

**STATE OF WASHINGTON
OFFICE OF THE INSURANCE COMMISSIONER**

In the Matter of

David Ford, DDS
dba David Ford Dental,

Unauthorized Individual.

Respondent.

Order No. 16-0250

ORDER TO CEASE AND DESIST

Pursuant to RCW 48.02.080 and RCW 48.44.016, the Insurance Commissioner of the state of Washington ("Insurance Commissioner") orders the above-named Respondent, and its officers, directors, trustees, employees, agents, and affiliates to immediately cease and desist from:

- A. Engaging in or transacting the unauthorized business of insurance or acting as an unregistered health care service contractor in the state of Washington.
- B. Seeking, pursuing, and obtaining any insurance or health care service contractor business in the state of Washington.
- C. Soliciting Washington residents to enter into agreements which require prepayment for health care services.

BASIS:

1. On July 18, 2016, a dental office contacted the Insurance Commissioner's company licensing unit asking for information about how to charge customers a prepaid fee in exchange for dental services. The dental office provided the Insurance Commissioner with a copy of a promotional flyer from David Ford Dental, advertising its Patient Loyalty Program. The flyer advertised the plan as an in-office dental benefit program for patients who do not have dental coverage. The plan has an annual cost of \$450 per person and provides two cleanings, two exams, necessary X-Rays, two fluoride applications, and a 20 percent discount on most other services. According to Dr. Ford's counsel, there are approximately sixty-five patients currently enrolled in the plan.

ORDER TO CEASE AND DESIST
ORDER NO. 16-0250

LA - 1389115 - 1

1

State of Washington
Office of Insurance Commissioner
PO Box 40255
Olympia, WA 98504-0255

2. A search of the Insurance Commissioner's licensing database revealed that neither David Ford, DDS nor David Ford Dental is registered as a health care service contractor nor do either of them have a certificate of authority to transact insurance business in the state of Washington.

3. RCW 48.44.010(9) states a "health care service contractor" means any corporation, cooperative group, or association, which is sponsored by or otherwise intimately connected with a provider or group of providers, who or which not otherwise being engaged in the insurance business, accepts prepayment for health care services from or for the benefit of persons or groups of persons as consideration for providing such persons with any health care services.

4. RCW 48.44.15 states a person may not in this state, by mail or otherwise, act as or hold himself or herself out to be a health care service contractor, defined in RCW 48.44.010 without first being registered with the Insurance Commissioner.

5. RCW 48.44.040 states every health care service contractor who or which enters into agreements which require prepayment of health care services shall register with the Insurance Commissioner.

6. RCW 48.44.016(5) states if the Insurance Commissioner has cause to believe that any person has violated the provisions of RCW 48.44.015(1), the Insurance Commissioner may issue and enforce a cease and desist order in accordance with the provisions of RCW 48.02.080 and/or assess a civil penalty of not more than twenty-five thousand dollars for each violation, after providing notice and an opportunity for a hearing.

7. RCW 48.05.030 provides no person shall act as an insurer and no insurer shall transact insurance in this state other than as authorized by a certificate of authority issued to it by the Insurance Commissioner.

8. The Respondent's actions of acting as a health service contract provider by offering its Patient Loyalty Program without being registered by the Insurance Commissioner, is in violation of RCW 48.44.015 and RCW 48.44.040.

IT IS FURTHER ORDERED that nothing herein shall prevent the Respondent from fulfilling the terms of contracts formed prior to the effective date of this Order pursuant to RCW 48.15.020(2)(b).

Any violation of the terms of this Order by the Respondent and its officers, directors, trustees, employees, agents, and affiliates or the Respondent's failure to fulfill or perform its

contracts subject to this Order will render the violator(s) subject to the full penalties authorized by RCW 48.02.080, RCW 48.44.016(5), and other applicable sections of the Insurance Code of the state of Washington.

The Respondent has the right to demand a hearing in accordance with RCW 48.04.010, WAC 284-02-070, and WAC 10-08-110.

This Order shall remain in effect subject to the further order of the Insurance Commissioner.

THIS ORDER IS EFFECTIVE IMMEDIATELY AND IS ENTERED at Tumwater, Washington, this 11th day of October, 2016.



MIKE KREIDLER
Insurance Commissioner

By and through his designee



MARCIA G. STICKLER
Insurance Enforcement Specialist
Legal Affairs Division

CERTIFICATE OF MAILING

The undersigned certifies under the penalty of perjury under the laws of the state of Washington that I am now and at all times herein mentioned, a citizen of the United States, a resident of the state of Washington, over the age of eighteen years, not a party to or interested in the above-entitled action, and competent to be a witness herein.

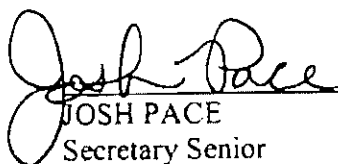
On the date given below I caused to be served the foregoing Order to Cease and Desist on the following individual(s) by email and by depositing in the U.S. mail via state Consolidated Mail Service with proper postage affixed to:

VIA US MAIL/EMAIL/

David Ford DDS
601 S. Carr Road Suite 400
Renton WA 98055

Brad Hudson
Attorney at Law
24101 43rd Avenue West
Mountlake Terrace WA 98043
brad@bradhudsonlaw.com

Dated this 11th day of October, 2016, in Tumwater, Washington.



JOSH PACE
Secretary Senior
Legal Affairs Division