A. 17:22A-40a(2) and N.J.A.C. 11:17D-2.2; and

WHEREAS, Respondents were given notice of the above-referenced charges and an opportunity to contest the charges at a hearing; and

WHEREAS, Order to Show Cause No. E14-38 was duly served upon Respondents by certified and regular mail at the addresses listed in the Final Order (which are Respondents' last known mailing addresses on file with the Commissioner) in accordance with N.J.A.C. 11:17D-2.1(a)3; and

WHEREAS, pursuant to the certification of Deputy Attorney General Gordon A. Queenan, attached hereto as "Exhibit 1," the certified mail sent to Respondents was delivered to Respondents on April 15, 2014; and

WHEREAS, pursuant to the certification of DAG Queenan, the regular mail sent to Respondents was not returned, thereby creating the presumption that Respondents received a copy of Order to Show Cause No. E14-38; and

WHEREAS, service of Order to Show Cause No. E14-38 in this manner constitutes lawful service upon Respondents, pursuant to N.J.A.C. 11:17D-2.1(a)3; and

WHEREAS, pursuant to the certification of DAG Queenan, on May 1, 2014, Respondents, through counsel, requested a hearing regarding the allegations contained in Order to Show Cause No. E14-38; and

WHEREAS, Respondents' May 1, 2014 request for a hearing failed to meet the requirements of N.J.A.C. 11:17D-2.1(d)2; and

WHEREAS, pursuant to the certification of DAG Queenan, on May 1, 2014, a letter was sent to Respondents' counsel advising that Respondents' request for a hearing did not meet the requirements of N.J.A.C. 11:17D-2.1(d)2; and

WHEREAS, pursuant to the certification of DAG Queenan, in response to the May 1, 2014 letter, Respondents waived their right to a hearing to contest the charges contained in Order to Show Cause No. E14-38, and, therefore, pursuant to N.J.A.C. 11:17D-2.1(b), the charges are deemed admitted; and

WHEREAS, as Respondents admitted they violated various provisions of the Producer Act in Consent Order E13-99, each subsequent offense of the Producer Act subjects Respondents to fines up to \$10,000 each, pursuant to N.J.S.A. 17:22A-40 and N.J.S.A. 17:22A-45c; and

NOW, THEREFORE, IT IS on this 18<sup>th</sup> day of September, 2014

ORDERED that the charges contained in Order to Show Cause No. E14-38 are deemed admitted as to Respondents, pursuant to N.J.A.C. 11:17D-2.1(b); and

IT IS FURTHER ORDERED that, pursuant to N.J.S.A. 17:22A-40a, the insurance producer licenses issued to Respondents PJP Health Agency Inc., James V. Struss, and Philip Eneo Teseo are hereby REVOKED effective upon the execution of this Final Order by the Commissioner; and

IT IS FURTHER ORDERED that, pursuant to N.J.S.A. 17:22A-45c, Respondents PJP, Struss, and Teseo shall pay individual administrative fines of \$10,000 each to the New Jersey Department of Banking and Insurance, for their failure to comply with the terms of Consent Order No. E13-99 by failing to make restitution to numerous New Jersey residents, as described in Count 1 of Order to Show Cause No. E14-38; and

IT IS FURTHER ORDERED that each \$10,000 administrative fine shall be paid in a single payment, by each Respondent, which shall be remitted to the New Jersey Department of Banking and Insurance, 20 West State Street, P.O. Box 325, Trenton, New Jersey 08625, Attention: Jan Allen, Supervisor of Investigations, by certified check, cashier's check, or money order made payable to the State of New Jersey, General Treasury, within ten (10) days of the date of service of this Final Order; and

IT IS FURTHER ORDERED that, in the event full payment of fines is not made, the Commissioner may exercise any and all remedies available by law, including, but not limited to, recovery of any unpaid penalties in accordance with the Penalty Enforcement Law, N.J.S.A. 2A:58-10 et seq.; and

IT IS FURTHER ORDERED that the fines are imposed pursuant to the police powers of the State of New Jersey for the enforcement of the law and the protection of the public health, safety, and welfare, and are not intended to constitute debts which may be limited or discharged in a bankruptcy proceeding; and

IT IS FURTHER ORDERED that Respondents remain responsible to immediately provide restitution to the individuals identified in Exhibit A of Consent Order No. E13-99; and

IT IS FURTHER ORDERED that the provisions of this Final Order represent a final agency decision and constitute a final resolution of the allegations contained in Order to Show Cause No. E14-38.

  
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PETER L. HARTT  
Acting Director of Insurance

**EXHIBIT 1**



John J. Hoffman  
Acting Attorney General of New Jersey  
Attorney for Department of Banking and Insurance  
Richard J. Hughes Justice Complex  
25 Market Street  
P.O. Box 117  
Trenton, New Jersey 08625

By: Gordon A. Queenan  
Deputy Attorney General  
(609) 292-7669  
NJ Attorney ID: 085002013  
gordon.queenan@dol.lps.state.nj.us

STATE OF NEW JERSEY  
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

Proceedings by the Commissioner	)	
of Banking and Insurance, State	)	
of New Jersey, to fine and	)	
revoke the insurance producer	)	CERTIFICATION OF DEPUTY
licenses of PJP Health Agency	)	ATTORNEY GENERAL GORDON
Inc., Ref. No. 1226091, James	)	A. QUEENAN
V. Struss, Ref. No. 1092519,	)	
and Philip Eneo Teseo, Ref. No.	)	
1081114.	)	

I, Gordon A. Queenan, of full age, do, of my own personal knowledge, make the following statement by way of certification in lieu of affidavit, pursuant to R. 1:4-4(b):

1. I am a Deputy Attorney General assigned as counsel for the Commissioner of the New Jersey Department of Banking and Insurance ("Commissioner") in the above-captioned matter. I submit this certification in support of the Commissioner's request that a Final Order be entered against Respondents PJP Health Agency, James V. Struss, and Philip Eneo Teseo, and, specifically to establish

that proper service of Order to Show Cause No. E14-38 was made upon Respondents.

2. The Commissioner issued Order to Show Cause No. E14-38 on April 7, 2014.

3. By letters dated April 8, 2014, my office served a copy of Order to Show Cause No. E14-38 upon Respondents via regular and certified mail, return receipt requested, at the following, last known mailing addresses for Respondents on file with the Commissioner:

PJP Health Agency Inc.  
3 Huntington Quad  
Suite 400N  
Melville, NY 11747

Philip Eneo Teseo  
3 Huntington Quad  
Suite 400N  
Melville, NY 11747

James V. Struss  
3 Huntington Quad  
Suite 400N  
Melville, NY 11747

4. The letters sent via certified mail were delivered to Respondents on April 15, 2014.

5. The regular mail sent to Respondents was not returned.

6. Pursuant to N.J.A.C. 11:17D-2.1(a)3, service of Order to Show Cause No. E14-38 in this manner constitutes lawful service upon Respondents.

7. On May 1, 2014, Respondents submitted a written request for a hearing regarding the allegations contained in Order to Show Cause No. E14-38.

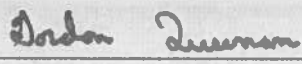
8. Respondents' May 1<sup>st</sup> request for a hearing did not meet the requirements of N.J.A.C. 11:17D-2.1(d)2.

9. On May 1, 2014, I sent a letter to Respondents' counsel advising that the May 1<sup>st</sup> request for a hearing did not meet the requirements of N.J.A.C. 11:17D-2.1(d)2.

10. Respondents' counsel subsequently advised me, telephonically, that his clients were waiving their right to a hearing on the allegations contained in Order to Show Cause No. E14-38.

11. On September 2, 2014, Respondents' counsel confirmed, via e-mail, that his clients had waived their right to a hearing on the allegations contained in Order to Show Cause No. E14-38.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

  
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Gordon A. Queenan  
Deputy Attorney General

Dated: 7/15/14