

BEFORE THE DIVISION OF INSURANCE
DEPARTMENT OF LABOR AND REGULATION
STATE OF SOUTH DAKOTA

IN THE MATTER OF
ADROIT HEALTH GROUP LLC

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CONSENT ORDER

In resolution of the above matter and in lieu of a formal hearing, the undersigned parties do hereby agree to the following:

ADROIT HEALTH GROUP LLC, whose address of record is 1575 Heritage Dr, Suite 200, McKinney, TX 75069, is a renewal applicant for a business entity license in the State of South Dakota;

ADROIT HEALTH GROUP, LLC is aware that the South Dakota Division of Insurance ("Division") has conducted an investigation;

The Division alleges the following as regards ADROIT HEALTH GROUP, LLC:

- 1) ADROIT HEALTH GROUP LLC sold policies to South Dakota consumers through unapproved associations in violation of SDCL 58-18-3, 58-18-4.3, 58-18-6, and ARSD Chapter 20:06:42;
- 2) ADROIT HEALTH GROUP LLC charged and collected unapproved association fees and funding fees that were in excess of the premiums applicable to the insurance policies issued to South Dakota consumers in violation of SDCL 58-33-36;
- 3) ADROIT HEALTH GROUP LLC employed and compensated three unlicensed and unappointed South Dakota agents who sold policies to South Dakota consumers in violation of SDCL 58-30-143, 58-30-167(2), 58-30-171, and 58-30-175;
- 4) ADROIT HEALTH GROUP LLC failed to timely respond to the Division's inquiry regarding this matter in violation of SDCL 58-33-66;
- 5) ADROIT HEALTH GROUP LLC submitted a renewal application on April 8, 2022;
- 6) Pursuant to SDCL 58-18-3, 58-18-4.3, 58-18-6, 58-30-143, 58-30-167(2), 58-30-171, 58-30-175, 58-33-36, 58-33-66, and ARSD Chapter 20:06:42, the Director of the Division may deny ADROIT HEALTH GROUP LLC 's business entity renewal license for any one of the above-cited reasons.

ADROIT HEALTH GROUP LLC is aware of and understands the nature of the charges and has been informed that it has the right to counsel, hearing, and appeal and that by agreeing to and signing this Consent Order, waives these rights;

In return for ADROIT HEALTH GROUP LLC agreeing to the provisions of this Consent Order, the Division agrees not to proceed with the denial of ADROIT HEALTH GROUP LLC's renewal application and subsequent administrative hearing and agrees that this Consent Order will constitute an informal and complete disposition of this licensing matter and the prior period of non-registration pursuant to SDCL 1-26-20;

ADROIT HEALTH GROUP LLC agrees to pay \$10,000 pursuant to SDCL 58-4-28.1 in lieu of an application denial, administrative hearing, and Final Decision for the above-cited violations;

ADROIT HEALTH GROUP LLC further agrees to conduct its business in accordance with the insurance laws and regulations of the State of South Dakota;

ADROIT HEALTH GROUP LLC further agrees that this Consent Order may be considered in any future licensing procedures with the South Dakota Division of Insurance and for the purpose of determining the appropriate sanction in any future actions with the Division for any violations of the laws or regulations of the State of South Dakota or for failing to abide by any order of the Director;

By the execution of this Consent Order, ADROIT HEALTH GROUP LLC waives its right to contest the allegations contained in this Consent Order in any future licensing proceedings;

Wherefore, good cause appearing from the foregoing, it is hereby ORDERED that ADROIT HEALTH GROUP LLC pay a monetary penalty in the amount of \$10,000 payable to "South Dakota Division of Insurance" for deposit in the general fund of the State of South Dakota; and it is further

ORDERED that ADROIT HEALTH GROUP LLC abide by the agreements made by it in this Consent Order; and it is further

ORDERED that the use of this Consent Order for competitive purposes by an insurance agent or third-party administrator holding a license in the State of South Dakota, or by any company holding a Certificate of Authority, or by anyone on their behalf, may be deemed unfair competition and be grounds for suspension or revocation of said license or authority; and it is further

ORDERED that the provisions of this Consent Order shall be effective from the date the Director signs this Order.

Dated at Pierre, South Dakota this 4th day of May, 2023.



Larry Deiter, Director
South Dakota Division of Insurance

The undersigned, on behalf of ADROIT HEALTH GROUP LLC, represents it understands the terms of this Consent Order and the waiver of its due process rights and voluntarily enter into this Consent Order.

Dated this 18th day of April, 2023



Signature of Authorized Representative

Jeffrey D. Jeter

Printed Name

General Counsel

Title