

STATE OF MAINE
DEPARTMENT OF PROFESSIONAL AND FINANCIAL REGULATION
BUREAU OF INSURANCE

In re:

Rachel D. Morse

Maine License No. PRR310331

Docket No. INS-18-216

**CONSENT TO ENTRY OF
PROBATIONARY LICENSING ORDER**

The Maine Superintendent of Insurance (the Superintendent), acting in accordance with Maine Revised Statutes Title 24-A (the Maine Insurance Code) and specifically 24-A M.R.S. § 1417, has conducted an investigation into the resident insurance producer license application of Rachel Morse (Applicant). This Order establishes a probationary license for Applicant who, as evidenced by the signature(s) subscribed on this Order, hereby consents to entry of this Order, agrees that it shall have the same preclusive effect as an order issued after hearing, and waives her right to a hearing and to judicial review.

FACTS

1. The Superintendent of Insurance is the official charged with administering and enforcing Maine's insurance laws and regulations, and the Bureau of Insurance is the administrative agency with such jurisdiction. The Superintendent has jurisdiction over this matter pursuant to 24-A M.R.S. §§ 12-A and 211.
2. On or about June 1, 2018, Applicant applied for a Maine Resident Insurance Producer License. The application did not disclose that the Applicant previously held a Maine social work license which was revoked¹. The Applicant's social work license was revoked by the Maine Board of Social Worker Licensure after a hearing on December 14, 2012 (Decision #2009-SOC-5899).
3. The conduct resulting in the revocation occurred between June and November of 2008. The Board's decision found that the Applicant violated multiple Maine statutes and National Association of Social Workers Code of Ethics provisions while assigned to work with an at-risk Maine family. Specifically, Ms. Morse was found to have falsified or inaccurately recorded client records and to have failed to provide services to her clients.
4. Despite the Applicant's prior conduct, the Superintendent finds that issuing the Applicant a Probationary License is consistent with the public interest. This is primarily due to the Applicant's cooperation with the Bureau's investigation; the Applicant's successful employment since the conduct, including five years with her current employer; and her employer's willingness to assume additional supervisory responsibilities.

¹ Ms. Morse contacted the Bureau in the morning on June 1, 2018, to advise that her employer submitted her application with an incorrect answer (No) to Background Question 2: "Have you ever been named or involved as a party in an administrative proceeding, including FINRA sanction or arbitration proceeding regarding any professional or occupational license or registration?" The question explains "'[i]nvolved' means having a license censured, suspended, revoked, canceled, terminated; or, being assessed a fine, a cease and desist order, a prohibition order, a compliance order, placed on probation, sanctioned or surrendering a license to resolve an administrative action."

CONCLUSIONS OF LAW

5. Pursuant to 24-A M.R.S. § 1417, the Superintendent may deny, revoke, suspend, place on probation or limit the permissible activities under any license issued under Chapter 16 of the Maine Insurance Code if the Superintendent finds that, as to the Applicant, any of the causes exist that are listed in section 1420-K.
6. Providing incorrect, misleading, incomplete or materially untrue information in the license application constitutes statutory grounds for denial of a license application under the Maine Insurance Code, at 24-A M.R.S. § 1420-K(1)(A).
7. Using fraudulent, coercive or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this State or elsewhere constitutes statutory grounds for denial of a license application under the Maine Insurance Code, at 24-A M.R.S. § 1420-K(1)(H).

ORDERS

8. Based on the foregoing and in accordance with 24-A M.R.S. § 1417, the Superintendent ORDERS that a Resident Insurance Producer License be issued to Applicant, subject to the following terms of probation:
 - a. Applicant will comply with all applicable insurance statutes, rules, and regulations;
 - b. Applicant will not act in any principal, supervisory, or managerial capacity in the insurance industry without first securing the approval of the Maine Bureau of Insurance;
 - c. Within three (3) business days of learning of any investigations, proceedings, and customer complaints of any type, concerning the Applicant's activities in the insurance industry, Applicant will send written notification of the investigation, proceeding, or complaint to the Superintendent;
 - d. Applicant shall respond to all inquiries of the Superintendent in accordance with 24-A M.R.S. § 220(2).
9. The Applicant is employed by Down East Insurance Agency, license number AGR 961593, and will be working in the agency's Machias branch location. Melanie S. Munsey is the Responsible Person for Down East Insurance Agency. During the probationary period (see Paragraph Ten), Down East Insurance Agency, through its Responsible Person, agrees to:
 - a. Provide supervision of the Applicant, including supervision of the Applicant's obligations under this agreement;
 - b. No less frequently than quarterly, contact five (5) of the Applicant's clients, selected at random, by telephone to verify that the coverage was authorized and to determine if the client has any questions or concerns about the coverage. Down East Insurance Agency will document these calls including the client's name, policy number, coverage type, issue date, date of the telephone call, and a detailed description of the call. These records must be made available within three (3) business days at the request of the Superintendent.

- c. If Down East Insurance Agency learns of any complaints or compliance issues (through the verification calls described in Paragraph 8(b) or otherwise) regarding the Applicant, the agency will notify the Bureau within three (3) business days.

10. This Probationary Licensing Order is entered in lieu of the Superintendent denying Applicant's license application or otherwise restricting it under 24-A M.R.S. § 1417 or § 1420-K. Should Applicant fail to adhere to any of the above Orders, nothing in this agreement limits the ability of the Superintendent to revoke Applicant's producer license upon these grounds and to take any other available actions.

11. The term of this probation will be for two years from the date of entry of this Order, as evidenced by the Superintendent's signature. Upon the expiration of two years, the special probationary terms in Paragraphs Eight and Nine (8 & 9) will no longer apply.

12. This Probationary Licensing Order is enforceable by the Superintendent and/or by an action in Maine Superior Court pursuant to 24-A M.R.S. § 214.

13. This Probationary Licensing Order is a public record within the meaning of 1 M.R.S. § 402(3) and will be available for public inspection and copying as provided for by 1 M.R.S. § 408-A. This Probationary License Order will be reported to the Regulatory Information Retrieval System database at the National Association of Insurance Commissioners.

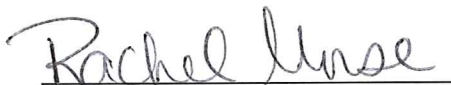
SO ORDERED: July 30, 2018.

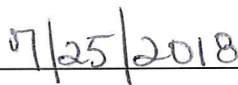

ERIC A. CIOPPA
Superintendent of Insurance

CONSENT TO ENTRY OF ORDER

I, Rachel D. Morse, state that I have read the foregoing Probationary Licensing Order and that I know and fully understand the contents hereof; that the factual allegations stated herein are true and correct; that I have been advised of my right to a hearing, and that I have been advised of my right to be represented by counsel in this matter; that I voluntarily consent to the entry of this Probationary Licensing Order without any force or duress, expressly waiving any right to a hearing in this matter, as well as any rights to administrative or judicial review of this Probationary Licensing Order; that I understand that the Superintendent reserves the right to take further actions against me to enforce this Probationary Licensing Order or to take appropriate action upon discovery of other violations of the Insurance Code by me; and that I will fully comply with the terms and conditions stated herein.

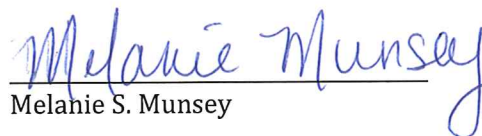
I understand that this Order is a public document.

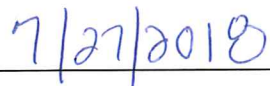

Rachel D. Morse


Date

CONSENT TO ENTRY OF ORDER

I, Melanie S. Munsey, am the Responsible Person for Down East Insurance Agency state that I have read the foregoing Probationary Licensing Order and that I understand the obligations of this Order. I will fully comply with the terms and conditions stated herein.


Melanie S. Munsey


Date