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Attorney for the CSI

**BEFORE THE COMMISSIONER OF SECURITIES AND INSURANCE
MONTANA STATE AUDITOR**

IN THE MATTER OF:

HEALTH INSURANCE INNOVATIONS,
INC.; HEALTH PLAN
INTERMEDIARIES, LLC; HEALTH
PLAN INTERMEDIARIES HOLDINGS,
LLC; HEALTHPOCKET, INC.;
INSURANCE CENTER FOR
EXCELLENCE, LCC; HCC LIFE
INSURANCE COMPANY; HCC
MEDICAL INSURANCE SERVICES,
LLC; STARR INDEMNITY &
LIABILITY COMPANY; USHEALTH
GROUP; NATIONAL FOUNDATION
LIFE INSURANCE COMPANY;
UNIFIED LIFE INSURANCE
COMPANY; COVERAGE ONE
INSURANCE GROUP, LLC; DAVID H.
ETTINGER; BETH ETTINGER; KARL
BECKER; EHEALTH INSURANCE
SERVICES, INC.; HEALTH BENEFITS
ONE, LCC; MATTHEW E. SPIEWAK;
NATIONS INSURANCE SOLUTIONS;
DANIELLE BRETTI; QUICK QUOTE
US LLC; MICHAEL S. HILF; TERRY M.
ALVARADO; MICHAEL K.
BORCHERS; PEDRO J. COLON;
BENJAMIN MAHLER; TERESA M.

CASE NO. INS-2015-348

**NOTICE OF PROPOSED AGENCY
ACTION AND OPPORTUNITY FOR
HEARING**

NEWMAN; JORGE SAAVEDRA;
SAMATHA M. SCHEIBNER; MICHAEL
C. TOBIAS; WESTERN HERITAGE
INSURANCE MARKETING GROUP;
and LISA D. GONZALES;

Respondents.

PLEASE TAKE NOTICE:

Staff of the Office of the Montana State Auditor, Commissioner of Securities and Insurance (CSI), pursuant to the authority of the Montana Insurance Code, Mont. Code Ann. § 33-1-101 et seq. (the Code), is proposing that the Commissioner of Securities and Insurance, Montana State Auditor (Commissioner) take disciplinary action against the following for violations of the Code:

- Health Insurance Innovations, Inc.
- Health Plan Intermediaries, LLC
- Health Plan Intermediaries Holdings, LLC
- Healthpocket, Inc.
- Insurance Center for Excellence, LLC
- HCC Life Insurance Company
- HCC Medical Insurance Services, LLC
- Starr Indemnity & Liability Company
- USHealth Group, Inc.
- National Foundation Life Insurance Company
- Unified Life Insurance Company
- Coverage One Insurance Group, LLC, David H. Ettinger, Beth Ettinger, and Karl Becker
- Ehealth Insurance Services, Inc.
- Health Benefits One LLC and Matthew E. Spiewak

- Nations Insurance Solutions and Danielle Bretti
- Quick Quote US and Michael S. Hilf
- Individual insurance producers: Terry M. Alvarado, Michael K. Borchers, Pedro J. Colon, Benjamin Mahler, Teresa M. Newman, Jorge Saavedra, Samantha M. Scheibner, and Michael C. Tobias
- Western Heritage Insurance Marketing Group, and Lisa Gonzales

The Commissioner has authority to take such action under the provisions of §§ 33-1-311, 33-1-317, 33-1-318, 33-2-119, 33-17-1001, 33-18-102, 33-18-201, 33-18-202, 33-18-203, 33-18-212, and 33-18-1003.

REASONS FOR ACTION

There is reasonable cause to believe that the following facts will be proven true and justify disciplinary action against Respondents, including restitution to insurance consumers, statutory fines, cease and desist orders, and license suspensions or revocations.

ALLEGATIONS OF FACT

1. Respondents are involved in the sale, administration, or underwriting of short term medical policies and excepted benefit policies to Montana insurance consumers.
2. The short term medical policies typically last six months, and do not qualify as “minimal essential coverage” under the Affordable Care Act, meaning individuals with these insurance policies will still pay a tax penalty for not having health insurance.
3. While short term medical insurance may benefit some individuals in special or unique situations, thousands of Montanan insurance consumers have been sold these policies every year since at least 2012. These policies are routinely sold through misinformation and deception at