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**BEFORE THE INSURANCE COMMISSIONER  
OF THE STATE OF UTAH**

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UTAH INSURANCE DEPARTMENT,

Complainant,

v.

BRAD C. KUHNHAUSEN  
616 EL LORO STREET  
LAS VEGAS, NV 89138  
License # 586460

Respondent.

**STIPULATION AND ORDER**

Docket No. 2016-125 LC  
Enf. Case No. 3837

Bret Randall, J.D.  
Administrative Law Judge

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**STIPULATION**

The Utah Insurance Department ("Department"), by and through its legal counsel, and Brad C. Kuhnhausen ("Respondent"), hereby stipulate and agree as follows:

1. Respondent holds an active non-resident producer license in Utah. Respondent's business address is 616 El Loro Street, Las Vegas, Nevada 89138. Respondent's License Number is 586460.

2. The Department has jurisdiction over the parties and subject matter of this administrative action.

3. Respondent acknowledges notice of agency action pursuant to Utah Code Section 63G-4-201; acknowledges that this Stipulation and Order is an informal proceeding pursuant to

Utah Code Section 63G-4-202; and irrevocably waives the right to any hearing, review or appeal concerning this matter.

4. Respondent knows of his right to be represented by legal counsel and waives this right by either having sought the advice of legal counsel or by having voluntarily chosen not to do so.

5. This signed Stipulation, along with any Findings of Fact and Conclusions of Law, shall not be subject to any reconsideration, renegotiation, modification, hearing or agency review or appeal.

6. The Findings of Fact and Conclusions of Law presented below are accepted by the parties.

7. The issuance of the signed and adopted Order proposed below is solely for the purpose of disposing of the specific matter entitled herein.

8. The only promises, agreements and understandings that the parties have regarding this matter are contained in this Stipulation.

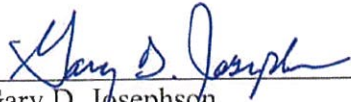
9. Respondent enters into this Stipulation voluntarily, knowingly, and free from any coercion of any kind.

10. The persons signing this Stipulation on behalf of the named parties hereby affirm that they are authorized to sign and bind the parties.

Dated this 3 day of November, 2016.

  
\_\_\_\_\_  
BRAD C. KUHNHAUSEN, Licensee

Dated this 7<sup>th</sup> day of November, 2016.

  
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Gary D. Josephson,  
Assistant Attorney General  
UTAH DEPARTMENT OF INSURANCE

Based upon the foregoing Stipulation, Background Note, and the Department file, the Presiding Officer makes the following Findings of Fact:

**FINDINGS OF FACT**

1. The health insurance policies in this matter were sold through the Federal Facilitated Marketplace and sold as ACA (Affordable Care Act) policies. During the FFM application process, agents have the option of entering their NPN (National Producer Number) so that they receive commissions for the insurance policies sold. SelectHealth requires signed Agent of Record Letters (“AORs”) in order to verify that the agent getting paid is the true agent of record.
2. On May 4, 2016, SelectHealth emailed the Department copies of sixteen AORs that they identified as suspicious because they had similar signatures.
3. On May 5, 2016, Respondent met with Department personnel. Respondent admitted that he signed the names of the consumers on the AOR forms because the affected consumers were current clients to whom he, or a member of his staff, had sold the original policies to; as the agent of record, he was re-enrolling them in healthcare coverage; and because it took extra work to have the consumer sign the actual AOR form, he signed their names on the

form for them.

4. Based on the circumstance of this matter, the Department recommended imposition of an administrative forfeiture in the amount of \$2,500.00, and that Respondent be placed on a six month probation. Respondent agreed to the forfeiture and probation.

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

#### **CONCLUSIONS OF LAW**

1. Utah Code Section 31A-23a-111 authorizes the Commissioner to take action including revoking, suspending, limiting or otherwise imposing conditions on a licensee who has acted in violation of Department laws or rules. By signing the AORs on behalf of consumers, without their authorization, Respondent committed violations by, under Subsection (xvi)(B), demonstrating untrustworthiness; under Subsection (xviii)(B), forging another's name to a document relating to an insurance transaction; under Subsection (xxiv), engaging in a business method or practice that endangers the legitimate interests of customers and the public.

2. Utah Code Section 31A-23a-402 prohibits making any communication that contains false or misleading information or that is incomplete. In violation of this statute, Respondent did not obtain the consumer's signature on the AORs, but signed on their behalf, without authorization.

3. The recommended forfeiture in the amount of \$2,500.00, and probation for six (6) months; is appropriate under the circumstances.



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

**ORDER**

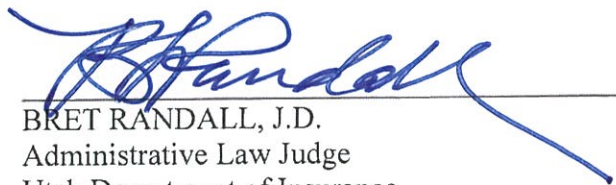
**IT IS HEREBY ORDERED:**

1. Respondent Brad C. Kuhnhausen is hereby assessed an administrative forfeiture in the amount of \$2,500.00 to be paid to the Department as follows: \$833.33 to be paid before December 1, 2016; \$833.33 to be paid before January 1, 2017; and the final \$833.34 to be paid before February 1, 2017.

2. Respondent is hereby placed on probation for a period of six months from the date of the signed Order. The terms of probation are that the three forfeiture payments shall be timely made and that Respondent shall have no further violations of the Utah Insurance Code or Department Rules.

DATED this 8<sup>th</sup> day of November, 2016.

TODD E. KISER  
Insurance Commissioner

  
BRET RANDALL, J.D.  
Administrative Law Judge  
Utah Department of Insurance  
State Office Building, Room 3110  
Salt Lake City, UT 84114  
Telephone (801) 538-3800

### **NOTIFICATION TO RESPONDENT**

You are hereby notified that a failure to obey an Order of the Commissioner may subject you to further penalties, including forfeitures of up to \$5,000 per violation and the suspension or revocation of your license and the filing of an action in district court, which may impose forfeitures of up to \$10,000 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.