# DELAWARE DEPARTMENT OF INSURANCE

# MARKET CONDUCT EXAMINATION REPORT

**Ansel Services Inc.**

Exam Authority # TPA-25-506
2093 Philadelphia Pike, # 2496
Claymont, DE 19703

As of

December 31, 2024

TRINIDAD NAVARRO
COMMISSIONER

STATE OF DELAWARE
DEPARTMENT OF INSURANCE

I, Trinidad Navarro, Insurance Commissioner of the State of Delaware, do hereby certify that the attached REPORT ON EXAMINATION, made as of December 31, 2024 on

**Ansel Services Inc.**

is a true and correct copy of the document filed with this Department.

Attest By: ____________________

Insurance Commissioner of the State of Delaware

LIBERTY AND INDEPENDENCE

*In Witness Whereof*, I have hereunto set my hand and affixed the official seal of this Department at the City of Dover, this 7th day of July, 2026.

____________________
*Trinidad Navarro*
*Insurance Commissioner*

♦INSURANCE.DELAWARE.GOV♦
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TRINIDAD NAVARRO
COMMISSIONER

STATE OF DELAWARE
DEPARTMENT OF INSURANCE

# REPORT ON EXAMINATION

OF THE

**Ansel Services Inc.**

AS OF

December 31, 2024

The above-captioned Report was completed by examiners of the Delaware Department of Insurance.

Consideration has been duly given to the comments, conclusions and recommendations of the examiners regarding the status of the Company as reflected in the Report.

This Report is hereby accepted, adopted and filed as an official record of this Department.

In Witness Whereof, I have hereunto set my hand and affixed the official seal of this Department at the City of Dover, this 7th day of July, 2026.

Trinidad Navarro
Insurance Commissioner

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Honorable Trinidad Navarro
Insurance Commissioner
State of Delaware
1351 West North Street, Suite #101
Dover, Delaware 19904

Dear Commissioner Navarro:

In compliance with the instructions contained in Exam Authority # TPA-25-506, and pursuant to statutory provisions including 18 *Del. C.* §§ 318-322, a market conduct examination has been conducted of the affairs and practices of:

**Ansel Services Inc.**

The examination was performed as of December 31, 2024.

The exam was performed off-site. The off-site examination phase was performed at the offices of the Delaware Department of Insurance, hereinafter referred to as the Department or DDOI, or other suitable locations.

The report of examination herein is respectfully submitted.

## EXECUTIVE SUMMARY

Ansel Services, Inc. (Company) is a Third Party Administrator (TPA) licensed in Delaware with main administrative offices located at 2093 Philadelphia Pike, #2496, Claymont DE 19703.

The Delaware Department of Insurance (DDOI) announced a series of examinations of TPAs doing business in Delaware. The purpose was to ensure the companies were aware of all DOI regulations related to TPAs, and to determine if they were in compliance or developing policies and procedures to comply. The examination focused on the Company's compliance with 18 *Del Admin C.* 1406, Third Party Administrators and affiliated Delaware statutes, rules and regulations. Functional areas reviewed included Third Party Administrators (TPA) operations and management, audits, financial statements, contracts and agreements, invoicing and advertising/marketing.

## SCOPE OF EXAMINATION

The Market Conduct Examination was conducted pursuant to the authority granted by 18 Del. C. § 320 and covered the examination period of January 1, 2024 through December 31, 2024, unless otherwise noted. The examination reviewed the Company's activities related to Third Party Services. Attention focused on the Company's compliance with 18 Del. Admin. Code § 1406, Third Party Administrators and affiliated Delaware statutes, rules, and regulations. Functional areas to be reviewed include Third Party Administrators (TPA) operations and management, audits, financial statements, contracts and agreements, and advertising/marketing. The scope of this examination includes all services where the TPA directly or indirectly underwrites, collects charges or premiums from, or denies, modifies, adjusts or settles claims on residents of Delaware in connection with health coverage offered or provided by an insurer as defined in 18 Del. Admin. Code § 1406.

## METHODOLOGY

This examination was performed in accordance with Market Regulation standards established by the Department and examination procedures suggested by the NAIC. While examiners report on the errors found in individual files, the examiners also focus on general business practices of the Company. Delaware Market Conduct Examination Reports generally note only those items to which the DDOI, after review, takes exception. An exception is any instance of Company activity that does not comply with an insurance statute or regulation. Generally, practices, procedures, or files that were reviewed by DDOI examiners during an examination may not be referred to in the Report if no improprieties were noted.

## COMPANY HISTORY

The Company was incorporated in February 2020. The Company, formerly known as Clara Services and Brella Services, is a wholly-owned indirect subsidiary of Ansel Health, Inc. Ansel Health, Inc. was incorporated in Delaware in 2019.

The Company administers policies distributed by, or in co-marketing agreements with, sister company Ansel General Agency, Inc ("Ansel GA"). Ansel GA partners with Fidelity Security Life Insurance Company to distribute the Ansel group supplemental insurance product, developed by Ansel Health in 2019, launched in the Texas market in 2020, and with expansion beginning nationwide in 2021. The company is now approved in 42 states.

## COMPANY OPERATIONS AND MANAGEMENT

The Company was requested to provide data, information, processes or procedures relating to any person undertaking to provide health coverage or self-funded coverage, including coverage under a governmental plan or church plan in this state. This includes an employer, a licensed insurance company, a prepaid hospital or medical care plan, a health maintenance organization, a managed care organization, a health service corporation, or a multiple employer welfare arrangements (MEWAs).

The Company provided an overview of the Company's management structure, history and services provided. The Company offers group underwriting, onboarding, policy administration, premium collection, and claims adjudication and payment. As of October 31, 2025, the licensed insurance company, Renaissance Life & Health Insurance Company of America acquired the assets of Ansel Services, Inc.

The Company indicated it did not have any fines, penalties or recommendations from any states for the last five years related to services. The Company did report it received a short suspension for a late TPA license renewal from Iowa in 2023, and a late annual report submission from Nebraska in 2024. The Company has not been subject to any previous market conduct exams.

No exceptions were noted.

## TERMINATED AGREEMENTS

The Company was requested to provide a listing of all agreements terminated during the examination period. This includes agreements, contracts, data, processes or procedures relating to any person undertaking to provide health coverage or self-funded coverage under a governmental plan or church plan in this state. This includes an employer, a licensed insurance company, a prepaid hospital or medical care plan, a health maintenance organization, a managed care organization, a health service corporation or a MEWA. There were no terminated agreements during the examination period.

No exceptions were noted.

## ADVERTISING

The Company was requested to provide all advertisements pertaining to the business underwritten by an insurer during the examination period, including the date the advertisement was first used. For each advertisement, the written approval by the Insurer, including the date the approval was also requested.

This also includes advertising, processes or procedures relating to any person undertaking to provide health coverage or self-funded coverage, including coverage under a governmental plan or church plan in this state. This includes an employer, a licensed insurance company, a prepaid hospital or medical care plan, a health maintenance organization, a managed care organization, a health service corporation, or a MEWA. The Company did not have any advertisements pertaining to the business underwritten by the insurer during the examination period.

No exceptions were noted.

## AUDIT (RESPONSIBILITIES OF THE INSURER)

The Company was requested to provide a listing of each review of the operations of the TPA, conducted by the insurer conducted on-site or by virtual means. This would include data, processes or procedures relating to a licensed insurance company, prepaid hospital or medical care plan, a health maintenance organization or a multiple employer welfare arrangements (MEWAs) and in cases where an administrator administers benefits for more than 100 certificate holders on behalf of an Insurer. The Company reported Fidelity Security Life Insurance Company (FSLIC) conducted a virtual audit on September 25, 2024 as there were over 100 certificate holders during the examination period.

No exceptions were noted.

## FINANCIAL STATEMENT

The Company was requested to provide financial data and documentation during the examination period. The Company provided a copy of its 2023 GAAP audited financial statement.

The 2023 audit indicated that the financial statements were presented fairly in all material respects for the 2023 year. The audit report stated an emphasis matter and concern due to the significant operating losses reported in the 2023 and 2022. During the financial review, the Company reported a net loss of ($1,971,560) for the 2023 year and ($2,552,118) loss for the 2022 year. The losses are mainly driven by operating expenses from a higher level of salaries and wages that were reported. Revenue for the 2023 year has increased significantly by $428,969; however, the expense ratio is significant compared to operating expenses of $2,432,034 in the 2023 year. Although Ansel Services reported positive net worth of $141,588 for the 2023 year; it was noted in the audit report there were liquidity issues due to the company continuing to suffer recurring losses from operations. The parent company contributed additional capital in 2023 and 2022 for $1,429,797 and $3,549,350, respectively, to cover continued operating losses. Management noted the capital contributions are not sustainable and the Parent would deplete available capital before the end of 2026. It is anticipated that revenues will increase due to projects and activities in the 2024 year. Therefore, the Parent company raised capital through private offerings to sustain the Company's operations through mid-2024 year. The Parent received $20 million in private funding in the 2024 year in addition to $3 million in a term note funding. Management expects to draw on the term note in September of 2025. Based on expected cash flows and the additional funding, the Parent and Ansel Services can fund operations through 2026.

No exceptions were noted.

## CONCLUSION

Although no issues or exceptions were noted, the Company should be mindful of any changes to its operations or contracted services that may impact 18 Del C. § 1406 compliance. In addition, the Company should be observant of any Departmental changes to 18 Del C. § 1406 that may impact Company compliance moving forward.

The examination conducted by Brian Tinsley, Sean Connolly, Natalie Nelson, Mark Plesha, and Braxton Page, is respectfully submitted.

Natalie Nelson, CIE, MCM
Examiner-in-Charge
Market Conduct
Delaware Department of Insurance

I, Natalie Nelson, hereby verify and attest, under oath, that the above is a true and correct copy of the examination report and findings of the market conduct examination submitted to the Delaware Department of Insurance pursuant to examination authority TPA-25-506.

Natalie Nelson, CIE, MCM