

APR 9 2010

DEPT OF INSURANCE
BY 

STATE OF ARIZONA
DEPARTMENT OF INSURANCE

In the Matter of:)
)
GREIFF, TRACY MARK,)
(Arizona License # 88187))
(National Producer # 6729724),)
WESTERN PACIFIC BENEFITS GROUP, INC.,)
(Arizona License #128168),)
)
)
Respondents.)

No. 10A-054-INS

CONSENT ORDER

The State of Arizona Department of Insurance ("Department") has received evidence that **Tracy Mark Greiff and Western Pacific Benefits Group, Inc. ("Respondents")** violated provisions of Title 20, Arizona Revised Statutes. Respondents wish to resolve this matter without the commencement of formal proceedings, and admit the following Findings of Fact are true and consent to entry of the following Conclusions of Law and Order.

FINDINGS OF FACT

1. Tracy Mark Greiff ("Greiff" or "Respondent Greiff") is, and was at all times material, licensed as a resident accident/health and life insurance producer, Arizona license # 88187, which expires on July 31, 2011.

2. Western Pacific Benefits Group, Inc. ("WPB" or "Respondent WPB") is, and was at all times material, licensed as a resident accident/health and life insurance producer, Arizona license # 128168, which expires on March 31, 2014. Greiff is the owner/operator of and Designated Responsible Licensed Producer for WPB.

3. On or about January 20, 2009, Roosevelt Johnson ("Johnson"), a unlicensed employee of Respondent WPB, called Mary Richmond ("Richmond") to solicit the sale of a

1 health insurance policy. Johnson completed Richmond's application, collected the premium
2 and signed Respondent Greiff's name to the application as the writing agent.

3 4. On or about March 12, 2009, Richmond filed a complaint with the Department
4 alleging Johnson misrepresented the terms of the policy.

5 5. On and after about March 12, 2009, the Department notified Respondents that
6 unlicensed employees may not be transacting insurance. After notification, Respondents have
7 continued to use unlicensed personnel to transect insurance on their behalf.

8 6. Between June 2009 and March 2010, Respondents paid \$138,404.21 in
9 commissions to 22 unlicensed employees for writing 830 health insurance policies.

10 7. Between June 2009 and March 2010, Respondents provided their employees
11 with a telemarketing phone script to use for contacting leads which contained
12 misrepresentations.

13 **CONCLUSIONS OF LAW**

14 1. The Director has jurisdiction over this matter.

15 2. "Sell" means to exchange a contract of insurance by any means, for money or its
16 equivalent, on behalf of an insurer, within the meaning of A.R.S. § 20-281(14).

17 3. "Solicit" means attempting to sell insurance or asking or urging a person to apply
18 for a particular kind of insurance from a particular company, within the meaning of A.R.S. § 20-
19 281(15).

20 4. "Negotiate" means the act of conferring directly with or offering advice directly to
21 a purchaser or prospective purchaser of a particular contract of insurance concerning any of
22 the substantive benefits, terms or conditions of the contract if the person engaged in that act
23

1 either sells insurance or obtains insurance from insurers for purchasers, within the meaning of
2 A.R.S. § 20-281(10).

3 5. Respondents' employees are not exempt from the licensing requirement, within
4 the meaning of A.R.S. § 20-283.

5 6. Respondents' conduct constitutes using fraudulent, coercive or dishonest
6 practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the
7 conduct of business in this state or elsewhere, within the meaning of A.R.S. § 20-295(A)(8).

8 7. Respondents' conduct constitutes paying a commission to persons selling,
9 soliciting or negotiating insurance in this state without a license, within the meaning of A.R.S. §
10 20-298(A).

11 8. Respondents' conduct constitutes making any misrepresentation to any
12 policyholder for the purpose of inducing or tending to induce the policyholder to lapse, forfeit,
13 surrender, retain or convert any insurance policy, within the meaning of A.R.S. § 20-443(A)(5).

14 9. Grounds exist for the Director to order Respondents to cease and desist their
15 violation pursuant to A.R.S. § 20-292.

16 10. Grounds exist for the director to suspend, revoke or refuse to renew
17 Respondents' licenses, within the meaning of A.R.S. § 20-295(A) and (B).

18 11. Grounds exist for the director to, in addition to any suspension, revocation or
19 refusal to renew a license, impose a civil penalty and order Respondents to provide restitution
20 to any party injured by their action, within the meaning of A.R.S. § 20-295(F).

21 **ORDER**

22 IT IS HEREBY ORDERED THAT:
23

1 1. Respondents shall immediately cease and desist from allowing unlicensed
2 persons to sell, solicit or negotiate any class or classes of insurance in this state.

3 2. Respondents shall immediately cease and desist from paying commission to
4 unlicensed persons.

5 3. Respondents shall immediately cease and desist any misleading representation
6 or misrepresentation when soliciting insurance.

7 4. Respondents shall immediately pay a civil penalty of \$7,500.00 for deposit into
8 the State General Fund.

9 DATED AND EFFECTIVE this 8th day of April, 2010.

10
11 
12 _____
13 CHISTINA URIAS
14 Director of Insurance

15 **CONSENT TO ORDER**

16 1. Respondents have reviewed the foregoing Findings of Fact, Conclusions of Law
17 and Order.

18 2. Respondents admit the jurisdiction of the Director of Insurance, State of Arizona,
19 and admit the foregoing Findings of Fact and consent to the entry of the foregoing
20 Conclusions of Law and Order.

21 3. Respondents are aware of their right to notice and a hearing at which they may
22 be represented by counsel, present evidence and examine witnesses. Respondents
23 irrevocably waive their right to such notice and hearing and to any court appeals relating to this
Consent Order.

1 4. Respondents state that no promise of any kind or nature whatsoever, except as
2 expressly contained in this Consent Order, was made to them to induce them to enter into this
3 Consent Order and that they have entered into this Consent Order voluntarily.

4 5. Respondents acknowledge that the acceptance of this Consent Order by the
5 Director is solely to settle this matter against them and does not preclude any other agency,
6 including the Department, officer, or subdivision of this state or this agency from instituting civil
7 or criminal proceedings as may be appropriate now or in the future.

8 6. Respondents acknowledge that this Consent Order is an administrative action
9 that will be reported to the NAIC and that they may have to report this administrative
10 action on any future licensing applications either to the Department or other states'
11 Departments of Insurance.

12 7. Tracey Mark Greiff represents that he is the owner/operator and Designated
13 Responsible Producer of Western Benefits Group, Inc., and as such is authorized to enter this
14 Consent Order on its behalf.

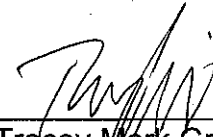
Western Benefits, Group, Inc.

15
16 4/8/2010
Date



Tracey Mark Greiff, Owner/Operator

17
18 4/8/2010
Date



Tracey Mark Greiff, Arizona License # 88187

21
22 COPIES of the foregoing mailed/delivered
this 9th day of April, 2010, to:

1 Tracey Mark Greiff
113 W. Geneva Circle
2 Tempe, AZ 85282
(Respondent)

3
4 American Community Mutual Insurance Company
39201 Seven Mile Road
5 Livonia, MI 48152

6 Gerrie Marks, Deputy Director
7 Mary Butterfield, Assistant Director
Mary E. Kosinski, Exec. Asst. – Regulatory Affairs
8 Steven Fromholtz, Licensing Administrator
Arnold Sniegowski, Investigator
9 Department of Insurance
2910 North 44th Street, Suite 210
10 Phoenix, Arizona 85018

11 
12 Curvey Walters Burton