

STATE OF ARIZONA
DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS

In the Matter of:

STOCKER, RYAN

(National Producer No. 17910213)

Respondent

No. 19A-181-INS

ORDER

On February 1, 2021, the Office of Administrative Hearings through Administrative Law Judge Adam D. Stone issued an Administrative Law Judge Decision (“Recommended Decision”) received by the Director of the Arizona Department of Insurance and Financial Institutions (“Director”) on February 2, 2021, a copy of which is attached and incorporated by reference. The Director has reviewed the Recommended Decision and enters the following:

1. The Director ADOPTS the Recommended Findings of Fact.
2. The Director ADOPTS the Recommended Conclusions of Law.
3. The Director ADOPTS the Recommended Order.
4. The Director ORDERS that Ryan Stocker’s Arizona insurance producer license, National Producer Number 17910213, is revoked effective immediately.

NOTIFICATION OF RIGHTS

Pursuant to Arizona Revised Statutes (“A.R.S.”) § 41-1092.09, Respondent may request a rehearing or review with respect to this Order by filing a written motion with the Director of the Department of Insurance within 30 days after the date of this Order, setting forth the basis for relief under Arizona Administrative Code R20-6-114(B). Pursuant to A.R.S. § 41-1092.09, it is not necessary to request a rehearing before filing an appeal to the Superior Court.

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1 Respondent may appeal the final decision of the Director to the Superior Court of
2 Maricopa County for judicial review, pursuant to A.R.S. § 20-166. A party filing an appeal
3 must notify the Office of Administrative Hearings of the appeal within ten days after filing
4 the complaint commencing the appeal, pursuant A.R.S. § 12-904(B).

5 DATED this 17th day of February, 2021.

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Evan G. Daniels, Director
9 Arizona Department of Insurance and
10 Financial Institutions

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COPY of the foregoing electronically transmitted
this 18th day of February, 2021, to:

Adam D. Stone, Administrative Law Judge
Office of Administrative Hearings
<https://portal.azoah.com/submission>

COPY mailed same date by U.S.
Certified Mail, Electronic Receipt Requested, to:

Ryan Stocker
4714 Ashburn Square Dr.
Tampa, FL 33610-5958
Respondent

7006 0810 0002 1988 9825

1 **COPY** of the foregoing delivered/mailed same date to:

2 Deian Ousounov, Regulatory Legal Affairs Officer
3 Ana Starcevic, Paralegal Project Specialist
4 Steven Fromholtz, Licensing Division Manager
5 Linda Lutz, Legal Assistant
6 Wendy Greenwood, Investigator
7 Arizona Department of Insurance and Financial Institutions
8 100 N 15th Avenue, Suite 261
9 Phoenix, Arizona 85007

7 Ryan Stocker
8 dotoklife@gmail.com
9 Respondent

10 Holly Wan, Assistant Attorney General
11 AdminLaw@azag.gov
12 Attorney for the Department of Insurance and Financial Institutions

13 Ana Starcevic for _____
14 Francine Juarez

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1 4. At all material times, Respondent was licensed in Arizona as a non-resident
2 insurance producer with lines of authority in accident/health or sickness, National
3 Producer Number 17910213, which expires on August 31, 2022.¹

4 5. On or about July 18, 2019, Humana Insurance Company (“Humana”), sent
5 a “Termination for Cause” letter to the Department stating that it terminated Respondent’s
6 agent appointment for “fraudulent or dishonest acts or practices.”²

7 6. Prior to that, Humana was informed by TZ Insurance Solutions (“TZ”) on or
8 about May 24, 2019, that Respondent was terminated on May 22, 2019, as certain for
9 Medicare Supplement insurance applications, prepared by Respondent, contained false
10 and/or inaccurate information.³

11 7. In an Agent Review Board Submission Form dated June 21, 2019, Humana
12 stated that Respondent sold Medicare Supplement policies to at least seven members
13 using “fake addresses in Kalamazoo, Michigan to obtain a better premium rate so he
14 could sell more policies”.⁴

15 8. The Department on September 11, 2019, emailed and mailed by certified
16 mail, a Subpoena Duces Tecum (“Subpoena”). The Subpoena was sent to Respondent’s
17 residential, business and emails addresses on record with the Department. The
18 Subpoena ordered Respondent to provide documents and appear on October 2, 2019
19 before the Department to give testimony at an Examination Under Oath.⁵

20 9. The Subpoena mailed to Respondent’s business address was returned as
21 undeliverable.⁶

22 10. On October 7, 2019, Respondent contacted the Department informing the
23 Department that he received the Subpoena, but could not appear for the Examination
24 Under Oath because he lived in Florida. The Department requested that Respondent
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26 ¹ See Exhibit 1.

27 ² See Exhibit 2.

28 ³ See Exhibit 3.

29 ⁴ See Exhibit 4.

30 ⁵ See Exhibit 5.

⁶ See Exhibit 6.

1 submit a written statement as to the Medicare Application for Maria Hernandez by
2 October 9, 2019. Respondent also updated his contact information at that time.

3 11. Respondent complied with the Department's request and submitted an
4 email stating that Ms. Hernandez informed him that she had kids in Michigan and Florida
5 and because she was not working, she spent most of her time staying with her daughter
6 and helping take care of their children.⁷

7 12. Ms. Greenwood testified as to the above timeline as well as the
8 Department's investigation.

9 13. Ms. Greenwood testified the Department examined Ms. Hernandez's
10 application which listed her permanent address in Kalamazoo, Michigan.⁸ Ms.
11 Greenwood further testified that a Department investigator was able to speak with Ms.
12 Hernandez. According to the testimony, Ms. Hernandez reported that she was a resident
13 of Arizona since 1981, and had never been to or lived in Michigan, and did not know
14 anyone in Michigan.⁹

15 14. Ms. Greenwood also testified that Humana, by letter dated October, 22,
16 2019, informed the Department that, "[t]he member's resident state determines where the
17 policy should be issued."¹⁰

18 15. Finally, Ms. Greenwood testified that based upon Respondent's
19 submission of at least seven false Humana applications, as well as his failure to comply
20 with the Subpoena and failure to update his address with the Department, his license
21 should be revoked to protect the public.

22 CONCLUSIONS OF LAW

23 1. The Department has jurisdiction to determine the merits of complaints
24 against Respondent's insurance producer's license and, if appropriate, to revoke,
25 suspend, or impose other discipline on Respondent's insurance producer's license.¹¹

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27 ⁷ See Exhibit 7.

28 ⁸ See Exhibit 9.

29 ⁹ See Exhibit 10.

30 ¹⁰ See Exhibit 8.

¹¹ See A.R.S. §§ 20-281 to 20-301.

1 2. The Department bears the burden of proof to establish that cause to
2 discipline Respondent's insurance license by a preponderance of the evidence.¹² "A
3 preponderance of the evidence is such proof as convinces the trier of fact that the
4 contention is more probably true than not."¹³ Respondent bears the burden to establish
5 affirmative defenses and factors in mitigation of the penalty by the same evidentiary
6 standard.¹⁴

7 3. A preponderance of the evidence is "[t]he greater weight of the evidence, not
8 necessarily established by the greater number of witnesses testifying to a fact but by
9 evidence that has the most convincing force; superior evidentiary weight that, though not
10 sufficient to free the mind wholly from all reasonable doubt, is still sufficient to incline a fair
11 and impartial mind to one side of the issue rather than the other."¹⁵

12 4. The Department established that Respondent submitted at least seven
13 fraudulent applications for Humana Medicare Supplement policies. The Department's
14 conversation with Ms. Hernandez provided ample evidence to prove the allegation. The
15 Department has thereby established cause to discipline Respondent's insurance
16 producer's license under A.R.S. § 20-463(A)(1)(a).¹⁶

17 5. Further, the Department established cause to discipline Respondent's
18 insurance producer's license under A.R.S. § 20-295(A)(2),¹⁷ as Respondent failed to
19 properly and completely respond to the Subpoena issued by the Department.

20 6. Finally, Respondent failed to inform the Department of his change of
21 addresses in a timely manner. Therefore, the Department has thereby established cause
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25 ¹² See A.R.S. § 41-1092.07(G)(2); A.A.C. R2-19-119(B)(1); see also *Vazanno v. Superior Court*, 74 Ariz.
26 369, 372, 249 P.2d 837 (1952).

27 ¹³ MORRIS K. UDALL, ARIZONA LAW OF EVIDENCE § 5 (1960).

28 ¹⁴ See A.A.C. R2-19-119(B)(2).

29 ¹⁵ BLACK'S LAW DICTIONARY at page 1220 (8th ed. 1999).

30 ¹⁶ A.R.S. § 20-463(A)(1)(a) provides that it is fraudulent to knowingly provide incorrect information or fail to disclose any material facts in an insurance policy application.

¹⁷ A.R.S. § 20-295(A)(2) provides as grounds to suspend or revoke a license "[v]iolating any provision of this title or any rule, subpoena or order of the director."

1 to discipline Respondent's insurance producer's license under A.R.S. § 20-286(C)(1)¹⁸
2 and

3 7. With respect to the appropriate penalty, the Tribunal finds Respondent's
4 fraud to be egregious and repetitive. Respondent's only attempt to explain his actions
5 came in the form of his email to the Department on October 9, 2019, where he stated, "I
6 work over the phone and can only go off of what is told to me by a customer..."¹⁹ Based
7 upon the Department's conversation with Ms. Hernandez, this simply is incorrect. There
8 would be zero reason for Ms. Hernandez to claim she resided in Michigan. Although it
9 appears that there was only one instance where Respondent engaged in this conduct for
10 a resident in Arizona, he nonetheless repeated this practice *at least* six more times.
11 Therefore, under the circumstances, revocation of Respondent's license is appropriate.

12 **RECOMMENDED DECISION**

13 Based on the foregoing, on the effective date of the final order in this matter, it is
14 ordered that Respondent Ryan Stocker's' license National Producer Number 17910213
15 shall be revoked.

16 *In the event of certification of the Administrative Law Judge Decision by the*
17 *Director of the Office of Administrative Hearings, the effective date of the Order will be*
18 *five days from the date of that certification.*

19
20 Done this day, February 1, 2021.

21
22 /s/ Adam D. Stone
23 Administrative Law Judge

24 Transmitted electronically to:

25
26 Christina Corieri, Interim Director
27 Arizona Department of Insurance

28 ¹⁸ A.R.S. § 20-286(C)(1) states, "A licensee shall inform the director in writing within thirty days of any
29 change in the licensee's: 1. Residential, business or e-mail address."

30 ¹⁹ See Exhibit 7.