

No. **2020-6321**

**Official Order
of the
Texas Commissioner of Insurance**

Date: 04-14-2020

Subject Considered:

DirectPath LLC
120 18th St S Ste 102
Birmingham, Alabama 35233-1819

Consent Order
TDI Enforcement File No. 16202

General remarks and official action taken:

This is a consent order with DirectPath LLC. DirectPath allowed unlicensed individuals to perform the acts of an agent on its behalf. DirectPath has agreed to a \$10,000 administrative penalty.

Waiver

DirectPath acknowledges that the Texas Insurance Code and other applicable law provide certain rights. DirectPath waives all these rights, and any other applicable procedural rights, in consideration of the entry of this consent order.

Findings of Fact

1. DirectPath holds a general lines agency license with a life, accident, and health qualification.
2. The department received notification from Unum Insurance Group that DirectPath allowed unlicensed and/or unappointed individuals to submit long-term care applications to Unum. The applications were submitted during employer-sponsored open enrollments.

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3. Directpath allowed 20 agents who did not have an appointment with Unum to process long-term care applications. Additionally, Directpath allowed eight individuals who were licensed in other states, but did not hold a Texas license, to submit long-term care applications to Unum.

Mitigation

4. DirectPath represents to the department that it has implemented several internal procedures to ensure future compliance.
5. The department did not receive any related consumer complaints.

Conclusions of Law

1. The commissioner has jurisdiction over this matter pursuant to TEX. INS. CODE §§ 82.051 – 82.055, 84.021– 84.044, 4001.101, and 4001.201.
2. The commissioner has the authority to informally dispose of this matter as set forth in TEX. GOV'T CODE § 2001.056; TEX. INS. CODE §§ 36.104 and 82.055; and 28 TEX. ADMIN. CODE § 1.47.
3. DirectPath has knowingly and voluntarily waived all procedural rights to which it may have been entitled regarding the entry of this order, including, but not limited to, issuance and service of notice of intention to institute disciplinary action, notice of hearing, a public hearing, a proposal for decision, rehearing by the commissioner, and judicial review.
4. DirectPath violated TEX. INS. CODE § 4001.101 by allowing an individual who did not hold the required license to perform the acts of an agent.
5. DirectPath violated TEX. INS. CODE § 4001.201 by allowing an individual who was not appointed with an insurer to perform the acts of an agent.

Order

It is ordered that DirectPath pay an administrative penalty of \$10,000 within 30 days of the date of this order. The administrative penalty must be paid by cashier's check or money order made payable to the "State of Texas." Mail the administrative penalty to the

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Texas Department of Insurance, Attn: Enforcement Division, Division 60851, MC 9999, P.O. Box 149104, Austin, Texas 78714-9104.

Kent C. Sullivan
Commissioner of Insurance

By: 
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Doug Slape
Chief Deputy Commissioner
Commissioner's Order No. 2018-5528

Recommended and reviewed by:



Leah Gillum, Deputy Commissioner
Enforcement Division



Mandy R. Meesey, Associate Commissioner
Enforcement Division

Affidavit

STATE OF Alabama §

§

COUNTY OF Jefferson §

Before me, the undersigned authority, personally appeared _____,
who being by me duly sworn, deposed as follows:

"My name is Brian Stana. I am of sound mind, capable of making
this statement, and have personal knowledge of these facts which are true and correct.

I hold the office of Chief Financial & Compliance Officer, and am the authorized representative
of DirectPath, LLC. I am duly authorized by said organization to execute this statement.

DirectPath, LLC has knowingly and voluntarily entered into the foregoing consent order
and agrees with and consents to the issuance and service of the same by the
commissioner of insurance of the state of Texas."

 3/27/2020

Affiant

SWORN TO AND SUBSCRIBED before me on _____, 2020.

(NOTARY SEAL)

Signature of Notary Public

Printed Name of Notary Public