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INSURANCE DEPARTMENT  
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BEFORE THE INSURANCE COMMISSIONER  
OF THE  
COMMONWEALTH OF PENNSYLVANIA

IN RE:	:	VIOLATIONS:
	:	
HEIDI CHRISTINE DESHONG	:	Sections 611-A(2), (5), (7), (9)
4509 Fort McCord Road	:	(17) and (20) and 647-A(1) of
Chambersburg, PA 17202	:	Act 147 of 2002 (40 P.S. §§ 310.11
	:	and 310.47)
	:	
Respondent.	:	Docket No. CO05-09-016

CONSENT ORDER

AND NOW, this *28th* day of *November*, 2005, this Order is hereby issued by the Deputy Insurance Commissioner of the Commonwealth of Pennsylvania pursuant to the statutes cited above and in disposition of the matter captioned above.

1. Respondent hereby admits and acknowledges that she has received proper notice of her rights to a formal administrative hearing pursuant to the Administrative Agency Law, 2 Pa.C.S. § 101, et seq., or other applicable law.

2. Respondent hereby waives all rights to a formal administrative hearing in this matter, and agrees that this Consent Order, and the Findings of Fact and Conclusions of Law contained herein, shall have the full force and effect of an Order duly entered in accordance with the adjudicatory procedures set forth in the Administrative Agency Law, supra, or other applicable law.

### FINDINGS OF FACT

3. The Deputy Insurance Commissioner finds true and correct each of the following Findings of Fact:

- (a) Respondent is Heidi Christine Deshong and maintains her address at 4509 Fort McCord Road, Chambersburg, Pennsylvania 17202.
- (b) Respondent is, and during 2004 through the present was, a licensed insurance agent with a Certificate of Qualification #291177, that expires on September 1, 2005.
- (c) Respondent, on June 29, 2004 submitted four (4) bogus American Family Life Assurance Company of Columbus [hereinafter AFLAC] computerized group health insurance applications [hereinafter applications] to AFLAC in the name of Rebekah Brown without Brown's knowledge and/or permission.

- (d) The above referenced applications falsely listed Brown as an employee of Antrim Way Honda, Chambersburg, Pennsylvania [hereinafter Antrim].
- (e) At all times relevant herein, Antrim was a client of Respondent's.
- (f) Respondent signed Brown's name four (4) times to the above referenced applications directly on the applications by using a stylus connected to Respondent's computer without Brown's knowledge and/or permission.
- (g) Respondent, on June 29, 2004 submitted one (1) bogus AFLAC computerized health insurance application to AFLAC in the name of Stephen Roddy without Roddy's knowledge and/or permission.
- (h) The above referenced application falsely listed Roddy as an employee of Antrim.
- (i) Respondent signed Roddy's name one (1) time to the above referenced application directly on the application by using a stylus connected to Respondent's computer without Roddy's knowledge and/or permission.
- (j) Respondent, in July 2004 submitted a bogus health insurance claim to AFLAC for a kidney/pancreas transplant in her [Heidi Christine Deshong's] name.

- (k) Respondent, however, listed a claim number for a legitimate AFLAC claim as the claim number for the above bogus transplant claim.

#### CONCLUSIONS OF LAW

4. In accord with the above Findings of Fact and applicable provisions of law, the Deputy Insurance Commissioner concludes and finds the following Conclusions of Law:

- (a) Respondent is subject to the jurisdiction of the Pennsylvania Insurance Department.
- (b) Section 611-A(2) of Act 147 of 2002 prohibits a licensee from violating the insurance laws or regulations of this Commonwealth or a subpoena or order of the commissioner or of another state's insurance commissioner (40 P.S. § 310.11).
- (c) Respondent's activities described above in paragraphs 3(c) through 3(l) violates Section 611-A(2) of Act 147 of 2002.

- (d) Section 611-A(5) of Act 147 of 2002 prohibits a licensee from intentionally misrepresenting the terms of an actual or proposed insurance contract or application for insurance (40 P.S. § 310.11).
  
- (e) Respondent's activities described above in paragraphs 3(c) through 3(l) violates Section 611-A(5) of Act 147 of 2002.
  
- (f) Section 611-A(7) of Act 147 of 2002 prohibits a licensee from using fraudulent, coercive or dishonest practices or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of doing business in this Commonwealth or elsewhere (40 P.S. § 310.11).
  
- (g) Respondent's activities described above in paragraphs 3(c) through 3(l) violates Section 611-A(7) of Act 147 of 2002.
  
- (h) Section 611-A(9) of Act 147 of 2002 prohibits a licensee from forging another person's name on an application for insurance or on any document related to an insurance or financial service transaction (40 P.S. § 310.11).
  
- (i) Respondent's activities described above in paragraphs 3(c) through 3(l) violates Section 611-A(9) of Act 147 of 2002.

- (j) Section 611-A(17) of Act 147 of 2002 prohibits a licensee from committing fraud, forgery, dishonest acts or an act involving a breach of fiduciary duty (40 P.S. § 310.11).
  
- (k) Respondent's activities described above in paragraphs 3(c) through 3(l) violates Section 611-A(17) of Act 147 of 2002.
  
- (l) Section 611-A(20) of Act 147 of 2002 prohibits a licensee from demonstrating a lack of general fitness, competence or reliability sufficient to satisfy the department that the licensee is worthy of licensure (40 P.S. § 310.11).
  
- (m) Respondent's activities described above in paragraphs 3(c) through 3(l) violates Section 611-A(20) of Act 147 of 2002.
  
- (n) Section 647-A(1) of Act 147 of 2002 prohibits a licensee from issuing, circulating or using, or causing or permitting to be issued, circulated or used, a written or oral statement or circular misrepresenting the terms of a contract of insurance issued or to be issued by the insurer (40 P.S. § 310.47).
  
- (o) Respondent's activities described above in paragraphs 3(c) through 3(l) violates Section 647-A(1) of Act 147 of 2002.

(p) Respondent's violations of Sections 611-A(2), (5), (7), (9), (17), (20) and 647-A(1) of Act 147 of 2002 are punishable by the following, under Section 691-A of Act 147 of 2002 (40 P.S. § 310.91):

- (i) suspension, revocation or refusal to issue the certificate of qualification or license;
- (ii) imposition of a civil penalty not to exceed five thousand dollars (\$5,000.00) for each violation of the Act;
- (iii) an order to cease and desist; and
- (iv) any other conditions as the Commissioner deems appropriate.

ORDER

5. In accord with the above Findings of Fact and Conclusions of Law, the Deputy Insurance Commissioner orders and Respondent consents to the following:

- (a) Respondent shall cease and desist from engaging in the activities described herein in the Findings of Fact and Conclusions of Law.
- (b) All licenses/certificates of Respondent to do insurance business are hereby revoked.

- (c) If Respondent should ever become licensed in the future, her certificates and licenses may be immediately suspended by the Department following its investigation and determination that (i) any terms of this Order have not been complied with, or (ii) any complaint against Respondent is accurate and a statute or regulation has been violated. The Department's right to act under (ii) above is limited to a period of five (5) years from the date of issuance of such certificates and licenses.
- (d) Respondent specifically waives her right to prior notice of said suspension, but will be entitled to a hearing upon written request received by the Department no later than thirty (30) days after the date the Department mailed to Respondent by certified mail, return receipt requested, notification of said suspension, which hearing shall be scheduled for a date within sixty (60) days of the Department's receipt of Respondent's written request.
- (e) At the hearing referred to in paragraph (d) of this Order, Respondent shall have the burden of demonstrating that he is worthy of an insurance certificate and license.
- (f) In the event Respondent's certificates and licenses are suspended pursuant to paragraph 5(c) above, and Respondent either fails to request a hearing within thirty (30) days or at the hearing fails to demonstrate that he is worthy of a

certificate and license, Respondent's suspended certificates and licenses shall be revoked.

6. In the event the Deputy Insurance Commissioner finds that there has been a breach of any of the provisions of this Order, based upon the Findings of Fact and Conclusions of Law contained herein, the Department may pursue any and all legal remedies available, including but not limited to the following: The Department may enforce the provisions of this Order in an administrative action pursuant to the Administrative Agency Law, supra, or other relevant provision of law; or, if applicable, the Department may enforce the provisions of this Order in any other court of law or equity having jurisdiction.

7. Alternatively, in the event the Deputy Commissioner finds that there has been a breach of any of the provisions of this Order, the Deputy Commissioner may declare this Order to be null and void and, thereupon, reopen the entire matter for appropriate action pursuant to the Administrative Agency Law, supra, or other relevant provision of law.

8. In any such enforcement proceeding, Respondent may contest whether a breach of the provisions of this Order has occurred but may not contest the Findings of Fact and Conclusions of Law contained herein.

9. Respondent hereby expressly waives any relevant statute of limitations and application of the doctrine of laches for purposes of any enforcement of this Order.

10. This Order constitutes the entire agreement of the parties with respect to the matters referred to herein, and it may not be amended or modified except by an amended order signed by all the parties hereto.

11. This Order shall be final upon execution by the Deputy Insurance Commissioner. Only the Insurance Commissioner or the duly authorized Deputy Insurance Commissioner is authorized to bind the Insurance Department with respect to the settlement of the alleged violation of law contained herein, and this Consent Order is not effective until executed by the Insurance Commissioner or the duly authorized Deputy Insurance Commissioner.

BY:

  
HEIDI CHRISTINE DESHONG, Respondent

  
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RANDOLPH L. ROHRBAUGH  
Deputy Insurance Commissioner  
Commonwealth of Pennsylvania