

INSURANCE

Pete Ricketts

Governor

Eric Dunning

Director

Inside:

FRAUD 2

- Annual Conference Cancelled
- Fight Against Fraud—Training Available to Organizations
- COVID-19 Insurance Fraud Impact Study
- Court Actions

PROPERTY & CASUALTY 3

- Crop Form & Rate Filings
- No changes to CB-142 (Amended) for Plan Year 2022

PRODUCER LICENSING 4

- Annuity Suitability “Best Interest” Training Requirements
- Change of Address Requirement
- Proctor Requirement Waiver Ends
- Paperless Insurance License Applications

LIFE & HEALTH 5

- Approved Filings Including Contact Address for the Department

LEGAL 6

- Producer/Agency Actions

EXAMINATION DIVISION 7

- Staff Update
- Pre-Need Exams Completed
- Financial Exams Completed

[Department Calendar](#)

[Back](#)

A Message from the Director....



Eric Dunning
Director of Insurance

Moving Forward with Changes in Technology

I'd like to begin with a thank you to our loyal readers.

For nearly thirty years, the Nebraska Department of Insurance has published a quarterly newsletter to let the public know about the work we've been doing here. This will be the last edition of the newsletter as we will be updating our public communications platform to reflect the changes in technology.

I hope this change will allow the NDOI more timely and relevant communication to help the insurance-buying public and the insurers who serve them.

As the Department moves forward, please continue to check its home page on the website at doi.nebraska.gov for the latest news from the Department of Insurance. The latest news will include notices of guidance for insurers, new/revised bulletins, consumer alerts, press releases and other announcements.

I hope you'll reach out to any of the Department of Insurance team with suggestions or comments on how the Department can better communicate with you.

FRAUD DIVISION

2021 Annual Conferences Cancelled

As was previously announced in the Spring newsletter, the Insurance Fraud Prevention Division (IFPD) has cancelled its 2021 Annual Insurance Fraud Conferences. Your email address has been retained, and you will be notified of future conferences. The IFPD plans to resume the full-day industry and law enforcement fraud conferences in August 2022. More details will be announced early next year.

Fight Against Fraud—Training Available to Organizations

If your organization is interested in having some small group training or topic specific presentations, the IFPD is dedicated to assist the insurance industry, law enforcement agencies, and the public in the fight against insurance fraud. The IFPD would be happy to accommodate any of your training needs. For further details and scheduling, contact Division Chief Kimberly Church at 402-471-4999 or email her at kimberly.church@nebraska.gov.

COVID-19 Insurance Fraud Impact Study: Evolving Perspectives

The recent COVID-19 pandemic has changed the face of “business as usual”. The world of insurance fraud investigations has not been the exception. To gain a greater understanding of the “new normal” in insurance fraud investigations, the Coalition Against Insurance Fraud conducted a two-part study, “The Impact of COVID-19: State Insurance Fraud Bureau Survey.” A 74% response rate was received from the questionnaires distributed to 68 state fraud department directors or state anti-fraud representatives across the country. The goal of the study was to provide a snapshot of the impact the pandemic has had on insurance fraud referrals overall and to identify any emerging trends in the type or quantity of referrals made during this pandemic.

Throughout the study, it was found that insurance fraud referrals stayed steady or increased. Some emerging trends identified in the study include:

- An increase in automobile scams ranging from staged accidents to vehicle “jump-ins” maybe caused by a lack of police responses to minor injuries and persons not exiting vehicles to exchange information.
- Life insurance scams proliferated from scammers selling fake policies in total to alleging they were offering “riders” or “endorsements” to protect loved ones in the event of the need for respirators or hospitalization.
- Unscrupulous tow operators and body shops, with no hazmat certifications, added on thousands of dollars for disinfection fees and then added storage charges for weeks claiming the vehicle was unsafe to work on.
- Globally, cases of identity theft skyrocketed during the pandemic. The FTC reported the number of U.S. identity theft cases doubled in 2020. Such actions have led to an increase in the number of cases involving application fraud where stolen or “synthetically blended” identities are used to secure policies and then make quick claims.

While the pandemic has brought on new methods of committing insurance fraud and rapidly increased other known types of cons and scams, state insurance fraud divisions, along with the Coalition, exist as a public, industry and governmental resource to aid in the fight against insurance fraud. The report from this study is intended to provide information and resources to help those on the front-line of fighting insurance fraud and to protect American citizens and insurers from the cost and damage fraud inflicts.

Note: This article is a summary of the Coalition's full report that can be found at www.insurancefraud.org.

Court Actions

19-0350 Disability – Material Misrepresentation

Dawson County Court D-CR21-135

State v. Monica Martinez-Prado

On July 18, 2018, a long-term disability claim was filed by Monica Martinez-Prado after she had exhausted her short-term disability benefits. Throughout the claim process, Ms. Martinez-Prado was repeatedly advised of the requirement to report wages earned and/or change in her work status. On December 13, 2018, Ms. Martinez-Prado was confronted about information received that she was working at a local middle school. Ms. Martinez-Prado denied earning a wage. A subsequent investigation by the IFPD confirmed that Monica Martinez-Prado was hired on August 20, 2018, as a full-time paid employee. As a result, the insurer overpaid \$6,816.33 from August 14, 2018 through December 20, 2018. Ms. Martinez-Prado was charged with a Class 3 Felony Fraudulent Insurance Act and pled no contest to an amended charge of Class 1 Misdemeanor Fraudulent Insurance Act. Sentence is pending.

PROPERTY & CASUALTY DIVISION

Crop Form & Rate Filings

The Crop Form & Rate Filing Requirements checklist has been posted to our website. The form and rate filing **checklist** can be found on the Department's website at doi.nebraska.gov under Insurers/Property and Casualty Information/Filing Guidance.

CB-142 (Amended) Will Not Change for Plan Year 2022

The Department of Insurance has determined that no changes will be made to CB-142 (Amended), "Filing Procedures for Crop-Hail and Crop-Hail Production Plan Rating Systems," for the plan year 2022. **CB-142 (Amended)**, dated January 14, 2021, remains in effect. Any questions on CB-142 (Amended) may be directed to Connie Van Slyke, Property/Casualty Division Administrator, at connie.vanslyke@nebraska.gov.

PRODUCER LICENSING DIVISION

Annuity Suitability “Best Interest” Training Requirements

Any producer who has completed an approved annuity training course prior to July 1, 2021, is required to complete either a new four-credit annuity training course or an additional one-time, one-credit training course.

Any producer who has completed an approved annuity training course prior to July 1, 2021, is required to complete either a new four-credit annuity training course or an additional one-time, one-credit training course. The course needs to have been approved by the Nebraska Department of Insurance and provided by a Nebraska-approved continuing education provider on appropriate sales practices and replacement and disclosure requirements under the Nebraska Protection in Annuity Transactions Act.

The new four-credit annuity training course or additional one-time, one-credit training course needs to be completed by December 31, 2021.

To search for approved annuity courses in Nebraska please go to <https://sbs.naic.org/solar-external-lookup/> and select “Annuity” as the Course Group.

Change of Address Reminder

Individuals and agencies must notify the Department within thirty days of any change in their residential or business address.

Individuals and agencies must notify the Department within thirty days of any change in their residential or business address.

Address, phone number and email changes for both individuals and agencies can be submitted electronically at **NIPR.com** by selecting the “Change Contact Information” option.

Waiver of Proctor Requirements

The date for Nebraska to waive proctor requirements for continuing education self-study online courses ended on July 1, 2021.

Director Dunning issued a **Notice** to producers on June 15 stating that the date for Nebraska to waive proctor requirements for continuing education self-study online courses ended on July 1, 2021.

Questions should be directed to the Producer Licensing Division at 402-471-4913 or at doi.licensing@nebraska.gov.

Individuals and agencies must notify the Department within thirty days of any change in their residential or business address.

Insurance License Applications Now Paperless

The Department has moved to 100% online submission of all insurance license applications, effective June 14, 2021. To begin the online process, click [here](#).

If you have any questions or are having difficulties applying online, please contact the NDOI Producer Licensing Division at 402-471-4913 or at doi.licensing@nebraska.gov.

LIFE & HEALTH DIVISION

Approved Filings Including Contact Address for Department of Insurance

On July 28, 2021, Director Dunning issued a **Notice** concerning the Department's contact address listed by insurers on approved filings. It has come to the Department's attention that some insurers may be providing an old address to insureds in required filings and notices. Please review approved products to ensure they reflect the correct mailing address. The Department has moved twice in the last three years. The Department's permanent address, effective May 24, is as follows:

Physical Address

Nebraska Department of Insurance
1526 K Street, Suite 200
Lincoln, Nebraska 68508

Mailing Address

PO Box 82089
Lincoln, Nebraska 68501-2089

If products filed with the Department include an old address, insurers are instructed to simply update that address as soon as possible. It is **not required** to be refiled in SERFF.

As part of the claim denial process, insurers are sometimes required to provide insureds the Department's contact information. Please ensure that claims processing systems and forms are updated to reflect the correct address for the Department.

Some insurers may be providing an old Department address to insureds in required filings and notices.

Please ensure that claims processing systems and forms are updated to reflect the correct address for the Department.

LEGAL DIVISION

Actions Taken Against Producers & Agencies

CAUSE NO.	ALLEGATION	DISPOSITION
<p>A-2251 Justin Harris Tampa, FL NPN – 18979255</p>	<p>Violated <u>Neb. Rev. Stat. §§ 44-4059(1)(g), 44-1524, 44-1525(11)</u>. Committed unfair trade practice, claims settlement practice or fraud; failed to respond to department inquiry.</p>	<p>Order \$500 fine 4/16/2021</p>
<p>A-2252 Maurice Dydell Lees Summit, MO NPN – 15807544</p>	<p>Violated <u>Neb. Rev. Stat. §§ 44-4059(1)(e), 44-4059(1)(g), 44-4059(1)(h)</u>. Intentionally misrepresented an actual or proposed insurance contract or application; committed unfair trade practice, claims settlement practice or fraud; used fraudulent coercive, or dishonest practices.</p>	<p>Order License revoked 4/16/2021</p>
<p>A-2553 Michelle Witt More Valentine, NE NPN – 19798744</p>	<p>License application denial.</p>	<p>Order License granted 4/16/2021</p>
<p>A-2257 Erica Long Omaha, NE NPN – 18690714</p>	<p>Violated <u>Neb. Rev. Stat. §§ 44-4059(1)(b), 44-4059(1)(g), 44-1525(11), and 44-4065(3)</u>. Violated any insurance law; used fraudulent, coercive or dishonest practices; use false or fraudulent statement(s) to obtain commission; failed to report criminal prosecution in any jurisdiction.</p>	<p>Order License revoked 5/20/2021</p>
<p>A-2258 Amed Garces St. Cloud, FL NPN – 17950290</p>	<p>Violated <u>Neb. Rev. Stat. §§ 44-4059(1)(b), 44-4059(1)(h)</u>. Violated any insurance law; used fraudulent coercive, or dishonest practices.</p>	<p>Order \$2,000 fine 6/24/2021</p>
<p>A-2261 Brent Stanley Elkhorn, NE NPN - 8296568</p>	<p>Violated <u>Neb. Rev. Stat. §§ 44-4059(1)(g), 44-4059(1)(h)</u>. Used fraudulent, coercive, or dishonest practices; made false or fraudulent statement(s) on a policy application.</p>	<p>Order \$100 fine 6/7/2021</p>

EXAMINATION DIVISION

Staff Update

Nolan Beal has accepted the position of **Investment Specialist**.

Nolan began working with the Department in the Financial Examination Division after graduating from the University of Wyoming in December 2019 with a major in finance. Prior to accepting the Investment Specialist position, Nolan served as a Financial Analyst for the Department. Nolan's primary role will be monitoring insurers' investment portfolios, ensuring compliance with investment statutes, and serving in an advisory role in our financial examinations and ongoing analysis of domestic insurers. Nolan can be contacted at 402-471-4644 or at nolan.beal@nebraska.gov.

Pre-Need Examinations Completed During Second Quarter, 2021

Hemmingsen Funeral Home
Peters Funeral Home
Ramaekers & Sharman (fka Duesman FC)
Snider Memorial Funeral Home
Williams Funeral Homes, Inc.

Financial Examinations Completed During Second Quarter, 2021

Acceptance Casualty Insurance Company
Acceptance Indemnity Insurance Company
Central States Health & Life Co. of Omaha
Censtat Casualty Company
Delta Dental of Nebraska
First American Title Insurance Company
GEICO Advantage Insurance Company
GEICO Secure Insurance Company
GEICO Choice Insurance Company
League Association of Risk Management
Mutual Insurance Company of Saline & Seward Counties
Olive Branch Assessment Insurance Society, Inc.
Polk & Butler Mutual Insurance Company
Platte River Insurance Company
Scandinavian Mutual Ins Co of Polk County
Western United Mutual Insurance Association
West Coast Life Insurance Company

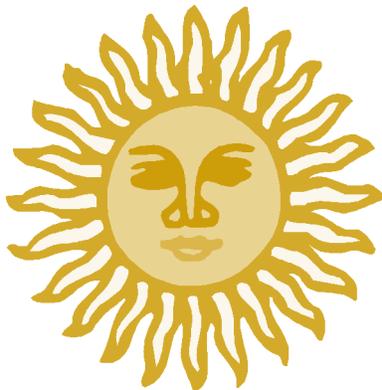
Financial examination reports become public documents once they have been placed on official file by the Department. The most current report of financial examination can now be found on the Department's website at doi.nebraska.gov. Copies can be obtained from the Department at a cost of \$.50 per page.

Congratulations



NDOI Employees of the Quarter

- ☆ **Robin Edwards, Administrative Services Division**
- ☆ **Mark Peterson, Administrative Services Division**



Department Calendar

- September 6:** Department Closed – Labor Day
- October 11:** Department Closed - Columbus Day
- November 2:** Insurtech on the Silicon Prairie
Holland Center for Performing Arts
Downtown Omaha, Nebraska