

**NORTH CAROLINA DEPARTMENT OF INSURANCE  
RALEIGH, NORTH CAROLINA**

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**STATE OF NORTH CAROLINA  
COUNTY OF WAKE**

**BEFORE THE COMMISSIONER  
OF INSURANCE**

**IN THE MATTER OF  
THE LICENSURE OF  
EPTYN INSURANCE, LLC.  
LICENSE/NPN: 20365118 and  
JESSICA FUENTES ALVAREZ,  
CO-OWNER & PRODUCER  
LICENSE/NPN: 19262403**

**VOLUNTARY SETTLEMENT  
AGREEMENT**

**NOW COME**, Eptyn Insurance, LLC (Eptyn) and Jessica Fuentes Alvarez (Ms. Alvarez) and the Agent Services Division of the N.C. Department of Insurance (hereinafter "Agent Services Division"), and hereby voluntarily and knowingly enter into the following Voluntary Settlement Agreement (hereinafter "this Agreement").

**WHEREAS**, the Agent Services Division has the authority and responsibility for enforcement of the insurance laws of this State, and for regulating and licensing insurance agents and agencies; and

**WHEREAS**, Eptyn currently holds a non-resident business entity license and Ms. Alvarez currently holds a Non-Resident Producer's license with authority for Life, Accident & Health or Sickness, and Property and Casualty lines of insurance issued by the Agent Services Division; and

**WHEREAS**, Ms. Alvarez is a Manager and co-owner of Eptyn; and

**WHEREAS**, North Carolina General Statute § 58-33-31(b)(2) requires business entities to designate a licensed producer (DRLP), who is a natural person, responsible for the business entity's compliance with the insurance laws and administrative rules of this State and orders of the Commissioner; and

**WHEREAS**, Ms. Alvarez is the designated responsible licensed producer for Eptyn and therefore is responsible for Eptyn's compliance with the insurance laws and administrative rules of this State and orders of the Commissioner; and

**WHEREAS**, it appears that Eptyn primarily works with the health care marketplace. HealthSherpa is an organization that provides a free online platform where licensed insurance

agents and their agencies can enroll consumers in Qualified Health Plans and manage their book of business (the "Agent Platform"). Agencies are responsible for establishing their own business practices, including lead generation, and collecting consent. Such practices must comply with applicable state and federal law including CMS regulations; and

**WHEREAS**, HealthSherpa received 136 reports related to enrollments by Eptyn, 77 of which related to Eptyn agent Raul Roch. HealthSherpa's Fraud Prevention Unit opened an investigation on March 03, 2020 and temporarily suspended account access for four agents of Eptyn including Ms. Alvarez, Raul Roch, Oscar Martinez-Sondon and Nayade Cardoso; and

**WHEREAS**, N.C. Gen. Stat. § 58-33-40(a) provides: Except as provided in subsection (b) of this section, no individual who holds a valid insurance producer license issued by the Commissioner shall, either directly or for an insurance agency, solicit, negotiate, or otherwise act as an agent for an insurer by which the individual has not been appointed; and

**WHEREAS**, N.C. Gen. Stat. § 58-33-26 (i) provides: No insurance producer shall place a policy of insurance with any insurer unless the insurance producer has a current appointment as agent for the insurer in accordance with G.S. 58-33-40 or has a valid temporary license issued in accordance with G.S. 58-33-66; and

**WHEREAS**, Mr. Roch allegedly applied for insurance for persons without their knowledge and consent with insurers for which he was not appointed, violations of N.C. Gen. Stat. § 58-33-40(a) and 58-33-26(i). Ms. Alvarez was listed as agent of record thereon. The agency and its agents did not retain recordings or records documenting applicants' consents to apply for and place coverage; and

**WHEREAS**, within four (4) months of its relationship with HealthSherpa, Eptyn's book of business increased to more than 5000 applications. Eventually, HealthSherpa terminated its relationship with Eptyn; and

**WHEREAS**, N.C. Gen. Stat. § 58-33-40(a) provides: Except as provided in subsection (b) of this section, no individual who holds a valid insurance producer license issued by the Commissioner shall, either directly or for an insurance agency, solicit, negotiate, or otherwise act as an agent for an insurer by which the individual has not been appointed; and

**WHEREAS**, N.C. Gen. Stat. § 58-33-26 (i) provides: No insurance producer shall place a policy insurance with any insurer unless the insurance producer has a current appointment as agent for the insurer in accordance with G.S. 58-33-40 or has a valid temporary license issued in accordance with G.S. 58-33-66; and

**WHEREAS**, N.C. Gen. Stat. § 58-33-46(a)(8) provides that the Commissioner may place on probation, suspend, revoke, or refuse to renew any license issued under Article 33 of Chapter 58 of the General Statutes of NC, among other things, for demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this State or elsewhere. The practices of Eptyn and Ms. Alvarez reflect violations of N.C. Gen. Stat. § 58-33-46(a)(8); and

**WHEREAS**, N. C. Gen. Stat. § 58-33-46(a)(2) provides that the Commissioner may place on probation, suspend, revoke, or refuse to issue or renew any license issued under Article 58 of the General Statutes of North Carolina for violating any insurance law of this or any other state, violating any administrative rule, subpoena, or order of the Commissioner or of another state's regulator; and

**WHEREAS**, N. C. Gen. Stat. § 58-2-70 provides that whenever the Commissioner has reason to believe that any person has violated any law that would subject the license or certification of that person to suspension or revocation, the Commissioner is authorized, in lieu of a hearing, to negotiate a mutually acceptable agreement as to the status of the person's license or certificate or to any civil penalty or restitution; and

**WHEREAS**, Eptyn and Ms. Alvarez have agreed to settle, compromise, and resolve the matters referenced in this Agreement, and the Agent Services Division has agreed not to pursue additional civil ramifications, including penalties, sanctions, remedies, or restitution based on these matters against Eptyn and Ms. Alvarez; and


**WHEREAS**, the parties to this Agreement mutually wish to resolve this matter by consent before the Department initiates an administrative hearing and have reached a mutually agreeable resolution of this matter as set out in this Agreement.

**NOW, THEREFORE**, in exchange for the consideration and promises and agreements set out herein, Ms. Alvarez and the Agent Services Division hereby agree to the following:

1. Immediately upon the signing of this Agreement, Eptyn and Ms. Alvarez jointly shall pay a civil penalty of **\$500.00** to the Agent Services Division. The form of payment shall be by certified check, cashier's check, or money order. The check or money order for the payment of this civil penalty shall be payable to the "**North Carolina Department of Insurance.**" Eptyn and Ms. Alvarez shall remit the civil penalty by certified mail, return receipt requested, to the Agent Services Division along with a copy of this signed Agreement. The civil penalty and the signed Agreement must be received by the Agent Services Division no later than **February 05, 2024**. The civil penalty shall be subject to disbursement in accordance with the provisions of Article IX, Section 7 of the North Carolina Constitution for the benefit of public schools.
2. This Agreement does not in any way affect the Agent Services Division's disciplinary power in any future examination of Eptyn or Ms. Alvarez, or in any complaints involving Eptyn or Ms. Alvarez.
3. Eptyn and Ms. Alvarez enter into this Agreement, freely and voluntarily and with the knowledge of their right to have an administrative hearing on this matter. Both understand that they may consult with an attorney prior to entering into this Agreement.

4. The parties to this Agreement agree that this Agreement shall have the full force and effect of an Order of the Commissioner. Eptyn and Ms. Alvarez understand that N.C.G.S. § 58-33-46(a)(2) provides that an agency or producer's license may be revoked for violating an Order of the Commissioner.
5. This Agreement, when finalized, will be a public record and will **not** be held confidential by the Agent Services Division. Following the execution of this Agreement, all licenses issued by the Agent Services Division to Eptyn and Ms. Alvarez shall reflect that Regulatory Action has been taken against them. The Department is free to disclose the contents of this Agreement with third parties upon request or pursuant to any law or policy providing for such disclosure. The Agent Services Division, upon request, will provide a copy of the voluntary settlement agreement to all companies that have licensed the producer or the agency.
6. The parties have read and understand this Agreement and agree to abide by the terms and conditions stated herein.
7. Be aware that if a state or federal regulator other than the Agent Services Division has issued an occupational or professional license to you, that regulator may require you to report this administrative action to it. The Agent Services Division cannot give you legal advice as to the specific reporting requirements of other state or federal regulators.

**N. C. Department of Insurance  
Agent Services Division**

  
By: Jessica Fuentes Alvarez  
License No. 19262403,  
In her capacity as producer  
And for: Eptyn Insurance  
License/NPN: 20365118,  
In her capacity as Co-owner,

  
By: Joe Wall  
Deputy Commissioner

Date: 01/24/2024

Date: 2/6/2024