

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DEPARTMENT OF BUSINESS REGULATION
OFFICE OF THE HEALTH INSURANCE COMMISSIONER
JOHN O. PASTORE COMPLEX
1511 PONTIAC AVENUE
CRANSTON, RI 02920**

IN THE MATTER OF:	:	
	:	
HMA Administrators, LLC.,	:	DBR No.: 09-I-0115
	:	
Respondent.	:	

IN THE MATTER OF:	:	
	:	
William O'Brien,	:	DBR No.: 09-I-0116
Jed Brettschneider,	:	
Michael Cassandro,	:	
Respondents.	:	

IN THE MATTER OF:	:	
	:	
Christopher Westerkamp,	:	DBR No.: 09-I-0164
	:	
Respondent.	:	

IN THE MATTER OF:	:	
	:	
Health Management Advisors, LLC,	:	
HMA Administrators, LLC,	:	
New England Custom Health Plan	:	OHIC No. SC-09-01
Administrators, LLC, and	:	
HMA MGU, LLC d/b/a HMA Direct,	:	CONSOLIDATED
	:	
Respondents.	:	

**DEFAULT FINAL JUDGMENT RE: REVOCATION OF LICENSES
AND CEASE AND DESIST ORDERS**

The above-entitled matters came for a hearing on September 22, 2011 pursuant to the Department of Business Regulation's ("Department")'s Amended Order to Show Cause issued to HMA Administrators, LLC ("HMA"), Amended Order to Show Cause issued to William O'Brien ("O'Brien"), Jed Brettschneider ("Brettschneider"), and Michael Cassandro ("Cassandro"), and Order to Show Cause issued to Christopher Westerkamp ("Westerkamp") and pursuant to the Office of the Health Insurance Commissioner's ("OHIC") Order to Show Cause issued to Health Management Advisors, LLC, HMA Administrators, LLC, New England Custom Health Plan Administrators, LLC, and HMA MGU, LLC d/b/a HMA Direct (collectively "HMA Group"). Notice was given to all parties at their most recent and current addresses on record with the Department.¹ No party appeared at hearing. As notice was properly given, the hearing proceeded. The Department has jurisdiction over these matters pursuant to R.I. Gen. Laws § 27-1-1 *et seq.* These matters were consolidated by order dated June 8, 2009.

The Department requested that Cassandro be severed from this proceeding as the Department and Cassandro may reach a resolution. The Department's counsel also indicated that O'Brien informed counsel that he would not appear at hearing. The Department's counsel requested that the undersigned make findings of facts on the basis of the Orders to Show Cause and enter default judgments against Respondents. The Department represented that there were two (2) factual changes from certain Orders to Show Cause and requested those be included in the findings of facts. The Department entered into exhibit a Massachusetts Federal indictment against Brettschneider, Cassandro,

¹ See R.I. Gen. Laws § 27-2.4-9.

O'Brien, and others that contains many of the same allegations against these Respondents that were made by the Department and OHIC against said Respondents. See Department's Exhibit One (1).

Based on the foregoing, the undersigned makes the following findings of fact:

A. HMA Administrators, LLC, DBR No. 09-I-0115

1. Pursuant to Section 21 of *Central Management Regulation 2 – Rules of Procedure in Administrative Hearings*, HMA is declared to be in default for failing to appear at the hearing.

2. Pursuant to Section 21 of *Central Management Regulation 2 – Rules of Procedure in Administrative Hearings*, the allegations in the Amended Order to Show Cause against HMA are found to be true and HMA should had been fully licensed with a certificate of authority as a Third Party Administrator under R.I. Gen. Laws § 27-20.7-1 *et seq.*

Based on the forgoing, the undersigned makes the following conclusions of law:

1. HMA violated R.I. Gen. Laws § 27-20.7-1 *et seq.* by acting as a Third Party Administrator without a certificate of authority

On the basis of the forgoing, the undersigned makes the following recommendation:

1. That HMA's registration be revoked and HMA cease and desist from any violations of R.I. Gen. Laws § 27-20.7-1 *et seq.*

B. William O'Brien, Jed Brettschneider, and Michael Cassandro, DBR No. 09-I-0116

1. Cassandro is severed from this proceeding and his matter shall be known as DBR No. 09-I-0116A.

2. Pursuant to Section 21 of *Central Management Regulation 2 – Rules of Procedure in Administrative Hearings*, O’Brien and Brettschneider are declared to be in default for failing to appear at the hearing.

3. Pursuant to Section 21 of *Central Management Regulation 2 – Rules of Procedure in Administrative Hearings*, the allegations in the Amended Order to Show Cause against Brettschneider and O’Brien are found to be true except for paragraphs 14 and 18.²

Based on the forgoing, the undersigned makes the following conclusions of law:

4. That Brettschneider violated R.I. Gen. Laws § 27-2.4-14(1), (2), (3), (4), (5), (7), (8), and (12).

5. That O’Brien violated R.I. Gen. Laws § 27-2.4-14(2), (4), (5), (7), (8), and (12).

On the basis of the forgoing, the undersigned makes the following recommendation:

6. Brettschneider’s and O’Brien’s insurance producer licenses be revoked and they cease and desist from any violations of R.I. Gen. Laws § 27-2.4-1 *et seq.*

C. Christopher Westerkamp, DBR No. 09-I-0164

1. Pursuant to Section 21 of *Central Management Regulation 2 – Rules of Procedure in Administrative Hearings*, Westerkamp is declared to be in default for failing to appear at the hearing.

2. Pursuant to Section 21 of *Central Management Regulation 2 – Rules of Procedure in Administrative Hearings*, the allegations in the Order to Show Cause against Westerkamp are found to be true.

² The bills referenced in paragraph 18 have now been paid.

Based on the forgoing, the undersigned makes the following conclusions of law:

3. That Westerkamp violated R.I. Gen. Laws § 27-2.4 14(2).

On the basis of the forgoing, the undersigned makes the following recommendation:

4. Westerkamp's insurance producer license be revoked and he cease and desist

from any violations of R.I. Gen. Laws § 27-2.4-1 *et seq.*

**D. Health Management Advisors, LLC,
HMA Administrators, LLC,
New England Custom Health Plan Administrators, LLC, and
HMA MGU, LLC d/b/a HMA Direct,
OHIC SC 09-01**

1. Pursuant to Section 21 of *Central Management Regulation 2 – Rules of Procedure in Administrative Hearings*,³ all the entities collectively defined as HMA Group are declared to be in default for failing to appear at the hearing.

2. Pursuant to Section 21 of *Central Management Regulation 2 – Rules of Procedure in Administrative Hearings*, the allegations in the Amended Order to Show Cause except for paragraph 34 against all the entities defined as HMA Group are found to be true.

Based on the forgoing, the undersigned makes the following conclusions of law:

3. Health Management Advisors, LLC, HMA Administrators, LLC, New England Custom Health Plan Administrators, LLC, and HMA MGU, LLC d/b/a HMA Direct all violated R.I. Gen. Laws § 27-2-1 *et seq.* (Foreign Insurance Companies Act), R.I. Gen. Laws § 27-16-1 *et seq.* (Unauthorized Insurance Business Act), R.I. Gen. Laws § 27-9.4-1 *et seq.* (Unfair Claims Settlement Practices Act), R.I. Gen. Laws § 27-29-1 *et seq.* (Unfair Competition and Practices Act), and R.I. Gen. Laws § 27-50-1 *et seq.* (Small

³ Adopted by OHIC *Regulation 1 Adoption of Existing Administrative and Health Insurance-Related Regulations of the Department of Business Regulation.*

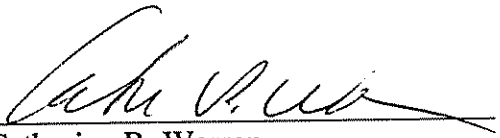
Employer Health Insurance Availability Act).

4. That those named entities defined as HMA Group were all acting as insurers pursuant to R.I. Gen. Laws § 27-1-1 *et seq.* and thus were unlicensed.

On the basis of the forgoing, the undersigned makes the following recommendation:

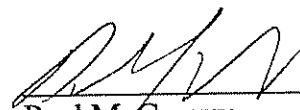
5. That each of the named entities as defined as HMA Group cease and desist from violating R.I. Gen. Laws § 27-1-1 *et seq.*, R.I. Gen. Laws § 27-2-1 *et seq.*, R.I. Gen. Laws § 27-16-1 *et seq.*, R.I. Gen. Laws § 27-9.4-1 *et seq.*, R.I. Gen. Laws § 27-29-1 *et seq.*, and R.I. Gen. Laws § 27-50-1 *et seq.*

Dated: October 4, 2011


Catherine R. Warren
Hearing Officer

I have read the Hearing Officer's recommendations in this matter as to the Department of Business Regulation's Orders to Show Case and I hereby ADOPT/REJECT the findings of facts, the conclusions of law, and recommendation of the hearing officer in the above entitled Final Order.

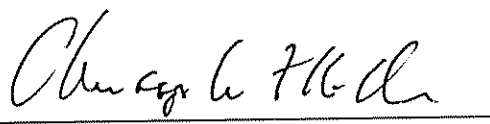
Dated: 13 Oct 2011


Paul McGreevy
Director

Entered as Administrative Order No. 11-I- 073 on this 12th day October, 2011.

I have read the Hearing Officer's recommendations in this matter as to the Office of the Health Insurance Commissioner's Order to Show Case and I hereby ADOPT/REJECT the findings of facts, the conclusions of law, and recommendation of the hearing officer in the above entitled Final Order.

Dated: October 12, 2011


Christopher Koller
Health Insurance Commissioner

NOTICE OF APPELLATE RIGHTS

THIS ORDER CONSTITUTES A FINAL ORDER OF THE DEPARTMENT OF BUSINESS REGULATION PURSUANT TO R.I. GEN. LAWS § 42-35-12. PURSUANT TO R.I. GEN. LAWS § 42-35-15, THIS ORDER MAY BE APPEALED TO THE SUPERIOR COURT SITTING IN AND FOR THE COUNTY OF PROVIDENCE WITHIN THIRTY (30) DAYS OF THE MAILING DATE OF THIS DECISION. SUCH APPEAL, IF TAKEN, MUST BE COMPLETED BY FILING A PETITION FOR REVIEW IN SUPERIOR COURT. THE FILING OF THE COMPLAINT DOES NOT ITSELF STAY ENFORCEMENT OF THIS ORDER. THE AGENCY MAY GRANT, OR THE REVIEWING COURT MAY ORDER, A STAY UPON THE APPROPRIATE TERMS.

CERTIFICATION

I hereby certify that on this 17th day of October, 2011, that a copy of the within Order was sent by first class mail, postage prepaid to –

Mr. Jedediah Brettschneider
7 Wells Avenue
Newton, MA 02459

Mr. Michael Cassandro
14 North Drive
Middletown, RI 02842

HMA Administrators
7 Wells Avenue Ste 24
Newton, MA 02459

New England Custom Health and Plan Administrators
275 Grove Street
Newton, MA 02466

Mr. Christopher Westerkamp
54 Pratt St
Mansfield, MA 02048

Health Management Advisors, LLC
HMA Administrator, Inc.
New England Custom Health Plan Administrators, LLC
MMA MGU LLC d/b/a HMA Direct
7 Wells Avenue Ste 24
Newton, MA 02459

Mr. Jedediah Brettschneider
Home address

Mr. Christopher Westerkamp
Home address

Timothy Bliss, Esquire
Vetter & White
Center Place
50 Park Row West, Suite 109
Providence, RI 02903

Nancy Adams, Esquire
Mintz Levin *et al.*
One Financial Center
Boston, MA 02111

and by electronic delivery to –

William O'Brien

and by electronic delivery to -

Elizabeth Kelleher Dwyer, Esquire
Joseph Torti, Deputy Director
Department of Business Regulation
Pastore Complex
1511 Pontiac Avenue
Cranston, RI.

