

5. From on or about January 15, 2021, to present, Butler engaged in acts and practices within the state of Iowa constituting cause for probation, suspension, or revocation of her insurance producer license; cease and desist orders; and civil penalties or other relief under Iowa Code chapters 505, 507B, 522B, and rules adopted pursuant to these chapters.

FINDINGS OF FACT

6. Butler applied for a nonresident insurance producer license with the Division by submitting through the National Insurance Producer Registry a Uniform Application for Individual Producer License (“Uniform Application”). In submitting the Uniform Application, Butler designated the Commissioner as an agent for service of process.

7. The Division issued Butler a license as a nonresident insurance producer on October 19, 2020, and assigned to her National Producer Number 18236075.

8. On or around January 2021, Butler sold limited benefits and discount packages through the National Association of Preferred Providers (“NAPP”), an organization administered by Association Health Care Management (“AHCM”).

9. In January 2021, Iowa consumer M.M. was already enrolled in an insurance plan through Medica Insurance Company (“Medica”), a health insurance provider, which he had previously purchased directly from the federal health insurance marketplace (“Marketplace”).

10. At this time, M.M. was interested in obtaining a major health insurance policy with a lower premium, and contacted the Marketplace to learn about different policies. M.M. was put in touch with Butler, who was identified as a local Marketplace agent who could assist him.

11. On or around January 15, 2021, during a telephone conversation between M.M. and Butler, Butler offered M.M. a limited benefits and discount package plan through NAPP, which

included three separate products: Acute 2500, DenteMax, and Vital Care Elite. Butler represented to M.M. that the plan was an Aetna health plan.

12. M.M. asked Butler whether this plan would meet his medical needs, including coverage for a continuous positive airway pressure (“CPAP”) machine for his obstructive sleep apnea.

Butler assured M.M. that the CPAP would be covered and the plan would meet his needs. Butler represented to M.M. that this insurance plan would be a suitable alternative to his current major medical health insurance plan but with a lower monthly premium.

13. The enrollment paperwork includes over six pages of disclaimers and information, and contains the following statements:

This is not a major medical insurance plan and is not intended to replace any major medical insurance plan in force or be a substitute or alternative option for any individual who requires coverage provided by a major medical insurance plan. Vital Care Elite is not an ACA qualified medical plan;

The discount healthcare services being offered to NAPP members are not insurance, and limitations and exclusions may apply; and

Discount services are not insurance.

14. Butler further advised M.M. that she would cancel M.M.’s current Medica health insurance plan.

15. M.M. does not recall signing any documents or receiving copies of his enrollment paperwork, but stated that the electronic signature on the enrollment paperwork appears to be his.

16. In February and March of 2021, M.M. continued to receive bills from Medica. During this time, M.M. made several attempts to call Butler, but the calls went unanswered. M.M. did not have any further communication with Butler after purchasing the NAPP plan. M.M. also called the numbers on the membership cards that NAPP provided to him, but he did not receive any assistance.

17. M.M. eventually contacted Medica, who confirmed that it had received a cancellation request from an unrecognized party who was not authorized to cancel his policy. Medica told M.M. that he needed to cancel the policy through the online Marketplace.

18. On April 7, 2021, M.M. filed a complaint with the Division, asserting that Butler had misled him into purchasing the NAPP benefits plan by representing it as a major health insurance plan and informing him that she would take care of canceling his Medica plan and failing to do so.

19. M.M. paid a total of \$868.00 in premiums to NAPP. Following M.M.'s complaint and further inquiry to NAPP from the Division, NAPP refunded the full amount to M.M.

Division Communication Attempts

20. On June 24, 2021, a Division investigator mailed Butler a letter requesting an interview to the residence address provided by Butler and noted in her licensing record by USPS first-class mail. The letter directed Butler to contact the investigator by July 8, 2021. The letter was returned to the Division as "insufficient address, unable to forward."

21. Also on June 24, 2021, a copy of the letter was sent to Butler by email at ashleybutler079@gmail.com, an email address provided by Butler and noted in her Division licensing record. Butler did not respond to the email.

22. On July 8, 2021, the Division investigator called Butler at telephone number (XXX) XXX-1834, which was indicated as her business telephone in the Division's licensing records. The investigator received an automated response indicating that the number was not in service. The Division investigator also called Butler at telephone number (XXX) XXX-6361, which was indicated as her residence telephone in the Division's licensing records, and left a voicemail requesting a return phone call. Butler did not return this call.

23. Also on July 8, 2021, the Division investigator resent the interview request to Butler's residence address by certified mail, which was returned for "insufficient address, unable to forward." The Division investigator also sent the interview request letter by certified mail to the business address provided by Butler and noted in her Division licensing record. The letter was delivered and signed by "B. Philips."

24. On August 5, 2021, the Division investigator emailed Butler at seven email addresses obtained from a search of public records with an interview request and instruction to contact him immediately. Five of the seven emails were returned as undeliverable, and Butler did not respond to the remaining two emails.

25. On November 9, 2021, the Division investigator again called Butler at (XXX) XXX-6361, and left a voicemail requesting that Butler respond. Butler did not return the call.

26. Also on November 9, 2021, the Division investigator mailed a final interview request by USPS first-class mail to a new address obtained by the Division through a search of public records, 4200 Sheridan St. Apt. 412 Hollywood, FL 33021. The mail was delivered and not returned to the Division. Butler did not respond.

27. The Division afforded Butler several months to respond to the various communication attempts regarding this matter, and Butler did not respond.

28. On November 28, 2022, the Division again attempted to establish contact with Butler. A Division investigator sent a Request for Information ("RFI") to Butler at the 4200 Sheridan St. address by FedEx delivery. The letter directed Butler to contact the investigator by December 13, 2022.

29. Also on November 28, 2022, a copy of the RFI was sent to Butler by email at ashleybutler079@gmail.com. The Division received no indication that the email failed to be delivered. Butler did not respond to the email.
30. On November 30, 2022, the Division received confirmation from FedEx that the RFI mailed on November 28 was delivered on November 30 to the 4200 Sheridan St. address and was signed for.
31. By December 14, 2022, Butler had not responded to the RFI.
32. On December 21, 2022, the Division investigator called Butler at (XXX) XXX-6361, and left a voicemail requesting that Butler respond. Butler did not return the call.
33. On December 29, 2022, the Division investigator emailed Butler at ashleybutler079@gmail.com with another copy of the RFI and reminded Butler of her obligation to comply with the investigation. The investigator requested Butler to respond by January 9, 2023. The Division received no indication that the email failed to be delivered. Butler failed to respond.
34. On January 10, 2023, the Division investigator called Butler at (XXX) XXX-6361, and left a voicemail requesting that Butler respond. Butler did not return the call.
35. On January 17, 2023, the Division investigator sent a letter to Butler at the 4200 Sheridan St. address by FedEx delivery requesting the voluntary surrender of Butler's Iowa nonresident insurance producer license by January 27, 2023.
36. On January 19, 2023, the Division received confirmation from FedEx that the surrender request mailed on January 17 was delivered on January 18 and signed for at a different address, 2855 Stirling Rd. Fort Lauderdale, FL 33312, which an internet search revealed belongs to a

Walgreens. It appears FedEx forwarded the delivery from the Sheridan address to this Stirling address.

37. Butler did not respond to the surrender request.

CONCLUSIONS OF LAW

Count 1: Misrepresentation of Benefits and Conditions of Insurance Policies

38. Under Iowa Code § 507B.4(3)(a)(1) it is an unfair or deceptive act or practice in the business of insurance to engage in any sale that “misrepresents the benefits, advantages, conditions, or terms of any insurance policy.”

39. Butler represented to M.M. that the limited benefits and discount package plan offered through NAPP was a major medical insurance plan that would cover M.M.’s medical needs, including coverage for his CPAP machine.

40. The enrollment documentation for the NAPP plan explicitly stated that it was not an insurance plan and that it did not constitute a qualified medical plan under the Affordable Care Act. M.M., who was using the Affordable Care Act Marketplace to obtain medical insurance, relied on Butler’s misrepresentations that the NAPP plan would meet his needs when choosing to enroll.

41. Further, Butler told M.M. that she was going to cancel his Medica plan on his behalf and that he did not need to cancel it himself. However, Butler was not authorized to cancel the Medica plan, and failed to inform M.M. that he would have to cancel the plan himself through the Marketplace. As a result, M.M. was charged for both plans, and was further delayed in finding a health insurance plan that fit his needs for an affordable price.

42. Butler’s acts and practices have been in violation of Iowa Code § 507B.4(3)(a)(1) subjecting Butler to suspension or revocation of Butler’s insurance producer license, the

imposition of a civil penalty, an order requiring Butler to cease and desist from engaging in such practices, 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 §§ 507B.7 and 505.8.

Count 2: Failure to Update Address

43. Under Iowa Code § 522B.6(7) and Iowa Administrative Code rule 191—10.12(2), a licensee shall inform the Commissioner of a change of address within thirty days of the change.

44. The address provided by Butler and recorded in Butler’s producer licensing record for residence is 7840 NW 3rd St., Pembroke Pines, FL 33024. The Division sent two letters to this address requesting an interview with Butler. The letters were returned to the Division on July 16 and July 26, 2021, due to “insufficient address, unable to forward.”

45. Through a search of public records, the Division obtained a different residence address for Butler, 4200 Sheridan St. Apt. 412 Hollywood, FL 33021, where mail was successfully delivered and signed for.

46. Butler did not provide the Division’s Producer Licensing Bureau with an updated residence address within 30 days and has not done so as of the date of this filing.

47. Butler’s failure to inform the Commissioner of a change in address is a violation of Iowa Code § 522B.6(7) and Iowa Administrative Code rule 191—10.12(2), subjecting Butler to a penalty, 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 §§ 522B.17, 507B.7, and 505.8.

Count 3: Failure to Cooperate

48. Under Iowa Code § 522B.11(1)(p), a license may be subject to probation, suspension, or revocation and civil penalties may be levied, as provided in Iowa Code § 522B.17, for failing or refusing to cooperate in an investigation.

49. Butler failed to cooperate with an investigation by the Division. Specifically, Butler failed to respond to the following: four voicemails left on phone number (XXX) XXX-6361 on July 8 and November 9, 2021, December 21, 2022, and January 10, 2023; emails to Butler's provided email address on June 24, 2021, and November 28 and December 29, 2022; and three successfully delivered letters mailed to two known addresses of Butler's on July 8 and November 9, 2021, and November 30, 2022.

50. Butler's acts and practices have been in violation of Iowa Code § 522B.11(1)(p) subjecting Butler to probation, suspension, or revocation of Butler's insurance producer license, the imposition of a civil penalty, an order requiring Butler to cease and desist from engaging in such acts or practices, 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 §§ 522B.11, 522B.17, and 505.8.

Penalties and Costs

51. Penalties for violations of Iowa Code §§ 507B.4(3)(a)(1), 522B.6(7), and 522B.11(1)(p) may be assessed pursuant to Iowa Code 507B. Iowa Code 507B.7(1)(a) permits an order to pay a civil penalty of up to \$1000 per violation or a civil penalty up to \$5000 per violation if the person knew or should have known that they were in violation of the law.

52. The Division has proven that the investigative and prosecution costs exceeded \$2,356.25.

ORDERS

IT IS HEREBY ORDERED that Ashley A. Butler is in default, pursuant to Iowa Administrative Code rule 191-3.22, and that judgement shall be entered against Butler in favor of the Division.

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

- A. Ashley A. Butler's nonresident insurance producer license is immediately revoked pursuant to Iowa Code § 522B.11;
- B. Ashley A. Butler is prohibited from selling, soliciting, or negotiating insurance, offering to the public advise, counsel, or services with regard to insurance, or transacting any insurance business in this state pursuant to Iowa Code §§ 505.8(10), 507B.7 and 522B.17 without an insurance producer license;
- C. Ashley A. Butler shall, within 30 days of this Order, pay as civil penalties the amount of \$1,700.00, made payable to the Iowa Insurance Division, to be credited to the Iowa Enforcement Fund, to provide funds for insurance enforcement and education pursuant to Iowa Code §§ 505.8, 522B.6(7), 522B.11, and 522B.17;
- D. Ashley A. Butler shall, within 30 days of this Order, pay as costs of investigation and prosecution the amount of \$2,356.25, made payable to the Iowa Insurance Division, to be credited to the Iowa Enforcement Fund, to provide funds for insurance enforcement and education pursuant to Iowa Code §§ 505.8, 522B.6(7), 522B.11, and 522B.17; and
- E. These orders may be enforced under Iowa Code chapter 507B and 522B, including but not limited to, Iowa Code § 507B.8 and 522B.17(3), and additionally, by any

collection remedies available to the State of Iowa Department of Revenue for unpaid penalties and other ordered monetary amount.

SO ORDERED on this 22nd day of August, 2023.



Douglas M. Ommen
Iowa Insurance Commissioner

Copy to:

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ATTORNEY FOR THE DIVISION

Ashley A. Butler
7840 NW 3rd St.
Pembroke Pines, FL 33024
and
2101 NW 33rd St. Ste. 2500A
Pompano Beach, FL 33069
and
4200 Sheridan St. Apt. 412
Hollywood FL 33021
and
2855 Stirling Rd.
Fort Lauderdale, FL 33312
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 August 24, 2023.

By: First Class Mail Personal Service
 Restricted certified mail, return receipt Email, by ~~consent~~
 Certified mail, return receipt _____

Signature: Brooke Hohn
Brooke Hohn

NOTICE OF FINAL ORDER

A default decision becomes final agency action 15 days from the date of the decision was mailed unless a motion to vacate the default decision is filed within that time period. 191 IAC 3.22(3). A motion to vacate must state all the facts upon which the moving party relies to establish good cause for failure to appear or participate at the contested case proceeding. Each fact must be substantiated by at least one affidavit by a person with personal knowledge of the fact, and the affidavit must be attached to the motion.

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 507 A.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 REGARDING REISSUANCE

When this Order becomes final, your insurance producer license will become inactive due to revocation. While your license is inactive, you are prohibited from conducting the business of insurance. Your license will not be active until the Division makes the determination to reissue an insurance producer license by order pursuant to Iowa Administrative Code 191-10.10.

Reissuance of an insurance producer license is subject to the discretion of the Commissioner. Additionally, it will not be granted unless and until you have fully complied with the terms of this Order, made the appropriate application, and paid all applicable fees. If applicable, you may also be required to apply for licensure through the National Insurance Producer Registry (NIPR) and pay all applicable fees.

NOTICE OF FINAL ORDER IMPACT

A final order of license probation, suspension, or 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 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.