

**STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
INSURANCE DIVISION**

In the Matter of **Richard H. Jackson.**

) **STIPULATION** and
) **FINAL ORDER**
) Case No. INS 04-03-015

STIPULATION

The Director of the Oregon Department of Consumer and Business Services (director) commenced this administrative proceeding, pursuant to Oregon Revised Statutes (ORS) 731.256, to take enforcement action against Richard H. Jackson (Jackson).

Jackson enters into this stipulation, pursuant to ORS 183.415(5), to conclude this proceeding without further administrative or judicial proceedings.

Jackson waives the right to receive a notice of proposed action, receive a notice of the rights of a party and procedures in contested cases, have a hearing, be represented by an attorney at the hearing, receive a proposed order, file exceptions to the proposed order, and have the final order judicially reviewed.

Jackson stipulates to the following facts, conclusions, and action; and consents to the issuance of a final order incorporating this stipulation.

Facts and Conclusions

Licensing Information

Jackson has been licensed in Oregon as a resident insurance agent since 8/28/92. Jackson's current license number is 602238. Jackson's last recorded residence address and business addresses are located in Eugene, Oregon.

Made False Statement on or Relative to an Insurance Application

Jackson violated ORS 746.100 in one instance by engaging in the following conduct. On or about 11/19/01, Jackson solicited, completed and received from Lindsay Wurn (Wurn) of Eugene, Oregon, an application for individual health insurance to be provided by Regence Blue Cross Blue Shield of Oregon (BCBS). On the application, Jackson asked Wurn question numbered 23 which asked whether Wurn had had within the past five years any symptoms, diagnosis, treatment or

advice relating to heart, chest pain or angina. Wurn answered that he had a slight heart murmur that had been diagnosed 13 years before, and that he went to the doctor for a regular check up every 18 months to two years during which the doctor would evaluate Wurn's heart murmur but not find any thing wrong. Jackson indicated on the application that Wurn's answer was "no." Jackson knew that this answer was incorrect because Wurn had received from his doctor advice relating to Wurn's heart during each check up within the past five years. Wurn actually had mitral valve prolapse disease. In May 2002, Wurn had his mitral valve repaired due to an staff infection that damaged the valve. Subsequently, Wurn submitted a claim to BCBS. On 9/24/02, BCBS denied the claim and rescinded the policy because Wurn had purportedly answered question numbered 23 incorrectly.

Action

Pursuant to ORS 731.988, Jackson is assessed a civil penalty of \$1,000. The payment shall be made in the form of a check payable to the "Department of Consumer and Business Services" for the full amount due. The payment shall be delivered to the Insurance Division at 350 Winter Street NE, Room 440, Salem, OR 97301-3883, or mailed to the Insurance Division at PO Box 14480, Salem, OR 97309-0405. The payment shall be received by the Insurance Division before the date of the final order.

Dated April 2, 2004

/s/ Richard H. Jackson
Richard H. Jackson

FINAL ORDER

The director incorporates herein the above stipulation, adopts it as the director's final decision in this proceeding, and orders that the action stated therein be taken.

Dated April 21, 2004

/s/ Cory Streisinger
Cory Streisinger
Director
Department of Consumer and Business Services