

EDWARD VASQUEZ #8640
Assistant Attorney General
SEAN D. REYES #7969
Attorney General
Attorneys for Utah Insurance Department
160 East 300 South, 5th Floor
P.O. Box 140874
Salt Lake City, Utah 84114-0874
Telephone: (801) 366-0375
Email: evasquez@agutah.gov

BEFORE THE UTAH INSURANCE COMMISSIONER

UTAH INSURANCE DEPARTMENT, Complainant, vs. DIMITRIOS KATSAITIS, Respondent.	NOTICE OF AGENCY ACTION AND ORDER Docket No. 2021-4310 Curtis L. Garner Presiding Officer
--	---

NOTICE OF AGENCY ACTION

The Utah Insurance Department (the “Department”) commences this informal adjudicative proceeding against Respondent Dimitrios Katsaitis (“Respondent”) pursuant to Utah Code §§ 31A-2-201 and 63G-4-201 through -203 and Utah Admin. Code R590-160.

This informal adjudicative proceeding is based on the facts and law set forth in the attached Declaration and is designated as an informal adjudicative proceeding pursuant to Utah Code § 63G-4-202(1) and Utah Admin. Code R590-160-4 and -8.

ORDER

Based on the facts and the law set forth in the attached Declaration, and good cause appearing, the Utah Insurance Commissioner orders as follows:

1. Respondent's non-resident individual producer license is revoked.

2. Pursuant to Utah Code § 63G-4-203(1)(i) and Utah Admin. Code R590-160-8(1), this informal adjudicative proceeding shall be deemed closed, and this Order shall become final and take full effect, 15 days after this Notice of Agency Action and Order is emailed to Respondent unless a written request for a hearing on this matter is received from Respondent prior to that date.

3. A request for a hearing shall be sent by email to uidadmincases@utah.gov or by U.S. mail to Office of the Administrative Law Judge, Utah Insurance Department, 3110 State Office Building, Salt Lake City, UT 84114. The request for hearing shall be signed by the person making the request and shall state the basis for the relief requested.

4. If you fail to request a hearing you will be bound by this Order. Failure to request a hearing will be deemed a failure to exhaust administrative remedies and will preclude any further administrative or judicial review or appeal of this matter.

DATED this 16th day of March, 2021.

JONATHAN T. PIKE
Utah Insurance Commissioner



Curtis L. Garner
Presiding Officer
Utah Insurance Department
3110 State Office Building
Salt Lake City, UT 84114
801-538-3860
Email: uidadmincases@utah.gov

NOTICE REGARDING ENFORCEMENT OF THIS ORDER

Failure to obey this Order may subject you to further penalties that include a forfeiture of up to \$2,500 per violation, with each day of the violation constituting a separate violation. Other penalties for failing to obey this Order may include license suspension, probation, refusal to renew, or revocation. Failure to obey this Order may also result in an action taken against you in a court of competent jurisdiction where forfeitures of up to \$10,000 for each day the failure to comply continues until judgment is rendered. If you are licensed in other jurisdictions, you may be required to report this proceeding to those jurisdictions.

DECLARATION

Under criminal penalty of Utah law, I, William Stimpson, declare the following:

1. I am currently employed as a market conduct investigator for the Utah Insurance Department (“Department”) where my responsibilities include investigating and enforcing Utah insurance laws.

2. I submit this Declaration as the basis for issuing the Notice of Agency Action and Order against Dimitrios Katsaitis (“Respondent”) to which this Declaration is attached.

3. Based on my personal knowledge and/or based on the facts appearing in the Department’s records and files, the following facts are true:

- a. Respondent is a non-resident individual producer holding license no. 617817.
- b. Respondent’s last known address is 5307 S. La Sedona Circle, Delray Beach FL 33484.
- c. On December 1, 2020, Mutual of Omaha Insurance Company notified the Department that Respondent’s contract with Omaha Insurance and Omaha Health Insurance had been terminated for cause effective November 4, 2020 (the above entities collectively “Mutual of Omaha”).

Mutual of Omaha Investigation of Respondent

d. On September 30, 2020, a United World Life Medicare Supplement policy application was submitted under Respondent’s producer number for Individual #1.

e. On September 30, 2020, a United World Life Medicare Supplement policy application was submitted under Respondent’s producer number for Individual #2.

f. On September 30, 2020, a United World Life Medicare Supplement policy application was submitted under Respondent’s producer number for Individual #3.

g. On October 6, 2020, Individual #1, after receiving the Medicare Supplement policy in the mail, contacted Mutual of Omaha and informed a representative of the company that he had not applied for coverage.

h. Mutual of Omaha reviewed Individual #1's application and discovered that Individual #1's social security number, date of birth, and banking information were incorrect. The application also indicated that Respondent had interviewed Individual #1 for the application and that Respondent accurately recorded Individual #1's information on the application.

i. On October 12, 2020, Mutual of Omaha requested a statement from Respondent regarding Individual #1's application.

j. On October 19, 2020, Respondent provided Mutual of Omaha with a written response to its inquiry that stated the following:

i. Respondent agreed to and allowed Individual #1's application to be submitted under his producer number.

ii. Respondent never met with nor spoke to Individual #1 concerning the application.

iii. Respondent was not present when Individual #1 purportedly signed the application.

iv. Respondent did not verify the information contained in the application.

v. Respondent stated that he worked with a "fronter" whom, at the time Individual #1's application was submitted, did not have an insurance license.

vi. The "fronter," whom Respondent failed to identify, told Respondent that he "had a lead," Individual #1, that "was done." The "fronter" asked

Respondent to “process [Individual #1’s application]” through Respondent’s “account.”

vii. Respondent agreed to the “fronter’s” request and Individual #1’s application was submitted under Respondent’s producer number.

viii. Respondent stated “This was my fault that this happened. It was a seemed to[o] good to be true situation with someone telling me they had a friend who needed a policy[,] and I didn’t look into it and let them use my terminal which was beyond stupid.”

k. On October 22 & 27, 2020, Mutual of Omaha requested additional information from Respondent concerning, among other things, the name of the “fronter,” contact information and state insurance licensure information for the “fronter,” and whether Respondent had submitted any other business to Mutual of Omaha where a person other than Respondent met with an applicant to complete the application.

l. On October 26 & 27, 2020, Respondent provided Mutual of Omaha with the following information:

i. The name of the “fronter” was Alex Molina. Respondent claimed he deleted Mr. Molina’s contact information and did not provide any contact information for Mr. Molina.

ii. Respondent claimed Mr. Molina had possessed an insurance license in Colorado but had not renewed his license.

iii. Respondent provided Mr. Molina with his password and login information and access to his computer terminal.

- iv. The insurance policy applications for Individuals #2 and #3 were submitted under Respondent's producer number.
- v. Respondent never met with or spoke to Individuals #2 or #3.
- vi. Respondent did not verify that the information on those applications was accurate.
- m. Additional investigation by Mutual of Omaha revealed the following:
 - i. The investigator was unable to locate an active or inactive insurance license for "Alex Molina" in Colorado, Illinois (where the applicants resided), or Florida (Respondent's place of residence as per SIRCON).
 - ii. There is no record of Alex Molina being contracted with Mutual of Omaha.
 - iii. The information, e.g., social security number, date of birth, and telephone numbers, on the applications for Individual #2 and #3 was incorrect.

The Department's Investigation of Respondent

- n. On November 19, 2020, via email and U.S. Mail, I contacted Respondent and requested information concerning his termination from Mutual of Omaha.
 - o. On January 7, 2021, I spoke with Respondent and he told me the following:
 - i. Respondent gave access to his "portal" to Mr. Molina.
 - ii. Respondent knew there would be consequences for doing so.
 - iii. Respondent had not met with Individual #1, #2, or #3.
4. The above declared facts demonstrate that the following Utah insurance laws were not complied with:

a. Utah Code § 31A-23a-111(5)(b)(xv), admitting to having committed an insurance unfair trade practice or fraud.

b. Utah Code § 31A-23a-111(5)(b)(xvi)(A), (B), conducting business in this state or elsewhere using fraudulent, coercive, or dishonest practices, and/or demonstrating incompetence, untrustworthiness, or financial irresponsibility.

c. Utah Code § 31A-23a-111(5)(b)(xx), knowingly accepting insurance business from an individual who is not licensed.

d. Utah Code § 31A-23a-111(5)(b)(xxiv), engaging in a method or practice in the conduct of business that endangers the legitimate interests of customers and the public.

5. Based on the facts and law set forth above, Respondent's non-resident individual producer insurance license should be revoked.

Signed on this 12th day of March, 2021, at Salt Lake City, Utah.

/s/ William Stimpson
William Stimpson, Market Conduct Examiner
Utah Insurance Department