

**BEFORE THE INSURANCE COMMISSIONER
FOR THE STATE OF ARKANSAS**

ARKANSAS INSURANCE DEPARTMENT,)
Petitioner)
)
vs.)
)
JAMIE MARIE MILLIKEN,)
Respondent)

A.I.D. NO. 2012- 348

ORDER OF REVOCATION

On this day, the matter of Jamie Marie Milliken (“Respondent”) came before Jay Bradford, Arkansas Insurance Commissioner (“Commissioner”). A hearing was held at 9:00 a.m. on March 13, 2012 in the Hearing Room of the Arkansas Insurance Department (“Department”) pursuant to a Notice of Hearing dated February 3, 2012. The hearing was held before acting Chief Deputy Commissioner Lenita Blasingame (“Hearing Officer”), pursuant to her appointment by the Commissioner in accordance with Arkansas Code Annotated § 23-61-103. The Department was represented by Amanda J. Andrews, Associate Counsel.

FINDINGS OF FACT

1. The Commissioner has jurisdiction over the parties and the subject matter pursuant to Arkansas Code Annotated § 23-61-103.
2. Respondent is a resident producer, license number 118203, and her mailing address is 1078 Highway 276, Stuttgart, Arkansas.
3. On November 7, 2011, the Department received notice that Smith & Company, LLC terminated Respondent’s employment and association with the agency for cause. Specifically, David Hoffmans (“Hoffmans”), Agency Principal for Smith & Company, LLC, stated that on June 3, 2010 and September 9, 2011, Respondent created fictitious certificates of

workers compensation insurance for Curtis Yancey d/b/a Curtis Yancey Construction (“Yancey”). The insurer listed on the certificates was Liberty Mutual Insurance.

4. During the course of investigating the matter, the Department discovered that Liberty Mutual Insurance did not issue the worker’s compensation policies listed in the two (2) aforementioned certificates, and Yancey’s workers compensation policy cancelled on December 14, 2009, due to noncompliance with an interim audit.

5. On February 3, 2012, the Department mailed to Respondent a Notice of Hearing scheduling an administrative hearing on March 13, 2012, to determine whether Respondent’s producer license should be revoke for creating fictitious certificates of insurance. Respondent appeared at the hearing.

6. Hoffmans testified at the hearing that on June 3, 2010, Respondent created a fictitious certificate of workers compensation insurance for Yancey, listing Liberty Mutual Insurance as the insurer, and the certificate was sent to the State of Arkansas Contractors Licensing Board. On September 9, 2011, Respondent created a fictitious certificate of workers compensation insurance for Yancey, listing Liberty Mutual Insurance as the insurer, and the certificate was sent to Gus Vratsinas with Vratsinas Enterprises, LLC. Hoffmans further testified that prior to the hearing, he discovered a third fictitious certificate of insurance generated by Respondent on January 12, 2011, for Grand Prairie Industrial Services, and the coverage listed in the certificate did not exist. According to Hoffmans, the owner of Grand Prairie knew that the certificate was sent to Nucor Steel to make his company eligible to begin work. Finally, Hoffmans testified that prior to terminating Respondent from his agency, he confronted Respondent about the fictitious certificates of insurance, and she admitted to generating the certificates knowing they were false.

7. Respondent testified that she generated the three (3) certificates of insurance at issue. Specifically, Respondent testified that on June 3, 2010, she generated a certificate of insurance for Yancey to submit to the Arkansas Contractors Licensing Board, and she did not verify coverage prior to doing so. Yancey's workers compensation policy with Liberty Mutual Insurance cancelled on December 14, 2009. Respondent further testified that on September 9, 2011, she generated a certificate of insurance for Yancey to submit to Gus Vratsinas with Vratsinas Enterprises, LLC, knowing that Yancey did not have the coverage listed in the certificate. Finally, Respondent testified that on January 12, 2011, she generated a certificate of insurance for Grand Prairie Industrial Services to use as a "side-by-side" comparison to the insured's present coverage. Respondent admitted that the coverage listed in the certificate, which listed Nucor Steel as certificate holder and loss payee, did not exist on January 12, 2011.

CONCLUSIONS OF LAW

From the Findings of Fact contained herein, the Commissioner concludes as follows:

8. The Commissioner may revoke an insurance producer's license for any one (1) or more of the following causes: intentionally misrepresenting the terms of an actual or proposed insurance contract or application for insurance; having admitted or been found to have committed any insurance unfair trade practice or fraud; and using fraudulent, coercive, or dishonest practices or demonstrating incompetence, untrustworthiness, lack of good personal or business reputation, or financial irresponsibility. Ark. Code Ann. § 23-64-512(a)(5), (7), (8).

9. It is unlawful for a person to commit a fraudulent insurance act, which includes issuing false, fake, or counterfeit certificates of insurance. Ark. Code Ann. §§ 23-66-501(4)(G); 23-66-502(a).

RECOMMENDATIONS OF THE HEARING OFFICER

WHEREFORE, based upon the foregoing Findings of Fact, Conclusions of Law, and other matters before her, the Hearing Officer recommends:

10. Based upon Respondent's violation of Arkansas law, specifically, Arkansas Code Annotated §§ 23-64-512(a)(5), (7) and (8), 23-66-501(4)(G), and 23-66-502(a), and her admission under oath that she generated three (3) certificates of insurance knowing that the coverage listed in the certificates was false and without properly and diligently verifying that coverage existed, I recommend immediate revocation of Respondent's Arkansas Resident Producer License.


LENITA BLASINGAME
CHIEF DEPUTY COMMISSIONER and
HEARING OFFICER

CERTIFICATION

I, Jay Bradford, Insurance Commissioner for the State of Arkansas, do hereby certify that the above Findings of Fact, Conclusions of Law, and Recommendations of the Hearing Officer were made by and under my authority and supervision by Lenita Blasingame, Chief Deputy Commissioner and Hearing Officer in this proceeding. I hereby adopt the Hearing Officer's Findings of Fact, Conclusions of Law, and Recommendations in full and enter this Order.

THEREFORE, it is hereby ORDERED that the Respondent's Arkansas Resident Producer License is revoked.

IT IS SO ORDERED THIS 8th DAY OF May, 2012.



JAY BRADFORD
INSURANCE COMMISSIONER
STATE OF ARKANSAS