



Governor Perry Appoints New Insurance Commissioner

AFTER SERVING TWO YEARS as Deputy Commissioner for Policy at the Texas Department of Insurance, Governor Rick Perry has appointed Mike Geeslin as Texas Insurance Commissioner effective June 7, 2005.

In his role as Deputy Commissioner for Policy, Geeslin worked directly with former Commissioner Jose Montemayor in the development and communication of regulatory policy, including implementation of reforms directed by the Texas Legislature during the 78th Regular Session in 2003. Geeslin says those years were a learning experience for him, but there is always more to absorb. "We have a very talented staff here at the TDI. They have been incredibly helpful to me over the past couple of years and I'll be relying on them as I move forward."

One of the first challenges the Commissioner will be faced with is managing the pending merger of the Texas Workers' Compensation Commission (TWCC) with TDI. Texas House Bill 7 (HB 7) abolishes TWCC and creates a new Workers' Comp Division within TDI. (see story on page 2) Geeslin says a smooth transition that accomplishes the intent of the Legislation is his goal. "We'll just follow the roadmap set forth in HB 7, there are a series of milestones in the legislation starting with the September 1 effective date."

Before coming to the TDI, Geeslin served as budget and policy advisor on insurance and regulatory matters to Governor Perry at the Governor's Office and previously at the Lieutenant Governor's Office.



Geeslin is a 1991 graduate of Texas A&M University, where he received a bachelor's degree in communications with a minor in business administration. While attending Texas A&M Geeslin was a member of the Corps of Cadets and served as a Ross Volunteer. He attended public schools in Red Oak, Texas.

He and his wife, Danica Milios-Geeslin, live in Austin and have three children.

Geeslin's appointment is subject to Senate confirmation. His term will expire February 1, 2007. ☺

InSideInSight



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Workers' Comp Reform Bill Transfers Functions to TDI

HOUSE BILL 7 (79TH REGULAR SESSION), relating to the reform of the Texas workers' compensation system, was signed by Governor Rick Perry on June 1, 2005. HB 7 transfers the functions of the Texas Workers' Compensation Commission (TWCC) to the newly created Division of Workers' Compensation at the Texas Department of Insurance (TDI), effective September 1, 2005. A Workers' Compensation Commissioner will be appointed by the Governor to administer this division by October 1, 2005.

In addition, HB 7 creates a new state agency, the Office of Injured Employee Counsel (OIEC), to provide assistance to injured employees and administer TWCC's ombudsman program, effective September 1, 2005. The Governor will appoint the Public Counsel of the OIEC by October 1, 2005.

"We're committed to completing a successful transfer of functions and implementing the policy changes enacted in HB 7," said Texas Insurance Commissioner Mike Geeslin. "TDI, the Division of Workers' Compensation and the Office of Injured Employee Counsel will be partners in fulfilling the Legislature's intent of delivering cost-efficient and quality medical care to injured employees and improving customer service to system participants."

According to HB 7, Article 1, the legislative goals for the workers' compensation system in Texas are:

- Treat injured employees with dignity and respect;
- Provide a fair and accessible dispute resolution process;
- Provide access to prompt, high quality medical care within the statutory framework; and
- Provide services to facilitate return to work as soon as safe and appropriate

One of the key provisions designed to achieve these goals is to allow the creation of medical networks similar to the managed care networks in general health insurance. Networks are designed to improve return-to-work outcomes by focusing on evidence-based care and lower the cost of claims through market-based competition. Any entity may seek certification through TDI to serve as a workers' compensation health care network, which would then contract with insurance carriers or self-insured employers. Where contracts are in place, injured workers would choose their doctor from within the network.

HB 7 also provides enhanced income benefits for injured workers. An employee hurt on the job who misses more than one week of work will now wait half as long to receive compensation for their first week of lost pay (from four weeks to two), and will see the cap on weekly income benefits rise by about 15 percent.

Another key aspect of HB 7 is a renewed focus on return to work. Implementation of evidence-based treatment guidelines and health care networks will work hand-in-hand to improve return-to-work outcomes. In addition, specific provisions in the bill require TDI to work more closely with other state agencies that provide assistance to those in need of new job skills, and establish a pilot program offering cash grants to small employers who bring injured employees back into the workforce.

TDI continues its role in overseeing the insurance companies licensed to write workers' compensation insurance in Texas and establishing the classifications on which rates are based. HB 7 additionally provides broad new authority to TDI to impose sanctions on carriers that do not pass on savings to employers in the form of lower premiums.

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TDInSight

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By necessity, summaries of proposed and adopted rules cannot explain their full complexity. Readers interested in complete information about administrative rules should consult the versions published in the Texas Register.

To the best of the staff's ability, information presented in this newsletter is correct as of the publication date, but scheduled dates and proposed rules and amendments may change as the adoption process goes forward.

NAIC Offers Military Families Help with Insurance Issues

THE NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS (NAIC), working in cooperation with state insurance departments, the Department of Defense, the United States Department of Labor and the Better Business Bureau, is providing new educational materials and resources designed specifically for military personnel and their families.

NAIC officials say while understanding insurance can be a challenge for any consumer, military life brings additional uncertainties and circumstances that can further complicate educational demands.

“Our military families face unique challenges, from the heroic to the mundane,” said Diane Koken, NAIC President and

Pennsylvania Insurance Commissioner. “By providing tools to tackle vital, often time-consuming issues such as insurance, our hope is that they can devote more energy to the special challenges they face.”

The collaboration has resulted in the development of new educational materials, website content and consumer action tools. With these, service members and their families can study insurance products and issues specific to their needs. In addition, the new materials will include reporting tools to submit complaints, report fraud and present lists of agents barred from on-base sales activities, as well as contacts within the organizations set up to address additional concerns. 🌟

TDI Fines Company for Unauthorized Title Work

TDI RECENTLY FINED AN ARLINGTON company \$150,000 for conducting the business of title insurance without authorization to do so. The fine against Ameristar Title and Errol V. Housmans represents the fourth largest penalty levied by the Department for a title violation.

The violation stems from an arrangement between Title Texas, a licensed title company, and Stewart B. Hoge, a licensed fee attorney, in which Hoge contracted out various title services to Ameristar Title Management, Ltd., which was not licensed to perform title insurance business. Employees of Ameristar, owned by Errol V. Housmans, performed services such as closing transactions, signing commitments and escrow checks. As such Ameristar engaged in the unauthorized practice of insurance, a violation of the Texas Insurance Code.

In addition, the escrow officer's applications misrepresented the employment status of the applicants, in that the applications asserted the applicants were bona fide employees of a licensed attorney (Hoge), when in fact they were employees of Ameristar.

Title insurance is subject to tight regulation in Texas. Title agents and escrow officers must be licensed and are subject to strict reporting requirements. The Department is continuing to investigate the other parties involved. 🌟

Joint Effort with Dallas County DA's Office Exceeds Expectations

ASSISTANT DISTRICT ATTORNEY, **KYSON JOHNSON** has been on the job for only a couple of months now, but already he feels right at home and has hit the ground running. "I've been really overwhelmed by the positive reception I've received from the Dallas County District Attorney's office, especially the Financial Crimes Unit."



In what is believed to be the first such arrangement in the country, attorney Kyson Johnson is officially an employee of the Texas Department of Insurance, but works in the Dallas County DA's Office. A memorandum of understanding between TDI and the Dallas County DA assigns Johnson to insurance fraud cases with the full authority of the District Attorney's Office.

Focused exclusively on insurance related crimes, in just the first quarter of 2005 Johnson oversaw cases resulting in two dozen indictments. He says that's an indication of the extent and magnitude of the problem. "All the cases I've worked on would have been prosecuted whether I was here or not in due time. But having one person dedicated to insurance fraud is helpful for everyone. Clearing these cases not only punishes the wrong doers, it also acts as a deterrent to those who may be considering these crimes. And focusing on the insurance related cases also frees up the other DAs in the office to deal with other crimes. It's a real win-win."

While this was not Johnson's first position in a prosecutors office, it was a bit of a cultural leap going from an office of about a dozen prosecutors in Grayson County to the Dallas DA's office with its 200-plus assistant DA's. Johnson said he wasn't quite sure what to expect and had mentally prepared himself to be lost in the crowd. But the reality was quite different. Working as part of the Financial Crimes Unit turned out to be very similar to the dynamics he experienced in his small town office—a core group of attorneys dedicated to fighting crime, in this case of the

white collar variety.

Johnson is not particularly a fan of the term "white collar" crime when referring to insurance fraud. "I have prosecuted financial fraud offenses in the past and I can tell you that when it happens in a rural community it's not 'white collar crime', it's just crime. Somebody stealing or cheating folks out of their hard earned money. I want to make sure that I maintain that perspective and always see these cases as just crime."

Associate Commissioner of TDI's Fraud Unit Dennis Pompa says his office is always looking for ways to work more closely with prosecutors around the state in an effort to improve efficiency in prosecuting insurance fraud. "The results of the arrangement thus far have really exceeded everyone's expectations," said Pompa. "I think what makes it work so well is having Kyson become part of the team there in Dallas, as opposed to being an outsider looking for ways to mesh the work of two distinct entities." Pompa credits the early success of the program to Johnson's experience and skills as a communicator.

Johnson says before he came to the job he had a very limited view of what constituted insurance fraud. The reality turned out to be much more colorful. "Every case I see is interesting and exciting to me. But it really has been eye opening to see the lengths that some people will go to try and get money for nothing. If some of these criminals would apply their energy and creativity to legal pursuits there is no doubt in my mind that we would find some very successful entrepreneurs."

Johnson says his position serves a dual role, first to prosecute insurance fraud, but also to be a liaison for the TDI. "Letting both the public and the industry know that we're taking this issue seriously helps show the Department in a positive light. Developing that goodwill is also important for the future, because it's a two way street. If we can devel-

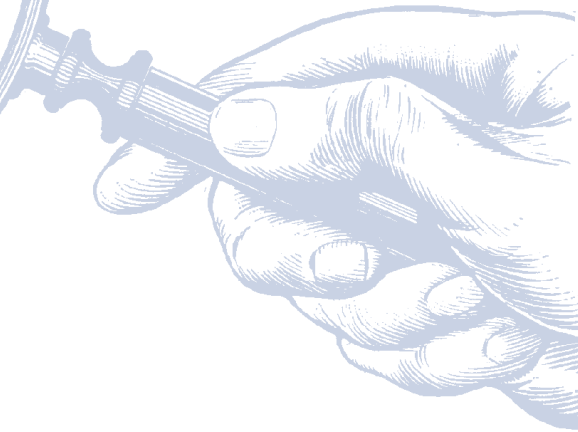
op that relationship, people will be more likely to see us as allies and help us in this fight against insurance fraud.

“As far as I’m concerned there is no minimum amount of fraud that should draw our attention,” said Johnson. “The dollar amount is not going to be the determining factor in whether we pursue a case. If fraud is being committed and we have the evidence to support the allegations, I’m going to look at that case and go after them.”

While Johnson spends nearly all his time in the Dallas office, he has had the opportunity to visit with TDI’s Fraud Team in Austin recently for some face time with the Fraud Investigators. “We met to discuss specific cases and how they’re progressing, but I also just want to be available to them, so that we’re all on the same page as these cases develop. I let them know what I need from them to build the case on my end, and they

give me a valuable perspective on what they’re dealing with on the front lines. That communication is invaluable. Knowing that their cases are going to be a priority helps them get through the tough or tedious days of putting the evidence together. They know their work is going to produce results, meaning convictions, if I have anything to say about it.”

Along with his experience as a prosecutor and a stint in the Army, Johnson also spent some time as a civil litigator, and yes, he did try some cases involving insurance from the plaintiff’s side. “That just gives me a good perspective of both sides of the table. I learned a little something about the structure of the insurance business, especially on the P&C side. I’m just applying that knowledge a little differently today.” 🌟



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At this time, it is expected that the Division of Workers’ Compensation and the newly created Office of Injured Employee Counsel will be housed at the current TWCC locations.

A transition team composed of TDI and TWCC staff has begun the necessary planning to implement the organizational and policy changes required by HB 7. 🌟

Security and Prosperity Partnership of North America Launched

TDI part of Financial Services Working Group

PRESIDENT **GEORGE W. BUSH** has launched the Security and Prosperity Partnership of North America (SPP), a trilateral effort with Canada and Mexico to increase security and enhance prosperity among the three countries through greater cooperation and information-sharing. The Partnership is an effort to reinvigorate the North American Free Trade Agreement in conjunction with NAFTA's 10th Anniversary. Participants will explore new approaches to enhance the competitiveness of North American industries by promoting greater safety and efficiency across sectors such as manufacturing, agriculture, transportation and financial services, including insurance.

A Financial Services Working Group (FSWG) is in the process of identifying issues deemed "deliverables" in regard to banking, securities and insurance and the processes for addressing them. Most of the deliverables addressed by the FSWG fall under the responsibility of regulators and are set out in a work plan to be completed this Summer. TDI Insurance Commissioner Mike Geeslin and International Counsel Gloria Leal have been engaged in critical discussions with U.S. representatives to the Working Group to ensure that trilateral insurance issues of importance to U.S. regulators and the industry are being identified and addressed.

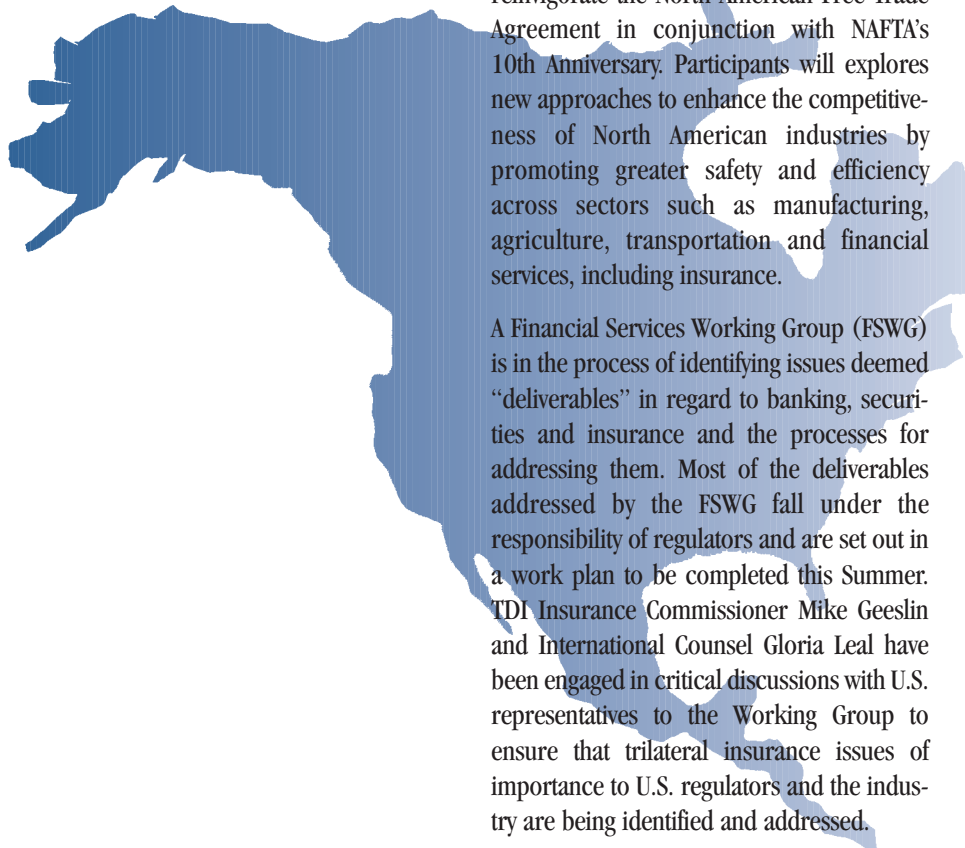
In insurance, the work plan primarily targets the areas of training and cross-border issues, establishes priorities and sets out a timetable. The work plan provides that the three countries work towards the freer flow of capital and the efficient provision of financial services throughout North America by collaborating on training programs for financial regulators and by improving the convenience and cost of insurance coverage for carriers engaged in cross-border commerce.

Bank, securities and insurance regulators are requested to inventory existing technical

assistance programs to consider the need for potential new training areas by December 2005. It is proposed that the NAIC discuss with Mexican officials possible participation in NAIC education programs in an effort to strengthen regulatory cooperation and pursue harmonization of regulations; the ultimate goal being to reduce regulatory barriers and the cost of doing business across borders. This will require the participation of Mexico's National Insurance and Sureties Commission. The NAIC has requested that TDI initiate this contact.

Regulators are being asked to seek ways to improve availability and affordability of insurance coverage for carriers engaged in cross border commerce in North America. This would contribute to improving access to capital and wider competition in the insurance market. One of the identified issues is to achieve reciprocity of insurance requirements between the U.S. and Canada to reduce current inequities in motor carrier insurance regimes. The US and Canada will work toward allowing Canadian insurers to directly sign insurance coverage forms in the U.S. to achieve reciprocity with the current system in Canada.

Discussions on cross border insurance services will engage U.S. insurance regulators, primarily TDI, and the Trilateral Insurance Working Group, which Texas chairs. The common work plan also identifies processes to facilitate and increase trade flows by expanding the number of U.S. and Canadian insurers working with Mexican auto carriers for coverage in the U.S. Various solutions are to be considered including: Joint ventures and pooling arrangements; surplus registration in the U.S. for qualified Mexican and Canadian insurance companies; and the use of reinsurance facilities in Mexico to support U.S. carriers interested in covering Mexican trucks.



Of major interest to U.S. industry, the Mexican Ministry of Communications and Transportation has agreed to develop the legal framework to release its driver and motor vehicle database information to U.S. insurance carriers in order to support their underwriting process. The release of this underwriting information directly to U.S. insurers is expected to address availability

and affordability challenges posed by the lack of information for Mexican carriers.

In addition, regulators are requested to facilitate and increase tourism flows by various means, including the possibility of exploring the establishment of cross border personal auto insurance by June 2007. ☺

TDI Sets New Rates for Credit Life And Credit Accident & Health Insurance

BY RULE, THE TEXAS DEPARTMENT OF INSURANCE recently adopted new rates for Credit Life and Credit Accident & Health insurance. The new rates go into effect on January 1, 2006, and represent the first change in rates since 2000.

Borrowers purchase credit life insurance to pay off loans if they die. Credit Accident & Health (also known as Credit Disability) insurance makes up borrowers' monthly payments for specific loans and a specific period of time if they are unable to work because of sickness or injury. Credit Life and Credit Accident & Health insurance is seldom required to obtain credit. TDI urges consumers who are considering Credit Life or Credit Accident & Health insurance to check its website (www.tdi.state.tx.us/commish/columns/cc0697.html) for more information, or call TDI's Consumer Help Line toll-free at 1-800-252-3439.

The new rates are based on actuarial data from 2000 through 2002 and reflect the most recent loss experience available. However, a major change in the ratemaking process is that now different rates can be applied to different classes of business. As an example, rates for Credit Life sold by dealers (known as "Class E" and representing auto

dealers and other major retail sales) must be reduced by up to 18 percent to comply with the order.

"Analysis of industry data by our staff showed that loss ratios and commissions were sufficiently different for the dealer and retailer class than for other classes," said Ana Smith-Daley, Deputy Commissioner of the Life/Health Division at TDI. "By applying rate changes according to class, we're able to bring rates down that need to come down. Now, a car buyer at a dealership will find lower rates for Credit Life and Accident & Health insurance."

In addition, legislation enacted by the 77th Texas Legislature (House Bill 2159) changed the way credit rates are set. Previously, rates were established by the Insurance Commissioner through a contested case proceeding. Insurers could only use a different rate by requesting approval for a deviation. Since enactment of the legislation, however, the Commissioner sets rates through a rule-making procedure, and insurers may file a deviation without approval as long as the new rate is no more than 30 percent above or 30 percent below the established rate. The new system allows for more ratemaking flexibility on the part of insurers. ☺

NAME	CITY	VIOLATION	ACTION TAKEN	ORDER	DATE
Amushie, Lawrence O.	Houston	Engaged in fraudulent or dishonest acts or practices; Misdemeanor conviction directly related to the business of insurance	General Property and Casualty License and General Life, Accident and Health License revoked	050384	4/20/05
Benzman, Jeffrey	Houston	Engaged in fraudulent or dishonest acts or practices; Misappropriated or converted money belonging to an insurer or insured	General Property and Casualty License revoked	050366	4/14/05
Bisys Education Serices, Inc.	Indianapolis IN	Taught a continuing education course with an expired certificate; Failed to maintain attendance records	\$11,000 fine	050236	3/10/05
Bogutzki, Peter William	Webster	Failed to comply with Commissioner's order	General Life, Accident and Health License revoked	050375	4/19/05
Brown, Martin Hirsh	Dallas	Made a material misrepresentation on a license application; Attempted to obtain a license by fraud or	misrepresentation General Life, Accident, and Health License application denied	050216	3/1/05
Buesing, Russell Glenn	Victoria	Failed to comply with continuing education requirements	\$450 fine; Must complete 30 hours of continuing education	050307	3/29/05
Castellano, Michael Anthony	Katy	Failed to comply with continuing education requirements	\$1,500 fine; Must complete 30 hours of continuing education	050308	3/29/05
Clark, Kenyatta Gabriella	Dallas	Engaged in fraudulent or dishonest acts or practices; Felony conviction	Adjuster Workers Compensation License application denied	050262	3/18/05
Climer, Christina Marie	Rowlett	Acted as an agent for unauthorized entities; Materially misrepresented terms and conditions of an insurance policy	\$10,000 fine plus restitution; General Life Accident and Health License revoked	050362	4/14/05
Cochran, Christopher Jhue	Rockwall	Misappropriated or converted money belonging to an insurer or insured; Engaged in fraudulent or dishonest acts or practices	General Life, Accident and Health License revoked	050380	4/19/05
Continental Casualty Company	Chicago IL	Cancelled liability insurance policies in violation of Texas law	\$7500 fine	050257	3/18/05
Copeland, Levic	Houston	Misappropriated or converted money belonging to an insurer or insured; Engaged in fraudulent or dishonest acts or practices	General Life Accident, and Health License and General Property and Casualty License revoked	050229	3/7/05
Coulter, Gene E.	Southlake	Alleged to have made a material misrepresentation on a license application; Alleged to have failed to notify TDI of an administrative action taken by another state regulator	\$2,500 fine	050363	4/14/05
Coventry First, LLC.	Fort Washington PA	Failed to timely file complete and accurate annual reports to TDI; Used unregistered agents	\$7,500 fine	050223	3/7/05
Davis, Bradford J.	Dallas	Failed to comply with Commissioner's order	General Life, Accident, and Health License revoked	050248	3/15/05
Examination Management Services, Inc.	Dallas	Engaging in the business of viatical and life settlements without holding a Certificate of Registration	\$30,000 fine	050394	4/22/05
Forey, John Michael	San Antonio	Failed to comply with continuing education requirements	\$600 fine; Complete 30 hours of continuing education	050309	3/29/05

NAME	CITY	VIOLATION	ACTION TAKEN	ORDER	DATE
Garcia, Henry R.	La Porte	Misappropriated or converted money belonging to an insurer or insured; Engaged in fraudulent or dishonest acts or practices	General Life, Accident, and Health License and General Property and Casualty License revoked	050298	3/28/05
Garrett, Patricia	Tyler	Failed to comply with continuing education requirements	General Life, Accident and Health License, General Property and Casualty License, and Surplus Lines License suspended for one year; \$1,500 fine	050228	3/7/05
Gibson, Charlie Fred	Lancaster	Made a material misrepresentation on a license application	General Life, Accident, and Health License and County Mutual License applications denied	050266	3/18/05
Gomez, Eloy	Harlingen	Misappropriated or converted money belonging to an insurer or insured; Materially misrepresented terms and conditions of an insurance poli-	cy General Life, Accident, and Health License and General Property and Casulty License revoked	050157	2/14/05
Gray, Gina Lynn	Houston	Failed to comply with continuing education requirements	\$1,500 fine; One year suspension of General Life, Accident and Health License; Must complete 15 hours continuing education	050267	3/18/05
Griffin, Nils	Laguna Hills CA	Misappropriated or converted money belonging to an insurer or insured; Engaged in fraudulent or dishonest acts or practices	General Life, Accident, and Health License revoked	050365	4/14/05
Guerrero, Paul A.	San Antonio	Engaged in fraudulent or dishonest acts or practices; Misappropriated or converted money belonging to an insurer or insured	General Life, Accident and Health License and General Property and Casualty License revoked; \$25,000 fine subject to a dollar-for-dollar reduction by restitution to \$5,000	050263	3/18/05
Haire, Robert Douglas	Sanger	\$1,100 fine; Must complete 15 hours of continuing education	Failed to comply with continuing education requirements	050213	3/1/05
Hanson, Robert Joe; Lyon, Daniel Frank; Global Bonding; Millennium Bonding Enterprises; Individual Surety, LTD	Fort Worth	Engaged in unfair and deceptive acts or practices; Unauthorized insurance	Emergency Cease and Desist Order	050218	3/3/05
Hayes, Peter Lee	Piedmont OK	Engaged in fraudulent or dishonest acts or practices; Engaged in criminal conduct involving moral turpitude	Adjuster Property and Casualty Nonresident License Application denied	050398	4/22/05
Henderson, Freddie Carl	Dallas	Failed to comply with continuing education requirements	\$500 fine; Complete 5 hours of continuing education	050310	3/29/05
International Union of Petroleum and Industrial Workers	Paramount CA	Unauthorized insurance; Engaged in unfair and deceptive acts or practices	Emergency Cease and Desist Order	050219	3/3/05
Johnson, Wade Warren	Grapevine	Engaged in fraudulent or dishonest acts or practices; Misappropriated or converted money belonging to an insurer or insured	General Life, Accident and Health License revoked	050364	4/14/05
Life Partners, Inc.	Waco	Used unapproved forms in the business of life settlements	\$7,500 fine	050348	4/13/05
Lindsey, F. Darrell	Salt Lake City UT	Failed to timely file required Annual Agent Reports for Risk Retention and Purchasing Groups (PG3)	A \$2,000 fine	050395	4/22/05

InDiscipline

NAME	CITY	VIOLATION	ACTION TAKEN	ORDER	DATE
Marcotte, Louis M.	Gretna LA	Convicted of criminal conduct involving moral turpitude directly related to the duties and responsibilities of an insurance agent	General Property and Casualty License revoked	050269	3/18/05
Mastroeni, Jerry	Frisco	Engaged in fraudulent or dishonest acts or practices; Materially misrepresented terms and conditions of an insurance policy	\$15,000 fine	050246	3/15/05
McClagherty, John Henry	Horseshoe Bay	Acted as an agent for unauthorized entities; Filed policies with the Surplus Lines Stamping Office without direct involvement in the sale of the insurance	\$65,000 fine	050361	4/14/05
McNair, Debora Anita	Humble	Failed to comply with continuing education requirements	Probated suspension of Limited Lines License; \$500 fine; Complete 10 hours of continuing education	050346	4/7/05
Morton, Gregory Alan	Arlington	Failed to comply with continuing education requirements	\$750 fine; Must complete 30 hours of continuing education	050268	3/18/05
Munoz, Arturo Jr.	Plano	Placed on probation for a misdemeanor offense.	Probated suspension of General Life, Accident and Health License and General Property and Casualty License	050224	3/7/05
National Standard Insurance Company	Shaumburg IL	Failed to timely provide experience rating data	\$3,000 fine	050374	4/18/05
Pioneer-Ward County Abstract Company	Monahans	Failed to timely file annual audit reports and required statistical reports	\$7,500 fine; Probated suspension of Title Insurance Agent License	050265	3/18/05
Pruett, Connie	Richardson	Engaged in fraudulent or dishonest acts or practices; Felony conviction involving moral turpitude	General Life, Accident, and Health License and General Property and Casualty License revoked	050399	4/22/05
Ramirez, Mary	San Antonio	Engaged in fraudulent or dishonest acts or practices; Misappropriated or converted money belonging to an insurer or insured	General Property and Casualty License revoked	050402	4/25/05
Ramirez, Rene	San Antonio	Engaged in fraudulent or dishonest acts or practices; Misappropriated or converted money belonging to an insurer or insured	General Property and Casualty License revoked	050400	4/22/05
Randolph, Donna Tennell; Randolph Dexter Lynn; Escrow Associates of Texas Inc.	Missouri City; Houston	Misrepresenting on a previous Escrow Officer's Application that they were bona fide employees of a licensed escrow officer	\$7,500 fine	050225	3/7/05
Rimkus Consulting Group, Inc.	Houston	Taught a continuing education course with an expired certificate	\$1,500 fine	050356	4/14/05
Rousseve, Homerzelle Candace	Houston	Misdemeanor criminal offenses involving moral turpitude; Made a material misrepresentation on a license application	\$1,500 fine; Probated suspension of General Life, Accident and Health License	050261	3/18/05
Sanchez, Andrew	Waxahachie	Acted as an escrow officer without a license	\$2,500 fine	050259	3/18/05
Scott, Sharon Jean	San Antonio	Participated in practices which are prohibited in the marketing of Medicare supplement policies or coverages	\$21,000 fine; Complete continuing education hours in the area of Medicare coverage	050215	3/1/05

NAME	CITY	VIOLATION	ACTION TAKEN	ORDER	DATE
Sherman, Glyshonda Latrece	Texas City	Failed to comply with continuing education requirements	\$1,075 fine; Must complete 30 hours of continuing education	050258	3/18/05
Spell, Kenneth Carl	Houston	Failed to comply with continuing education requirements	\$550 fine; Must complete 30 hours of continuing education	050237	3/10/05
State Farm Fire and Casualty Company	Bloomington IL	Cancelled general liability insurance policies in violation of Texas Insurance Code	\$10,000 fine	050396	4/22/05
United International Insurance Company	W. Basseterre, St. Kitts, West Indies	Unauthorized insurance; Misappropriated or converted money belonging to an insurer or insured; Engaged in unfair and deceptive acts or practices	\$1,000,000 fine; Cease and Desist	050378	4/19/05
Vanschoick, Dee Jr.	Montgomery	Failed to comply with continuing education requirements	\$1,000 fine; Complete 30 hours of continuing education	050328	4/1/05
Villalba, Joseph Arthur	El Paso	Engaged in fraudulent or dishonest acts or practices	\$2,500 fine	050214	3/1/05
Wershay, Steven V.	Sussex WI	Engaged in fraudulent or dishonest acts or practices; Misappropriated or converted money belonging to an insurer or insured	General Life, Accident and Health License revoked	050327	4/1/05
White, Clay	Tyler	Taught a continuing education course with an expired provider registration certificate	\$1,200 fine	050238	3/10/05
Willett, Phillip Lavern	San Angelo	Failed to comply with continuing education requirements	\$750 fine; Complete 15 hours of continuing education	050360	4/14/05
Wright, Leslie	Snyder	Failed to comply with continuing education requirements	\$1,500 fine; Must complete 15 hours of continuing education	050227	3/7/05
Young, Bernard Dotson	Columbia TN	Failed to timely file required Annual Agent Reports for Risk Retention and Purchasing Groups (PG3)	\$1,500 fine	050397	4/22/05

InLicensing

New Companies

COMPANY NAME	LOCATION	LINE	DATE LICENSED
AMERICAN STERLING INSURANCE SERVICES, INC. - TPA	SANTA ANA CA	Third Party Administrator	4/1/2005
MOLINA HEALTHCARE, INC. - TPA	WILMINGTON DE	Third Party Administrator	4/1/2005
PEROT SYSTEMS BUSINESS PROCESS SOLUTIONS, INC. - TPA	PLANO	Third Party Administrator	4/1/2005
PREMIER PENSION SOLUTIONS, L.L.C. - TPA	WACO	Third Party Administrator	4/1/2005
ELDER HEALTH TEXAS, INC. - HMO	SAN ANTONIO	HMO	4/4/2005
NORTHEAST INVESTORS TITLE INSURANCE COMPANY	COLUMBIA SC	Title	4/26/2005
TEXAS AUTOMOBILE DEALERS SELF INSURERS GROUP	AUSTIN	Workers Compensation	4/26/2005

InLicensing

New Companies

COMPANY NAME	LOCATION	LINE	DATE LICENSED
TEXAS CONSTRUCTION TRUST	AUSTIN	Workers Compensation	4/26/2005
AMERICAN SPECIALTY INSURANCE & RISK SERVICES, INC. - TPA	ROANOKE IN	Third Party Administrator	4/29/2005
CAM ADMINISTRATIVE SERVICES, INC. - TPA	SOUTHFIELD MI	Third Party Administrator	4/29/2005
CAPROCK CLAIMS MANAGEMENT, LLC - TPA	DALLAS	Third Party Administrator	4/29/2005
INSURA PROPERTY AND CASUALTY INSURANCE COMPANY	BEDFORD PARK IL	Property & Casualty	5/4/2005
GREGORY T. WHITE, DBA ACHIEVE FINANCIAL SERVICES - TPA	TYLER	Third Party Administrator	5/11/2005
HAMMERMAN & GAINER, INC. - TPA	AUSTIN	Third Party Administrator	5/11/2005
HF ADMINISTRATIVE SERVICES, INC. - TPA	NEW YORK NY	Third Party Administrator	5/16/2005
LOYA PREFERRED INSURANCE COMPANY	EL PASO		5/18/2005
CBG SERVICES CORPORATION - TPA	AUSTIN	Third Party Administrator	5/20/2005
INTEGRITY ADMINISTRATORS, INC. - TPA	LAS VEGAS NV	Third Party Administrator	5/20/2005
INTERMEDIARY INSURANCE SERVICES, INC. - TPA	SAN FRANCISCO CA	Third Party Administrator	5/20/2005
CATHOLIC KNIGHTS	MILWAUKEE WI	Fraternal	5/26/2005

Name Changes

COMPANY NAME	LOCATION	CHANGED TO	LOCATION	DATE OF CHANGE
ATLANTIC LLOYD'S INSURANCE COMPANY OF TEXAS	DALLAS	ALICOT INSURANCE COMPANY, AUSTIN, TEXAS, CONVERTED FROM A LLOYDS TO STOCK FIRE & CASUALTY (12 TO 07)		4/1/2005
COMERCIAL AMERICA INSURANCE COMPANY	HOUSTON	COMMERCIAL ALLIANCE INSURANCE COMPANY		4/14/2005
RANGER LLOYDS	HOUSTON	FAIRMONT SPECIALTY LLOYDS		4/21/2005
CDC IXIS FINANCIAL GUARANTY NORTH AMERICA, INC.	NEW YORK NY	CIFG ASSURANCE NORTH AMERICA, INC.		5/23/2005
TIG PREMIER INSURANCE COMPANY	MARTINEZ CA	FAIRMONT PREMIER INSURANCE COMPANY		5/24/2005



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