

Arizona Department of Insurance  
3<sup>rd</sup> Quarter 2006 Regulatory Activity

## COMPANY ACTIONS

### NEW LICENSES ISSUED

#### Domestic Companies

Company Name	NAIC #	Effective Date	Type
1. 84 INDEMNITY COMPANY	N/A	8/3/06	Captive Insurer
2. CC/PDR SILVERSTONE, L.L.C. (dba) CLASSIC RESIDENCE AT SILVERSTONE	N/A	8/15/06	Life Care Provider (Provisional Permit)
3. SHERIDAN, RE, INC.	N/A	7/5/06	Captive Insurer
4. SOUTHWEST RISK ASSURANCE COMPANY, INC.	N/A	9/18/06	Captive Insurer

#### Foreign Companies

Company Name	State of Domicile	NAIC #	Effective Date	Type
1. ACCIDENT FUND GENERAL INSURANCE COMPANY	MI	12304	9/28/06	Casualty Insurer
2. ACCIDENT FUND NATIONAL INSURANCE COMPANY	MI	12305	9/28/06	Casualty Insurer
3. AMERICAN SURETY COMPANY	IN	31380	9/25/06	Casualty Insurer
4. AMERIPRISE INSURANCE COMPANY	WI	12504	9/21/06	Property & Casualty Insurer
5. DAKOTA HOMESTEAD TITLE INSURANCE COMPANY	SD	50020	9/19/06	Title Insurer
6. ECHELON PROPERTY & CASUALTY INSURANCE COMPANY	IL	11702	7/27/06	Property & Casualty Insurer
7. FINANCIAL AMERICAN LIFE INSURANCE COMPANY	KS	71455	9/25/06	Life & Disability Insurer
8. LOYA INSURANCE COMPANY	TX	11198	9/27/06	Property & Casualty Insurer
9. LYNDON SOUTHERN INSURANCE COMPANY	LA	10051	8/22/06	Property & Casualty Insurer
10. PROCENTURY INSURANCE COMPANY	TX	21903	7/17/06	Property & Casualty Insurer
11. TOWER NATIONAL INSURANCE COMPANY	MA	43702	9/19/06	Property & Casualty Insurer
12. UNITED HERITAGE PROPERTY & CASUALTY COMPANY	ID	18939	8/15/06	Property & Casualty Insurer
13. UNIVERSAL HEALTH CARE INSURANCE COMPANY, INC.	FL	12577	8/21/06	Disability Insurer

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### Risk Retention Groups Registered

Company Name	State of Domicile	NAIC #	Effective Date
1. PINNACLE RISK RETENTION GROUP, INC.	DC	11858	7/20/06
2. NATIONWELD RISK RETENTION GROUP, INC.	DC	12579	7/24/06
3. AMERICAN BUILDERS INSURANCE COMPANY RISK RETENTION GROUP, INC.	MT	12631	8/31/06
4. PREMIER PHYSICIANS INSURANCE COMPANY, INC., A RISK RETENTION GROUP	NV	12613	9/11/06

### Service Company Permits (A.R.S. 20-1095, et seq.)

Company Name	State of Domicile	Effective Date
1. SONORAN HOME PROTECTION, LLC	AZ	7/28/06
2. SENTINEL SERVICE CORP.	AZ	9/29/06

### Third Party Administrators (TPA)

Company Name	State of Domicile	Effective Date
1. DAVIS VISION, INC.	NY	8/10/06
2. CENTERSTONE INSURANCE & FINANCIAL SERVICES, INC. DBA BENEFITMALL (FN)	CA	8/10/06
3. WEBTPA EMPLOYER SERVICES, LLC	TX	8/22/06
4. GROUP DENTAL SERVICE, INC.	MD	8/23/06
5. MAGNABENEFITS SOLUTIONS, INC.	IN	8/24/06
6. OPTICARE VISION COMPANY, INC.	DE	8/28/06
7. ADMINISTRATION RESOURCES CORPORATION	MN	9/6/06
8. CORE V SOLUTIONS, INCORPORATED DBA CAREINGTON INTERNATIONAL CORPORATION	TX	9/13/06

### Utilization Review Agents

Company Name	State of Domicile	Effective Date
1. JLT SERVICES CORPORATION	NY	8/25/06

NO ACTIVITY

## CHANGE OF AUTHORITY

Company Name	State of Domicile	NAIC #	Effective Date	Change
1. CATLIN INSURANCE COMPANY, INC.	TX	19518	7/21/06	Terminated Limitations To Casualty Authority

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2. FAIRWAY INSURANCE, INC.	AZ	3246	8/25/06	Granted Workers' Compensation Limited to Deductible Reimbursement Contracts
3. SECURIAN LIFE INSURANCE COMPANY	MN	93742	7/27/06	Granted Variable Life & Variable Annuities

## NAME CHANGES

Old Name (to) New Name	State of Domicile	NAIC #	Effective Date
1. ADVANCE INSURANCE COMPANY (to) WELLCARE HEALTH INSURANCE OF ARIZONA, INC.	AZ	83445	7/18/06
2. ARIZONA DENTAL INSURANCE SERVICE, INC (to) ARIZONA DENTAL INSURANCE SERVICE, INC. dba DELTA DENTAL OF ARIZONA	AZ	53597	08/16/06
3. ARIZONA MARINE AND GENERAL INSURANCE COMPANY (to) SOUTHWEST MARINE AND GENERAL INSURANCE COMPANY	AZ	12294	7/5/06
4. DELTA DENTAL PLAN OF ARIZONA, INC. (to) ARIZONA DENTAL INSURANCE SERVICE, INC.	AZ	53597	7/26/06
5. INSURANCE CORPORATION OF HANNOVER (to) PRAETORIAN INSURANCE COMPANY	IL	37257	7/1/06
6. NGL AMERICAN LIFE INSURANCE COMPANY (to) SETTLERS LIFE INSURANCE COMPANY	WI	97241	7/1/06
7. STARBOARD CAPTIVE INSURANCE COMPANY (to) STARBOARD INSURANCE COMPANY	AZ	N/A	8/18/06

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## ACQUISITIONS/MERGERS/WITHDRAWALS

### Acquisitions of Arizona Companies

Company Name	NAIC #	Date Order Filed	Acquired By
1. ADMIRAL LIFE INSURANCE COMPANY OF AMERICA	71390	8/2/06	STATE MUTUAL INSURANCE COMPANY
2. ARKANSAS LIFE INSURANCE COMPANY	97551	7/14/06	AMERICAN MODERN LIFE INSURANCE COMPANY
3. PARAMOUNT CAPITAL INSURANCE CORPORATION	11845	8/25/06	AQUATECH CORPORATION
4. PREMIER CHOICE DENTAL, INC.	95224	9/14/06	SAMUEL H. GRUENBAUM

### Mergers Involving Arizona Companies

Company Name Merged Into	State of Domicile	NAIC #	Date Order Filed
1. AQUA CAPTIVE INSURANCE, INC. PARAMOUNT CAPITAL INSURANCE CORPORATION	AZ AZ	N/A 11845	8/25/06
2. CITICORP LIFE INSURANCE COMPANY METROPOLITAN LIFE INSURANCE COMPANY	AZ NY	80322 65978	9/22/06

### Withdrawals from Arizona

Company Name	State of Domicile	NAIC #	Date Order Filed
1. ACADEMY LIFE INSURANCE COMPANY	MO	60046	8/4/06
2. BREMER LIFE INSURANCE COMPANY	AZ	81221	9/29/06
3. EASTERN STATES REINSURANCE COMPANY	AZ	34010	8/14/06
4. INDIANA BENEFIT LIFE INSURANCE COMPANY	AZ	N/A	9/22/06
5. LIBERTY LIFE INSURANCE COMPANY	SC	65323	8/8/06

## SUPERVISIONS/RECEIVERSHIPS

Company Name	State of Domicile	NAIC #	Effective Date	Action Taken
NO ACTIVITY THIS QUARTER				

## FINANCIAL EXAM REPORTS

Company Name	NAIC #	Date Report Filed
NO ACTIVITY THIS QUARTER		

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**MARKET CONDUCT EXAMINATIONS**

Company Name Findings	State of Domicile	NAIC #	Date Filed	Civil Penalty	Restitution + Interest
1. American Bankers IC of Florida Company failed to provide the minimum 7 day grace period for policies cancelled for non-payment of premium.	FL	10111	7/10/06	\$25,000.00	N/A
2. GEICO Casualty Company Company procedures appear to be in compliance with A.R.S. §20-1632.01	MD	41491	7/19/06	0	N/A
3. GEICO Indemnity Company Company procedures appear to be in compliance with A.R.S. §20-1632.01	MD	22055	7/19/06	0	N/A
4. Government Employees IC Company procedures appear to be in compliance with A.R.S. §20-1632.01	MD	22063	7/19/06	0	N/A
5. GEICO General Insurance Company Company procedures appear to be in compliance with A.R.S. §20-1632.01	MD	35882	7/19/06	0	N/A
6. Allstate Insurance Company Company failed to provide the minimum 7 day grace period for policies cancelled for non-payment of premium.	IL	19232	7/26/06	\$60,000.00	N/A
7. Allstate Property and Casualty IC Company failed to provide the minimum 7 day grace period for policies cancelled for non-payment of premium.	IL	17230	7/26/06	\$30,000.00	N/A
8. Allstate Indemnity Company Company failed to provide the minimum 7 day grace period for policies cancelled for non-payment of premium.	IL	19240	7/26/06	\$45,000.00	N/A
9. Mercury Casualty Company Failure to provide compliant Summary of Rights. Claim forms failed to contain fraud warning notice. Failure to pay correct amount of ACV, taxes, license fees, and/or interest due to total loss claimants.	CA	11908	8/8/06	\$35,000.00	\$41,871.78
10. 21 <sup>st</sup> Century IC of Arizona Company failed to provide the minimum 7 day grace period for policies cancelled for non-payment of premium.	AZ	10245	8/31/06	0	N/A
11. United American Insurance Company Company provided a Healthcare Appeals Information Packet that did include specific required provisions of Arizona appeal laws. Company failed to provide notice to all renewing insureds of how to obtain a replacement appeals packet.	DE	92916	9/15/06	\$2,500.00	N/A
12. First American Title Insurance Company Company procedures appear to be in compliance with A.R.S. §20-1585.	CA	50814	9/26/06	0	N/A

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## SUSPENSIONS/REINSTATEMENTS

Company Name	State of Domicile	NAIC #	Effective Date	Action
NO ACTIVITY THIS QUARTER				

## OTHER DISCIPLINARY ACTIONS

Company Name	State of Domicile	NAIC #	Effective Date	Finding	Action
1. Pacificare Life Assurance Company		84506	8/18/06	Failure to provide Health Care Appeal information, procedures, notification & options to members	<b>Consent Order No. 06A-169 \$16,000.00 Civil Penalty</b>
2. Pacificare of Arizona, Inc.		95617	8/18/06	Failure to provide Health Care Appeal information, procedures, notification & options to members	<b>Consent Order No. 06A-170 \$35,000.00 Civil Penalty</b>
3.					

## PRODUCERS AND OTHER LICENSEES DISCIPLINED

Cause No. Name City – State	Allegation	Disposition
1. 06A-036 Leonard Joseph Burns	Provided incorrect, misleading, incomplete or materially untrue information in the license application	7/19/06 Consent Order Surrender Bail Bond License
2. 06A-130 Kevin Todd Rushlo	Misrepresented terms of an actual or proposed insurance contract, misappropriated funds; untrustworthiness or financial irresponsibility in the conduct of business; forging another's name to any insurance document related to an insurance transaction.	7/19/06 Consent Order License Revocation \$14,747.40 Restitution
3. 06A-075 Kevin Demond Hamlett	Felony Conviction	7/21/06 Order License Application Denied
4. Donna Maire Gideon	Failed to submit full set of fingerprints to the department, provided incomplete information in the license application	7/24/06 Consent Order License Revocation \$100.00 Civil Penalty

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5. 06A-071 Paula Ann Gonzales	Failed to submit full set of fingerprints to the department, provided incomplete information in the license application	7/26/06 Consent Order License Revocation \$100.00 Civil Penalty
6. 06A-175 Robert Judson Brannon and Treichler-Brannon, Inc.	provided incomplete information in the license application; attempted to obtain a license through misrepresentation	7/26/06 Consent Order License Revocation \$250.00 Civil Penalty
7. 06A-004 Cheryl Ann Hawker	Using fraudulent or dishonest practices and/or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business;	8/7/06 Order License Suspended for 45 days \$2,000.00 Civil Penalty
8. 06A-084 Rick Dale Finney	Felony conviction, failing to report a criminal prosecution, using fraudulent or dishonest practices	8/8/06 Order License Revocation
9. 06A-064 Jesus Maria Gastelum	Improperly misappropriating property received in the course of business; using dishonest practices and demonstrates financial irresponsibility in the conduct of business; failing to keep usual and customary records for three years immediately after the date of completion of a bail bond transaction; failing to immediately return collateral after the exoneration of a bail bond.	8/6/06 Order License Revocation
10. 06A-072 Jason K. Renshaw	Failed to submit full set of fingerprints to the department, provided incomplete information in the license application	8/21/06 Order License Revocation
11. 06A-174 Christopher John Chesson	Violation of the requirement that each bail bond agent maintain in force while license, a bond in favor of this State executed by surety insurer authorized to do business in this State.	8/25/06 Order License Summarily Suspended
12. 06A-173 Gregory Ray Swarts	Violation of the requirement that each bail bond agent maintain in force while license, a bond in favor of this State executed by surety insurer authorized to do business in this State.	8/25/06 Order License Summarily Suspended
13. 06A-176 Richard William Garcia and Garcia Bail Bonds, Inc.	Failure to properly notify Director the use of name other than his real name on the prescribed form; receipt of commission without a license; transacting bail bond business without a license	8/29/06 Consent Order Cease and Desist \$1,500.00 Civil Penalty
14. 06A-175 William Eugene Garcia dba Gracia Bail Bonds, Inc.	Conducting business without a license; improperly withholding monies received in the course of doing bail bond business; Failure to properly notify Director the use of name other than his real name on the prescribed form; payment of commission to a non-licensed person for selling, soliciting or negotiation bail bonds in this state; authorizing a non-licensed person to transact bail bonds on his behalf	8/29/06 Consent Order License Suspended until 10/31/06 \$2,500.00 Civil Penalty \$1,875.00 Restitution

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15. 06A-163 MXGA, Inc.	Transacting Mexican Surplus Lines insurance without a license	8/7/06 Consent Order Cease and Desist \$2,500.00 Civil Penalty
16. 06A-168 F. Gaylon Young Insurance Agency, Inc., d.b.a. Rodney D. Young Insurance Insurance and National Insurance Centers	Transacting Mexican Surplus Lines insurance without a license	8/15/06 Consent Order Cease and Desist \$2,500.00 Civil Penalty
17. 06A-083 Neil Rusty Bond	Felony conviction, failing to report criminal prosecution	9/5/06 Order License Revocation
18. 06A-184 Matthew James Worthen	Violation of the requirement that each bail bond agent maintain in force while license, a bond in favor of this State executed by surety insurer authorized to do business in this State.	9/13/06 Order License Summarily Suspended
19. 06A-183 Brian Paul Spielman	Violation of the requirement that each bail bond agent maintain in force while license, a bond in favor of this State executed by surety insurer authorized to do business in this State.	9/13/06 Order License Summarily Suspended
20. 06A-128 Ma Dulce Tellez	Failed to submit full set of fingerprints to the department, provided incomplete information in the license application	9/14/06 Consent Order \$100.00 Civil Penalty
21. 06A-071 Patricia Taylor Erlach	Failed to submit full set of fingerprints to the department, provided incomplete information in the license application	9/19/06 Consent Order \$100.00 Civil Penalty
22. 06A-185 Ivory O. Crow	Soliciting and Conducting business without a license	9/27/06 Order Cease and Desist \$5,000.00 Civil Penalty
23. 05A-138 Kenneth Edward Zubrod, Matthew Kenneth Zubrod, and Zubrod Insurance Group, Inc.	Using fraudulent or dishonest practices and/or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business;	9/29/06 Consent Order Zubrod Insurance Group; Voluntary Surrender License Ken Zubrod: License Revocation Matt Zubrod: Renew License & Immediately Suspended for 30 days \$2,500.00 Civil Penalty