

**STATE OF NORTH DAKOTA**

**BEFORE THE COMMISSIONER OF INSURANCE**

<b>In the Matter of</b>	)	
	)	
<b>My Smart Benefits, Inc.,</b>	)	<b>CEASE AND DESIST ORDER</b>
<b>FEIN 30-0066284,</b>	)	<b>AND NOTICE OF</b>
	)	<b>OPPORTUNITY FOR HEARING</b>
	)	
<b>Respondent.</b>	)	

**TO: My Smart Benefits, Inc., 5265 Hohman Avenue, 4<sup>th</sup> Floor, Hammond, IN 46320**

Commissioner of Insurance Jim Poolman (hereinafter “Commissioner”) has determined as follows:

1. N.D. Cent. Code § 26.1-01-03.1 authorizes the Commissioner of Insurance to issue an order to cease and desist when it appears that a person is engaged in an act or practice which violates or may lead to a violation of Title 26.1 of the North Dakota Century Code.

2. That My Smart Benefits, Inc. currently holds a Certificate of Registration as an insurance plan administrator pursuant to Chapter 26.1-27 of the North Dakota Century Code.

3. That the Commissioner of Insurance has been receiving numerous complaints that valid claims made by North Dakota consumers covered by self funded benefit plans provided through their employers and administered by My Smart Benefits, Inc. are not being paid in a timely manner and that said failure to pay and administer claims may constitute violations or lead to violations under Title 26.1 of the North Dakota Century Code.

4. That the Commissioner of Insurance has reason to believe that My Smart Benefits, Inc. is experiencing financial difficulties and that My Smart Benefits, Inc. may be unable to meet its obligations to the individuals covered by the plans it administers and to the sponsoring employers.

5. That the Commissioner has reason to believe that My Smart Benefits, Inc. does not have the staff or financial resources to competently or responsibly act as an administrator and that N.D. Cent. Code § 26.1-27-03 allows the Commissioner, after notice and hearing, to revoke or suspend a Certificate of Registration.

NOW, THEREFORE, IT IS HEREBY ORDERED pursuant to N.D. Cent. Code § 26.1-01-03.1 that My Smart Benefits, Inc. shall immediately **CEASE AND DESIST** from soliciting new accounts or business as an administrator in the State of North Dakota but that My Smart Benefits, Inc. shall continue to administer its existing business in compliance with Title 26.1 of the North Dakota Century Code.

This Order shall continue until My Smart Benefits, Inc. can show to the Commissioner that it has paid all outstanding claims for benefits and that it is financially responsible and competent to act as a third-party administrator.

IT IS FURTHER ORDERED pursuant to N.D. Cent. Code § 26.1-01-03.1 that Respondent may make a written request for a hearing on this matter within 30 days of the date of this Order.

If the Respondent fails to request a hearing in writing within 30 days after being served with a copy of the Cease and Desist Order, the Commissioner shall make the Cease and Desist Order permanent, as the facts require.

DATED this 27<sup>th</sup> day of October, 2003.

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Jim Poolman  
Commissioner  
N.D. Insurance Department  
600 East Boulevard Avenue  
Bismarck, ND 58505  
(701) 328-2440