

for an individual health insurance policy to be issued by Regence BlueCross BlueShield of Oregon (RBCBSO). Herron explained the benefits of the insurance to Kingsland, asked Kingsland the questions on the application and recorded Kingsland's answers. On the application is a section entitled "For Agent Use Only." This section is to be completed by the soliciting agent. This section states:

"I, (the Agent) certify as follows: [that I] have explained the eligibility provisions to the Applicant, I have not made any statements about benefits, conditions or limitations of the agreement except through written material furnished by Blue Cross and Blue Shield of Oregon. I have informed the applicant that the effective date of coverage is assigned only by Blue Cross and Blue Shield of Oregon, and have provided Oregon Disclosure Information required."

Herron did not sign or date the agent's section on the application. Instead, Herron gave the application to Ogburn to sign.

On or about the same date, Ogburn, on behalf of NWGMS, signed and dated the agent's section on the application. Ogburn knew that he did not meet with or talk to Kingsland or do any of the acts that he certified that he did relative to the application.

Ultimate Facts

NWGMS, as an agent, made a false representation on an insurance application.

Conclusions

NWGMS violated ORS 746.100.

Action

NWGMS shall pay a civil penalty of \$1,000 pursuant to ORS 731.988. Payment shall be made in the form of a check payable to the "Department of Consumer and Business Services" for the full amount due. Payment shall be personally delivered or mailed to the Insurance Division so that it is received on or before the date of this order.

Dated June 23, 1999.

/s/ James B. Ogburn
James B. Ogburn
President
Northwestern Group Marketing Services, Inc.

FINAL ORDER

The Director adopts, and incorporates herein by this reference, the Facts, Ultimate Facts, Conclusions and Action in the above Stipulation as the Findings of Fact, Ultimate Findings of Fact, Conclusions of Law and Order, respectively, of this Final Order.

Dated July 8, 1999.

/s/ Michael Greenfield
Michael Greenfield
Director
Department of Consumer and Business Services