

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

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*In re:*

**Health Choice One, Inc.**  
**National Producer No. 8147241**  
**Maine License Number AGN221906**

**Scott Slutzker**  
**National Producer No. 6719060**  
**Maine License Number PRN221749**

**CONSENT AGREEMENT  
AND ORDER**

**Docket No. INS-20-208**

Health Choice One, Inc. (“HCO”), a Colorado resident insurance producer business entity, Scott Slutzker, the owner and Designated Responsible Person for HCO, the Maine Superintendent of Insurance (“Superintendent”), and the Office of the Maine Attorney General (“Attorney General”) hereby enter into this Consent Agreement and Order (“Consent Agreement”) pursuant to 10 M.R.S. § 8003(5)(B) to resolve, without an adjudicatory proceeding, violations and alleged violations of the Insurance Code for which the Superintendent may impose discipline pursuant to 24-A M.R.S. §§ 1417 and 1420-K.

**STATUTORY AUTHORITY**

1. 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 matter by entering into a consent agreement with a licensee and with the agreement of the Attorney General.

**FACTS**

2. The Superintendent is the official charged with administering and enforcing Maine’s insurance laws and regulations, and the Bureau of Insurance (“Bureau”) 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.
3. HCO is an insurance producer business entity with its principal place of business in Greenwood Village, Colorado; it has been licensed in Maine since September 19, 2013.
4. HCO is owned by Scott Slutzker, who is licensed in Maine as a nonresident producer. Mr. Slutzker’s Maine license number is PRN221749 and his NPN is 6719060. Mr. Slutzker is the Designated Responsible Person for HCO and is responsible for the business entity’s compliance with the insurance laws and rules of this State. *See* 24-A M.R.S. § 1413(3).

5. In March 2018, the Bureau received complaints from two Maine consumers regarding insurance they purchased from HCO. Both consumers asserted that they contacted HCO to obtain an Affordable Care Act (ACA)-compliant individual health insurance policy and unknowingly received a supplemental plan in addition to the ACA plan.
6. In connection with its investigation of these complaints, the Bureau requested the recorded sales calls for these consumers.
7. In the spring of 2019, HCO reported that it voluntarily suspended its sales in the state of Maine.
8. HCO has represented to the Bureau that it has exited the insurance business.

#### **ALLEGATIONS**

9. The Bureau listened to the recorded sales calls associated with the consumer complaints and takes the position that the producer did not sufficiently explain that the ACA policy could be obtained without the supplemental plan and repeatedly quoted the premium for the two policies together.
10. In December 2018, the Bureau requested a sample of 45 of HCO's Maine sales calls for the period of January 1, 2016, through May 2018. These calls typically involved a licensed producer recommending an ACA plan and an accident and critical illness policy. At the end of the call, the consumer was transferred to an unlicensed employee (a "verifier") who reviewed the sale and confirmed various pieces of information with the consumer. If the consumer asked questions during the verification call, a licensed producer returned to the line to answer the consumer's questions.
11. While some calls were in compliance with the Maine Insurance Code, the Bureau takes the position that in many instances HCO producers failed to properly explain that the ACA coverage and the supplemental plans were separate policies and one could be obtained without the other. In many calls, HCO producers used language that tended to imply that supplemental coverage was included with the individual health policy. Examples include the producer describing the supplemental plan as a rider or "tied to" or "built in" to the ACA plan and included as part of the insurance package.

## CONCLUSIONS OF LAW

Based on the foregoing, the Superintendent concludes that HCO's conduct constituted violations of:

(1) 24-A M.R.S. § 1420-K(1)(H), prohibiting a producer from "[u]sing fraudulent, coercive or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this State or elsewhere"; and

(2) 24-A M.R.S. § 2154 which states that "[a] person may not make, publish, disseminate, circulate or place before the public, or cause, directly or indirectly, to be made, published, disseminated, circulated or placed before the public, in a newspaper, magazine or other publication or on a business card, or in the form of a notice, circular, pamphlet, letter or poster, or over any radio or television station, or in any other way, an advertisement, announcement or statement containing any assertion, representation or statement with respect to the business of insurance or with respect to any person in the conduct of that person's insurance business or with respect to the name of a financial institution in a manner that is untrue, deceptive or misleading."

## COVENANTS

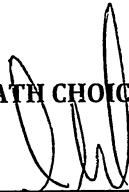
12. HCO agrees to the imposition of a civil penalty in the amount of fifty thousand dollars (\$50,000), which HCO will remit to the Maine Bureau of Insurance at the time of returning this signed agreement. Payment shall be by check or money order made out to "Treasurer, State of Maine."
13. HCO agrees to the revocation of its agency license and that HCO will not seek relicensure in the state of Maine for at least five years from the execution of this agreement.
14. The agency owner, Scott Slutzker, will voluntarily surrender his Maine nonresident producer license and agree to not seek relicensure in the state of Maine for a five-year period from the execution of this agreement.
15. HCO and Scott Slutzker have read and understand the licensing and compensation limitations established by 24-A M.R.S. § 1412.
16. Nothing in this Agreement shall affect the rights or interests of any person who is not a party to this Agreement.
17. This Consent Agreement constitutes an Order of the Superintendent and a violation of its terms is enforceable by the Superintendent.
18. This Consent Agreement is also enforceable by an action in Maine Superior Court.
19. This Consent Agreement is not subject to appeal. HCO and Scott Slutzker waive any further hearings or appeals regarding the matters that are the subject of this Consent Agreement.
20. This Consent Agreement may be modified only by a written agreement executed by all of the parties hereto.

21. This Consent Agreement is a public record subject to the provisions of the Maine Freedom of Access Act and will be reported to the Regulatory Information Retrieval System database at the National Association of Insurance Commissioners.
22. HCO and Scott Slutzker agree that they have read this Consent Agreement, that they understand this Consent Agreement, that they have reviewed the statutory provisions set forth herein, that they understand the right to consult with counsel before signing this Consent Agreement, and that they enter into this Consent Agreement voluntarily and without coercion of any kind from any person.
23. In consideration of HCO and Scott Slutzker's execution of and compliance with the terms of this Consent Agreement, the Superintendent and Attorney General agree to forgo pursuing against HCO or Scott Slutzker any further disciplinary measures or other civil or administrative sanctions arising under the Maine Insurance Code concerning the specific conduct described in this Consent Agreement, other than those agreed to herein. However, should HCO or Scott Slutzker violate any provision of this Consent Agreement, they may be subject to any available remedy for the violation.

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**HEATH CHOICE ONE, INC.**

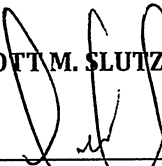
Dated: \_\_\_\_\_

By:   
Its Authorized Representative

Scott M. Slutzker, President  
Print Name and Title

**SCOTT M. SLUTZKER**

Dated: \_\_\_\_\_

By:   
Scott M. Slutzker

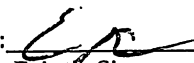
**THE MAINE OFFICE OF THE ATTORNEY GENERAL**

Dated: 9/18/20

By: Lisa A. Wilson  
Lisa A. Wilson  
Assistant Attorney General

**THE MAINE SUPERINTENDENT OF INSURANCE**

Dated: 9-24-2020

By:   
Eric A. Cioppa  
Superintendent of Insurance