STATE OF OREGON
DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
DIVISION OF FINANCIAL REGULATION

In the Matter of: RICHARD A. HODGES, Respondent.	Case No. INS-19-0001 ORDER TO CEASE AND DESIST AND FINAL ORDER ASSESSING A CIVIL PENALTY, ENTERED BY DEFAULT

The Director of the Department of Consumer and Business Services for the State of Oregon ("Director"), acting in accordance with Oregon Revised Statutes ("ORS") chapters 731, 732, 733, 734, 735, 737, 742, 743, 743A, 743B, 744, 746, 748 and 750 ("Insurance Code"), properly served a cease and desist order on Richard A. Hodges ("Hodges") and served Notice that the Director intended to assess a civil penalty.

The Notice offered Hodges an opportunity for a hearing, if requested within 20 days. The Notice further informed Hodges that if a hearing was not conducted because Hodges did not timely request a hearing or otherwise defaulted, then the designated portion of the Director's file and all materials submitted by Hodges in this case would automatically become part of the contested case record for the purpose of proving a *prima facie* case.

The Director did not receive from Hodges a request for a hearing and did not conduct a hearing.

The Director finds that the record of this proceeding proves a *prima facie* case.

The Director makes the following Findings of Fact, Conclusions of Law, Orders, and Notice of Right to Judicial Appeal.

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FINDINGS OF FACT

The Director FINDS that:

1. Hodges has been licensed as a resident insurance producer in the state of Florida since September 6, 2017. Hodges's national insurance producer number is 18530542.

2. Hodges has never been licensed in Oregon as an insurance producer.

3. On or around May 9, 2018, the Division of Financial Regulation ("Division") received a notice of the termination for cause for Hodges from United Healthcare Insurance Company ("UHC").

4. The reason for the termination for cause, according to UHC, is because Hodges sold, or attempted to sell, a Medicare Advantage or Prescription Drug Plan to an Oregon consumer without being properly licensed to do so.

5. The Division's investigation revealed that Hodges had submitted an application for AARP Medicare Complete Plan 2 for an Oregon consumer on December 5, 2017.

6. On June 28, 2018, the Director sent Hodges an e-mail inquiry requesting his response to the alleged unlicensed activity by July 27, 2018.

7. On September 25, 2018, after receiving no response from Hodges, the Director sent an inquiry to Hodges via certified and first class mail with a response due October 25, 2018.

8. Hodges has not responded to the Director's inquiries.

CONCLUSIONS OF LAW

The Director CONCLUDES that:

9. Pursuant to ORS 731.252(1), whenever the Director has reason to believe that any person has been engaged or is engaging or is about to engage in any violation of the

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Insurance Code, the Director may issue an order to discontinue or desist from such violation or threatened violation.

10. ORS 744.053 prohibits a person from selling, soliciting or negotiating insurance in Oregon unless the person is licensed as an insurance producer for that class or classes of insurance. Hodges violated ORS 744.053 when he sold, or attempted to sell, a Medicare Advantage or Prescription Drug plan to an Oregon consumer without being properly licensed to do so.

11. Pursuant to ORS 731.988(1), the Director may impose a civil penalty of up to $1,000 per violation upon any individual who violates a provision of the Insurance Code.

ORDERS

Now therefore, the Director issues the following Orders:

12. As authorized by ORS 731.252(1), the Director ORDERS Hodges to CEASE AND DESIST from violating any provision of the Insurance Code or the administrative rules promulgated thereunder.

13. Based upon the foregoing and in accordance with ORS 731.988(1), the Director ORDERS a CIVIL PENALTY of $500 for unlicensed activity in Oregon.

SO ORDERED this 6th day of March, 2019 in Salem, Oregon.

CAMERON C. SMITH, Director
Department of Consumer and Business Services

/s/ Dorothy Bean
Dorothy Bean, Chief of Enforcement
Division of Financial Regulation

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NOTICE OF RIGHT TO JUDICIAL APPEAL

You are entitled to judicial review of this order in accordance with ORS 183.482. You may request judicial review by filing a petition with the Court of Appeals in Salem, Oregon, within 60 days from the date this order is served.

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