No. 2026-10009

Official Order
of the
Texas Commissioner of Insurance

Date: 07/02/2026

Subject Considered:

Texas Department of Insurance

v.

America's Choice Healthplans, LLC

SOAH Docket No. 454-26-04242.C

General Remarks and Official Action Taken:

The subjects of this order are the third-party administrator (TPA) authority and corporate general lines license held by America's Choice Healthplans, LLC. This order revokes America's Choice Healthplans, LLC's TPA certificate of authority and general lines agency license.

Background

After proper notice was given, the above-styled case was heard by an administrative law judge for the State Office of Administrative Hearings. The administrative law judge made and filed a proposal for decision containing a recommendation that the Texas Department of Insurance revoke America's Choice Healthplans, LLC's TPA certificate of authority and general lines agency license. A copy of the proposal for decision is attached as Exhibit A.

Findings of Fact

The proposed findings of fact contained in Exhibit A are adopted and incorporated by reference into this order.

Conclusions of Law

The proposed conclusions of law contained in Exhibit A are adopted and incorporated by reference into this order.

Order

It is ordered that America's Choice Healthplans, LLC's TPA certificate of authority and its general lines agency license are revoked.

Signed by:
Amanda Crawford
FE10434BC41A470...

Amanda Crawford
Commissioner of Insurance

Recommended and reviewed by:

Signed by:
Jessica Barta
5DAC5618BBC74D4...

Jessica Barta, General Counsel

Signed by:
Justin Beam
27ADF3DA5BAF4B7...

Justin Beam, Chief Clerk

Exhibit A

SOAH Docket No. 454-26-04242 Suffix: C

Before the State Office of Administrative Hearings

TEXAS DEPARTMENT OF INSURANCE,
Petitioner
v.
AMERICA'S CHOICE HEALTHPLANS, LLC,
Respondent

Proposal for Decision

The staff (Staff) of the Texas Department of Insurance (Department) seeks to revoke the third-party administrator (TPA) authority and corporate general lines license held by America's Choice Healthplans, LLC (Respondent) for Respondent's failure to maintain its qualifications for TPA authority and agent licensure and for Respondent's failure to provide notice to the Department of a material change impacting the accuracy or completeness of its initial application for a certificate of authority within 30 days of such change. Based on the evidence, the Administrative Law Judge (ALJ) recommends the Department revoke Respondent's authority and license.

I. Notice, Jurisdiction, and Procedural History

ALJ Dee Marlo Chico of the State Office of Administrative Hearings (SOAH) convened the hearing on the merits by videoconference on March 4, 2026. Attorney Kaycee Crisp represented Staff. Andrew Tang, President of Ox International, represented Respondent. The hearing concluded the same day. The record closed on March 23, 2026, upon receipt of the transcript.[1] There are no contested issues of jurisdiction or notice; thus, those matters are addressed only in the findings of fact and conclusions of law without further discussion.

II. Applicable Law

A. Third-Party Administrators (TPA)

A TPA is required to hold a certificate of authority issued under chapter 4151 of the Texas Insurance Code (Chapter 4151).[2] An applicant who seeks a certificate of authority under Chapter 4151 must register its official name with the Department and the Office of the Texas Secretary of State (SOS) and file an application in a form prescribed by the Commissioner of Insurance (Commissioner).[3]

[1] Order No. 5 Record Close Date (Mar. 23, 2026).

[2] Tex. Ins. Code § 4151.051; *see also* Tex. Ins. Code § 4151.053 (requiring approval of the application for a certificate of authority if certain factors are met, including the applicant complying with Chapter 4151 and rules adopted under that chapter).

[3] Tex. Ins. Code § 4151.052(a)(1) (requiring an application for a certificate of authority to include, but limited to, a copy of each basic organizational document of the applicant, including the articles of incorporation, bylaws, articles of association, and any other similar document and a copy of any amendment to any of those documents); 28 Tex. Admin. Code § 7.1604(c).

A certificate holder shall notify the Department of any other fact or circumstance affecting the certificate holder's qualifications for a certificate of authority in this state.[4] Department rules also require the Department be notified in writing of a material change in fact or circumstance not later than the 30th day from the date the administrator first becomes aware of the material change in fact or circumstance.[5] Not only must applicants and administrators comply with Chapter 4151 and its associated regulations regarding any material changes in circumstances or information,[6] but they must also maintain the qualifications necessary to obtain a certificate of authority under Chapter 4151 at all times.[7]

A certificate of authority is effective until it is suspended, canceled, or revoked.[8] The Department may revoke, suspend, or refuse to renew the certificate of authority of a certificate holder who does not maintain the qualifications necessary to obtain a certificate of authority issued under Chapter 4151.[9] The Department may discipline the holder of a certificate of authority if the Department determines that the holder, individually, or through an officer, director, or shareholder: (1) has willfully violated an insurance law of this state;[10] (2) has willfully violated a

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[4] Tex. Ins. Code § 4151.052(b).

[5] 28 Tex. Admin. Code § 7.1607(b). A "material change in fact or circumstance" means any fact or circumstance that impacts the accuracy or completeness of the information filed in the initial application for a certificate of authority under Chapter 4151, including any administrative action, order, or judgment issued against an applicant or administrator. 28 Tex. Admin. Code § 7.1607(a)(3).

[6] 28 Tex. Admin. Code § 7.1607(d).

[7] 28 Tex. Admin. Code § 7.1607(d)-(e).

[8] Tex. Ins. Code § 4151.056.

[9] Tex. Ins. Code §§ 4151.212, .302.

[10] Tex. Ins. Code § 4151.301(1).

Commissioner rule;[11] or (3) at any time fails to meet a qualification for which issuance of the certificate of authority could have been denied had the failure then existed and been known to the Commissioner.[12]

B. Agent Licensure

Chapter 4001 of the Texas Insurance Code (Chapter 4001) defines a "corporation" as a legal entity organized under the business corporation laws *or* limited liability company laws of this state or another state.[13] Under Chapter 4001, the licensing and regulation of a limited liability company (LLC) are subject to each provision applicable to a licensed corporation.[14] A person may not solicit or receive an application for insurance in this state or aid in the transaction of the business of an insurer or act as an agent of a health maintenance organization (HMO) or other type of insurer authorized to engage in business in this state unless the person holds a license issued by the Department.[15] The Department shall issue a license to a corporation if the Department determines that: (1) the corporation is organized under the laws of this state or another state authorized by its articles of incorporation or its partnership agreement to act as an agent; and (2) the corporation has submitted the application, appropriate fees, and any other information required by the

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[11] Tex. Ins. Code § 4151.301(10).

[12] Tex. Ins. Code § 4151.301(12).

[13] Tex. Ins. Code § 4001.003(3); *see also* Tex. Ins. Code § 4001.003(8) (defining a "person" means an individual, partnership, corporation, or depository institution).

[14] Tex. Ins. Code § 4001.004.

[15] Tex. Ins. Code § 4001.101(a)-(b).

Department.[16] An applicant must provide all information required of the applicant by statute and Department rule.[17] The Department shall revoke or suspend the license of a license holder who does not maintain the qualifications necessary to obtain the license.[18]

C. Contested Case Hearing

If the Department proposes to suspend or revoke a certificate of authority or a license, the certificate or license holder is entitled to a hearing conducted by SOAH.[19] At the hearing the Department will have the burden of proving, by a preponderance of the evidence, its grounds for disciplinary action—the alleged violations and appropriate sanctions—against the certificate or license holder.[20] An individual whose certificate or license has been revoked may not apply for a certificate of authority or an agent license before the fifth anniversary of the effective date of the denial or revocation or the date of a final court order affirming the revocation if judicial review was sought.[21]

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[16] Tex. Ins. Code § 4001.106(b).

[17] 28 Tex. Admin. Code § 19.801(b)(2)(H).

[18] Tex. Ins. Code 4001.254.

[19] Tex. Ins. Code §§ 4005.104(a), 4151.304.

[20] 1 Tex. Admin. Code § 155.427; *Granek v. Tex. State Bd. of Med. Exam'rs*, 172 S.W.3d 761, 777 (Tex. App.—Austin 2005, no pet.).

[21] Tex. Ins. Code §§ 4005.105(b); 4151.305(a).

III. Evidence

At the hearing, Staff offered 20 exhibits, all of which were admitted without objection.[22] Staff also presented testimony from Amy Garcia, the Chief Analyst in the Department's Financial Analysis Section, and Lewis Wright, the liaison between the Department's Agent and Adjuster Licensing Office and the Department's Enforcement Division. Mr. Tang testified on behalf of Respondent.

A. Background

Respondent holds a TPA certificate of authority and a corporate general lines agency license with qualifications in life, accident, health, and HMO business.[23] The Department issued Respondent the TPA license in December 2003 and the general lines agency license in May 2004.[24]

On October 13, 2003, Respondent filed an application with the SOS for registration as a domestic limited liability company.[25] However, on January 15, 2021, the SOS forfeited Respondent's corporate registration.[26] Then, in December 2024, Staff sent Respondent a Notice of Allegations, which included alleged violations of

[22] Staff Exhibits 1-20. The ALJ also took official notice of Staff Exhibits A-K, which were copies of the statutes and rules relevant in this case.

[23] Staff Ex. 4 at TDI0024; Staff Ex. 5 at TDI0033.

[24] Staff Exs. 4, 5.

[25] *See* Staff Ex. 6.

[26] Staff Ex. 6 at TDI0054 (stating that the SOS "has received certification from the [Texas] Comptroller of Public Accounts … that there are grounds for forfeiture…").

failure to maintain at all times the qualifications for a certificate of authority.[27] Through emails from December 2024 through September 2025,[28] Staff communicated with Respondent on how to come into compliance for its licenses. When they did not reach a resolution, Staff referred this matter to SOAH on October 29, 2025, and sent a Second Amended Notice of Hearing and Amended Petition on February 23, 2026. The Amended Petition alleged Respondent failed to maintain at all times the qualifications for its TPA certificate of authority and its corporate general lines agency license and Respondent failed to provide notice to the Department of any material change in fact or circumstance that impacts the accuracy or completeness of its initial application for a certificate of authority within 30 days of any such change.

B. STAFF'S WITNESSES

While Ms. Garcia testified about Respondent's TPA authority and Mr. Wright testified about Respondent's general lines licensure, much of their testimony overlapped. They testified that Respondent maintains an active TPA certificate of authority and general lines agency license and has not cured its status with the SOS despite the SOS issuing notice of the forfeiture in 2021, and even with Staff's numerous attempts over the course of over nine months to get Respondent to fix its status. Specifically, Staff required and requested annual reports be filed, fees be paid, and proof that the SOS had deemed Respondent was legal to transact business within the state be submitted.

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[27] Staff Ex. 7.

[28] Staff Exs. 8-20.

One of the qualifications for a TPA certificate of authority or general lines agency license, they said, is that the entity be legally allowed to transact business within the state, which typically comes in the form of a certificate from the SOS. Thus, the entity must first register with the SOS (e.g., file its articles of incorporation and organizational documents). Once completed, the entity receives a certified form indicating the organization has been deemed legitimate and may transact business within the State of Texas. The entity submits the SOS certificate with the application for the type of license the entity is applying for (e.g., TPA certificate of authority, general lines agency license) with the Department. Then, as part of their licensure, Department-licensed entities must maintain the necessary qualifications for licensure. Doing so gives Texas consumers the confidence in license holders transacting business within the state because they are doing so in a legal fashion and are adhering to applicable laws.

Staff's witnesses explained that Respondent would have had to provide evidence from the SOS that it was legally registered with the SOS and could legally transact business within the state. Respondent would then be required to maintain that legality as long as they hold a license with the Department. If an entity does not maintain that qualification, the licensee would be subject to discipline, up to including revocation.

When an entity's Certificate of Formation is forfeited, like here, Staff's witnesses testified that the entity—or Respondent—does not meet the minimum requirements to be licensed, as it is no longer a legal entity permitted to transact business in Texas. Consequently, they testified that Respondent no longer meets the eligibility requirements for licensure with the Department.

In light of Respondent's continued forfeited status with the SOS and failure to notify the Department of this change of status within 30 days after the effective date, Staff's witnesses opine that Respondent is not qualified to hold a TPA certificate of authority and general lines agency license.

C. Testimony of Andrew Tang

Mr. Tang is the president of Ox International, the company that owns America's Choice Healthplans.[29] He claims personal responsibility for Respondent's failure to maintain proper legal standing and testified about the steps taken to address the deficiencies.

Mr. Tang attributed the origin of the compliance failures to the COVID-19 pandemic, during which he was stranded in China for over two years, limiting his access to records, personnel, and the ability to manage administrative filings. He stated he was not personally aware of the deficiencies until sometime in 2025, despite Staff having first contacted Respondent in late 2024.

Upon becoming aware of the matter, Mr. Tang attempted to correct the issues with the Texas Comptroller's Office himself, but the documents he submitted were deemed incomplete. His accounting firm subsequently determined that delinquent

[29] Transcript at 7-8, 38.

federal returns had to be resolved before state filings could proceed to remedy Respondent's status with the SOS; those federal returns were submitted in February 2026. As of the date of the hearing, he admitted nothing had been submitted to Texas authorities.

Mr. Tang acknowledged that Respondent does not currently maintain proper legal status with the SOS. He requested a two-month extension to complete all required Texas filings on top of the approximately 13–14 months already elapsed since Staff's initial outreach. He accepted personal responsibility for the failures, noting they were not a reflection of his staff.

Mr. Tang highlighted the company's 20-plus-year operating history, its small and long-tenured workforce, and its base of long-term clients including school districts, municipalities, and construction companies. He noted he draws no salary or compensation from Respondent or Ox International and described his involvement as a personal commitment to the company's founders, employees, and customers. He warned that license revocation would effectively shut down the company and disrupt coverage for thousands of employees of client organizations.

Under questioning, Mr. Tang conceded that maintaining legal compliance was his responsibility, that other accountants could theoretically have been engaged sooner, and that the extended timeline was partly a consequence of not recognizing the problem when it first arose in 2021.

IV. ANALYSIS

The ALJ is restricted to the specific authority conferred by SOAH's governing statutes and applicable rules, the Administrative Procedure Act,[30] and the laws and regulations applicable in this case. Consequently, the ALJ cannot grant Respondent any extensions. Instead, the issue before the ALJ is whether the Department should suspend or revoke Respondent's certificate of authority and general lines agency license for its failure to maintain its qualifications for TPA authority and agent licensure and for failure to provide notice to the Department of a material change (e.g., forfeiture status) impacting the accuracy or completeness of its initial application.

Chapters 4001 and 4151 and the Department rules provide that to maintain licensure or a certificate of authority, the certificate or license holder is required to maintain the qualifications necessary to obtain the certificate or license, which includes maintaining legal status to transact business within the State of Texas.[31] The evidence is undisputed that Respondent has not maintained its status as a legally organized LLC in Texas, as it has been in forfeited status since January 15, 2021. The preponderant evidence also establishes Respondent did not relay this information to the Department within 30 days after the effective date of the change or within 30 days Respondent first became aware of this change in status. Mr. Tang took measures for Respondent to come into compliance, expressed his commitment to his employees and customers, and did not become personally aware of Respondent's

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[30] Tex. Gov't Code ch. 2001.

[31] Tex. Ins. Code § 4001.254; 28 Tex. Admin. Code § 7.1607(e).

deficiencies until sometime in 2025. However, the evidence did not establish that Respondent failed to receive notice from the SOS of its forfeiture status in 2021 or anytime thereafter. Instead, since 2021 and despite Staff's attempts to work with Respondent on reaching compliance, Respondent continued to engage in business within Texas, without being legally allowed to do so, and without informing the Department of this change.

The ALJ thus finds: (1) Staff met its burden in establishing violations of Respondent's failure to notify the Department of the material change of its legal status in Texas and failure to maintain at all times the qualifications for its TPA certificate of authority and its corporate general lines agency license; and (2) Respondent is subject to discipline through revocation of its TPA certificate of authority and general lines agency license.

V. Findings of Fact

1. America's Choice Healthplans, LLC (Respondent) holds a third-party administrator (TPA) authority with the Texas Department of Insurance (Department). The Department originally issued TPA license No. 95845 to Respondent on December 8, 2003.

2. Respondent holds a general lines agency license with qualifications in life, accident, health, and health maintenance organization (HMO). The Department originally issued license No. 18259 to Respondent on May 24, 2004.

3. One qualification for a TPA certificate of authority or general lines agency license is that an entity be legally allowed to transact business within the State of Texas, which typically comes in the form of a certificate from the Office of the Texas Secretary of State (SOS) after registering with the SOS.

4. On October 13, 2003, Respondent filed with the SOS for registration as a domestic limited liability company. On January 15, 2021, the SOS forfeited Respondent's corporate registration.

5. Respondent does not currently maintain proper legal status with the SOS and cannot legally transact business within the State of Texas. With Respondent's Certificate of Formation forfeited, Respondent does not meet the minimum requirements to be licensed to hold the general lines agency license or certificate of authority.

6. Since January 15, 2021, Respondent failed to maintain its qualifications for both its TPA certificate of authority and its general lines agency license. Respondent's accounting firm determined that delinquent federal returns had to be resolved before state filings could proceed to remedy Respondent's status with the SOS; those federal returns were submitted in February 2026.

7. Respondent did not notify the Department of the change in its legal status.

8. In December 2024, Department staff (Staff) sent Respondent a Notice of Allegations. Through emails from December 2024 through September 2025, Staff communicated with Respondent on how to come into compliance for its licenses. Respondent did not come into compliance.

9. Staff referred this matter to the State Office of Administrative Hearings (SOAH) on October 29, 2025, and sent a Second Amended Notice of Hearing and Amended Petition on February 23, 2026.

10. The Second Amended Notice of Hearing and Amended Petition contained a statement of the time, place, and nature of the hearing; a statement of the legal authority and jurisdiction under which the hearing was to be held; a reference to the particular sections of the statutes and rules involved; and either a short, plain statement of the factual matters asserted or an attachment that incorporated by reference the factual matters asserted in the complaint or petition filed with the state agency.

11. SOAH Administrative Law Judge Dee Marlo Chico convened the hearing on the merits by videoconference on March 4, 2026. Attorney Kaycee Crisp represented Staff. Andrew Tang, President of Ox International, represented

Respondent. The hearing concluded the same day. The record closed on March 23, 2026, upon receipt of the transcript.

VI. CONCLUSIONS OF LAW

1. The Department has jurisdiction over this matter. Tex. Ins. Code §§ 4001.002, .105, 4005.101, 4151.301.

2. SOAH has authority to hear this matter and issue a proposal for decision with findings of fact and conclusions of law. Tex. Gov't Code ch. 2003; Tex. Ins. Code §§ 4005.104, 4151.304.

3. Respondent received timely and sufficient notice of hearing. Tex. Gov't Code ch. 2001; Tex. Ins. Code §§ 4005.104(b), 4151.304.

4. The Department has the burden of proving its grounds for disciplinary action against the certificate or license holder. The standard of proof is by a preponderance of the evidence. 1 Tex. Admin. Code § 155.427; *Granek v. Tex. State Bd. of Med. Exam'rs*, 172 S.W.3d 761, 777 (Tex. App.—Austin 2005, no pet.).

5. Respondent is subject to discipline for (1) willfully violating an insurance law of this state; (2) willfully violating a Commissioner rule; and (3) failing, at any time, to meet a qualification for which issuance of the certificate of authority could have been denied had the failure then existed and been known to the Commissioner. Tex. Ins. Code § 4151.301(1), (10), (12).

6. Respondent failed to notify the Department in writing of the forfeiture of its registration with the SOS, which is a material change in fact or circumstance that impacts the accuracy or completeness of the information filed in its initial application for a TPA certificate of authority not later than the 30th day from the date the TPA first became aware of the material change in fact or circumstance. Tex. Ins. Code § 4151.052(b); 28 Tex. Admin. Code § 7.1607(b).

7. Respondent failed to maintain at all times the qualifications for its TPA certificate of authority. Tex. Ins. Code §§ 4151.052-.053, .212, .302.; 28 Tex. Admin. Code § 7.1607(d)-(e).

8. Respondent has failed to maintain at all times the qualifications for its corporate general lines agency license. Tex. Ins. Code §§ 4001.254, .003(3), (8), .004, .106; 28 Tex. Admin. Code § 19.801(b)(2)(H).

9. Respondent's TPA certificate of authority should be revoked.

10. Respondent's general lines agency license should be revoked.

Signed April 16, 2026

DMChico

Dee Marlo Chico

Presiding Administrative Law Judge