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Counsel for the Commissioner of Securities and Insurance

BEFORE THE COMMISSIONER OF SECURITIES AND INSURANCE, OFFICE OF THE MONTANA STATE AUDITOR

IN THE MATTER OF FURLONG, JESSICA, and FURLONG, STEVE Respondents.	Case No. INS-2026-00114 **NOTICE OF PROPOSED AGENCY ACTION AND OPPORTUNITY FOR HEARING**

TO: Jessica Furlong
Steve Furlong
820 Yellowstone River Road
Apartment 3
Billings, MT 59105

The Commissioner of Securities and Insurance, Office of the Montana State Auditor ("Commissioner" or "CSI"), has cause to believe that Jessica Furlong and Steve Furlong ("Respondents") have violated the Montana Insurance Code, § 33-1-101, *et seq.*, MCA. The Commissioner proposes to issue a Final Order finding that Respondents committed administrative or civil insurance fraud in violation of § 33-1-1202(1), MCA. The Commissioner proposes to levy fines of $5,000 against each Respondent pursuant to § 33-1-317, MCA, plus interest at the statutory rate from the date of the Commissioner's Final Order. If, after a hearing in this matter, Respondents are found to have committed administrative or civil insurance fraud, the Commissioner may require Respondents to pay the costs of the proceedings pursuant to § 33-1-1211(1)(b), MCA. CSI has the authority to undertake this action pursuant to the Montana Insurance Code, including §§ 33-1-311, 33-1-317, 33-1-1202 and 33-1-1211, MCA.

The following is a proposed agency action. Acceptance of CSI's proposed action(s) will resolve this matter, and it will be deemed a Final Agency Action based on the facts and law set out below. If Respondents choose not to accept CSI's proposed action(s), Respondents may request an administrative hearing. That request **must be in writing and must be received by the Commissioner within 24 days of the date of this Notice of Proposed Agency Action ("NOPAA")**, as described in the Statement of Rights below. Failure to timely request a hearing can result in entry of a default order as stated in the Possibility of Default section below.

FACTUAL ALLEGATIONS

1. On December 12, 2025, Progressive Direct Insurance Co. ("Progressive") submitted to CSI a report of suspected insurance fraud concerning Respondents.

2. Respondents are residents of Montana, residing at 820 Yellowstone River Road, Apartment 3, Billings, MT 59105.

3. Respondent Jessica Furlong had an automobile insurance policy with Progressive with a 6-month policy period from June 3, 2025 through December 3, 2025. Respondent Steve Furlong is listed as a household member and a driver of the insured vehicles.

4. During the aforementioned 6-month policy period, Respondents insured, among other vehicles, a 2017 Cadillac CT6 ("CT6").

5. On August 7, 2025, at 9:54 a.m., Respondent Jessica Furlong requested that Progressive remove the CT6 from the policy, leaving one other vehicle insured on the policy.

6. On August 7, 2025, Progressive sent Jessica Furlong and Steve Furlong a letter confirming that CT6 has been removed from the policy. The letter noted the

Respondents' premium would be reduced by $686.94 because the vehicle had been removed.

7. On October 15, 2025, Progressive sent Jessica Furlong and Steve Furlong a reminder that their policy would renew on December 3, 2025. The notice only listed one vehicle; the CT6 was not listed as an insured vehicle under the policy.

8. On December 1, 2025, Respondent Steve Furlong was driving the CT6 in Billings, Montana when it collided with the rear of a Jeep owned by C.C. At the time of the collision, C.C.'s Jeep was being driven by his sister, K.C., who was alone in the Jeep.

9. After the accident occurred, K.C. took digital photos of the collision damage. The metadata embedded in the first photo showed that the photo was taken on December 1, 2025 at 9:24 a.m. Mountain Time.

10. At the same time K.C. was documenting the damage to the Jeep, on December 1, 2025, at 9:24 a.m. Mountain Time, Respondent Jessica Furlong called Progressive to request that the CT6 be added to the automobile policy.

11. On December 2, 2025, Respondent Steve Furlong called Progressive to initiate a claim. He reported that the December 1, 2025 collision occurred at around 11:00 a.m. Mountain Time, which he thought was about 2 hours after Respondent Jessica Furlong added the CT6 to the Progressive policy.

12. K.C. reported that Respondent Steve Furlong sent her a picture of "an insurance card" showing that the CT6 and another vehicle were insured.

13. Progressive, based on its fraud investigation, denied coverage for claims arising out of the December 1, 2025 collision and has not paid out any monies for that collision.

14. On December 10, 2025, C.C. received a $5,216.40 repair estimate from Beartooth Collision LLC for the damage to his Jeep.

15. Respondents declined to pay C.C. the full dollar amount from the aforementioned repair estimate, but they did pay C.C. $500.

16. C.C. did not have the damage to his Jeep repaired.

ASSERTIONS OF LAW

17. The Commissioner has jurisdiction over this matter and is authorized to act in protection of insurance consumers and in the public interest pursuant to § 33-1-311, MCA.

18. The Commissioner is tasked with enforcement of the Montana Insurance Code, including the Insurance Fraud Protection Act, §§ 33-1-1201, et seq., MCA.

19. A person commits administrative or civil insurance fraud when the person, for the purpose of obtaining any money or benefit, presents or causes to be presented to any insurer . . . any written or oral statement, including computer-generated documents, containing false, incomplete, or misleading information concerning any fact or thing material to, as part of, or in support of a claim for payment or other benefit pursuant to an insurance policy. § 33-1-1202, MCA.

20. Here, Respondents presented Progressive with oral statements containing false, incomplete, or misleading information concerning facts or things material to, as part of, or in support of a claim for payment or other benefit pursuant to an insurance policy. This conduct constitutes insurance fraud under § 33-1-1202(1), MCA.

21. If, after conducting a hearing under § 33-1-701, MCA, the Commissioner determines that a person has committed administrative or civil insurance fraud, the Commissioner may impose a fine of up to $25,000 and may require that person to pay the costs of the proceeding. §§ 33-1-317 and 33-1-1211, MCA.

PROPOSED AGENCY ACTION

WHEREFORE, the Commissioner, in his discretion and considering, *inter alia*, the gravity and intentionality of the offense, the number and scope of the offense, the financial loss involved, and to protect the health, safety, and welfare of the public, proposes to order the following:

1. A finding that Respondents committed administrative or civil insurance fraud in violation of § 33-1-1202(1), MCA; and

2. Respondents shall each pay a fine in the amount of $5,000 to the State of Montana pursuant to §§ 33-1-317 and 33-1-1211, MCA, plus interest at the statutory rate from the date of the Commissioner's final order.

STATEMENT OF RIGHTS

Respondents are entitled to contest the Commissioner's proposed action by requesting a hearing; this is called an administrative or "contested case" hearing. § 2-4-102(4), MCA. To do so, **within 24 days of the date this Notice**, Respondents must submit a **written hearing request** to CSI at 840 Helena Avenue, Helena, MT 59601 or CSI.LegalService@mt.gov. A hearing request may, but does not have to, include a response to the factual allegations set forth above.

If a hearing is requested, the Commissioner may appoint an impartial hearing examiner to conduct the proceedings under the provisions of the Montana Administrative Procedures Act, Mont. Code Ann. Title 2, Chapter 4, Part 6. Sections 2-4-611, 33-1-701, MCA; Admin. R. Mont. 1.3.218. Formal proceedings may be waived pursuant to § 2-4-603, MCA, in which case the hearing examiner would handle this case under the process for Informal Proceedings pursuant to § 2-4-604, MCA. Respondents will be provided with notice of the time, place, and nature of the hearing; and will be entitled to participate in the contested case process and respond and present evidence and arguments on all issues involved in this action. §§ 2-4-601 to 612, MCA.

Respondents have the right to retain legal counsel to represent, accompany, and advise them at any and all stages of this proceeding or may also elect to represent themselves; however, a business entity may not appear on its own behalf or through an agent other than an attorney licensed to practice law. Admin. R. Mont. 1.3.231.

CONTACT WITH COMMISSIONER'S OFFICE

If there are questions or concerns, please contact CSI at 406-444-2040 or CSI.LegalService@mt.gov. If represented by an attorney, please ensure this contact is made by the attorney.

POSSIBILITY OF DEFAULT

Failure to timely provide a written hearing request shall result in the entry of a default order imposing the Commissioner's proposed action, without additional notice, pursuant to Admin. R. Mont. 1.3.214.

DATED this 23rd day of July, 2026.

RICHARD E. WOOTTON
Counsel for Commissioner of Securities & Insurance

CERTIFICATE OF SERVICE

I hereby certify that on July 23, 2026, I caused a copy of the foregoing, *Notice of Proposed Agency Action and Opportunity For Hearing*, to be served on the following persons by the following means:

1 Mail
______ E-Mail

1. Jessica Furlong
Steve Furlong
820 Yellowstone River Road
Apartment 3
Billings, MT 59105

Paralegal