

STATE OF NEW JERSEY
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

Proceedings by the Commissioner of)
Banking and Insurance, State of New)
Jersey, to fine ONet Systems LLC)
and Bert Lurch)

CONSENT ORDER

TO: ONet Systems LLC
c/o Bert Lurch
2050 Lakeville Road
New Hyde Park, NY 11040

THIS MATTER, having been opened by the Commissioner of Banking and Insurance (“Commissioner”), State of New Jersey, upon information that ONet Systems LLC, a third-party billing service in New Jersey certified by the Commissioner on January 13, 2022, pursuant to N.J.S.A. 17B:27B-1 to -25 (“ONet”), and Bert Lurch, ONet’s owner and CEO, (collectively, “Respondents”), may have violated various provisions of the insurance laws of the State of New Jersey; and

WHEREAS, Respondents are subject to the provisions of N.J.S.A. 17B:27B-1 to -25; and

WHEREAS, pursuant to N.J.S.A. 17B:27B-1, a third-party billing service is defined as a person or entity that is paid by a health care provider to process claims or claims payments on behalf of the health care provider; and

WHEREAS, pursuant to N.J.S.A. 17B:27B-16 and N.J.A.C. 11:23-5.1(a), on and after January 1, 2002, no person shall act as, offer to act as, or hold himself out to be a third-party billing service without being certified by the Commissioner; and

WHEREAS, pursuant to N.J.A.C. 11:23-5.1(b), all third-party billing services shall obtain certification prior to operating in this State; and

WHEREAS, ONet transacted business in New Jersey as a third-party billing service beginning on February 15, 2019, through August 15, 2021, for a period of 912 days before being certified as a third-party billing service; and

WHEREAS, ONet did not receive third-party billing service certification until January 13, 2022;

WHEREAS, pursuant to N.J.S.A. 17B:27B-24, any third-party billing service that violates N.J.S.A. 17B:27B-16 is subject to a civil administrative penalty in the amount not less than \$250 but no more than \$5,000 for each day that a third-party billing service is in violation of the Act; and

WHEREAS, the Commissioner issued Order to Show Cause E23-05 (“OTSC E23-05”) on February 14, 2023, alleging violations of New Jersey insurance laws by Respondents, and :

COUNT ONE

IT APPEARING THAT, ONet Systems LLC, a New York limited liability company, was originally organized on July 11, 2018; and

IT FURTHER APPEARING THAT, ONet Systems LLC commenced business as a third party billing service in New Jersey on or about February 15, 2019; and

IT FURTHER APPEARING THAT, Bert Lurch (“Lurch”) is the CEO and owner of ONet Systems LLC; and

IT FURTHER APPEARING THAT, as owner and CEO of ONet Systems LLC, Lurch knew of and/or directed the illegal acts alleged herein; and

IT FURTHER APPEARING THAT, between February 2019 and the present, Respondents have acted as a third party billing service in New Jersey; and

IT FURTHER APPEARING THAT, ONet Systems LLC was certified by the Commissioner as a third party billing service on January 13, 2022; and

IT FURTHER APPEARING THAT, ONet Systems LLC acted as a third party billing service in New Jersey when it was not certified as a third party billing service from February 15, 2019, to August 15, 2021, for a period of 912 days; and

IT FURTHER APPEARING THAT, between February 2019 and August 2021, while not

certified as a third party billing service, Respondents performed third party billing services for at least four clients in New Jersey; and

IT FURTHER APPEARING THAT, because Respondents acted as a third party billing service in New Jersey without the required certification, they violated N.J.S.A. 17B:27B-16, N.J.A.C. 11:23-5.1(a), and N.J.A.C. 11:23-5.1(b); and

WHEREAS, Respondents were given notice of the aforesaid allegations and an opportunity to contest them at a hearing; and

WHEREAS, on February 20, 2023, Respondents filed an Answer and Request for a Hearing, and this matter was transmitted to the Office of Administrative Law as a contested matter; and

WHEREAS, ONet admits and takes responsibility for the violations of the above-cited statutes and regulations; and

WHEREAS, this matter should be resolved upon the consent of the parties without resort to a formal hearing on the aforementioned violations; and

WHEREAS, Respondents have waived their right to a hearing; and

NOW, THEREFORE, IT IS on this 19th day of December, 2023,

ORDERED that ONet shall pay a civil penalty of seventy thousand dollars (\$70,000.00);
and

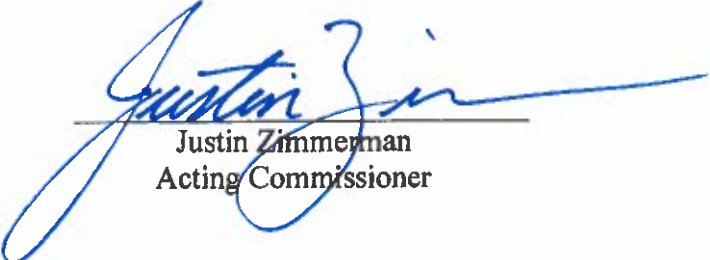
IT IS FURTHER ORDERED AND AGREED, that the \$70,000 shall be paid by wire transfer, certified check, cashier's check or money order made payable to the "Commissioner, New Jersey Department of Banking and Insurance" and the full amount shall be paid immediately upon execution of this Consent Order by ONet; and

IT IS FURTHER ORDERED AND AGREED, that the signed Consent Order together with the payment of \$70,000.00 shall be remitted to:

Chandra M. Arkema, Deputy Attorney General
State of New Jersey, Division of Law
R.J. Hughes Justice Complex
25 Market Street
P.O. Box 117
Trenton, New Jersey 08625


and

IT IS FURTHER ORDERED AND AGREED, that the provisions of this Consent Order represent a final agency decision and constitute final resolution of the violations cited in OTSC E23-06.



Justin Zimmerman
Acting Commissioner

Consented to as to
Form, Content and
Entry:

Date: 11/20/2023



Bert Lurch, for ONet Systems, LLC

Date: 11/20/2023


Thomas R. Calcagni, Esq.
Calcagni Kanefsky LLP
Counsel for ONet
Systems LLC

MATTHEW J. PLATKIN
ATTORNEY GENERAL OF NEW JERSEY

Date: 11/21/2023


Chandra M. Arkema
Deputy Attorney General
Attorney for the Department