

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

Proceedings by the Commissioner of)	
Banking and Insurance, to fine, suspend)	CONSENT
and/or revoke the third party administrator)	ORDER
license of Global Claims)	
Administration, LLC)	

THIS MATTER, having been opened by the Commissioner of Banking and Insurance (“Commissioner”), State of New Jersey, upon information that Global Claims Administration, LLC (“Global”) may have violated provisions of the insurance laws of the State of New Jersey; and

WHEREAS, Global is licensed as a third party administrator pursuant to N.J.S.A. 17B:27B-4; and

WHEREAS, Global is subject to the statutes governing third party administrators, N.J.S.A. 17B:27B-1 to -25, and to the regulations governing third party administrators, N.J.A.C. 11:23-1.1 to -4.3; and

WHEREAS, pursuant to N.J.S.A. 17B:27B-13, entities licensed as third party administrators are required to file an annual report with the Commissioner for the preceding calendar year in a form and manner prescribed by the Commissioner; and

WHEREAS, pursuant to N.J.A.C. 11:23-3.8, a third party administrator must file by June 1 of each year an annual report for the preceding calendar year consisting of an audited financial statement and unaudited information together with a \$100 filing fee. The unaudited information

shall contain the complete names and addresses of all benefits payers with which the third party administrator had a contract in effect during the preceding calendar year and the status of all contracts in effect in the previous year; and

WHEREAS, pursuant to N.J.S.A. 17B:27B-14(d), the Commissioner may suspend or revoke the license of a third party administrator who has violated any lawful rule or order of the Commissioner or any provision of State law; and

WHEREAS, pursuant to N.J.S.A. 17B:27B-24, the Commissioner may impose a civil administrative penalty in an amount not less than \$250 nor more than \$5,000 for each day that a third party administrator is in violation of N.J.S.A. 17B:27B-1 to -25; and

WHEREAS, by email dated July 20, 2019, the Department advised Global that it had not received its annual report that was due on June 1, 2019; and

WHEREAS, by email dated July 23, 2019 the Department advised Global that its filing was 52 days late; and

WHEREAS, Global responded by email dated July 23, 2019 stating that it would be sending the paperwork today; and

WHEREAS, by email dated August 5, 2019 the Department advised Global that it received the company's filing but that it contained a compilation report as of September 30, 2018 instead of an annual audited report on a GAAP basis as of December 31, 2018; and

WHEREAS, by email dated August 5, 2019 Global advised that the only financial information it has in house is a compilation statement as of September 30, 2018; and

WHEREAS, by email dated August 5, 2019 the Department asked if the company's accountant was working on an annual audit; and

WHEREAS, by email dated August 5, 2019 Global advised that the accountant is working on year end information but that it is not yet available; and

WHEREAS, by email dated August 14, 2019 the Department asked Global when its audited financial statement would be received; and

WHEREAS, by email dated August 16, 2019 Global responded that its 2018 financial statement is being worked on; and

WHEREAS, by email dated August 19, 2019 the Department asked Global for a date when the 2018 audited statement would be provided; and

WHEREAS, by email dated September 4, 2019 the Department notified Global that its filing was 96 days late; and

WHEREAS, by email dated September 4, 2019 Global advised that it is still awaiting its 2018 financial statements and cannot provide a definitive finish date; and

WHEREAS, on September 12, 2019 Global provided a compilation financial statement for 2018; and

WHEREAS, that on September 12, 2019 the Department reiterated that an audited financial statement is required; and

WHEREAS, Global filed its 2018 audited financial statement report on October 11, 2019;

WHEREAS, on October 14, 2019 the Department issued Order to Show Cause E19-96 against Global alleging that Global failed to file its 2018 audited financial statement; and

WHEREAS, on November 25, 2019, Global provided the Department with documentation that it represents showed circumstances beyond Global's control which contributed to Global's delay in filing the annual report and audited financial statement; and

WHEREAS, cause does exist under N.J.S.A. 17B:27B-24 to impose a civil penalty for the violation of N.J.S.A. 17B:27B-13 and N.J.A.C. 11:23-3.8; and

WHEREAS, Global has waived its right to a hearing in this matter and consents to imposition of a civil penalty in the amount of thirteen thousand two hundred dollars (\$13,200.00); and


WHEREAS, this matter should be resolved upon the consent of the parties without resort to a formal hearing on the aforementioned violation; and

NOW THEREFORE IT IS ON this 20th day of March 2020

ORDERED AND AGREED, that Global admits and agrees to take responsibility for the aforementioned violations; and

ORDERED AND AGREED, that Global shall pay a civil penalty of \$13,200.00 upon its execution of this Consent Order. The payment shall be made by a certified check or money order, made payable to "State of New Jersey – General Treasury" and shall be sent to Virgil Dowtin, Chief of Enforcement, Consumer Protection Services, Department of Banking and Insurance, P.O. Box 325, Trenton, NJ 08625-0325; and

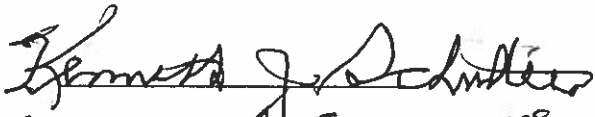
IT IS FURTHER ORDERED AND AGREED, that this Consent Order represents a final agency decision and constitutes a final resolution of the allegations of this Consent Order.

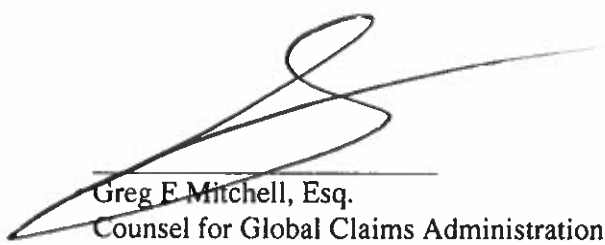


Marlene Caride
Commissioner



Consented to as to Form, Content and Entry:

Date: 3/20/2020 
KENNETH J. SCHILLER (name)
PRESIDENT (title)
for Global Claims Administration, LLC

Date: 03/16/2020 
Greg E. Mitchell, Esq.
Counsel for Global Claims Administration, LLC