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FILED *ajf*

MAR 29 2011

Department of Insurance
State of Idaho

BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE
STATE OF IDAHO

In the Matter of:)	
)	Docket No. 18-2640-10
CHRISTINA M. JOHNSON,)	
Resident Producer License)	AMENDED HEARING OFFICER'S
No. 110540,)	FINDINGS OF FACT, CONCLUSIONS OF
)	LAW AND PRELIMINARY ORDER
_____)	

This matter came on for an evidentiary hearing on January 27, 2011, before Jean R. Uranga, the designated Hearing Officer. The Department of Insurance appeared by and through its Deputy Attorney General, John Keenan, and Christina M. Johnson appeared by telephone representing herself. Both parties submitted testimony and evidence.

Following the close of the hearing, it was agreed the parties would submit post-hearing briefing. The Department's Post-Hearing Brief was received February 15, 2011. Christina Johnson's response was emailed to the Hearing Officer March 11, 2011.

FINDINGS OF FACT

1. Christina Johnson is the holder of an Idaho Resident Producer License, No. 110540. Ms. Johnson is employed by Jan Jesberger Insurance Agency in Hayden, Idaho.

2. Christina Johnson wrote a commercial insurance policy through Progressive Insurance for a business known as Rohr Trucking, LLC. Rohr Trucking, LLC., was a company owned by Ms. Johnson's sister and brother-in-law.

3. On October 24, 2008, around 3:30 p.m., a 1994 Dodge truck owned by Rohr Trucking was involved in an accident. Ms. Johnson reported the loss to the insurance company on October 27, 2008 at 10:22 a.m. (Exhibit 14.)

4. On October 24, 2008, at 10:36 p.m. ET, Ms. Johnson contacted Progressive Insurance Company through their internet system and changed the stated value of the 1994 truck from \$25,000 to \$10,000 and the stated value of the 1998 International truck from \$40,000 to \$15,000. (Exhibits 12 and 14.) The effect of that change was to reduce the premium due. She requested that the change be backdated to October 23, 2008, the day before the accident. Ms. Johnson admitted she made those online changes through the Progressive Insurance "agent only" website. However, Ms. Johnson claims she was only seeking a "quote" for the lower values and did not intentionally change the values to influence payment of the claim or misrepresent the currently insured value. Her testimony lacks credibility. The evidence establishes Ms. Johnson did make

the change in values on the Progressive Insurance website around the same time she changed the deductible.

5. David Cline, a special investigator for Progressive Insurance Company, investigated and concluded Ms. Johnson had wrongfully changed the stated value of the vehicles after the motor vehicle accident.

6. In addition, after the accident, on October 24, 2008, at 10:36 p.m. Ms. Johnson changed the amount of the deductible on the insurance by reducing the deductible from \$2,500 per vehicle to \$250 per vehicle effective October 23, 2008. (Exhibit 11.) Ms. Johnson admitted changing the deductibles after the accident and admitted using an egregious lack of judgment.

7. The Hearing Officer finds that Ms. Johnson engaged in false and deceptive conduct by changing both the value of the vehicles following an accident and changing the deductible on the insurance policies following an accident. These intentional actions are serious and significant.

CONCLUSIONS OF LAW

8. Ms. Johnson's conduct violates Idaho Code §41-1016(1)(e) which allows for disciplinary action against a licensee who misrepresents the terms of an actual or proposed insurance contract or application for insurance or misrepresenting any fact material to any insurance transaction or proposed transaction. Her conduct also violates §41-1016(1)(g) which provides for disciplinary action against a licensee who admits to or is found to have committed any

insurance unfair trade practice or fraud. Finally, her conduct violates Idaho Code §41-1016(1)(h) which provides for disciplinary action against a licensee for fraudulent, coercive or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility, or being a source of injury or loss to the public or others, in the conduct of business in this state or elsewhere.

9. Being an insurance agent requires the upmost honesty, integrity and trustworthiness.

10. Pursuant to Idaho Code §41-1016, the Director may impose an administrative penalty not to exceed \$1,000 and may suspend or revoke a license for violations.

PRELIMINARY ORDER

Based upon the foregoing, the Department's requested revocation of Ms. Johnson's license is appropriate. The Hearing Officer orders that Ms. Johnson's Idaho license should be REVOKED. In addition an administrative penalty of \$1,000 should be imposed.

DATED This 28 day of March, 2011.



JEAN R. URANGA
Hearing Officer

CERTIFICATE OF MAILING

I HEREBY CERTIFY That on this 28 day of March, 2011, I served true and correct copies of the foregoing AMENDED HEARING OFFICER'S FINDINGS OF FACT, CONCLUSIONS OF LAW AND PRELIMINARY ORDER by depositing copies thereof in the United States mail, postage prepaid, in envelopes addressed to:

Christina M. Johnson
Jan Jesberger Investments, LLC
9212 N. Government Way, Suite C
Hayden, Idaho 83835

**CERTIFIED MAIL RETURN RECEIPT REQUESTED AND
REGULAR MAIL**

John C. Keenan
Deputy Attorney General
Idaho Department of Insurance
P.O. Box 83720
Boise, Idaho 83720-0043



JEAN R. URANGA