

New York State Department of Financial Services

ISSUED: April 29, 2021

NEW YORK STATE DEPARTMENT OF FINANCIAL SERVICES TAKES DISCIPLINARY ACTIONS AGAINST LICENSEES OR REGISTRANTS UNDER THE INSURANCE LAW

The New York State Department of Financial Services has taken disciplinary action against the following licensees and registrants. Those categorized as stipulations or consent orders have been agreed to by the licensee or registrant. Department actions that result from Department hearings are subject to judicial review and possible stay of enforcement.

COMPANY CONSENT ORDERS

LICENSEE	ADDRESS	PENALTY
Empire Healthchoice Assurance, Inc.	9 Pine Street 14th Floor New York, NY 10005	\$900,000 fine Respondent has already taken the following corrective actions: Respondent has filed a commission schedule for the payment of commissions to its insurance producers on sales of its Medicare supplement insurance policies to mitigate the impact of its non-compliance with regulation. Respondent also ceased paying first-year commissions to its insurance producers in excess of allowable amount on sales of its Medicare supplement insurance policies.
Respondent, for the time period encompassing July 2018 – October 2019, violated 11 NYCRR 52.40(d)(1)(vi) and 11 NYCRR 58.1(f) by paying commissions to its insurance producers selling Medicare supplement insurance that were not filed with the Department and, in fifty (50) cases, by implementing a bonus program that paid commissions in excess of allowable amounts for first-year commissions. [Consent Order approved March 24, 2021.]		

LICENSEE	ADDRESS	PENALTY
Transamerica Financial Life Insurance Company	100 Manhattanville Road, Suite # 3 Purchase, NY 10577	<p>\$750,000 fine</p> <p>Respondent has ceased marketing its Limited Benefits Policies to new groups as of April 1, 2018; Beginning on July 25, 2019, Respondent commenced an orderly discontinuation of its Limited Benefits Policies by providing 180 days advance written notice to all impacted policyholders and 90 days' advance notice to all impacted certificate holders. Within ninety (90) days from the date of Respondent's execution of this Consent Order, Respondent shall provide an up-to-date detailed summary of the corrective actions taken, or proposed to be taken, in full compliance with this Consent Order.</p>
<p>Respondent, for the time period encompassing 2014-2018, did not comply with New York Insurance Law §§ 3217-f, 3221, 3232(g), and Article 49. Specifically, Respondent did not update, and continued to issue and renew, Limited Benefits Policies that contained annual dollar limits on essential health benefits as prohibited by Insurance Law §3217-f; the Limited Benefits Policies did not include all mandated benefits required by Insurance Law§ 3221; and the Limited Benefits Policies included a pre-existing condition exclusion provision that was not permitted by Insurance Law§ 3232(g). [Consent Order approved July 29, 2020.]</p>		

LICENSEE	ADDRESS	PENALTY
UnitedHealthcare Insurance Company of New York	185 Asylum Street Hartford, CT 06103	<p>\$750,000 fine</p> <p>Respondent has already taken the following corrective actions: Respondent has provided written confirmation that it will only terminate its guaranteed renewable Medicare supplement insurance coverage in accordance with current regulations. Respondent also revised its internal administrative system that previously automatically terminated and replaced the certificates for insureds who moved out of New York. Respondent implemented a new out-of-state premium rate approved by the Department for use with Medicare supplement insurance coverage for insureds who move out of New York and continue coverage under their New York certificate.</p>
<p>Respondent, for the time period encompassing 1998-2018, violated 11 NYCRR 58.1(b)(1) and (c)(1) by terminating its guaranteed renewable Medicare supplement insurance coverage for insureds who moved out-of-state and replacing it with coverage from the new state. While some insureds may have been enrolled in less expensive coverage in some cases, Respondent's actions may have caused insureds to lose consumer protections offered by New York regulated Medicare supplement insurance including, (a) full coverage of Medicare hospitalization expenses upon the exhaustion of Medicare hospital inpatient coverage, subject to a 365 day maximum and (b) community-rating. [Consent Order approved July 29, 2020.]</p>		

STIPULATIONS/CONSENT ORDERS

Region: Albany

LICENSEE	ADDRESS	PENALTY
E & M Title Services LLC (Title Agent – Relicensing Pending)	1881 Western Avenue Albany, NY 12203	\$34,400 fine
Erin P. Vestal (Proposed Sublicensee)	Same as above	
<p>Respondents violated Section 2102(a)(1) of the Insurance Law in that Respondent Erin P. Vestal transacted title insurance business in New York, in the name of Respondent E & M Title Services LLC, without having authority to do so by virtue of a license issued and in force pursuant to the provisions of the Insurance Law. [Stipulation approved February 24, 2021.]</p>		

LICENSEE	ADDRESS	PENALTY
Scott S. Griffin (Agent)	14 Riverview Drive Rotterdam Junction, NY 12150	\$1,500 fine
<p>Respondent failed to disclose in two renewal applications for an agent's license that the Financial Industry Regulatory Authority ("FINRA") fined Respondent, suspended Respondent from associating with any FINRA member in any capacity for a period of 15 days, and suspended Respondent from associating with any FINRA member in a principal capacity for a period of 30 days, with said suspensions to run concurrently. [Stipulation approved March 10, 2021.]</p>		

Region: Buffalo

LICENSEE	ADDRESS	PENALTY
Kathleen G. Moriarty (Title Insurance Agent)	PO Box 628 Ellicottville, NY 14731	\$57,900 fine
<p>During the approximate period October 4, 2017 to May 27, 2020, Respondent acted as an insurance producer in the State of New York without having authority to do so by virtue of a license issued and in force pursuant to the provisions of the Insurance Law. During the approximate period March 26, 2015 to October 3, 2017, Respondent used an unlicensed name in conducting business as an insurance producer in the State of New York. [Stipulation approved March 17, 2021.]</p>		

Region: Nassau

LICENSEE	ADDRESS	PENALTY
Rodney Hillocks (Agent)	172 South Brookside Avenue Freeport, NY 11520	\$2,250 fine
Respondent failed to disclose on his renewal application to act as an agent that he had outstanding tax liabilities that were not subject to a repayment agreement. Respondent failed to report to the Superintendent within 30 days of the initial pretrial hearing date that he was the subject of a criminal prosecution. Respondent also failed to timely and/or sufficiently respond to the Department's investigatory letters, thereby hampering and impeding the Department's investigation. [Stipulation approved March 3, 2021.]		

Region: New York

LICENSEE	ADDRESS	PENALTY
Ritnoa Insurance Services Inc. (Broker and Life Broker)	3247 57th Street Woodside, NY 11377	\$7,500 fine
Rajib Ahmed (Agent, Broker, Life Broker, and Sublicensee)	Same as above	
Respondents, during the approximate period of January 2016 though February 13, 2020, solicited the business of insurance in the State of New York using an unauthorized agency name, "Mega Insurance Brokerage" through advertisements and public announcements; during the approximate period of August 2017 through February 2020, Respondents comingled insurance premium funds and operating expenses; during the approximate period of August 2017 through February 2020, Respondents' premium bank account was not properly labeled as a premium/fiduciary account; and during the approximate period of January 2016 through July 2020, Respondents used misleading advertisements. [Stipulation approved March 10, 2020.]		

LICENSEE	ADDRESS	PENALTY
NY Insurance Brokerage Inc. (Agent and Broker)	71-16 35th Avenue Jackson Heights, NY 11372	\$3,000 fine
Shah M. Nawaz (Agent, Broker, and Sublicensee)	Same as above	
Respondents utilized advertisements that contained misleading language regarding rates for insurance. [Stipulation approved March 24, 2021.]		

LICENSEE	ADDRESS	PENALTY
Uno A. Brokerage Inc. (Broker)	7110 13 th Avenue Brooklyn, NY 11228	\$27,000 fine
Albert Soliman (Sublicensee)	Same as above	
<p>Respondents, on multiple occasions, allowed an unlicensed individual to act as an insurance producer in the State of New York. Respondents commingled insurance premium fiduciary funds with business operating expense funds. Respondents failed to timely submit to the Department information and documentation that was requested in numerous Department letters and emails, and thereby hampered and impeded the Department's investigation. [Stipulation approved February 24, 2021.]</p>		

Region: Rochester

LICENSEE	ADDRESS	PENALTY
David William Laveck (Agent)	1441 Emma Lane Farmington, NY 14425	License Revoked
<p>Respondent demonstrated untrustworthiness and/or incompetence within the meaning of Section 2110(a)(4) of the Insurance Law in that Respondent was permanently barred by the Financial Industry Regulatory Authority Inc. ("FINRA") for failing to provide certain banking, financial, and tax documents as requested during an investigation; and Respondent failed to respond and/or provide a complete response to the Department's investigatory letters thereby hampering and impeding the Department's investigation. [Stipulation approved February 24, 2021.]</p>		

Region: Mid-Island

LICENSEE	ADDRESS	PENALTY
S&S Brokerage Agency Inc. (Agent and Broker – Licenses Pending)	21 Ripley Drive Northport, NY 11768	\$3,000 fine
Rosario Gonzalez Salas (Agent, Broker and Proposed Sublicensee)	Same as above	
Respondent Rosario Gonzalez Salas' appointments with an insurance company and its affiliates were terminated for cause for manufacturing auto quotes for the purpose of gaining policy eligibility or reducing the premium for multiple insureds. Respondents failed to disclose on Respondent S&S Brokerage Agency Inc.'s original applications to act as an agent and as a broker Respondent Rosario Gonzalez Salas' termination for cause. [Stipulation approved March 3, 2021.]		

Region: Westchester

LICENSEE	ADDRESS	PENALTY
Christopher C. Butz (Agent and Broker)	3 Depot Plaza Bedford Hills, NY 10507	\$1,000 fine
Respondent issued an insurance premium payment transmittal check that was dishonored by the bank upon which it was drawn. Respondent also commingled insurance premium fiduciary funds with business operating expense funds. Respondent also failed to appropriately identify his premium bank account. [Stipulation approved March 17, 2021.]		

Region: Out of State

LICENSEE	ADDRESS	PENALTY
Mdzaki Azam (Agent)	15046 Sugar Street Drive Sugar Land, TX 77498	\$500 fine
Respondent acted as an insurance producer in the State of New York without having authority to do so by virtue of a license issued and in force pursuant to the provisions of the Insurance Law. [Stipulation approved March 17, 2021.]		

LICENSEE	ADDRESS	PENALTY
Rolando Marcelo Campos (Agent)	5020 W Thunderbird Road Glendale, AZ 85306	License Revoked
Respondent failed to disclose in his original application for an agent's license that he was convicted of a misdemeanor in West Mesa Justice Court, Maricopa County, Arizona. Respondent also failed to timely respond to Department letters, and thereby hampered and impeded the Department's investigation. [Stipulation approved March 17, 2021.]		

LICENSEE	ADDRESS	PENALTY
International Specialty Insurance Services Inc. (Agent, Broker and Excess Line Broker)	110 Oakwood Drive, Suite 420 Winston-Salem, NC 27103	\$4,400 fine
Matthew T. Ferraro Agent, Broker, Excess Line Broker and Sublicensee)	Same as above	Respondents have demonstrated to the Department, that they have implemented the necessary actions to prevent recurrences of these violations; and represent that Respondents are now compliant with the aforementioned sections of the Insurance Law.
Respondents, for the time period September 2015 to April 2019, submitted inaccurate documents with the excess line association for recording and stamping that failed to disclose the total gross premiums charged on multi-year policies; and failed to pay the applicable premium taxes on the gross premiums charged for the aforementioned policies to the Department by the applicable annual due dates. [Consent order approved February 22, 2021.]		

LICENSEE	ADDRESS	PENALTY
Brant Lee Haafke (Agent – License Expired and Broker)	5864 S National Drive Parkville, MO 64152	License Revoked
Respondent failed to disclose on his original application to act as an agent and on his original application to act as a broker that he pled guilty and was convicted of a misdemeanor. Respondent failed to disclose on his renewal application to act as a broker that he was the subject of an administrative action taken by the Insurance Commissioner of the State of California. Respondent also failed to report to the Superintendent within 30 days of the final disposition of the matter the aforementioned administrative action taken by the Insurance Commissioner of the State of California. [Stipulation approved March 3, 2021.]		

LICENSEE	ADDRESS	PENALTY
John N. Joseph (Agent and Life Broker)	100 Pacifica Irvine, CA 92618	\$750 fine
Respondent failed to report to the Superintendent within 30 days of the final disposition of the matter that the Louisiana Department of Insurance took administrative action against Respondent. [Stipulation approved March 24, 2021.]		

LICENSEE	ADDRESS	PENALTY
Stacie L. O'Beirne (Broker)	34 Demarest Drive Manalapan, NJ 07726	\$5,500 fine
Respondent acted as an insurance producer in the State of New York without having authority to do so by virtue of a license issued and in force pursuant to the provisions of the Insurance Law. [Stipulation approved March 24, 2021.]		

LICENSEE	ADDRESS	PENALTY
The Uniformed Services Benefit Association (Agent)	7301 West 129 th Street Overland, KS 66213	\$3,000 fine
Pamela K. Oyler (Sublicensee)	Same as above	
Respondents permitted three employees to act as insurance agents in this State without having authority to do so by virtue of a license issued and in force, in violation of Section 2102(a)(1) of the Insurance Law. [Stipulation approved March 17, 2021.]		

LICENSEE	ADDRESS	PENALTY
John E. Ryan (Agent and Life Broker)	5690 DTC Boulevard Greenwood Village, CO 80111	\$750 fine
Respondent failed to report to the Superintendent the misdemeanor criminal prosecution of Respondent within thirty days of the initial pretrial hearing date. [Stipulation approved March 11, 2021.]		

LICENSEE	ADDRESS	PENALTY
Joshua A. Taylor (Agent)	16 Byron Drive Granby, CT 06035	\$13,500 fine
Respondent acted as an insurance producer in the State of New York without having authority to do so by virtue of a license issued and in force pursuant to the provisions of the Insurance Law. [Stipulation approved March 17, 2021.]		

LICENSEE	ADDRESS	PENALTY
Joshua L. Trager (Agent and Broker)	154 State Street North Haven, CT 06473	Licenses Revoked
Respondent failed to timely respond to four Department letters and one Department email sent to Respondent during the approximate period June 1, 2020 to November 2, 2020, and thereby hampered and impeded the Department's investigation regarding Respondent's license applications. [Stipulation approved February 26, 2021.]		

LICENSEE	ADDRESS	PENALTY
Mui T. Tran (Agent)	200 Congress Parkway Lawrenceville, GA 30044	License Revoked
Respondent failed to submit to the Department information and documentation that was requested in Department letters, and thereby hampered and impeded the Department's investigation regarding the termination of Respondent's appointment by an insurer. [Stipulation approved February 24, 2021.]		