

OCT 18 2024

BEFORE THE DEPARTMENT OF INSURANCE
STATE OF NEBRASKA

FILED

STATE OF NEBRASKA)	
DEPARTMENT OF INSURANCE,)	
)	
PETITIONER,)	FINDINGS OF FACT,
)	CONCLUSIONS OF LAW,
)	RECOMMENDED ORDER AND
)	ORDER
VS.)	
)	CAUSE NO. A-2407
FIDEL CERVANTES,)	
(NAIC Producer #20400639))	
)	
)	
RESPONDENT.)	

This matter came on for hearing on October 1, 2024, before Michael W. Anderson, a hearing officer duly appointed by the Director of the Nebraska Department of Insurance. The Nebraska Department of Insurance ("Department") was represented by its counsel, Cheryl Wolff. Fidel Cervantes ("Respondent") was not present and was not represented by counsel. The proceedings were recorded by Shelly Storie, a licensed Notary Public. The Department presented evidence at the hearing and the matter was taken under advisement. The hearing officer makes the following Findings of Fact, Conclusions of Law, and Recommended Order:

FINDINGS OF FACT

1. The Department is the agency of the State of Nebraska charged with licensing Insurance Producers.
2. Respondent currently holds a resident insurance producer's license in the State of Nebraska. Respondent's registered residence, business and mailing address with the Nebraska Department of Insurance is 1006 E BOB POOL AVE, PHARR, Texas

78577. Respondents registered email address on file with the Department is fidelcervantes18@gmail.com. (See Ex. 1, Attachment 1)

3. On May 10, 2024, Petitioner's Office received a For Cause Termination Notice from the Centers for Medicare and Medicaid Services regarding the termination of its Federally Facilitated Marketplace agreements with the Respondent as a result of fraud and/or abusive conduct. (See Ex. 1, Attachment 2)

4. Due to this information regarding employment termination, Respondent was sent several requests for information by Petitioner's Office, and failed to respond to those requests as follows (For All, See Ex. 2, Attachments 2-5):

- a. Original inquiry was sent on May 22, 2024. This request was sent to Cervantes's business, mailing, and residential address and the registered email address on file with the Department at fidelcervantes18@gmail.com.
- b. A second inquiry was sent to the Respondent on June 17, 2024, to the email address on file for the Respondent, and to the listed business, mailing, and residential address by certified mail.
- c. On June 26, 2024, a confirmation of email delivery was received by Petitioner's Office concerning the email sent on June 17, 2024.
- d. On June 26, 2024, The Domestic Return Receipt Card was received by Petitioner's Office confirming delivery to Respondent's address.

5. Respondent did not provide a response to Petitioner's Office regarding any of the listed contact attempts. (See Ex. 2)

CONCLUSIONS OF LAW

1. The Department has broad jurisdiction, control, and discretion over the licensing of insurance producers in the State of Nebraska pursuant to Neb. Rev. Stat. §§ 44-101.01 and 44-4047 et seq.

2. The Department has personal jurisdiction over Respondent.

3. Pursuant to Neb. Rev. Stat. § 44-4059(1)(g), the Director may levy an administrative fine against, or suspend or revoke an insurance producer's license if it is found that the producer has admitted or been found to have committed any insurance unfair trade practice, any unfair claims settlement practice, or fraud.

4. Pursuant to Neb. Rev. Stat. § 44-1525(11), it shall be unfair trade practice in the business of insurance or any insurer if they demonstrate the "[f]ailing of any insurer, upon receipt of a written inquiry from the department, to respond to such inquiry or request additional reasonable time to respond within fifteen working days."

5. Respondent violated Neb. Rev. Stat. § 44-4059(1)(g) as a result of the conduct found in paragraphs 1-5 in the Findings of Fact and as evidenced by the relevant exhibits received.

6. Respondent violated Neb. Rev. Stat. § 44-1525(11) as a result of the conduct found in paragraphs 1-5 in the Findings of Fact and as evidenced by the relevant exhibits received.

DISCUSSION

At the hearing, the Department presented sufficient evidence of proper service of notice of these proceedings upon Respondent. The Department served Respondent via certified mail, return receipt requested and regular U.S. mail to the Respondent's registered

address. The Department also attempted service via electronic means to Respondent's registered email address. Based upon the evidence of record, the Department's service of the petition and notice of hearing upon Respondent at the registered address was sufficient and jurisdiction over the actions of the Respondent in this matter has been established.

The uncontested evidence shows that Respondent, having received an inquiry from the Department, and then failed to respond to those inquiries.

These actions constitute a violation of Neb. Rev. Stat. § 44-4059(1)(g).

RECOMMENDED ORDER

Based on the Findings of Fact and Conclusions of Law, it is recommended that Respondent's resident producer's license be suspended, that Respondent be assessed an administrative penalty of \$500, and that such suspension will be lifted only upon payment of the administrative fine and submission of an adequate response to the Department's inquiries. The Nebraska Department of Insurance shall retain jurisdiction of this matter for the purpose of enabling Respondent or the Department of Insurance to make application for such orders as may be necessary.

Dated this 18th day of October, 2024.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE



Michael W. Anderson
Hearing Officer

CERTIFICATE OF ADOPTION

I have reviewed the foregoing Findings of Fact, Conclusions of Law, and Recommended Order and hereby certify that the Recommended Order is adopted as the official and final Order of this Department in the matter of State of Nebraska, Department of Insurance vs. Fidel Cervantes (NAIC Producer #20400639), Cause No. A-2407.

Dated this 18th day of October, 2024.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE


Eric Dunning
Director of Insurance

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Findings of Fact, Conclusions of Law, Recommended Order, and Order was served upon the Respondent by mailing a copy to Respondent's registered address, 1006 E BOB POOL AVE, PHARR, Texas 78577, via certified mail, return receipt requested and via regular U.S. mail on this 18th day of October, 2024.


Shelly Storie