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**Department of Insurance
State of Idaho**

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**BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE
STATE OF IDAHO**

In the Matter of:

EBIX HEALTH ADMINISTRATION
EXCHANGE, INC.,
Idaho Third Party Administrator License No.
546882

Docket No. 18-4441-24

**AMENDED SUMMARY ORDER
REVOKING IDAHO THIRD PARTY
ADMINISTRATOR LICENSE**

The Director of the Idaho Department of Insurance (Director), having been apprised of the unsound financial condition of third-party administrator EBIX HEALTH ADMINISTRATION EXCHANGE, INC. (“EHAE”), as further described below, and pursuant to the authority granted by Idaho Code § 41-915, does hereby make the following findings and enter a Summary Order as follows:

FINDINGS OF FACT

1. EHAE has been continuously licensed as an Idaho third party administrator, holding license number 546882 from the date of the initial issuance of such license on October 8, 2015, to the present date.

2. The Department received and reviewed EHAE's annual report on October 20, 2023. The Department thereby discovered that EHAE had been in a continued state of negative net worth since 2019.

3. On April 1, 2024, the Department received and reviewed EHAE's quarterly financial statement. These statements had been previously requested of EHAE as part of their plan to cure the negative equity. The Department notified EHAE on May 6, 2024, that its continued state of negative net worth was grounds for revocation of its license under Idaho Code § 41-915(1)(a). Despite the Department's efforts to help cure EHAE's state of negative equity, EHAE was unable to do so.

4. On June 28, 2024, EHAE petitioned the Department for additional time to surrender its third-party administrator license due to ongoing corporate restructuring. The department denied this request on July 2, 2024. By the same correspondence the Department asked EHAE to voluntarily surrender its license and transfer its business to a licensed TPA in Idaho by July 5th, 2024. EHAE has failed to do so.

CONCLUSIONS OF LAW

5. Idaho Code § 41-915(1)(a) provides that the license of an administrator shall be denied, suspended, or revoked if the Director finds that the administrator is in an unsound financial condition.

6. Idaho Code § 41-915(3)(a) and (c) provides that the Director may, in his discretion and without advance notice or hearing, immediately revoke the license of an administrator if the director finds that the administrator is insolvent or impaired or the financial condition of the administrator poses an imminent threat to the public health, safety or welfare of the residents of Idaho.

7. Exercising his discretion under Idaho Code § 41-915(3), the Director finds that EHAE's years-long and continued insolvency qualify as "unsound financial condition" under Idaho Code § 41-915(3)(a). Furthermore, its unsound financial condition poses an imminent threat to the public health, safety or welfare of Idaho residents under Idaho Code § 41-915(3)(c).

8. Idaho Code § 41-915(3) does not entitle EHAE to a hearing or advanced notice of suspension of its license.

9. Based on the foregoing, the Director finds that the circumstances set forth above justify the revocation of EHAE's Idaho third party administrator license, pursuant to Idaho Code § § 41-915(1) and 41-915(3)(a) and (c).

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED that Idaho Third Party Administrator License No. 546882 issued to EHAE is hereby REVOKED, effective immediately.

IT IS FURTHER ORDERED that EHAE shall immediately transfer each and every policy subject to EHAE administration to a third-party administrator properly licensed in the State of Idaho and it is further ORDERED that no later than five (5) days of such transfer EHAE shall notify the Department the name and address of such third-party administrator.

DATED this 8th day of August 2024.

STATE OF IDAHO
DEPARTMENT OF INSURANCE

A handwritten signature in black ink, appearing to read 'Dean L. Cameron', is written over a horizontal line.

DEAN L. CAMERON
Director

NOTIFICATION REGARDING REPORTABLE PROCEEDINGS

This is considered a reportable administrative proceeding. As such, it is a public record and is public information that may be disclosed to other states and reported to companies by which you are actively appointed. This information will be reported to the National Association of Insurance Commissioners (NAIC) and will appear in the Idaho Department of Insurance's online searchable database. Be aware that this proceeding must be disclosed on any license application and must be reported to any and all states in which you hold an insurance license.

NOTIFICATION OF RIGHTS

This is a final order of the Director. Any party may file a motion for reconsideration of this final order within fourteen (14) days of the service date of this order. The agency will dispose of the petition for reconsideration within twenty-one (21) days of its receipt, or the petition will be considered denied by operation of law. *See* Idaho Code § 67-5246(4).

Pursuant to Idaho Code §§ 67-5270 and 67-5272, any party aggrieved by this final order may appeal this order by filing a petition in the district court of the county in which:

- i. A hearing was held,
- ii. The final agency action was taken,
- iii. The party seeking review of the order resides, or operates its principal place of business in Idaho, or
- iv. The real property or personal property that was the subject of the agency action is located.

An appeal must be filed within twenty-eight (28) days of (a) the service date of this final order, (b) an order denying petition for reconsideration, or (c) the failure within twenty-one (21) days to grant or deny a petition for reconsideration, whichever is later. *See* Idaho Code § 67-5273. The filing of an appeal to district court does not itself stay the effectiveness or enforcement of the order under appeal.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that, on this 8th day of August, 2024, I caused a true and correct copy of the foregoing **SUMMARY ORDER REVOKING IDAHO NONRESIDENT THIRD PARTY PRODUCER LICENSE** to be served upon the following by the designated means:

EBIX Health Administration Exchange, Inc.
Attn: Michele Pederson
1 EHAE Way
Johns Creek, GA 30097

☒ first class mail
☐ certified mail
☐ hand delivery

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Jan Noriyuki