

BEFORE THE IOWA INSURANCE COMMISSION

IN THE MATTER OF)	Division Case No. 88403
)	
KRISTINE PERRIEN,)	ORDER AND CONSENT TO ORDER
NPN 15700597,)	
Respondent)	

COMES NOW the Iowa Insurance Division (“Division”) pursuant to the provisions of the Iowa Insurance Trade Practices Act—Iowa Code Chapter 507B and the Iowa Licensing of Insurance Producers Act—Iowa Code Chapter 522B, seeks the entry of this order (“Order”):

I. PARTIES AND JURISDICTION

1. The Commissioner of Insurance, Nick Gerhart, administers the Iowa Insurance Trade Practices Act—Iowa Code Chapter 507B and the Iowa Licensing of Insurance Producers Act—Chapter 522B pursuant to Iowa Code § 505.8. Commissioner Gerhart has designated the Iowa Insurance Division to seek enforcement of these provisions.
2. Kristine Perrien, (“Perrien”), is an individual who resides in Altoona, IA 50009.
3. Perrien is and has been licensed in the state of Iowa as a resident insurance producer since March 11, 2010. She is licensed under National Producer Number 15700597.
4. The Division alleges that from on or about January 9, 2013 to the present date, Perrien has engaged in certain acts and practices within the state of Iowa constituting cause for suspension or revocation of her insurance producer license, cease and desist orders, and civil penalties or other relief under Iowa Code §§ 507B, 522B, and rules adopted pursuant to Iowa Code Chapters 507B and 522B.
5. Perrien voluntarily consents to the entry of the Order and admits that the Division has personal jurisdiction over Perrien and has subject matter jurisdiction over this matter.

II. FINDINGS OF FACT

6. Perrien applied for a resident insurance producer license with the Division by submitting through the National Insurance Producer Registry a Uniform Application for Individual Producer License on March 11, 2010. In submitting the Uniform Application, Perrien designated the Commissioner as an agent for service of process.
7. The Division issued Perrien a license as an insurance producer on March 11, 2010 and assigned to her National Producer License number 15700597.
8. Perrien met with Larry and Marge Thomas at their home to obtain Medicare Supplement policies on January 9, 2013.
9. Perrien was contacted by telephone later that day by Marge Thomas who asked Perrien to obtain a life insurance policy for her daughter JoAnna Thomas.
10. Perrien talked with Marge Thomas over the phone and filled out the application for her daughter while on the phone.
11. The life insurance policy application for JoAnna Thomas was then dropped off at Larry and Marge Thomas's residence for signature.
12. At some point prior to January 12, 2013, the signed application was picked up and submitted to Bankers Life and Casualty Company ("Bankers").
13. Bankers issued life insurance policy #330166946 to JoAnna Thomas on July 12, 2013.
14. Perrien did not fill out the application in the presence of the insured JoAnna Thomas.
15. The application included a signature for the Proposed Insured, JoAnna Thomas. Perrien was not present when the application was signed and Perrien did not verify that JoAnna Thomas personally signed the application.

16. The application stated above the signature block of the Proposed Insured “[t]he Proposed Insured has read, or had read to him/her, the above questions and his/her answers to each and certify the answers are complete, true and correct.”

17. The application stated above the signature block of the Licensed Resident Agent, I “asked all questions and truly and accurately recorded the answers contained herein. To the best of my knowledge and belief.” A supplement to the application states, “The Agent, to the best of his or her knowledge and belief, represents that the answer to the above question is true and correct. I have witnessed the signature of the Applicant.”

18. It has subsequently been determined by Perrien and the Division that at the time of the application, several items on the application were incorrect, including without reservation that JoAnna Thomas needed total care due to her medical condition and was not living at Larry and Marge Thomas’s residence.

19. The following items have subsequently been determined to have been incorrectly filled out on the application by Perrien and incorrectly attested to by whomever signed on behalf of JoAnn Thomas:

- a. JoAnna Thomas’s occupation of “student/college”;
- b. Qualifying Medical Questions, Question 6 regarding living in a care facility; and
- c. Qualifying Medical Questions, Question 6B regarding treatment or diagnosis for retardation.

20. JoAnna Thomas died on July 31, 2014, within the two year contestability period, thereby triggering a standard internal audit by Bankers.

21. Thereafter, Perrien incorrectly completed a "Form 2428 for Claims" on September 9, 2014 in regards to the application for JoAnna Thomas which was requested by Bankers as part of the internal audit.
22. Bankers subsequently terminated Perrien for cause related to the dispute regarding the life insurance policy for JoAnna Thomas.
23. Perrien provided the following written statement to the Iowa Insurance Division on July 16, 2015:

In regards to Joanna Thomas, I do not recall many of the details of what went on in the house that day. I have seen numerous amounts of people since that date, and I am unclear of the exact happening of the appointment. I typically run 24 appointments every week. I have probably seen well over 2000 people since that day. The appointment is vague in memory. I believe most of it was centered on them and changing their supplements. I don't even remember if life insurance came up while in the house. I believe it wasn't till later that day we got a call from mother inquiring about life insurance for her daughter. It was the end of the day and we were rushed, and just left the application at the house. We then went back the next time we were in the area and picked it up. The application was signed, and I didn't think twice about it. It was all done in a hurry, and not much thought was put into it. It was such a small case that I guess I didn't think anything of it. I clearly had no idea of the health conditions of the insured. Honestly, my recollection of the event was unclear to the point that when the contestability paperwork came across my desk I thought this was someone else that I had helped, with an entirely different agent. As you can see from the form I had put that I was with agent Greenleaf when in fact it was agent Schemmel.

As I look back, with all this information in front of me, I realize this was unbelievably stupid of me and very irresponsible. Some days you just get so caught up on the grind, and hurrying to your next appointment that I didn't stop to think anything of it, as it was all very rushed. As I sit and write this I am totally embarrassed of the whole situation, and how it reflects on me as a person, and as an agent for Bankers Life. This is a horrible depiction of how I run my business, and represent Bankers Life. Clearly, I was being lazy and didn't do my due diligence. I should have asked more questions. In all of this however, I never once had any malicious or fraudulent intent, on any party, the client or Bankers Life.

III. CONCLUSIONS OF LAW

COUNT I DEMONSTRATING INCOMPETENCE

24. The Division incorporates by reference paragraphs 1-23 above as though fully set forth herein.

25. Perrien incorrectly filled out an application, failed to have the insured present when completing the application, failed to inquire into the signature, incorrectly filled out Bankers Form 2428, and admitted she did not put much time or thought into the application.

26. Perrien's acts and practices have been in violation of Iowa Code § 522B.11(1)(h), subjecting Perrien to probation, revocation, or suspension of Perrien's insurance producer license, the imposition of a civil penalty, and an order requiring Perrien to cease and desist from engaging or participating in the business of insurance pursuant to Iowa Code §§ 507B, 522B.11, and 522B.17.


IV. ORDER

WHEREFORE, IT IS ORDERED pursuant to the powers granted the Commissioner of Insurance by Iowa Code Chapters 507B and 522B:

- A. Perrien shall surrender her insurance producer license on the date of this order;
- B. Perrien shall not apply to have her insurance producer license reinstated until January 22, 2016;
- C. Prior to seeking reinstatement, Perrien shall apply for, take, and pass the written examinations for property and casualty sales;
- D. Perrien shall not apply for a life and annuity license until May 1, 2016;

- E. Prior to application for a life and annuity license, Perrien shall apply for, take, and pass the written examination required for life and annuity sales;
- F. In selling, soliciting or negotiating insurance, Perrien shall not provide any untrue, incorrect or incomplete answers or information in any policy application;
- G. Perrien shall not accept, transmit, or submit any individual insurance policy application as a producer, unless she is present and observes the applicant personally sign the application;
- H. For a period of 12 months, beginning on the date of this order, Perrien shall inform any company appointing her of this Order and the company must provide written acknowledgment to the Iowa Insurance Division that Perrien's direct supervisor will supervise her and reasonably monitor Perrien's compliance with the terms of this order and all other conduct as it relates to the business of insurance for a 6 month period starting at her appointment date. Each company shall send their acknowledgment directly to the Iowa Insurance Division, Two Ruan Center, 601 Locust Street, 4th Floor, Des Moines, IA 50309, to the attention of Producer Licensing.
- I. Perrien shall pay to the state of Iowa a civil penalty in amount of \$800.00. A check made payable to the Iowa Insurance Division should be remitted along with the signed Consent to Order.
- J. Nothing contained in this Order shall in any way limit the Division from instituting administrative or legal action against Perrien for any past conduct or future activity in violation of Iowa laws and regulations.
- K. Perrien does not specifically admit or deny the allegations herein.

SO ORDERED on this ²³~~20~~ day of October, 2015.



NICK GERHART
Iowa Insurance Commissioner

Respectfully submitted,



TRACY SWALWELL
Compliance Attorney

CONSENT TO ORDER AND AGREEMENT

I, Kristine Perrien, Respondent in this matter, have read, understood, and do knowingly consent to this Order in its entirety. By executing this consent, I understand that I am waiving my rights to a hearing, to confront and cross-examine witnesses, to produce evidence, and to judicial review.

I further understand that this Order is considered final administrative action that may be reported by the Division to the National Association of Insurance Commissioners and to other regulatory agencies. I also understand that this Order is a public record under Iowa Code Chapter 22 that will be disclosed to other state regulatory authorities, upon request, pursuant to Iowa Code section 505.8(8)(d). I also understand that the information contained in the Order will be posted to the Division's web site and a notation will be made to the publicly available web site record that administrative action has been taken against me.

Dated this 22 day of October, 2015.

Kristine Perrien
KRISTINE PERRIEN

2732 8th Ave. SE Altoona, IA 50009
ADDRESS

Subscribed and sworn before me by Kristine Perrien on this 22nd day of October, 2015.



Mary J. White
Notary Public for the State of Iowa