



BEFORE THE IOWA INSURANCE COMMISSIONER

---

IN THE MATTER OF	)	Division Case No. 104797
	)	
QUANAIJHA SPRADLEY,	)	<b>ORDER AND</b>
NPN 18117268,	)	<b>CONSENT TO ORDER</b>
DOB 07/27/XXXX,	)	
	)	
Respondent	)	

---

COMES NOW the Iowa Insurance Division (“Division”) and pursuant to the provisions of Iowa Code chapter Iowa Code chapter 522B—Licensing of Insurance Producers states and alleges the following:

**I. PARTIES AND JURISDICTION**

1. The Commissioner of Insurance, Douglas M. Ommen, directly and through his designees, administers and enforces Iowa Code chapter 522B—Licensing of Insurance Producers pursuant to Iowa Code § 505.8.
2. Quanaijha Spradley (“Respondent”) is an individual with a last-known mailing address of 7359 C Sauerkraut Lane, Macungie, PA 18062.
3. Respondent was previously licensed in the state of Iowa as a nonresident insurance producer from October 9, 2017 until November 27, 2017. She is licensed under National Producer Number 18117268. Respondent’s nonresident Iowa license was terminated when the Division’s Producer Regulation Bureau discovered that Respondent’s residence license was terminated in Delaware.
4. Pursuant to Iowa Code § 505.28, Respondent has consented to the jurisdiction of the Commissioner of Insurance by committing acts governed by chapter 522B.
5. On or about May 2018 to present, Respondent engaged in acts and practices constituting cause for probation, suspension, or revocation of her insurance producer license; cease and desist

orders; restitution; and civil penalties or other relief under Iowa Code chapters 505, 507B, 522B, and rules adopted pursuant to these chapters.

## **II. FINDINGS OF FACT**

6. On October 9, 2017, Respondent was issued a nonresident insurance producer license number 18117268.
7. Respondent indicated on her application for insurance producer license that she was licensed in Delaware as a resident insurance producer. Respondent's insurance producer license is located in Pennsylvania, issued November 15, 2017.
8. Respondent's nonresident Iowa license was terminated on November 27, 2017 after the Division's Producer Regulation Bureau found that Respondent did not have a Delaware resident license.
9. Respondent is an employee of Bene Markets. Respondent has continued to sell insurance products to Iowa consumers after her nonresident licensed was terminated.
10. On April 8, 2019, Consumer JTU was enrolled in three discount medical plans and vision insurance. At all relevant times, Consumer JTU was a resident of Elliot, Iowa. Consumer JTU was specifically seeking major medical insurance to cover a possible catastrophic health event. She thought she had purchased the insurance that would cover her needs, but later discovered that the products purchased were not major medical insurance.
11. On April 9, 2019, Consumer OA-H was enrolled in five discount and limited benefit programs. At all relevant times, OA-H was a resident of Sioux City, Iowa.
12. On April 10, 2019, Consumer PB was enrolled in five medical discount and limited benefit programs. At all relevant times, Consumer PB was a resident of Treynor, Iowa.

13. On April 15, 2019, Consumer RJ was enrolled in a limited benefit dental program. At all relevant times, Consumer RJ was a resident of West Des Moines, Iowa.

14. On May 1, 2019, Consumer MZ was enrolled in three medical discount plans and a limited benefit dental insurance plan. At all relevant times, MZ was a resident of Cedar Rapids, Iowa.

15. Consumer MZ had specifically told Spradley that she wanted to delay enrollment and the payment of her first premium until June. When the first premium was withdrawn from her checking account only a few days later, Consumer MZ called the insurer to cancel right away. Consumer MZ had been promised that she would be obtaining an insurance plan that would cover everything she needed “including orthodontics.” Consumer MZ believed that she was purchasing major medical insurance and the sales pitch included terms like “in and out of network” and was presented to Consumer MZ as “insurance.” Consumer MZ was sold a series of discount plans, including a dental plan that cost \$79.00 per month for only \$1,000.00 in benefits each year.

16. On May 6, 2019, Consumer JTy was enrolled in three medical discount plans. At all relevant times, JTy was a resident of Ames, Iowa.

17. Consumer JTy, a young adult, was enrolled in the plan by his mother, KT. KT was told that the plan she purchased was major medical coverage even though it was not. Ultimately, KT called the insurer and cancelled the plan and was refunded.

18. On May 6, 2019, Consumer CW was enrolled in a limited benefit dental plan. At all relevant times, CW was a resident of Red Oak, Iowa.

19. Consumer CW called the insurance agency to purchase vision insurance. Consumer CW did not request or authorize enrollment in a dental benefits plan. Upon discovering that she had

been enrolled in dental insurance instead of vision insurance, Consumer CW called and cancelled the plan.

20. On May 21, 2019, Consumer KD was enrolled in two medical discount plans and a limited benefit dental plan. At all relevant times, KD was a resident of Milford, Iowa.

21. Consumer KD was told that the product was a health insurance plan through Aetna, as part of Blue Cross Blue Shield insurance; that she had only a very limited time to act; and that her discounts would expire if she did not act immediately because open enrollment was ending.

22. Relying upon these representations, Consumer KD cancelled the major medical insurance that she had through the Healthcare.gov Marketplace.

23. On June 17, 2019, Consumer KD discovered that the new plan was not major medical health insurance. The number that she was provided on the sales call for customer service was associated with NBOA, but NBOA could not be reached to discuss Consumer KD's purchases. Consumer KD's plan was eventually cancelled and her money refunded.

24. On May 29, 2019, Consumer JM was enrolled in a medical discount plan. At all relevant times, JM was a resident of Davenport, Iowa.

25. On June 1, 2019, Consumer BH was enrolled in a medical discount plan and a limited benefit dental plan. At all relevant times, Consumer BH was a resident of Cherokee, Iowa.

26. On June 4, 2019, Consumer MN was enrolled in medical discount plan. At all relevant times, MN was a resident of Ottumwa, Iowa.

27. On June 26, 2019, Consumer WF was enrolled in three medical discount plans. At all relevant times, Consumer WF was a resident of La Porte City, Iowa.

28. Two more sets of enrollment forms were submitted for Consumer WF on July 3, 2019 and again on July 25, 2019, each for the same or substantially similar benefits. Consumer WF's signature is missing from each enrollment form.
29. On June 28, 2019, Consumer DW was enrolled in two discount medical plans. At all relevant times, Consumer DW was a resident of Cedar Rapids, Iowa.
30. Consumer DW recalls having spoken with several people during the sales call. He does not recall ever being advised of the actual plan or benefits. During the sales call, Consumer DW conveyed that he believed the product was supposed to be a supplement to his Medicare plan and he understood the insurance company to be associated with his previous employer, from whom he had just retired. The salesperson did not deny any of these assertions and completed the sale for the medical discount plan. Upon realizing that the insurer was not associated with his previous employer, Consumer DW cancelled the plan.
31. On July 3, 2019, Consumer MK was enrolled in a discount medical plan and a discount prescription plan. At all relevant times, MK was a resident of Des Moines, Iowa.
32. Consumer MK was seeking insurance coverage for prescription drugs and was told that the recommended product was "insurance" that would cover everything. Upon realizing that the product she purchased was not major medical health insurance, she called the insurer and cancelled. She ultimately received a partial refund, but did not receive a full refund, as approximately \$125.00 in fees had already been deducted.
33. On July 24, 2019, Consumer DD was enrolled in two medical discount plans. At all relevant times, Consumer DD was a resident of Ottumwa, Iowa.
34. Respondent is listed as the agent of record for all of the sales described herein.

35. Respondent did not have an active producer license in Iowa for any of the sales described herein.

### **III. CONCLUSIONS OF LAW**

#### **COUNT ONE**

##### **Unfair or Deceptive Acts or Practices and Improper Sales Tactics**

36. Under Iowa Code § 507B.3, a person is prohibited from engaging in “any trade practice which is defined in this chapter as, or determined pursuant to section 507B.6 to be, an unfair method of competition, or an unfair or deceptive act or practice in the business of insurance.”

37. Under Iowa Code § 507B.4(3)(a)(6), a person is prohibited from making an misrepresentations for “the purpose of inducing or tending to induce the lapse, forfeiture, exchange, conversion, or surrender of any insurance policy.”

38. Respondent committed these acts by falsely inflating the coverages offered under various limited benefit insurance products and discount medical plans.

39. These misrepresentations have induced a consumer to cancel her existing major medical health insurance coverage in favor of these discount medical plans which were presented to her as major medical health insurance.

40. Respondent’s acts and practices have been in violation of Iowa Code § 507B.4(3) subjecting Respondent to suspension or revocation of her insurance producer license, to the imposition of a civil penalty, an order requiring Respondent to cease and desist from engaging in such acts or practices, the imposition of costs of the investigation and the prosecution of the matter, and any other corrective action the Commissioner deems necessary and appropriate pursuant to Iowa Code §§ 522B.11, 522B.17, and 505.8.

**COUNT TWO**  
**Unlicensed Activity**

41. Under Iowa Code § 522B.2(1) a “person shall not sell, solicit, or negotiate insurance in this state for any line of insurance unless the person is licensed as an insurance producer for that line of insurance as provided in this chapter.”

42. Respondent has sold solicited, or negotiated at least fifteen insurance products in the state of Iowa without being licensed in Iowa as an insurance producer.

43. Respondent’s acts and practices have been in violation of Iowa Code § 522B.16 subjecting Respondent to the imposition of civil penalties, an order requiring Respondent to cease and desist from engaging in such acts or practices, restitution, the imposition of costs of the investigation and prosecution of the matter, and any other corrective action the Commissioner deems necessary and appropriate pursuant to Iowa Code §§ 505.8, 507B.7, and 522B.

**IV. ORDER**

**WEREFORE, IT IS ORDERED** pursuant to the powers granted to the Commissioner of Insurance by Iowa Code chapter 522B:

A. Respondent, pursuant to Iowa Code §§ 507B.7 and 522B.17, shall immediately cease and desist from engaging in the business of insurance in this state.

B. These orders may be enforced under Iowa Code chapters 507B and 522B, including but not limited to Iowa Code §§ 507B.8 and 522B.17(3).

SO ORDERED on the 16th day of April, 2020.



---

DOUGLAS M. OMMEN  
Iowa Insurance Commissioner

Respectfully submitted,

*Andi K. Buffington*  
ANDI K. BUFFINGTON

Compliance Attorney  
Two Ruan Center  
601 Locust St., 4<sup>th</sup> Floor  
Des Moines, IA 50309  
andi.buffington@iid.iowa.gov  
(515) 281-4354

**Attorney for Iowa Insurance Division**

Copy to:  
Quanaijha Spradley  
7359 C Sauerkraut Lane  
Macungie, PA 18062  
nayspradley@yahoo.com  
**RESPONDENT**

CERTIFICATE OF SERVICE

The undersigned certifies that the foregoing instrument was served upon all parties to the above cause, or their attorney, at their respective addresses disclosed on the pleadings on April 17, 2020.

By: ( ) First Class Mail ( ) Personal Service  
( ) Restricted certified mail, return receipt (X) Email, by consent  
( ) Certified mail, return receipt ( ) \_\_\_\_\_

Signature: Hilary Foster  
Hilary Foster



### **NOTICE OF PENALTIES FOR WILLFUL VIOLATION OF THIS ORDER**

**YOU ARE NOTIFIED** that acting as an insurance producer, as defined in Iowa Code chapter 522B, in violation of this Order, is a felony under Iowa Code § 507A.10, subjecting you to punishment of imprisonment, jail, fines, or any combination of custody and fines.

**YOU ARE ALSO NOTIFIED** that if you violate this Order, you may be subject to administrative and civil penalties pursuant to Iowa Code § 522B.17(3). The Commissioner may petition the district court to hold a hearing to enforce the order as certified by the Commissioner. The district court may assess a civil penalty against you in an amount not less than three thousand dollars but not greater than ten thousand dollars for each violation, and may issue further orders as it deems appropriate.

### **NOTICE OF FINAL ORDER IMPACT**

A final order of license revocation or a cease and desist order may adversely affect other existing business or professional licenses and may result in license revocation or disciplinary action.

A final order in an administrative action does not resolve any potential criminal or civil violations or causes of action that might arise from the same or similar conduct that is the subject of this this order. It may result in criminal law enforcement authorities, including the fraud bureau of the Iowa Insurance Division, pursuing a criminal investigation or prosecution of potential criminal law violations.

**CONSENT TO ORDER AND AGREEMENT**

I, Quanaijha Spradley, 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 this Order is considered a final administrative action that will be reported by the Division to the National Association of Insurance Commissioners and to other regulatory agencies. I also understand this Order is a public record under Iowa Code chapter 22 and information may be shared with other regulatory authorities or governmental agencies, pursuant to Iowa Code § 505.8(8)(d). I also understand this Order will be posted to the Division's website and a notation will be made to the publicly available website record that administrative action has been taken against me.

Dated: 4/16/2020

  
\_\_\_\_\_  
Quanaijha Spradley, Respondent

7359 C Saverkraft Ln Macungie PA 18062  
Address of Signatory