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

**STATE OF NORTH CAROLINA
COUNTY OF WAKE**

**BEFORE THE COMMISSIONER
OF INSURANCE**

**IN THE MATTER OF
THE LICENSURE OF
OSCAR MIGUEL MARTINEZ-SONDON
LICENSE/NPN: 19304288**

**VOLUNTARY SETTLEMENT
AGREEMENT**

NOW COME, Oscar Miguel Martinez-Sondon (Mr. Martinez-Sondon) 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 Insurance, LLC currently holds a non-resident business entity license and Mr. Martinez-Sondon currently holds a Non-Resident Producer's license with authority for Life, Accident & Health or Sickness, Property and Casualty lines of insurance and a Medicare Supplement Long-Term Care Insurance license issued by the Agent Services Division; and

WHEREAS, Mr. Martinez-Sondon is a Manager and co-owner of Eptyn; 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 and opened an investigation on March 03, 2023 and temporarily suspended account access for four agents of Eptyn including Mr. Martinez-Sondon; and

WHEREAS, within four (4) months of its relationship with HealthSherpa, Eptyn's book of business increased to more than 5900 applications. Eventually, HealthSherpa terminated its relationship with Eptyn; and

WHEREAS, N.C. Gen. Stat. § 58-33-46(a)(10) 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 for forging another's name to an application for insurance or to any document related to an insurance transaction; and

WHEREAS, Mr. Martinez-Sondon allegedly switched health insurance coverages applied for on healthcare.gov by North Carolina residents without their knowledge and consent. Ms. Christine Mast

stated that she never had any conversations with anyone regarding changing her Blue Cross health insurance coverage and that she had never heard of Mr. Martinez-Sondon or the Eptyn insurance agency. Mr. Martinez-Sondon switched her Blue Cross coverage to Ambetter without her knowledge or consent. Ms. Mast was able to change her insurance coverage back to Blue Cross. She previously met her deductible under her Blue Cross coverage but was not able to carry it over because of the unauthorized change. Mr. Martinez-Sondon's actions constitute violations of N.C. Gen. Stat. § 58-33-46(a)(8) and (10). The agency and its agents, including Mr. Martinez-Sondon, did not retain or were able to provide recordings or records documenting applicants' consents to apply for and place coverage; 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; activities. The practices of Mr. Martinez-Sondon 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, Mr. Martinez-Sondon has 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 Mr. Martinez-Sondon; and

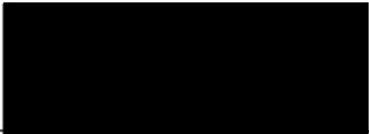
WHEREAS, the parties to this Agreement mutually wish to resolve this matter by consent before the Department initiates an administrative hearing and have reached a mutually agreeable resolution of this matter as set out in this Agreement.

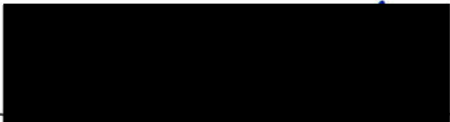
NOW, THEREFORE, in exchange for the consideration and promises and agreements set out herein, Ms. Burton and the Agent Services Division hereby agree to the following:

1. Immediately upon the signing of this Agreement, Mr. Martinez-Sondon shall pay a civil penalty of **\$250.00** 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**". Mr. Martinez-Sondon 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 26, 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 Mr. Martinez-Sondon, or in any complaints involving Mr. Martinez-Sondon.
3. Mr. Martinez-Sondon enters into this Agreement, freely and voluntarily and with the knowledge of his right to have an administrative hearing on this matter. Mr. Martinez-Sondon understands that he 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. Mr. Martinez-Sondon 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 Mr. Martinez-Sondon reflect that Regulatory Action has been taken against him. 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: Oscar Miguel Martinez-Sondon
License No. 19304288


By: Joe Wall
Deputy Commissioner

Date: 01/24/2024

Date: 2/6/2024