

STATE OF MAINE
DEPARTMENT OF PROFESSIONAL AND FINANCIAL REGULATION
BUREAU OF INSURANCE

In re:

Jason Roy

National Producer No. 16770473

Maine License No. PRR206728

Docket No. INS-14-246

CONSENT AGREEMENT

Jason Roy, a former licensed Maine resident insurance producer, the Maine Superintendent of Insurance (“Superintendent”), and the Office of the Maine Attorney General (“Attorney General”) hereby enter into this Consent Agreement pursuant to 10 M.R.S. § 8003(5)(B) to resolve, without an adjudicatory proceeding, violations of the Insurance Code for which the Superintendent may impose discipline pursuant to 24-A M.R.S. §§ 1417 and 1420-K.

PARTIES

1. The Superintendent is the official charged with administering and enforcing Maine’s insurance laws and regulations, and the Bureau of Insurance is the administrative agency with such jurisdiction. The Superintendent has jurisdiction over this matter pursuant to 24-A M.R.S. §§ 12-A and 211.
2. From August 25, 2012, to September 18, 2014, Jason Roy was licensed in Maine as a resident insurance producer with life and health authority. His Maine producer license number is PRR206728. His National Producer Number (“NPN”) is 16770473. Mr. Roy voluntarily terminated his Maine resident producer license on September 18, 2014.

STATUTORY AUTHORITY

3. Under 24-A M.R.S. §§ 12-A and 1420-K, the Superintendent may issue a warning, censure, or reprimand to a licensee, may suspend, revoke or refuse to renew the license of a licensee, may impose conditions of probation on the licensee, may levy a civil penalty, or may take any combination of such actions, for violating any insurance laws, or violating any rule, regulation, subpoena, or order of the Superintendent. Pursuant to 10 M.R.S. § 8003(5)(B), the Superintendent may resolve a complaint by entering into a consent agreement with a licensee and with the agreement of the Attorney General.
4. The Superintendent may also order restitution under 24-A M.R.S. § 12-A(6) for “any insured...injured by a violation for which a civil penalty may be assessed pursuant to this section.”

5. Title 24-A M.R.S. § 1420(K)(5) provides, "The superintendent retains the authority to enforce the provisions of and impose any penalty or remedy authorized by this Title, Title 24 or any other law enforced by the superintendent against any person who is under investigation for or charged with a violation of this Title, Title 24 or any other law enforced by the superintendent, even if the person's license has been surrendered or has lapsed by operation of law." *See also id.* at § 1417(3).

FACTS

J.D.

6. On July 10, 2014, J.D. contacted Mr. Roy over the phone to purchase major medical health insurance and dental insurance.
7. Mr. Roy sold to J.D. a Maine Community Health Options ("MCHO") major medical insurance policy. He represented to her that the monthly premium was \$300.00, when in fact it was \$115.00.
8. Mr. Roy also sold to J.D. an Assurant Health ("Assurant") dental policy. Mr. Roy quoted J.D. a \$38.00 monthly premium, and she agreed to the coverage.
9. The monthly dental premium for the dental policy Mr. Roy submitted on J.D.'s behalf was actually \$70.80. Mr. Roy admitted to Assurant that he "obviously did not select the correct option while completing the application," and that he had signed her up for a higher level of coverage than that to which she had agreed.
10. J.D.'s applications were taken entirely over the phone, and she did not sign any of the applications or related documents that Mr. Roy submitted on her behalf to MCHO and Assurant.
11. On July 10, 2014, Mr. Roy completed and submitted (i) Accidental Medical Expense and (ii) Accident-Only insurance policy applications to Assurant without J.D.'s knowledge or authorization. The two Assurant policy applications were signed "J.D. Signature on File." Two corresponding automatic premium payment authorization forms were both signed "Signature on File." The two Assurant policies became effective on July 11, 2014.
12. On July 10, 2014, Mr. Roy completed and submitted an Accident-Only Life Insurance policy application to Assurity Life Insurance Company ("Assurity") without J.D.'s knowledge or authorization. Mr. Roy forged J.D.'s e-signature on the Assurity policy application, an Automatic Premium Payment Authorization form, and an Acci-Flex Disclosure Statement. The policy was issued on July 15, 2014.

S.T. and T.T.

13. On or about February 5, 2014, Mr. Roy met with S.T. to discuss insurance products. S.T.'s wife, T.T., was not present. That same day, Mr. Roy submitted a term life insurance policy application to Assurity for S.T. without S.T.'s knowledge or authorization. The policy was issued on March 6, 2014. Mr. Roy forged S.T.'s e-

signature on the Assurity policy application, Life Insurance or Annuity Replacement Notice, Automatic Premium Payment Authorization form, Confidential Information Authorization form, Confidential Information Authorization for Release of Psychotherapy Notes form, Informed Consent form, and Accelerated Benefits Rider Disclosure Statement.

14. On March 12, 2014, Mr. Roy submitted (i) Hospital Indemnity; (ii) Specified Disease; and (iii) Accidental Death and Dismemberment insurance policy applications to Washington National Insurance Company ("Washington National") for T.T. without T.T.'s knowledge or authorization. The three policies became effective on March 13, 2014. Mr. Roy forged T.T.'s e-signature on each of the three applications, and forged her e-signature on the three corresponding requests for automatic bank withdrawals for the respective premium payments.
 15. On March 27, 2014, Mr. Roy submitted a term life insurance policy application to Assurity for T.T. without T.T.'s knowledge or authorization. The policy was issued on April 6, 2014. Mr. Roy forged T.T.'s e-signature on the Assurity policy application, the Automatic Premium Payment Authorization form, Confidential Information Authorization form, Confidential Information Authorization for Release of Psychotherapy Notes, Informed Consent form, and Accelerated Benefits Rider Disclosure Statement.
 16. On March 27, 2014, Mr. Roy forged S.T.'s signature on the Assurity Amendment of Application form and the Delivery Acknowledgment and Agreement form.
- J.R.*
17. In December, 2012, Mr. Roy met with J.R. at her home to discuss health insurance products.
 18. At all relevant times, J.R. was married to S.R.
 19. On December 12, 2012, Mr. Roy filled out an application for health insurance with the Chesapeake Life Insurance Company ("Chesapeake") and J.R. signed it. Mr. Roy listed J.R.'s marital status as "married" on the Chesapeake application.
 20. J.R. signed a Bank Authorization for Automatic Withdrawal form for the payment of her monthly premiums to Chesapeake. She also provided a voided check from the couple's joint checking account. J.R. and S.R.'s names were printed on the top left corner of the check. J.R. gave the form and the voided check to Mr. Roy for delivery to Chesapeake.
 21. On or about March 14, 2014, J.R. and Mr. Roy discussed health insurance options by telephone. Mr. Roy gave her a quote of approximately \$1.58 per month for an MCHO policy. This quote represented the amount of the monthly premium after an Advanced Premium Tax Credit ("APTC") was applied.
 22. At that time, the couple's sole income was S.R.'s social security disability income of approximately \$980 per month.

23. Mr. Roy incorrectly stated on the application that J.R. was single and had a monthly income of \$1,100.00, which made her eligible for a monthly APTC of \$658.94.
24. Based on her actual income and marital status, J.R. was not eligible for an APTC. J.R. submitted her correct personal and financial information to MCHO, and was informed that her premium would be \$661.92 per month.
25. On September 5, 2014, Mr. Roy told Bureau staff that J.R.'s marital status was listed as "single" on the Chesapeake application. He further stated that when he completed the MCHO application, he had no knowledge that J.R. was married, and believed that she was single.

Misrepresentations to Bureau Staff

26. In or about March, 2014, Mr. Roy travelled to North Carolina. On April 1, 2014, Mr. Roy wrote on his Facebook wall, "I don't get why it took me so long to move south."
27. On April 17, 2014, Mr. Roy wrote on his Facebook wall, "Making this move has shown to be a good decision."
28. On July 29, 2014, Mr. Roy was issued a North Carolina driver's license. His North Carolina driving records list his city of residence as Matthews, North Carolina.
29. On August 28, 2014, Mr. Roy sent an email to MCHO in which he stated, "I have moved to North Carolina."
30. On September 5, 2014, Mr. Roy told Bureau staff that he did not live in North Carolina, and that he continued to live in Fairfield, Maine.
31. On September 12, 2014, Mr. Roy called the North Carolina Department of Insurance to check the status of his pending application for a North Carolina resident producer license. He was advised that his application would remain pending until he surrendered his Maine resident and North Carolina non-resident producer licenses.
32. On September 16, 2014, Bureau staff emailed Mr. Roy requesting dates for him to come to the Bureau for an interview. That same day, Mr. Roy responded by email, "I am currently visiting my children in North Carolina until October 15th. At that time I will be flying back to Maine...."
33. On September 17, 2014, Bureau staff questioned Mr. Roy about his state of residence. He denied that he had moved to North Carolina, and stated that his state of residence continued to be Maine. He noted that as of 2014, he was spending about a month or two a year in North Carolina.
34. On September 18, 2014, the Bureau received a request from Mr. Roy to voluntarily terminate his Maine resident producer license. His license was terminated that same day.
35. On September 19, 2014, North Carolina issued a resident producer license to Mr. Roy.

CONCLUSIONS OF LAW

36. Title 24-A M.R.S. § 1420-K(5) provides that the Superintendent retains the authority to enforce the provisions of and impose any penalty or remedy authorized by Title 24, Title 24-A, or any other law enforced by the Superintendent against any person who is under investigation for or charged with a violation of Title 24, Title 24-A, or any other law enforced by the Superintendent, even if the person's license has been surrendered.
37. Title 24-A M.R.S. § 1420-K(1)(J) provides that the Superintendent may place on probation, suspend, revoke or refuse to issue or renew an insurance producer's license or may levy a civil penalty in accordance with section 12-A, or take any combination of such actions, for "[f]orging another's name to an application for insurance or to any document related to an insurance transaction."
38. As described in Paragraphs 12-16 above, Mr. Roy committed 24 separate violations of § 1420-K(1)(J).
39. Title 24-A M.R.S. § 1420-K(1)(H) provides that the Superintendent may place on probation, suspend, revoke or refuse to issue or renew an insurance producer's license or may levy a civil penalty in accordance with section 12-A, or take any combination of such actions, for "[u]sing fraudulent, coercive or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this State or elsewhere."
40. As described in Paragraphs 6-16 above, Mr. Roy committed 8 separate violations of § 1420-K(1)(H) by completing and submitting 8 applications for insurance policies without the consumers' knowledge or authorization.
41. As described in Paragraph 7, Mr. Roy violated § 1420-K(1)(H) by misrepresenting to J.D. the amount of the MCHO policy's monthly premium.
42. As described in Paragraphs 8-9, Mr. Roy violated § 1420-K(1)(H) by misquoting J.D.'s Assurant dental policy's monthly premium and failing to select the correct level of coverage while completing the application.
43. As described in Paragraphs 10-11, Mr. Roy committed 4 separate violations of § 1420-K(1)(H) by indicating on the Accidental Medical Expense Insurance and Accident-Only Insurance policy applications and their respective automatic payment authorization forms to Assurant that J.D.'s signature was "on File," when in fact J.D. had not signed any Assurant-related documents, and her signature was not on file.
44. As described in Paragraphs 17-23, Mr. Roy violated § 1420-K(1)(H) by representing to J.R. that she was entitled to an APTC, when in fact she was not.
45. As described in Paragraphs 17-23, Mr. Roy violated § 1420-K(1)(H) by providing incorrect information about J.R.'s income and marital status on her application for health insurance with MCHO.

46. Mr. Roy violated 1420-K(1)(H) by making repeated misrepresentations to Bureau staff about his state of residence in response to Bureau inquiry.
47. Mr. Roy violated 1420-K(1)(H) by misrepresenting to the Bureau his knowledge about J.R.'s marital status at the time he completed the MCHO application, and by incorrectly stating that J.R. had been listed as "single" on the Chesapeake application.

COVENANTS

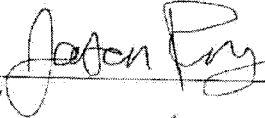
48. Mr. Roy admits to the Facts as stated above and admits that these Facts constitute a basis for imposing discipline upon him due to his (i) 24 violations of 24-A M.R.S. § 1420-K(1)(J); and (ii) 18 violations of 24-A M.R.S. § 1420-K(1)(H).
49. Mr. Roy agrees to the imposition of a civil penalty in the amount of Five Thousand Dollars (\$5,000.00). The penalty shall be paid as follows: Five Hundred Dollars (\$500) must be received by the Bureau no later than February 27, 2015. Mr. Roy will then make 12 monthly payments of Three Hundred Seventy-Five Dollars (\$375). The first monthly payment must be received by the Bureau no later than March 27, 2015, and each payment is due no later than the 27th day of each month thereafter. The penalty payments must be made by certified check or money order made out to "Treasurer, State of Maine" and addressed to: Kristina M. Balbo, Esq., Maine Bureau of Insurance, 34 State House Station, Augusta, Maine 04333-0034. If Mr. Roy fails to make any of the above payments, then the balance of the penalty will become immediately due and owing in full.
50. Mr. Roy agrees to the revocation of his Maine resident producer license.
51. Nothing in this Agreement shall affect the rights or interests of any person who is not a party to this Agreement.
52. In consideration of Mr. Roy's execution of and compliance with the terms of this Consent Agreement, the Superintendent and Attorney General agree to forgo pursuing against Mr. Roy any further disciplinary measures or other civil or administrative sanctions available under the Maine Insurance Code concerning the specific conduct described in this Consent Agreement, other than those agreed to herein. However, should Mr. Roy violate any provision of this Consent Agreement, he may be subject to any available remedy for the violation. Mr. Roy further acknowledges and agrees that, upon execution of this Consent Agreement, each of the Covenants herein shall constitute an order of the Superintendent.
53. Notwithstanding Paragraph 52, nothing in this Agreement precludes the Superintendent from seeking restitution from Mr. Roy in accordance with 24-A M.R.S. § 12-A(6) on behalf of affected consumers for violations that have not been set forth in this Consent Agreement.
54. This Consent Agreement is enforceable by an action in Maine Superior Court.

55. This Consent Agreement is not subject to appeal. Mr. Roy waives any further hearings or appeals regarding the matters that are the subject of this Consent Agreement.
56. This Consent Agreement may be modified only by a written agreement executed by all of the parties hereto.
57. This Consent Agreement is a public record subject to the provisions of the Maine Freedom of Access Law, 1 M.R.S. §§ 401 through 410, will be available for public inspection and copying as provided for by 1 M.R.S. § 408, and will be reported to the Regulatory Information Retrieval System database at the National Association of Insurance Commissioners.
58. Mr. Roy agrees that he has read this Consent Agreement, that he understands this Consent Agreement, that he has reviewed the statutory provisions set forth herein, that he understands his right to consult with counsel before signing this Consent Agreement, and that he enters into this Consent Agreement voluntarily and without coercion of any kind from any person.

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JASON ROY

Dated: 2/24/2015

By: 
Jason Roy


THE MAINE OFFICE OF THE ATTORNEY
GENERAL

Dated: 3/3, 2015

By: 
Jonathan R. Bolton
Assistant Attorney General

THE MAINE SUPERINTENDENT OF
INSURANCE

Dated: 3/4, 2015

By: 
Eric A. Cioppa
Superintendent of Insurance