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FILED

OCT 15 2024

Department of Insurance  
State of Idaho

**BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE**

**STATE OF IDAHO**

In the Matter of:  
**NATIONAL CONGRESS OF  
EMPLOYERS, INC.**, an Arkansas  
corporation,  
**RESPONDENT.**

Docket No. 18-4498-24

**ORDER TO  
CEASE AND DESIST**

Pursuant to the authority found in the Idaho Insurance Code, Idaho Code § 41-101, *et seq.*, and in particular Idaho Code § 41-213(1)(a), as well as the Administrative Procedures Act, Idaho Code § 67-5201, *et seq.*, the Director of the Department of Insurance, state of Idaho (hereinafter “Director”), issues this **ORDER TO CEASE AND DESIST** without prior notice but with the opportunity for hearing based upon the following:

**RESPONDENT**

1. Respondent **NATIONAL CONGRESS OF EMPLOYERS, INC., an Arkansas corporation**, (hereinafter “NCE”) is a foreign corporation and is not registered to do business in the state of Idaho with the Idaho Secretary of State as of October 8, 2024. NCE does not hold any

license under title 41, Idaho Code, including but not limited to a resident or nonresident producer license under chapter 10, title 41, Idaho Code, nor a certificate of authority under chapter 3, title 41, Idaho Code.

2. NCE has offices located at 400 West Capitol Avenue, Suite 1700, Little Rock, Arkansas, 72201; 100 Garden City Plaza, Suite 230, Garden City, New York 11530; and 1101 Pennsylvania Avenue, Sixth Floor, Washington DC, 20004.

### **FINDINGS OF FACT**

3. That on or about January 8, 2024, the Respondent National Congress of Employers, Inc., came to the attention of the staff of the Idaho Department of Insurance (hereinafter "Department"), upon receipt of a number of complaints were filed with the Department.

4. The complaints initiated an investigation by the staff of the Department into the status of operation of NCE.

5. As a result of that investigation, the Department learned that:

- a. NCE had been marketing its insurance products to the people in the state of Idaho as a major medical health insurance product which requires compliance with certain statutory requirements under title 41, Idaho Code.
- b. That the products being marketed by NCE were a supplemental product, and had not been previously filed with the Department.
- c. A number of complaints included the fact that upon obtaining treatment, many of the consumer claims were being denied or were receiving very high medical bills or both.

d. NCE is not properly licensed as an Idaho nonresident producer or with a certificate of authority, or any other required Idaho license, as provided under the Idaho Insurance Code, title 41, Idaho Code,

6. As a follow-up to the investigation identified above, the Department sent a Letter of Inquiry as provided under Idaho Code § 41-247, to NCE to its three separate addresses as identified above, asking NCE to respond in detail as to its licensing status, agreements with insurers and producers, and others; and products filed with the Department, and applications for insurance. The Department asked the NCE to respond no later than August 15, 2024.

7. As of the undersigned date, the Department has not received any response from NCE via U.S. Mail, email delivery, or via telephone.

8. The Department made further efforts to contact NCE to no avail.

#### **CONCLUSIONS OF LAW**

9. All of the foregoing paragraphs are incorporated herein, and the Director makes the following Conclusions of Law:

10. **NATIONAL CONGRESS OF EMPLOYERS, INC.** is an Arkansas corporation and a business entity acting as an insurance producer or insurer in the state of Idaho without proper licensing under chapters 3 and 10, title 41, Idaho Code.

11. **NCE** failed to file certain health insurance supplemental products it marketed in Idaho with the Idaho Department of Insurance as required under section 41-1812, Idaho Code.

12. **NCE** marketed certain supplemental health products, namely the NCE “GapAfford Plus” product and an accidental death and dismemberment product as major medical products to consumers in the state of Idaho, in violation of chapter 13, title 41, Idaho Code.

13. **NCE’s** failure to respond to the Letter of Inquiry was a violation of section 41-247,



Idaho Code.

**ORDER TO CEASE AND DESIST**

**NOW, THEREFORE, acting pursuant to the public interest and Idaho Code § 41-213(1)(a), and pursuant to the foregoing Findings of Fact and Conclusions of Law;**

**IT IS HEREBY ORDERED** that the **NATIONAL CONGRESS OF EMPLOYERS, INC., its directors, officers, employees, agents, contractors, and successors, shall hereby immediately CEASE AND DESIST, and will continuously CEASE AND DESIST,** from directly or indirectly, in any manner whatsoever, transacting insurance within the state of Idaho, in the selling, soliciting, and negotiating insurance, and as well as engaging in the business of insurance or in transacting insurance in any manner including the solicitation and inducement, preliminary negotiations, effectuation of a contract of insurance, transaction of matters subsequent to effectuation of a contract of insurance and arising out of it; or mailing or otherwise delivering any written or electronic communication regarding the solicitation to any person in the state of Idaho by **NATIONAL CONGRESS OF EMPLOYERS, INC.** or any person acting on behalf of **NATIONAL CONGRESS OF EMPLOYERS, INC.**

**NOTICE**

**THE RESPONDENTS ARE HEREBY NOTIFIED** that this **ORDER TO CEASE AND DESIST** is a final order of the Director, subject to the Respondents' right to timely file a motion for reconsideration or a request for hearing. Pursuant to Idaho Code §§ 41-232 and 67-5246, the Respondents may file a motion for reconsideration of this **ORDER TO CEASE AND DESIST** or a request for hearing within fourteen (14) days of the service of this Order.

Any hearing and subsequent proceedings in this matter will be conducted in accordance with Chapter 2, Title 41, Idaho Code, and the Idaho Administrative Procedure Act, Idaho Code § 67-5201, *et seq.*

If the Respondents timely file a motion for reconsideration, the Department will dispose of such motion within twenty-one (21) days of its receipt, or the motion will be considered denied by operation of law, pursuant to Idaho Code § 67-5246(4).

If the Respondents timely file a request for hearing, the Respondents will be notified of the date, time, and place of the hearing, as well as the name of the presiding officer. At the hearing, the Respondents will be entitled to enter an appearance, introduce evidence, examine, and cross-examine witnesses, make arguments, and generally participate in the conduct of the proceedings. The Respondents may also be represented by legal counsel at their own expense.

Any motion for reconsideration or request for hearing must be timely made in writing, addressed to:

Kristina Wiestock  
Assistant to the Director  
Idaho Department of Insurance  
P.O. Box 83720  
Boise, Idaho 83720-0043  
(208) 334-4217

With a copy sent to:

John C. Keenan  
Lead Deputy Attorney General  
Idaho Department of Insurance  
P.O. Box 83720  
Boise, Idaho 83720-0043

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

- a. a hearing was held;
- b. the final agency action was taken;
- c. the party seeking review of the order resides; or
- d. 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: (a) of the issuance of this Order, (b) of the issuance of an order denying a motion for reconsideration, or (c) the failure within twenty-one (21) days to grant or deny a petition for reconsideration, whichever is later. Idaho Code § 67-5273(2). The filing of an appeal to the district court does not itself stay the effectiveness of enforcement of the order being appealed.

**IT IS SO ORDERED.**

DATED this 15<sup>th</sup> day of October, 2024.

STATE OF IDAHO  
DEPARTMENT OF INSURANCE



DEAN L. CAMERON  
Director





3. That one of her job responsibilities is to investigate insurance company conduct in the insurance market and to inquire of the insurance company facts, documents, and other vital information focusing on the investigation.
4. That on or about January 8, 2024, the Respondent National Congress of Employers, Inc., came to the attention of the Market Conduct Bureau at the Department upon receipt of multiple complaints from consumers in the state of Idaho with one common theme, that the sale of the product was misleading and many claims resulted in denials.
5. That upon investigation, it was learned that the National Congress of Employers, Inc. ("NCE") is an Arkansas corporation with offices located at 400 West Capitol Avenue, Suite 1700, Little Rock, Arkansas, 72201; 100 Garden City Plaza, Suite 230, Garden City, New York 11530; and 1101 Pennsylvania Avenue, Sixth Floor, Washington DC, 20004.
6. That the investigation also revealed that the health product that NCE is marketing is known as a medical discount program believed to be called the "NCE GapAfford Plus." The product is being sold in conjunction with a hospital indemnity plan ("HIP") or an accidental death and dismemberment plan ("AD&D").
7. The product as described above was being marketed and solicited to the residents of the state of Idaho as a major medical plan or similar in form, not in compliance with statutory requirements for these types of products. Affiant reviewed complaints from Idaho consumers who expressed their belief that at time of purchase, these consumers believed they were purchasing a major medical health insurance product, but upon obtaining treatment have received unexpected high medical bills.
8. That NCE is not properly licensed under the laws of the state of Idaho; namely, NCE is not licensed as a non-resident producer licensed under chapter 10, title 41, Idaho Code, nor



does it carry a certificate of authority as an insurer issued under chapter 3, title 41, Idaho Code.

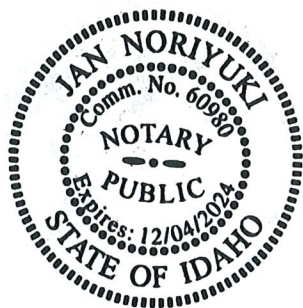
9. On February 1, 2024, and again on February 22, 2024, the Department sent a Letter of Inquiry to a contractor of NCE, namely Unified Life Ins. Company ("ULIC"). ULIC responded to the Letters of Inquiry on a reasonable timeframe.
10. On July 29, 2024, the Department sent a Letter of Inquiry to NCE pursuant to section 41-247, Idaho Code, seeking the details of NCE's licensing status, agreements with insurers, producers, and others; and products filed with the Department, and applications. NCE was given a due date of August 15, 2024, to respond to the Department's inquiry.
11. To date, NCE has failed to respond to the Letters of Inquiry.
12. As recent as October 1, 2024, the Affiant attempted to contact NCE via telephone and was not able to reach any person.
13. Due to the nature of the complaints received from constituents of the state of Idaho, relating to misrepresentation of the products involved, the Department is seeking a cease and desist order that requires NCE to stop marketing any and all insurance products in the state of Idaho until such time that NCE is properly licensed as a producer, an insurance company, or any other entity required to be licensed under the laws of Idaho's Insurance Code, title 41, Idaho Code.

FURTHER YOUR AFFIANT SAITH NOT.

DATED THIS 15<sup>th</sup> day of October, 2024.

  
STEPHANIE CLAYTON  
Affiant

SUBSCRIBED AND SWORN TO before me, the undersigned Notary Public of the State  
of Idaho, this 15<sup>th</sup> day of October, 2024.



*Jan Noriyuki*  
JAN NORIYUKI  
Notary Public of the State of Idaho  
My Commission expires: 12-4-2024

## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 15<sup>th</sup> day of October, 2024, I caused a true and correct copy of the **CEASE AND DESIST ORDER AND NOTICE** to be served upon the following parties by the method(s) indicated below:

National Congress of Employers, Inc. 400 West Capitol Ave., Ste. 1700 Little Rock, <del>AK</del> <u>AR</u> 72201	<input type="checkbox"/> First Class Mail <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Hand Delivery <input type="checkbox"/> Facsimile <input type="checkbox"/> Email:
National Congress of Employers, Inc. 100 Garden City Plaza, Ste. 230 Garden City, NY 11530	<input type="checkbox"/> First Class Mail <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Hand Delivery <input type="checkbox"/> Facsimile <input type="checkbox"/> Email:
National Congress of Employers, Inc. 1101 Pennsylvania Ave., 6 <sup>th</sup> Floor Washington, DC 20004	<input type="checkbox"/> First Class Mail <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Hand Delivery <input type="checkbox"/> Facsimile <input type="checkbox"/> Email:
John Keenan Deputy Attorney General Idaho Department of Insurance 700 W. State St., 3 <sup>rd</sup> Floor PO Box 83720 Boise, ID 83720-0043	<input type="checkbox"/> First Class Mail <input type="checkbox"/> Certified Mail <input type="checkbox"/> Hand Delivery <input type="checkbox"/> Facsimile <input checked="" type="checkbox"/> Email: <a href="mailto:john.keenan@doi.idaho.gov">john.keenan@doi.idaho.gov</a>

  
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Jan Noriyuki  
Paralegal