

# NC DEPARTMENT OF INSURANCE NEWSLETTER



DEC. 2018



## COMMISSIONER'S CORNER

It's hard to believe another year has come and gone, but as we reflect on the year and look forward to another, I'd like to give you a brief recap of NCDOI's 2018 achievements.

One of the most significant events was, of course, what's being called the "storm of a lifetime." In September, Hurricane Florence battered portions of North Carolina with powerful winds, relentless rain and a life-threatening storm surge.

As the storm approached, the North Carolina Department of Insurance took action and issued warnings to residents: Take pictures of your belongings, create a home inventory, know your insurance coverage, then heed evacuation warnings. At the same time, agents within NCDOI's Office of State Fire Marshal worked closely with the state Emergency Management Division at the Emergency Operation Center to dispatch firefighters to the areas where they were needed most.

After the storm hit, NCDOI quickly responded. Our Criminal Investigations Division's special agents were deployed to provide security to evacuation centers and to assist with patrol duties to help prevent looting. Building inspectors were dispatched to support local efforts in damage assessment and building evaluation.

NCDOI set up "insurance camps" in the hardest hit areas with approximately 20 of the nation's largest insurance carriers and FEMA to help storm victims with insurance claims. A few weeks later, when FEMA set up Disaster Recovery Centers, NCDOI was there to assist consumers visiting those centers as well.

Consumer service analysts within NCDOI and OSFM are available to assist with insurance needs that storm victims may have. To contact the Consumer Services Division, simply call 1-855-408-1212.

Thank you for everything you have done to help North Carolinians. Together, we can make 2019 even more fruitful for our wonderful state.

Thank you and God bless,



MIKE CAUSEY, INSURANCE COMMISSIONER

NCDOI.COM • 855.408.1212

# FROM THE DEPUTY'S DESK

**DR. MICHELLE OSBORNE, MBA, CIC**  
NCDOI CHIEF DEPUTY COMMISSIONER



I am happy to announce the North Carolina Department of Insurance was successful in getting legislation passed in the 2018 legislative session that made revisions to G.S. 58-36-30, the consent to rate (CTR) statute.

These changes will be beneficial to both agents and consumers in that it removes the requirement for written consent or a “wet signature” for new and/or renewal policies and endorsements to take effect. This removes the chance a consumer would lose coverage if, for whatever reason, they did not sign the CTR form.

As of Jan. 1, 2019, the insured will now be notified in bold letters on the policy declarations page at policy inception and every renewal that consent to rate is being enacted. The insured doesn't have to agree to it nor sign anything. If they want it changed, they need to contact their agent.

Originally, the required “wet signature” was inefficient for agents because it often involved many hours tracking down a signature from the insured on an approved CTR form. When a signature couldn't be obtained, the company often had to cancel the coverage to the detriment of the policyholder. Eliminating the need for a signature will be beneficial to both the consumers and the industry.

I look forward to the upcoming year to enact other changes that may be beneficial to you and your clients. Please let either Commissioner Causey or me know how we may be of assistance to make 2019 an even more successful year.

*Michelle J. Osborne*

## CAT ADJUSTERS IN THE WAKE OF HURRICANE FLORENCE

When Hurricane Florence hit the coast of North Carolina, it was apparent there was an immediate need for adjusters to help the thousands of storm victims with their insurance claims. Since North Carolina does not issue an emergency adjuster's license, NCDOI's Agent Services Division (ASD) waived the licensing requirements for qualified adjusters who are brought in by an approved carrier. These qualified individuals were issued a CAT or Independent Catastrophic Claims Adjuster badge by the carrier registering them.

Due to the numbers of CAT adjusters needed, ASD streamlined the registration process for CAT adjusters and will be updating the NCDOI website to make this process clearer.

Because North Carolina General Statutes do not allow for the above registration process for Public Adjusters, they must apply through the National Insurance Producer Registry or NIPR and provide a \$20,000 bond. For added security, resident Public Adjuster applicants are required to provide a complete set of fingerprints for a state and federal criminal history background check.

# NCDI MEDIATION PROGRAM

Due to Hurricane Florence's destruction, North Carolina activated the state's non-adversarial mediation program ("Program") to facilitate the effective, fair, and timely resolution of insurance claims arising out of damages to residential property as the result of a disaster. The Program becomes available to first party claimants only if 1) a state of disaster has been proclaimed (by the Governor or the President) for all or part of North Carolina, within 60 days following the event, and 2) the Commissioner of Insurance subsequently orders Program activation. NCDI has contracted with the American Arbitration Association to serve as Program administrator.

## "RIGHT TO MEDIATE" NOTICE REQUIRED FOR CERTAIN DISASTER-RELATED CLAIM DISPUTES

North Carolina General Statute §58-44-80 requires insurers to notify all first-party disaster claimants in

identified counties of their right to mediate "disputed claims" (as defined in §58-44-75). In order for a disputed claim to be eligible for the Program, the claimant and insurance company must be at least \$1,500 apart in their settlement negotiation.

To access Program information online, please visit the NCDI website's Disaster Mediation page [HERE](#).

If you have insureds that suffered damages that may be eligible for the Disaster Mediation Program, please refer them to their insurance company, and/or

### American Arbitration Association

ATTN: NC Insurance Mediation

1301 Atwood Avenue, Suite 211N

Johnston, RI 02919

P: 866-293-4053 | F: 866-644-0234

[www.adr.org/northcarolinadisaster](http://www.adr.org/northcarolinadisaster)

## FLOOD CONTINUING EDUCATION REQUIREMENTS AGENTS AND ADJUSTERS

Hurricane Florence brought to light an alarming fact: North Carolinians do not have or know enough about flood insurance. Data shows less than 3 percent of North Carolinians have a flood policy. That is why the NCDI is engaging in a Flood Insurance Initiative in the next few months -- to educate agents, adjusters and consumers of the need for flood insurance -- even if they don't live in a flood zone. According to FEMA, the federal agency that manages the National Flood Insurance Program or NFIP, more than 20 percent of all flood claims come from outside a designated flood zone.

The lack of education surrounding flood insurance is one of the reasons property/liability agents

and adjusters must complete a flood continuing education class every biennial CE compliance period. The goal is to help them understand the NFIP and the coverage provided by its flood policy.

Whenever there is a storm that includes flooding, the Department of Insurance received numerous consumer complaints stating they were unaware that their homeowners' or renters' policies did not cover damage resulting from a flood which, also includes mudslides.

These North Carolinians had no idea their homes would flood or that flood insurance was available to them regardless of where they lived. They are left to rebuild

without insurance with only the possible help from FEMA assistance or other charitable sources.

It is up to the professional agent to explain their insured's policy and coverages. They have a duty to advise consumers that homeowners' and renters' policies do not cover flood damage and to make it clear that flood insurance is available -- even if they do not reside in a flood zone.

To properly discuss flood coverage, the agent needs to thoroughly understand what is available under the NFIP and its policies. That's why flood insurance coverage is part of CE.

NC License/NPN#	Action	Date of Action
<b>PRODUCERS</b>		
Joshua R. Hunnicutt License #: 18571341	License Denial Upheld By Administrative Hearing Life	7/10/2018
Tresandra A. Hopper License #: 4689325	Voluntary Settlement Agreement Life, Accident & Health, Property, Casualty	7/12/2018
Kevin T. Tetti License #: 8769526	Voluntary Settlement Agreement Nonresident Life, Accident & Health	7/12/2018
Christopher S. Laws License #: 6909758	Voluntary Settlement Agreement Nonresident Life, Variable Life & Variable Annuity	7/16/2018
Mark J. Vana License #: 16138484	Voluntary Settlement Agreement Nonresident Life, Accident & Health	7/16/2018
Glynis Andrea Snell License #: 3693427	Voluntary Settlement Agreement Life, Accident & Health, Medicare Supplement/ Long Term Care, Motor Club	7/20/2018
Joshua Paul Aylesworth License #: 7237224	Voluntary Settlement Agreement Nonresident Life, Accident & Health, Variable Life & Variable Annuity	7/23/2018
Patrick Olsen License #: 9041246	Voluntary Surrender Nonresident Life, Accident & Health	7/25/2018
Timothy P. Winders License #: 25647	Voluntary Settlement Agreement Nonresident Accident & Health	7/25/2018
Jennifer Lynn Willis License #: 18820406	License Denial Life, Accident & Health	8/1/2018
Ellis Stapleton License #: 5829110	Voluntary Surrender Nonresident Life, Accident & Health, Property, Casualty, Medicare Supplement/Long Term Care	8/7/2018
Garron Penland License #: 6434527	License Revocation Nonresident Life, Accident & Health, Property, Casualty	8/14/2018
Larry Moreira License #: 16520653	Voluntary Surrender Nonresident Life, Accident & Health, Variable Life & Variable Annuity, Medicare Supplement/Long Term Care	8/16/2018
Nicholas Barney License #: 18558758	Voluntary Surrender Nonresident Life, Accident & Health, Property, Casualty, Medicare Supplement/Long Term Care	8/21/2018
Jeremy Strauser License #: 17408511	Consent Order Nonresident Personal Lines	8/22/2018
Nicole Ann Sullivan License #: 18042885	Voluntary Surrender Nonresident Accident & Health, Medicare Supplement/Long Term Care	8/22/2018

<b>NC License/NPN#</b>	<b>Action</b>	<b>Date of Action</b>
Gary J. Woods License #: 17366461	Voluntary Settlement Agreement Nonresident Accident & Health	8/22/2018
Lakita Glover License #: 16854046	Voluntary Surrender Life, Accident & Health, Medicare Supplement/Long Term Care	9/5/2018
Perry C. Santillo Jr. License #: 7540722	License Surrender Nonresident Life, Accident & Health	9/7/2018
Donte E. Boykin License #: 17755423	Voluntary Settlement Agreement Nonresident Life, Accident & Health, Medicare Supplement/Long Term Care	9/10/2018
Pamela Roberson License #: 17765640	Voluntary Settlement Agreement Nonresident Property, Casualty	9/10/2018
Jack Bergstresser Jr. License #: 2755079	Voluntary Surrender Life, Accident & Health, Medicare Supplement/Long Term Care	9/13/2018
Gregory Perry License #: 17371131	Voluntary Settlement Agreement Life, Property, Casualty	9/13/2018
Stephen Marc Tucker License #: 447478	Voluntary Settlement Agreement Nonresident Life, Accident & Health	9/19/2018
A'Vaie J. Knox License #: 17711254	License Revocation Nonresident Life, Accident & Health	9/26/2018
Laurel J. Cruz License #: 8390833	License Revocation Nonresident Accident & Health	9/28/2018
Luke Iverson License #: 17788280	Voluntary Settlement Agreement Nonresident Life, Accident & Health, Variable Life & Variable Annuity, Medicare Supplement/Long Term Care	9/28/2018
Sammy Batista License #: 6054597	Voluntary Settlement Agreement Nonresident Life, Accident & Health	10/1/2018
Garrett Patrick Morrell License #: 8459906	Voluntary Surrender Nonresident Life, Accident & Health	10/9/2018
Jessica E. Lauck License #: 6618227	Voluntary Settlement Agreement Nonresident Life, Accident & Health	10/11/2018

## COLLECTION AGENCIES

Rauch-Milliken International Inc Metairie, LA License #: 104247	Voluntary Settlement Agreement Foreign Collection Agency	8/16/2018
Autovest LLC - Southfield, MI License #: 103942	Voluntary Settlement Agreement Foreign Collection Agency	8/31/2018
Med Shield Inc. License #: 4384	Voluntary Settlement Agreement Foreign Collection Agency	9/10/2018
Loan Science, LLC License #: 112923	Voluntary Settlement Agreement Foreign Collection Agency	8/31/2018
Security Credit Systems, Inc. License #: 101523	Voluntary Settlement Agreement Foreign Collection Agency	9/10/2018

<b>NC License/NPN#</b>	<b>Action</b>	<b>Date of Action</b>
Wakefield & Associates Inc. License #: 4207	Voluntary Settlement Agreement Foreign Collection Agency	9/11/2018
EquityExperts.org, LLC License #: 113246	Voluntary Settlement Agreement Foreign Collection Agency	9/13/2018
HIS Financial Services, LLC License #: 4411	Voluntary Settlement Agreement Foreign Collection Agency	9/13/2018
Todd, Bremer & Lawson, Inc. License #: 747	Voluntary Settlement Agreement Foreign Collection Agency	9/19/2018
Genpact Services, LLC Alabang, Muntinlupa City Philippines License #: 103436	Voluntary Settlement Agreement Foreign Collection Agency	9/25/2018
CBC, LLC License #: 113328	Voluntary Settlement Agreement Foreign Collection Agency	9/27/2018
Bluegreen Servicing LLC - Boca Raton, FL License #: 103835	Voluntary Settlement Agreement Foreign Collection Agency	10/4/2018
Deshane Holdings, Inc. License #: 112386	Voluntary Settlement Agreement Domestic Collection Agency	10/4/2018

## **BUSINESS ENTITIES**

Elevated National Settlement Services, LLC License #: 17931740	Voluntary Settlement Agreement Nonresident Corporation	7/12/2018
Sutton Land Title Agency, LLC License #: 8097282	Voluntary Settlement Agreement Nonresident Corporation	7/26/2018
Ten 250 Corporation License #: 17197729	Voluntary Settlement Agreement Nonresident Corporation	7/31/2018
Paradise Settlement Services LLC License #: 9748268	Voluntary Settlement Agreement Nonresident Corporation	8/2/2018
Agrilogic Ins Services LLC License #: 12571640	Voluntary Settlement Agreement Nonresident Corporation	8/7/2018
McDonald Partners LLC License #: 8592012	Voluntary Settlement Agreement Nonresident Corporation	8/22/2018
Xpress Title Services LLC License #: 9377293	Voluntary Settlement Agreement Nonresident Corporation	8/31/2018

## **MOTOR CLUB**

Roadside Protect, Inc. License #: 111810	Voluntary Settlement Agreement Foreign Motor Club	8/31/2018
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## **APPRAISERS**

Mark Dewayne Passmore License #: 12358646	Voluntary Settlement Agreement Motor-Vehicle Damage Appraiser	9/7/2018
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