DELAWARE DEPARTMENT OF INSURANCE

MARKET CONDUCT EXAMINATION REPORT

Omega Benefit Strategies, Inc.

Exam Authority # TPA-25-513

14 Monument Square, Suite 306,
Leominster, Massachusetts, 01453

As of

December 31, 2024

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

Omega Benefit Strategies, Inc.

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

Attest By: ______________________

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

TRINIDAD NAVARRO
COMMISSIONER

STATE OF DELAWARE
DEPARTMENT OF INSURANCE

REPORT ON EXAMINATION

OF THE

Omega Benefit Strategies, 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.

Insurance Commissioner of the State of Delaware

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-25-513, and pursuant to statutory provisions including 18 *Del. C.* §§ 318-322, a market conduct examination has been conducted of the affairs and practices of:

Omega Benefit Strategies, 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

Omega Benefit Strategies, Inc (Company) is a Third Party Administrator (TPA) licensed in Delaware with main administrative offices located at 14 Monument Square, Suite 306, Leominster, Massachusetts, 01453

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 marketing and sales.

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 November 1, 2023, 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 founded in 1990 and is headquartered in Leominster, MA and is a U.S. based employee benefits administration firm targeting both employees and employers by offering flexible solutions.

The Company originally offered administrative services to small and mid-sized companies in New England. The Company expanded their services to include Corporate Benefits Administration. This division offers services such as flexible spending accounts (FSA), Health Savings Accounts (HSA), Health Reimbursement Arrangements (HRA), Individual Coverage Health Reimbursement Arrangements (ICHRA), commuter benefits, tuition reimbursement, and premium administration.

The Company also provides the following services:

- Technology integration – real time access to employee data, transactions, balances and reports
- Mobile Accessibility – accessing benefits 24/7 through the benefits mobile app.
- Comprehensive Plan Offerings – offers a full array of integrated benefits administration solutions designed for Professional Employer Organizations (PEO) and employers, combining consumer-directed (CDH) products, COBRA administration, and consolidated billing into a single, efficient platform.

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's TPA services are limited to collecting premium from an employer or policyholder and submitting the premium to the insurer. The Company handles the premium administration services on behalf of an employes, employee, insurance agent and an insurance company. The Company collects, reconciles and remits the premium without the need for payroll deductions.
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 advertising material pertaining to the business of their insurers during the examination period.

No exceptions were noted.

NOTICE TO COVERED INDIVIDUALS

The Company was asked to provide a sample copy, for each insurer, of the written notice to covered individuals advising them of the identity of, and relationship among, the administrator, the policyholder and the insurer. This includes 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 indirectly provides TPA services to residents of DE through other PBMs who contract with insureds. The services provided by the Company do not require the delivery of materials to covered individuals.

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 Audited financial statements for 2023 and 2022 and they reported the financials were presented fairly. For the 2023 and 2022 years, the Company had a positive net worth of $1,008,128 and $876,778, respectively.

The Company provided 2023/2022 Consolidated GAAP financial statements for the Omega Insurance Programs. The consolidated financial statement included an individual financial statement for the Company. As of 2023 year, the Company had positive net worth of $1,008,128. The Company earned a net income of $131,350.

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