

No. **2025-9243**

**Official Order
of the
Texas Commissioner of Insurance**

Date: 04/08/2025

Subject Considered:

Capitol Administrators, Inc.
2920 Prospect Park Dr Suite 210
Rancho Cordova, CA 95670-6036

Default Order
TDI Enforcement File No. 35807

General Remarks and Official Action Taken:

This is a default order taken against Capitol Administrators, Inc. (Respondent) because it failed to comply with requirements to maintain its third-party administrator (TPA) certificate of authority. Respondent did not respond to a Notice of Allegations mailed by the Texas Department of Insurance. This order revokes Respondent's certificate of authority.

The following findings of fact and conclusions of law are adopted.

Findings of Fact

Failure to Respond to Notice of Allegations

1. On January 15, 2025, the department sent a Notice of Allegations, attached as Exhibit A, to Respondent.
2. The department sent the Notice of Allegations to Respondent's last known address provided in writing to the department, 2920 Prospect Park Dr Suite 210, Rancho Cordova, CA 95670-6036.

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3. Respondent received and waived an opportunity for a hearing because Respondent failed to send the department a written response to the Notice of Allegations within 20 days after the date the Notice of Allegations was mailed.
4. The department's factual allegations set out in the attached Notice of Allegations are incorporated in this order as findings of fact.

Conclusions of Law

1. The commissioner has jurisdiction under Texas law, including TEX. INS. CODE §§ 82.051–82.055, 4151.051, 4151.056, 4151.205, 4151.206, 4151.212, 4151.301–4151.309; TEX. GOV'T CODE §§ 2001.051–2001.178, 2001.003(1); and 28 TEX. ADMIN. CODE §§ 7.1601, 7.1603, and 7.1609.
2. The commissioner has authority to dispose of this case informally under TEX. GOV'T CODE § 2001.056; TEX. INS. CODE § 82.055; and 28 TEX. ADMIN. CODE § 1.47.
3. The department provided proper notice to Respondent under TEX. GOV'T CODE §§ 2001.003(1), 2001.051, 2001.052, 2001.054, and 2001.056(4), and 28 TEX. ADMIN. CODE §§ 1.28 and 1.47.
4. Based on Respondent's failure to send the department a written response to the Notice of Allegations, the department is entitled to disposition by default under 28 TEX. ADMIN. CODE § 1.47.
5. Respondent failed to show compliance with the law.
6. The department's factual and legal allegations set out in the attached Notice of Allegations are incorporated in this order and deemed admitted as true under 28 TEX. ADMIN. CODE § 1.47.

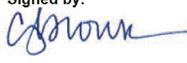
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Order

It is ordered that the third-party administrator certificate of authority held by Capitol Administrators, Inc. is revoked.

It is also ordered that Capitol Administrators, Inc. cease and desist engaging in the business of a third-party administrator in Texas.

Signed by:

FC5D7EDDFFB84F8... _____
Cassie Brown
Commissioner of Insurance

Prepared and reviewed by:



Casey Dick, Staff Attorney
Enforcement

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Affidavit

STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

Before me, the undersigned authority, personally appeared Roxanne Rodriguez, who, being by me duly sworn, deposed as follows:

"My name is Roxanne Rodriguez, and I am employed by the Texas Department of Insurance. I am of sound mind, capable of making this affidavit, and have personal knowledge of these facts which are true and correct.

I have reviewed TDI's records concerning Capitol Administrators, Inc. I have confirmed:

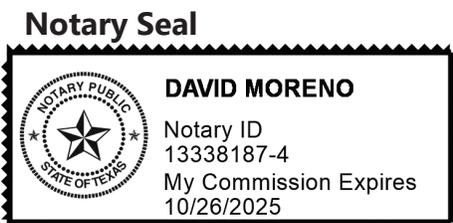
- a. The last mailing address provided to the department in writing by Capitol Administrators, Inc. is 2920 Prospect Park Dr Suite 210, Rancho Cordova, CA 95670-6036.
- b. The file maintained by Enforcement contains a Notice of Allegations dated January 15, 2025, which was sent to Capitol Administrators, Inc.
- c. On January 15, 2025, the Notice of Allegations addressed to Capitol Administrators, Inc. was mailed first-class and certified, return receipt requested, to its last known address.

Copies of the first-class mail log and certified mail log maintained by Enforcement are attached as Exhibit B and Exhibit C, respectively."

Signed by:

D550FEC57474EB...
Affiant

SWORN TO AND SUBSCRIBED before me by means of an interactive two-way audio and video communication on 2/28/2025. This notarial act was an online notarization.



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PO Box 12030 | Austin, TX 78711 | 800-578-4677 | tdi.texas.gov

January 15, 2025

Capitol Administrators, Inc.
2920 Prospect Park Dr Suite 210
Rancho Cordova, CA 95670-6036

Via CM/RRR No.
9214890194038396788713
Via First Class Mail
Via Email: kfischer@capitoladm.com

TDI ENFORCEMENT CASE NO. 35807
NOTICE OF ALLEGATIONS AGAINST CAPITOL ADMINISTRATORS, INC.

The Texas Department of Insurance (TDI) seeks to take disciplinary action against Capitol Administrators, Inc. to revoke its certificate of authority to act as a third-party administrator. This Notice states the allegations against Capitol Administrators, Inc. and the relief sought by TDI.

YOUR WRITTEN RESPONSE IS REQUIRED WITHIN 20 DAYS

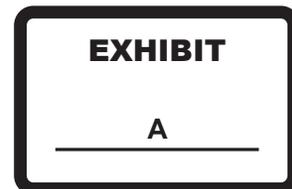
YOU HAVE THE RIGHT TO A HEARING AND ARE INVITED TO SHOW COMPLIANCE WITH THE LAW. To request a hearing, you must send a written response to TDI within 20 days of the date this Notice was mailed.

If you fail to send a written response by the deadline, *you waive your right to a hearing*, and TDI may seek disposition by default under 28 TEX. ADMIN. CODE § 1.47, TEX. INS. CODE § 82.055, and TEX. GOV'T. CODE § 2001.056.

If you fail to send a written response by the deadline, without further notice to you, the commissioner of insurance may issue a default order that admits the factual matters asserted, deems all allegations as true, and orders the relief recommended in this Notice.

You must send your written response by mail, fax, or email to:

Casey Dick, Staff Attorney
Texas Department of Insurance
Enforcement, MC ENF
P.O. Box 12030
Austin, Texas 78711-2030
(512) 490-1020 (Fax)
Casey.Dick@tdi.texas.gov



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Jurisdiction

The commissioner of insurance has jurisdiction over this matter under TEX. INS. CODE §§ 82.051–82.055, 4151.051, 4151.056, 4151.205, 4151.206, 4151.212, 4151.301–4151.309; TEX. GOV'T CODE §§ 2001.003(1) and 2001.051–2001.178; and 28 TEX. ADMIN. CODE §§ 7.1601, 7.1603, and 7.1609.

Factual Allegations

1. On April 20, 1994, TDI issued Foundation Health Administrators Inc., a third-party administrator (TPA) certificate of authority no. 2989126. Foundation Health Administrators Inc. changed its name in TDI's records to Capitol Administrators, Inc. effective April 18, 2008.
2. Texas law states that TPA certificates of authority are effective until suspended, canceled, or revoked.

Failure to File Annual Reports

3. TPAs must file annual reports by June 30th of each year covering the preceding calendar year. The report must include an audited financial statement performed by an independent certified public accountant.
4. TPAs must pay a non-refundable \$200 filing fee for each annual report.
5. A TPA is subject to discipline, including revocation of its certificate of authority, if it fails to timely file its annual report.
6. Capitol Administrators, Inc. failed to file its annual reports and pay the associated \$200 filing fees for calendar years 2019–2023.

Failure to Notify TDI of Material Change and Failure to Maintain Qualifications

7. On January 12, 1993, Foundation Health Administrators, Inc. filed an application for registration as a limited liability company with the Texas Secretary of State.

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8. The Texas Secretary of State's records in File No. 9404806 show that Foundation Health Administrators, Inc. first changed its name to Capitol Administrators, Inc., on January 11, 2008.
9. On January 17, 2019, the Texas Secretary of State's records in File No. 9404806 show that Capitol Administrators, Inc. then changed its name a second time to Lucent Health Solutions, LLC,¹ as a result of a merger.
10. Capitol Administrators, Inc. failed to notify TDI that its name changed to Lucent Health Solutions, LLC as a result of the merger. That name change constitutes a material change in fact or circumstance in the accuracy or completeness of the information filed in its initial application for a TPA certificate of authority.
11. On July 28, 2023, in the Texas Secretary of State's File No. 9404806, the registration of Lucent Health Solutions, LLC f/k/a Capitol Administrators, Inc. was forfeited.

Legal Allegations

1. Capitol Administrators, Inc. failed to timely file annual TPA reports by June 30th on a form prescribed by the commissioner, in violation of TEX. INS. CODE §§ 4151.205 and 4151.301(14), and 28 TEX. ADMIN. CODE § 7.1609.
2. Capitol Administrators, Inc. failed to pay the annual \$200 TPA filing fee in violation of TEX. INS. CODE § 4151.206(a)(3) and 28 TEX. ADMIN. CODE § 7.1609(a).
3. Capitol Administrators, Inc. failed to notify TDI in writing of a material change in fact or circumstance not later than 30 days after becoming aware of the material change, in violation of 28 TEX. ADMIN. CODE § 7.1607(b).
4. Capitol Administrators, Inc. failed to maintain at all times the qualifications for a certificate of authority, as required by TEX. INS. CODE § 4151.212 and 28 TEX. ADMIN. CODE § 7.1607(e).

¹ According to TDI's records, Lucent Health Solutions, LLC holds a separate TPA certificate of authority no. 2989327.

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5. Capitol Administrators, Inc. has willfully violated an insurance law of this state, as contemplated by TEX. INS. CODE § 4151.301(1).
6. Capitol Administrators, Inc. has willfully violated a commissioner rule, as contemplated by TEX. INS. CODE § 4151.301(10).

Relief Sought

TDI seeks the following relief:

1. revocation of your TPA certificate of authority;
2. an order mandating you cease and desist from engaging in the business of insurance in Texas; and ,
3. imposition of any other just and appropriate relief to which the department may be entitled to by law, including any combination of the above actions.

Respectfully,

Casey Dick

Casey Dick
State Bar No. 24132039
Texas Department of Insurance
Enforcement, MC ENF
P.O. Box 12030
Austin, Texas 78711-2030
(512) 676-6328 (Direct)
(512) 490-1020 (Fax)
Casey.Dick@tdi.texas.gov

cc: Leah Gillum, Deputy Commissioner, Fraud and Enforcement Division, MC: ENF
Rachel Cloyd, Litigation Director, Enforcement, MC: ENF

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CERTIFICATE OF SERVICE

I, Casey Dick certify that a true and correct copy of this *Notice of Allegations Against Capitol Administrators, Inc.* was sent by the following methods on this 15th day of January, 2025 to:

Capitol Administrators, Inc.
2920 Prospect Park Dr Suite 210
Rancho Cordova, CA 95670-6036

Via CM/RRR No.
9214890194038396788713
Via First Class Mail
Via Email: kfischer@capitoladm.com



Casey Dick

Name and Address of Sender
 Texas Dept of Insurance
 Mail Code ENF
 1601 Congress Avenue, Suite 6.900
 Austin TX 78701
 Roxanne Rodriguez
 January 15, 2025

Check type of mail or service
 Adult Signature Required
 Adult Signature Restricted Delivery
 Certified Mail
 Certified Mail Restricted
 Collect on Delivery (COD)
 Insured Mail
 Priority Mail
 First-Class Mail
 Priority Mail Express
 Registered Mail
 Return Receipt for Merchandise
 Signature Confirmation
 Signature Confirmation Restricted Delivery

Address (Name, Street, City, State, & Zip Code)
 Capitol Administrators, Inc.
 2920 Prospect Park Dr Suite 210
 Rancho Cordova, CA 95670-6036

Postage
 \$69

Extra Services Fee

Handling Charge

Actual Value if Registered

Insured Value

Due Sender if COD

ASR Fee

ASRD Fee

RD Fee

RR Fee

SC Fee

SCRD Fee

SR Fee



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Total Number of Pieces Received at Post Office

Postmaster, Per (Name of receiving employee)
 Completed In Ink

Privacy Note: For more information on USPS privacy policies, visit usps.com/privacy-policy.

Handling Charge-if Registered

Adult Signature Required

Adult Signature Restricted Delivery

Restricted Delivery

Return Receipt

Signature Confirmation

Signature Confirmation Restricted Delivery

Special Handling



quadrant
 CORRECTION
 IMI
 \$002.00
 01/15/2025 ZIP 78701
 043M32206395
 US POSTAGE

EXHIBIT
 B

Firm Mailing Book For Acc

2025-9243



Shipment Confirmation Acceptance Notice

A. Mailer Action

Note to Mailer: The labels and volume associated to this form online, **must** match the labeled packages being presented to the USPS® employee with this form.

Shipment Date: 01/15/2025

Shipped From:

Name: ENF R RODRIGUEZ

Address: 1601 CONGRESS AVE

City: AUSTIN

State: TX ZIP+4® 78701

Type of Mail	Volume
Priority Mail Express®	
Priority Mail®	
First-Class Package Service®	
Returns	
International*	
Other	1
Total	1

*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

B. USPS Action

Note to RSS Clerk:

1. Home screen > Mailing/Shipping > More
2. Select Shipment Confirm
3. Scan or enter the barcode/label number from PS Form 5630
4. Confirm the volume count message by selecting Yes or No
5. Select Pay and End Visit to complete transaction

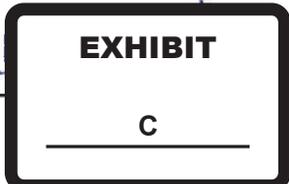
USPS EMPLOYEE: Please scan upon pickup or receipt of mail.
Leave form with customer or in customer's mail receptacle.

USPS SCAN AT ACCEPTANCE



9275 0901 1935 6200 0058 3489 48

Dick/35807





Name and Address of Sender
 ENF R. RODRIGUEZ
 1601 CONGRESS AVE
 STE 6, 900
 AUSTIN TX 78701

Check type of mail or service

<input type="checkbox"/> Adult Signature Required	<input type="checkbox"/> Priority Mail Express
<input type="checkbox"/> Adult Signature Restricted Delivery	<input type="checkbox"/> Registered Mail
<input checked="" type="checkbox"/> Certified Mail	<input type="checkbox"/> Return Receipt for Merchandise
<input type="checkbox"/> Certified Mail Restricted Delivery	<input type="checkbox"/> Signature Confirmation
<input type="checkbox"/> Collect on Delivery (COD)	<input type="checkbox"/> Signature Confirmation Restricted Delivery
<input type="checkbox"/> Insured Mail	
<input type="checkbox"/> Priority Mail	

USPS Tracking/Article Number

1. 9214 8901 9403 8396 7887 13

DICK/35807

Addresssee (Name, Street, City, State, & ZIP Code™)

CAPITOL ADMINISTRATORS, INC.
 2920 PROSPECT PARK DR SUITE 210
 RANCHO CORDOVA, CA 95670-6036

Postage	(Extra Service) Fee	Handling Charge	Actual Value if Registered	Insured Value	Due Sender if COD	ASR Fee	ASRD Fee	RD Fee	RR Fee	SC Fee	SCRD Fee	SH Fee
0.69	4.85	Handling Charge - if Registered and over \$50,000 in value				Adult Signature Required	Adult Signature Restricted Delivery	Restricted Delivery	Return Receipt	Signature Confirmation	Signature Confirmation Restricted Delivery	Special Handling

RECEIVED
 JAN 17 2025
 TDI - ENFORCEMENT



Total Number of Pieces Listed by Sender: 1

Total Number of Pieces Received at Post Office: 1

Postmaster, Per (Name of receiving employee):

PS Form 3877, January 2017 (Page 1 of 1)

Complete in Ink