

# New York State Insurance Department

ISSUED: 9/30/2011

FOR IMMEDIATE RELEASE

## NEW YORK STATE INSURANCE DEPARTMENT TAKES DISCIPLINARY ACTIONS AGAINST COMPANIES, AGENTS, BROKERS & ADJUSTERS

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

### INSURANCE COMPANIES

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Aetna Health, Inc.	151 Farmington Avenue Farmington, CT 06156	\$9,100 fine
Aetna Life Insurance Company	Same as Above	\$15,600 fine
Aetna Health Insurance Company of New York	980 Jolly Road Blue Bell, NY 19422	\$400 fine
Respondents failed to pay certain claims within the time limitations specified in Section 3224-a of the Insurance Law. [Stipulation approved July 26, 2010.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Aetna Health Inc.	151 Farmington Ave Hartford, CT 06156	\$850,000 fine
Aetna Life Insurance Company	Same as above	
Aetna Health Insurance Company of New York	Same as above	
Respondents failed to provide explanation of benefits forms (EOBs) to their members with respect to certain claims submitted by non-participating providers; issued EOBs that contained inconsistent and/or inadequate information, failed to clearly delineate all charges and describe in clear and concise language all reductions to the allowed amount, and failed to contain accurate information regarding the claimant's right to appeal a denial of benefits; failed to process certain claims within 45 days of receipt, failed to deny or request additional information from claimants within 30 days of receipt of the claim, and failed to pay interest or incorrectly paid interest on certain claims; failed to send proper notification of the first adverse determination to their subscribers and/or providers in certain cases; and failed to disseminate to prospective, new and existing members consistent, accurate and clear disclosure information. [Stipulation approved August 30, 2010.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Affinity Health Plan	2500 Halsey Street Bronx, NY 10461	\$154,000 fine
Respondents failed to pay certain claims within the time limitations specified in Section 3224-a of the Insurance Law. [Stipulation approved July 26, 2010.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Amerigroup New York, LLC	21 Penn Plaza 360 West 31 <sup>st</sup> Street New York, NY 10001	\$43,500 fine
Respondent failed to process certain claims within the time limitations specified in Section 3224-a of the Insurance Law. [Stipulation approved July 27, 2010.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Aviva Life and Annuity Company of New York	611 Fifth Avenue Des Moines, IA 50309	\$50,000 fine
Respondent violated Section 4228(h) of the Insurance Law by failing to maintain self support demonstrations for policy form NYP2061GI. [Stipulation approved July 28, 2010.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Cigna Healthcare of New York, Inc.	140 East 45 <sup>th</sup> Street New York, NY 10017	\$57,750 fine
Connecticut General Life Insurance Company	Two Liberty Place 1601 Chestnut Street Philadelphia, PA 19192	
Respondents failed to process certain claims within the time limitations specified in Section 3224-a of the Insurance Law. [Stipulation approved July 27, 2010.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Empire Healthchoice Assurance, Inc. and Empire Healthchoice HMO, Inc.	1 Liberty Plaza 165 Broadway New York, NY 10006	\$31,500 fine
Respondents failed to process certain claims within the time limitations specified in Section 3224-a of the Insurance Law. [Stipulation approved July 27, 2010.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Excellus Health Plan, Inc. and Excellus Health Plan	165 Court Street Rochester, NY 14647	\$8,000 fine
Respondents failed to process certain claims within the time limitations specified in Section 3224-a of the Insurance Law. [Stipulation approved July 27, 2010.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
GHI HMO Select, Inc.	Hudson Valley Business Center 789 Grant Avenue Lake Katrine, NY 12449	\$2,400 fine
Respondent failed to process certain claims within the time limitations specified in Section 3224-a of the Insurance Law. [Stipulation approved July 27, 2010.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Group Health, Inc.	441 Ninth Avenue New York, NY 10001	\$68,500 fine
Respondents failed to pay certain claims within the time limitations specified in Section 3224-a of the Insurance Law. [Stipulation approved July 26, 2010.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
The Guardian Life Insurance Company of America	7 Hanover Square New York, NY 10004	\$2,600 fine
Respondents failed to pay certain claims within the time limitations specified in Section 3224-a of the Insurance Law. [Stipulation approved July 26, 2010.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Neighborhood Health Providers	c/o Royal Health Care 1377 Motor Parkway Islandia, NY 11749	\$1,000 fine
Respondents failed to pay certain claims within the time limitations specified in Section 3224-a of the Insurance Law. [Stipulation approved July 26, 2010.]		

## AGENT AND BROKER HEARINGS

### Region: Buffalo

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
John M. Bowen (Agent)	9790 Hewitt Road Cuba, NY 14727	License Revoked
Respondent, while employed as an agent for a life insurance company, failed to timely remit or otherwise properly account for insurance premium payments collected from various insureds. Respondent improperly withheld, misappropriated or converted monies received in the course of business. [Order issued August 19,, 2010.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Joseph S. Krieger t/b/a The Genesee Agency (Agent and Broker)	1560 Harlem Road Cheektowaga, NY 14206	License Revoked
Respondent submitted numerous in-transit applications by insureds to the New York Automobile Plan (“NYAIP”) for vehicles not located or driven in New York. Respondent improperly classified vehicles as operating within a 50-mile radius. Respondent falsely stated that no service fee was collected on the NYAIP applications, and collected service fees in excess of the amounts indicated in agreements signed by insureds. Respondent accepted NYAIP applications without the applicant’s physical presence and identification, in violation of NYAIP rules. Respondent was decertified by the NYAIP for five years. [Order issued August 19, 2010.]		

### Region: Mid-Hudson

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
C.S. Bensons and Sons, Inc. (Agent)	85 North Main Street Ellenville, NY 12428	Licenses Revoked
Peter W. Benson (Broker and Sublicensee)	Same as above.	
Respondents failed to timely remit or otherwise properly account for insurance premium funds collected from various insureds; commingled insurance premium and business operational funds in its premium account; and failed to respond to Department’s investigatory letters or submit documentation as requested thereby hampering and impeding the Department’s investigation. By failing to remit premiums and by commingling premium and business operational funds in its premium account, Respondents violated a prior stipulation entered into with the Department. [Order issued July 15, 2010.]		

**Region: New York City**

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Yerson Larrahondo (Agent)	91-16 34 <sup>th</sup> Avenue Jackson Heights, NY 11372	License Revoked
Respondent failed to notify the Department of an address change within 30 days, and Respondent failed to respond to Departmental investigatory letters, thereby hampering and impeding the Department's investigation into the circumstances surrounding the termination of his employment by an insurer. [Order issued August 19, 2010.]		

**Region: Suffolk County**

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
All Star Affiliated Brokers, Inc. (Broker)	261A West Hoffman Avenue Lindenhurst, NY 11757	Licenses Revoked
Walter W. Kaluta (Broker and Sublicensee)	Same as above.	
Respondents collected premium payments from several insureds and failed to remit, refund, or properly account for the premium payments; Respondents issued fraudulent temporary insurance cards to two insureds; Respondents issued a premium check that was dishonored by the bank upon which it was drawn; and Respondents failed to respond to Departmental investigatory letters, thereby hampering and impeding the Department's investigation. [Order issued August 19, 2010.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Ralph C. Lewis (Agent)	30 Timber Point Drive Northport, NY 11768	License Revoked
Respondent solicited and sold in the State of New York annuity contracts issued by an unauthorized insurer, and knowingly submitted applications which falsely stated that the annuity contracts was signed in that State of New Jersey when in fact they were signed in the State of New York, and signed insureds names on the aforementioned annuity contracts without their knowledge or consent. Respondent failed to comply with the requirements of Regulation 60 in connection with replacement transactions. Respondent also failed to respond to the Department's letters, thereby hampering and impeding the Department's investigation. [Order issued July 15, 2010]		

## AGENT AND BROKER STIPULATIONS

### Region: Albany

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
John E. Dennett (Agent)	20 W Jay Road Lake George, NY 12845	License Revoked
Respondent solicited, negotiated and/or delivered in the State of New York annuity contracts issued by an unauthorized insurer, and otherwise aided and facilitated an unauthorized insurer in doing an insurance business in the State of New York. Respondent failed to appear at the Department for a statement under oath concerning the aforementioned matters, thereby hampering and impeding the Department's investigation. [Stipulation approved August 11, 2010.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Dennis P. Sweenor (Agent)	16 Summit Lane Queensbury, NY 12804	\$1,500 fine
Respondent failed to comply with Department Regulation 60 in connection with annuity replacement transactions, in that he failed to properly complete the application and disclosures as required. Respondent, in failing to properly complete the application and disclosures as aforesaid, violated a prior Stipulation entered into with the Department. [Stipulation approved August 2, 2010.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
David P. Vanderzee (Agent)	508 Miller Road Clifton Park, NY 12065	\$79,960 fine
Respondent solicited, negotiated and/or delivered in the State of New York annuity contracts issued by an unauthorized insurer, and otherwise aided and facilitated an unauthorized insurer in doing an insurance business in the State of New York. Respondent provided misleading information on a "Disclosure Statement" form with respect to the guaranteed death benefit. Respondent also failed to disclose on his renewal application for his agent's license that he was the subject of a proceeding by the National Association of Security Dealers. [Stipulation approved July 20, 2010.]		

**Region: Buffalo**

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Jennifer Crowley (Agent)	5604 East River Road Grand Island, NY 14072	Licenses Revoked
Respondent, while employed by an insurance company, collected insurance premium payments from various insureds and failed to remit or otherwise properly account for said insurance premiums, altered car repair estimates, and submitted false insurance claims on behalf of several of its insureds. Respondent hampered and impeded the Department's investigation by failing to respond to Departmental investigatory letters requesting information and documentation. [Stipulation approved August 17, 2010.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Thomas Lipinski (Broker)	1989 Lakeview Road Lakeview, NY 14085	License Revoked
While employed by MetLife Auto & Home Insurance Company ("MetLife"), Respondent commingled insurance premium funds with his own personal funds in that he collected insurance premium payments from various insureds and then used personal credit cards to make the insureds' premium payments; collected insurance premium payments from or on behalf of five insureds and failed to remit or otherwise account for all or part of said insurance premium payments. While employed by The Cesar Group Inc., Respondent collected insurance premium payments from or on behalf of various insureds and failed to remit or otherwise account for all or part of said insurance premium payments. Respondent also accepted payments from or on behalf of motor vehicle repairers for referring motor vehicle repair business to such repairers; allowed unlicensed individuals, including Alison Goretti and Gina Perischini, to transact insurance business on his behalf and shared and/or paid commissions to such unlicensed individuals. [Stipulation approved July 27, 2010.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Rodney J. McKeown (Independent Adjuster)	5454 Upper Mountain Road Lockport, NY 14094	\$1,000 fine
Respondent failed to notify the Superintendent within thirty days that he was the subject of criminal prosecutions. [Stipulation approved August 27, 2010.]		

**Region: Nassau County**

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Howard Laskey (Agent and Broker)	675 Derby Ave. Woodmere, NY 11598	\$3,000 fine
Respondent submitted five insurance applications electronically to the New York Automobile Insurance Plan (“NYAIP”) and subsequently failed to submit signed applications from the applicants to the NYAIP or to resolve the foregoing matters, which resulted in the revocation of his NYAIP certification for two years. Respondent collected insurance premium payments from various insureds and failed to timely remit the premium payments to the insurer or to the NYAIP. Respondent failed to provide written notice to the Superintendent or to the Insurance Department of his satellite office. [Stipulation approved July 14, 2010.]		

**Region: New York City**

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Edward Bolling Jr. (Bail Bond Agent)	884 Park Place Brooklyn, NY 11216	License Revoked
Respondent acted as a bail bond agent in the name of a corporation that was not licensed as an agent. [Stipulation approved August 27, 2010.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Robert Cruces (Agent)	100 West 57 <sup>th</sup> Street New York, NY 10019	\$73,000 fine
Respondent solicited, negotiated and sold in the State of New York annuity contracts issued by Allianz Life Insurance Company of North America (“Allianz”), an unauthorized insurer, and otherwise aided and facilitated Allianz in doing an insurance business in the State of New York, in violation of Section 2117 of the Insurance Law; and in connection with the aforementioned annuity contracts, Respondent knowingly submitted to Allianz applications which falsely stated that the annuitant signed the application in New Jersey or Connecticut when in fact the application was signed in the State of New York. [Stipulation approved August 23, 2010.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Michelle Marotta (Bail Bond Agent)	351 Dahill Road Brooklyn, NY 11218	License Revoked
Respondent acted as a bail bond agent in the name of a corporation that was not licensed as an agent. [Stipulation approved August 25, 2010.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Nelia A. Nacar (Agent)	A24 Clark Drive Great Neck, NY 11020	License Revoked
Respondent solicited, negotiated and/or delivered in the State of New York annuity contracts issued by an unauthorized insurer, and otherwise aided and facilitated an unauthorized insurer in doing an insurance business in the State of New York. Respondent, in connection with the aforementioned annuity contracts, knowingly submitted to an unauthorized insurer applications which falsely stated that the annuitant signed the application in New Jersey or Connecticut when in fact the application was signed in the State of New York. [Stipulation approved July 27, 2010.]		

**Region: Plattsburgh**

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Clorinda A. Moore (Agent)	2565 County Route 10 Westport, NY 12993	\$46,000 fine
Respondent solicited, negotiated and sold in the State of New York annuity contracts issued by an unauthorized insurer, and otherwise aided and facilitated an unauthorized insurer in doing an insurance business in the State of New York. Respondent, in connection with the aforementioned annuity contracts, knowingly submitted to an unauthorized insurer applications which falsely stated that the annuitant signed the application in Vermont when in fact the application was signed in the State of New York. [Stipulation approved August 23, 2010.]		

**Region: Suffolk County**

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
William J. McLear Agency Inc. (Agent and Broker)	54 Motor Avenue Farmingdale, NY 11735	\$1, 250 fine
William J. McLear (Agent, Broker, and Sublicensee)	Same as above.	
Respondents, in connection with the sale of an automobile insurance policy, failed to charge and collect the full premium, which resulted in the insured paying less than the premium rate filed with the Department; and Respondents allowed an unlicensed individual to transact insurance business in this State by discussing coverages with insureds and issuing quotes relating to applications for property and casualty insurance. [Stipulation approved August 16, 2010.]		

**Region: Westchester**

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Infinity Agency Group, Inc. (Agent and Broker)	95 Croton Ave. Ossining, NY 10562	\$2,000 fine
Magdaly Zayas (Agent, Broker and Sublicensee)	Same as above	
Respondent Infinity Agency Group, Inc. issued checks transmitting insurance premiums that were dishonored by the bank upon which they were drawn. Respondents commingled premium funds and operating expense funds in their premium account. The aforementioned checks were subsequently replaced. [Stipulation approved August 4, 2010.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Frances A. Scott (Agent and Broker)	18 Scotchdown Avenue Goshen, NY 10924	\$750 fine
Respondent acted as an insurance agent in the solicitation of, negotiation for, or sale of, a life insurance policy without having authority to do so by virtue of a license issued pursuant to the Insurance Law. [Stipulation approved July 19, 2010.]		

**Region: Out of State**

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
All Risks Ltd. (Agent, Broker, and Excess Line Broker)	10150 York Road Hunt Valley MD 21030	\$1,000 fine
Nicholas L Cortezi (Excess Line Broker and Sublicensee)	Same as above	
Respondent failed to notify the Department within thirty days that Respondents were fined by the Virginia State Corporation Commission, Bureau of Insurance; and Respondents, in failing to notify the Department as aforesaid, violated a prior stipulation they entered into with the Department wherein they agreed they would not again fail to notify the Department of administrative actions taken against them in another jurisdiction. [Stipulation approved July 9, 2010.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Eric Berlin (Agent)	16900 North Bay Road Sunny Isles, FL 33160	License Revoked
Respondent, while employed as an agent for a life insurance company, forged another's name on three variable annuity applications and submitted the applications to the life insurance company. [Stipulation approved July 6, 2010]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Royce M. Cross (Agent)	c/o Cross Insurance 74 Gilman Road Bangor, ME 04402	\$8,000 fine
Respondent transacted insurance business under the unapproved names, "Cross Insurance Agency" and "Cross Insurance," and Respondent failed to properly identify his bank account as a premium account. [Stipulation approved July 12, 2010.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
David Qiyong Fan (Agent)	108 Sleepy Hollow Lane Belle Mead, NJ 08502	\$51,763 fine
Respondent solicited, negotiated and sold in the State of New York annuity contracts issued by Allianz Life Insurance Company of North America ("Allianz"), an unauthorized insurer, and otherwise aided and facilitated Allianz in doing an insurance business in the State of New York, in violation of Section 2117 of the Insurance Law; and in connection with the aforementioned annuity contracts, Respondent knowingly submitted to Allianz applications which falsely stated that the annuitant signed the application in New Jersey or Pennsylvania when in fact the application was signed in the State of New York. [Stipulation approved August 11, 2010.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Gelbwaks Insurance Services, Inc. (Agent)	125 NW 3 <sup>rd</sup> Street Deerfield Beach, FL 33442	\$1,500 fine
Respondent conducted insurance business as an agent in this State without a license. [Stipulation approved July 16, 2010.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
William D. Golding (Agent)	P.O. Box 66 Marblehead, MA 01945	\$9,000 fine
Respondent delivered in the State of New York annuity contracts issued by an unauthorized insurer, and otherwise aided and facilitated an unauthorized insurer in doing an insurance business in the State of New York. [Stipulation approved July 12, 2010.]		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Momentous Insurance Brokerage Inc. (Agent, Broker and Excess Line Broker)  Diane L. Brinson (Agent, Broker and Sublicensee)	5990 Sepulveda Boulevard Van Nuys, CA 91411  Same as above	\$1,250 fine
<p>Respondents failed to disclose on a renewal application for an agent's license that Respondent Diane L. Brinson was fined by the Commissioner of the Commonwealth of Kentucky Department of Insurance, and failed to report the aforementioned administrative action to the Superintendent within thirty days of the final disposition of the matter. [Stipulation approved August 19, 2010.]</p>		

<b>LICENSEE</b>	<b>ADDRESS</b>	<b>PENALTY</b>
Jorge Pena (Agent)	c/o Cinergy Health 19495 Biscayne Boulevard Aventura, FL 33180	\$1,000 fine
<p>Respondent failed to notify the Superintendent within thirty days that he was the subject of a criminal prosecution. [Stipulation approved July 19, 2010.]</p>		

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