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UTAH STATE  
INSURANCE DEPT.

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BEFORE THE INSURANCE COMMISSIONER  
OF THE STATE OF UTAH

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<b>COMPLAINANT:</b>	<b>STIPULATION AND ORDER</b>
UTAH INSURANCE DEPARTMENT	Docket No. 2012-058 LF
<b>RESPONDENTS:</b>	Enf. Case No. 3080
FORTIFIED BENEFITS, LLC dba UTAH SENIOR PLANNING 330 North Main Street #120 Kaysville, UT 84037 License # 265503	

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**STIPULATION**

1. Respondent, Fortified Benefits, LLC, dba Utah Senior Planning, is a licensed resident insurance agency in the State of Utah, holding license # 265503, and a licensed resident insurance consultant organization, holding license # 403218.

2. Respondent stipulates with the Complainant, Utah Insurance Department, as follows:

- a. If a hearing were held, witnesses called by the Complainant could offer and introduce evidence that would support the Findings of Fact herein;
- b. Respondent admits the Findings of Fact and Conclusions made therefrom;

*HAL*

- c. Respondent stipulates to the summary entry of the Order herein which shall be in lieu of other administrative proceedings by Complainant in this matter; and
- d. Respondent and Complainant have negotiated the terms of the Order entered herein and Respondent agrees to its entry and further agrees to be bound by all its terms.


3. Respondent is aware of its right to a hearing at which it may be represented by counsel, present evidence and cross-examine witnesses. Respondent has irrevocably waived its right to such hearing and to any appeal related thereto.

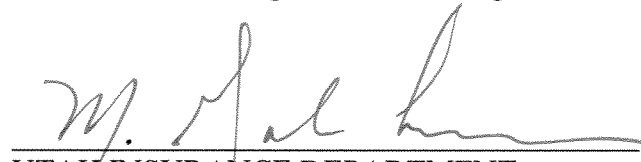
4. Respondent admits the jurisdiction of the State of Utah Insurance Commissioner as to all matters herein.

5. Respondent is acting herein free from any duress or coercion of any kind or nature, having been advised fully as to its rights set forth herein.

6. Respondent acknowledges that the issuance of this Order by the Commissioner is solely for purpose of disposition of the matter entitled herein.

DATED this 19<sup>th</sup> day of March, 2012.

  
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FORTIFIED BENEFITS, LLC, dba UTAH  
SENIOR PLANNING  
William E. Sandberg, Member/Manager

  
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UTAH INSURANCE DEPARTMENT  
M. Gale Lemmon, Assistant Attorney General

Based upon the foregoing Stipulation and information in the file, the Presiding Officer makes the following Findings of Fact:

**FINDINGS OF FACT**

1. On November 1, 2011, a market conduct examiner visited the Spring Creek Healthcare Center and asked the administrator whether any insurance agents solicited business in the care center. The administrator stated that the center had a contract with Respondent and that on several occasions Respondent's producers had met with care center personnel to assist in qualifying residents for Medicaid and meeting other insurance needs. Although all of Respondent's producers were licensed, three were not appointed to Fortified Benefits dba Utah Senior Care.

2. On November 2, 2011, a meeting was held at the Department with Respondent's owner, William Sandberg, and the market conduct examiner, Sandra Halladay. During the discussion it was learned that Utah Senior Planning is a consultant business but was not then licensed as a consultant by the Department. Mr. Sandberg was instructed on the need to have a consultant license.

3. In a review of the Respondent's business cards and letterhead, both were found to be possibly misleading as the emblem used on the materials resembled a police badge. The reverse side of the card lists a number of consultant areas in which the producers advise. These included Prescription Drug Plans, Medigap Supplements, Medicare Advantage, Medical Savings Account, Dental Insurance, Annuities, Life Insurance, Veterans LTC Benefits, Wills, Trusts, Estate Plans, Funeral Plans etc. The website contains the same information

4. The Respondent has agreed to revamp the materials and has discontinued using the

questionable materials.

5. The Respondent cooperated with the investigation, has since designated the producers to the agency, and has added the dba Utah Senior Planning to his agency license.

6. Respondent agrees to an administrative forfeiture of \$2,000 and probation for a period of 12 months which will include quarterly visits with the Department to discuss his insurance marketing practices and insurance business.

Based upon the foregoing Stipulation and Findings of Fact, the Presiding Officer enters the following Conclusions of Law:

### **CONCLUSIONS OF LAW**

1. Utah Code Ann. § 31A-23a-301 states:

An insurance organization shall be licensed as an agency if the insurance organization acts as:

- (1) a producer;
- (2) a limited line producer;
- (3) a consultant;
- (4) a managing general agent; or
- (5) a reinsurance intermediary.

2. Utah Code Ann. § 31A-23a-302 states in part:

(1) An agency shall designate an individual that has an individual producer, limited line producer, customer service representative, consultant, managing general agent, or reinsurance intermediary license to act on the agency's behalf in order for the licensee to do business for the agency in this state.

Utah Code Ann § 31A-1-301 contains definitions:

- (88) "Insurance consultant" or "consultant" means a person who
- (a) advises another person about insurance needs and coverages;
  - (b) is compensated by the person advised on a basis not directly related to the insurance placed: and

(c) except as provided I Section 31A-23a-501, is not compensated directly or indirectly by an insurer or producer for advice given.

2. Respondent violated the above provision for not having three individual producers appointed to its agency and in doing business without an agency consultant license for Utah Senior Planning.

3. An administrative forfeiture of \$2,000.00 and probation for a period of 12 months is appropriate under the circumstances of this matter.

Based upon the foregoing Stipulation, Findings of Fact and Conclusions of Law, the Presiding Officer herewith enters the following Order:

**ORDER**

**IT IS HEREBY ORDERED:**

1. Respondent Fortified Benefits dba Utah Senior Planning is assessed an administrative forfeiture of \$2,000.00 to be paid to the Utah Insurance Department withing 30 days of issuance of this Order.

2. Respondent is placed on probation for a period of 12 months. The terms of probation are that Respondent shall make timely payment of the forfeiture, meet with the Department quarterly, and have no further violations of the Insurance Code, Department Rules, or any order of the Commissioner.

**NOTIFICATION**

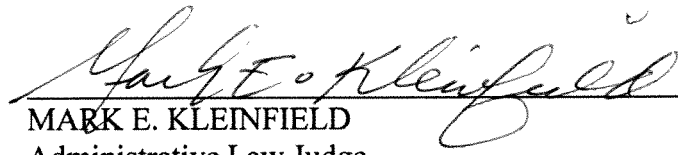
Respondent is hereby notified that failure to abide by the terms of this Order may subject you to further penalties, including additional forfeitures of up to \$5,000.00 per violation and the

suspension or revocation of your license, and the filing of an action to enforce this Order in the District Court, which may impose penalties of up to \$10,000.00 per day for continued violation.

You are further notified that other jurisdictions in which you may be licensed may require that you report this action to them.

DATED this 5<sup>th</sup> day of April, 2012.

NEAL T. GOOCH  
Insurance Commissioner

  
MARK E. KLEINFELD  
Administrative Law Judge  
Utah Insurance Department