

STATE OF NORTH DAKOTA
BEFORE THE INSURANCE COMMISSIONER

In the Matter of)	CEASE AND DESIST ORDER
)	AND NOTICE OF
Analytic Alternatives, LLC,)	OPPORTUNITY FOR HEARING
)	
Respondent.)	CASE NO. AG-15-540

TO: Christopher Stepuszek, Analytic Alternatives, LLC, 6425 Clarendon Hills Road, # 116, Willowbrook, IL 60527

Insurance Commissioner Adam Hamm (“Commissioner”) has determined as follows:

1. N.D.C.C. § 26.1-01-03.1 authorizes the Commissioner to issue an Order to cease and desist when it appears that any person or business entity is or has engaged in an act or practice which violates or may lead to a violation of Title 26 of the North Dakota Century Code.

2. N.D.C.C. ch. 26.1-26 regulates the licensing of insurance producers.

3. N.D.C.C. § 26.1-26-03 states:

No person may act as or hold oneself out to be an insurance producer, insurance consultant, or surplus lines insurance producer unless licensed under this chapter. A person may not sell, solicit, or negotiate insurance in this state for any class of insurance unless the person is licensed for that line of authority in accordance with this chapter. Any person willfully violating this section is guilty of a class C felony.

4. N.D.C.C. ch. 26.1-27 regulates administrators of health insurance.

5. N.D.C.C. § 26.1-27-01 states:

In this chapter, “administrator” means any person who collects charges or premiums from, or who adjusts or settles claims on, residents of this state in connection with life or health insurance coverage or annuities . . .

6. N.D.C.C. § 26.1-27-03 states, in pertinent part:

1. A person, including a person who directly or indirectly underwrites, collects charges or premiums from, or adjusts or settles claims on residents of this state in connection with life, annuity, or health coverage provided by a self-funded plan, may not act as or hold oneself out to be an administrator in this state, for the kinds of business for which the person is acting as an administrator, without a certificate of authority issued by the commissioner. Any person violating this subsection is guilty of a class C felony.

7. N.D.C.C. § 26.1-27-03.1 states:

An administrator that administers or will administer self-insured plans in this state shall maintain a surety bond or proof of insurance satisfactory to the commissioner for the use and benefit of the commissioner for covered persons who have remitted premiums or insurance charges or other moneys to the administrator in the course of the administrator’s business in the greater of the following amounts:

1. One hundred thousand dollars; or
2. Ten percent of the aggregate total amount of administered coverage under the plans handled in this state.

8. Analytic Alternatives, LLC (“Respondent”) is an Illinois limited liability company. Respondent is not, and has never been, licensed as an insurance producer in the State of North Dakota and has never applied for or obtained a certificate of authority from the Commissioner to act as an administrator in the State of North Dakota.

9. The Commissioner has a reasonable basis to believe that the Respondent has engaged in, is engaging in, or is about to engage in, an act or practice as more fully described below which violates or may lead to a violation of N.D.C.C. title 26.1. It is necessary and appropriate, in the public interest and for the protection of insurance consumers, to restrain these acts or practices of Respondent.

10. The Commissioner has come into information which alleges that Respondent has acted in the capacity of an insurance producer as defined in N.D.C.C. § 26.1-26-02. Specifically, it is alleged that Respondent, in conjunction with Scott Fleckenstein, presented and sold to Preference Personnel in Fargo, North Dakota, health insurance. The information obtained during the investigation demonstrates that Analytic Alternatives, LLC provides the stop-loss coverage for the Minimum Value Plan sold to Preference Personnel.

11. The Commissioner has come into information which alleges that Respondent has acted in the capacity of an administrator pursuant to N.D.C.C. ch. 26.1-27. Specifically, it is alleged that Respondent is the service provider for collection of premiums for Preference Personnel in Fargo, North Dakota, for its self-insured health insurance plan.

12. Respondent's conduct as set out above violates N.D.C.C. §§ 26.1-26-03 and 26.1-27-03.

NOW, THEREFORE, IT IS HEREBY ORDERED pursuant to N.D.C.C. § 26.1-01-03.1 that Respondent, whether acting in the State of North Dakota as an insurance producer or administrator or otherwise engaging in the business of insurance, either directly or indirectly through named and unnamed persons, entities, agents, or

otherwise, shall immediately **CEASE AND DESIST** from acting as an administrator or otherwise engaging in the business of insurance in the State of North Dakota.

IT IS FURTHER ORDERED pursuant to N.D.C.C. § 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 this Cease and Desist Order, the Commissioner shall make the Cease and Desist Order permanent, as the facts require.

DATED this 28th day of April, 2015.



Adam Hamm
Commissioner
North Dakota Insurance Department
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