

**BEFORE THE INSURANCE COMMISSIONER  
FOR THE STATE OF ARKANSAS**

**ARKANSAS INSURANCE DEPARTMENT,** )  
**Petitioner** )  
 )  
**vs.** )  
 )  
**IN THE MATTER OF THE** )  
**MILLENNIUM MULTIPLE EMPLOYER** )  
**WELFARE BENEFIT PLAN,** )  
**Respondent** )

**A.I.D. NO. 2011- 087**

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**ORDER OF REVOCATION**

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On this day, the matter of Millennium Multiple Employer Welfare Benefit Plan (“Plan”) (“Respondent”) came before Jay Bradford, Arkansas Insurance Commissioner (“Commissioner”). A hearing was held at 9:00 a.m. on August 30, 2011 in the Meeting Staff Room of the Arkansas Insurance Department (“Department”) pursuant to a Notice of Hearing dated August 17, 2011. The hearing was held before acting Deputy Commissioner and General Counsel, William R. Lacy (“Hearing Officer”), pursuant to his appointment by the Commissioner in accordance with Arkansas Code Annotated § 23-61-103. The Department was represented by Booth Rand, Managing Attorney, and Amanda J. Andrews, Associate Counsel.

**FINDINGS OF FACT**

1. The Commissioner has jurisdiction over the parties and the subject matter pursuant to Arkansas Code Annotated §§ 23-61-503, 23-65-101, 23-92-101, and other state and federal laws.
2. On August 16, 2011, the Commissioner issued Emergency Suspension Order, AID No. 2011-054, suspending Respondent’s multiple employer welfare arrangement (“MEWA”) License on the grounds that Respondent failed to comply with Consent Order, AID No. 2004-072 (“Millennium Consent Order”), and for the public health, safety, and welfare of the people of this State.

3. In Consent Order, AID No. 2004-072 (“Millennium Consent Order”), the Plan represented itself as a multiple employer welfare arrangement (“MEWA”) as defined by 29 U.S.C. § 1002(40), with Millennium Marketing Group, L.L.C. as the sponsor of the Plan. Millennium Marketing Group, L.L.C. was a party to the Millennium Consent Order and, therefore, also to the Emergency Suspension Order. However, Millennium Marketing Group, L.L.C. does not hold a MEWA license issued by the Department and is not subject to revocation under this Order.

4. In the Millennium Consent Order, the Plan represented the following:

- A. The Plan was set up pursuant to the Internal Revenue Code § 419A(f)(6) and applicable Treasury Regulations;
- B. The Plan was an employee welfare benefit plan as defined by 29 U.S.C. 1002(1) and other applicable law; and
- C. The Plan was fully insured, as described in 29 U.S.C. 1144(b)(6)(D).

5. The Plan represented to the Department in the Consent Order that the Plan provided two types of fixed welfare benefits to employees of participating employers: (a) a fixed amount of death benefit is payable upon the death of any Plan participant to that participant’s beneficiary; and (b) in certain situations, a fixed life benefit may be paid to a Plan participant during the participant’s lifetime.

6. As a condition to licensure or registration in the Millennium Consent Order, the Plan represented to the Department that it would obtain and send to the Department a written ruling or opinion from the Internal Revenue Service and United States Department of Labor regarding the representations in paragraph Four (4) of this Order.

7. In the Millennium Consent Order, the Department reserved (a) the right to revise, rescind, or affirm the Consent Order after receipt of the opinions, and (b) the right to rescind the Plan’s and/or third party administrator’s registrations: (i) after receipt of one or both of the opinions

referenced above; (ii) if the Plan is changed and the Department does not approve the change; and (iii) if the Plan is being operated in such a way as to endanger the participants.

8. In or about June 2010, the Plan filed for bankruptcy protection in Oklahoma, and the bankruptcy plan, which was recently approved, provided for termination of the Plan and liquidation amongst the beneficiaries. As a result of the financial condition of the Plan, the beneficiaries to the Plan will suffer great loss.

9. Respondent failed to provide the Department with any of the documentation required by the Millennium Consent Order, and Respondent did not appear at the August 30, 2011 hearing to contest revocation of its MEWA license.

#### **CONCLUSIONS OF LAW**

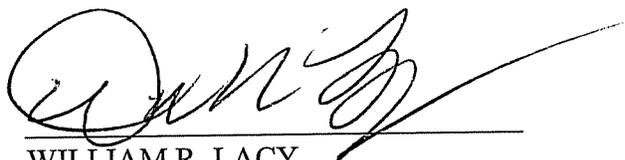
From the Findings of Fact contained herein, the Hearing Officer concludes as follows:

10. Respondents failed to comply with the Millennium Consent Order and such compliance was a condition of licensure in this State.

#### **RECOMMENDATIONS OF THE HEARING OFFICER**

WHEREFORE, based upon the foregoing Findings of Fact, Conclusions of Law, and other matters before him, the Hearing Officer recommends:

11. Based upon Respondent's violation of Consent Order, AID No. 2004-072, compliance of which was a condition of licensure, I recommend immediate revocation of Respondent's MEWA License No. NG-248344.



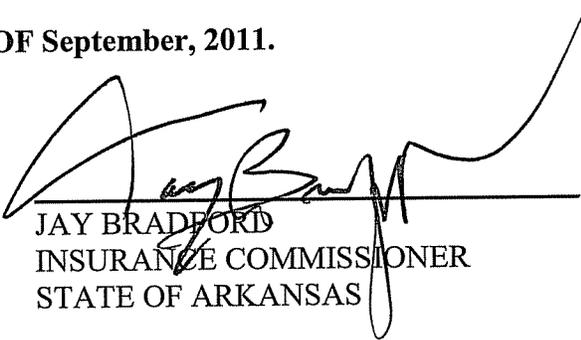
WILLIAM R. LACY  
ACTING DEPUTY COMMISSIONER,  
GENERAL COUNSEL and  
HEARING OFFICER

**CERTIFICATION**

I, Jay Bradford, Insurance Commissioner for the State of Arkansas, do hereby certify that the above Findings of Fact, Conclusions of Law, and Recommendations of the Hearing Officer were made by and under my authority and supervision by William R. Lacy, acting Deputy Commissioner, General Counsel and Hearing Officer in this proceeding. I hereby adopt the Hearing Officer's Findings of Fact, Conclusions of Law, and Recommendations in full and enter this Order.

THEREFORE, it is hereby ORDERED that the Respondent's MEWA License No. NG-248344 is revoked.

**IT IS SO ORDERED THIS 14<sup>th</sup> DAY OF September, 2011.**



JAY BRADFORD  
INSURANCE COMMISSIONER  
STATE OF ARKANSAS