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Department of Insurance
State of Idaho

BEFORE THE DIRECTOR OF THE DEPARTMENT OF INSURANCE
STATE OF IDAHO

In the Matter of:

JEFFERY M. MILLER

Resident Producer License No. 401387

Docket No. 18-2851-13

CONSENT ORDER

The parties herein, namely the Idaho Department of Insurance (the "Department"), by and through its counsel of record, Richard B. Burleigh, Deputy Attorney General, and JEFFERY M. MILLER ("MILLER"), resident producer under title 41 of the Idaho Code, holding Resident Producer License No. 401387, do hereby agree and stipulate as follows:

FINDINGS OF FACT

1. MILLER is and has been a licensed insurance producer in the state of Idaho, holding license No. 401387 since its original issuance date of January 26, 2012, and is therefore subject to the provisions of title 41, Idaho Code, and to the rules of the Idaho Department of Insurance promulgated thereunder, for acts occurring during that time period.

2. MILLER was an appointed producer for American Family Life Assurance

Company of Columbus ("AFLAC") with an active date for disability (health) insurance of January 1, 2012, and an active date for life insurance of March 5, 2012.

3. MILLER has no other appointments with any other insurance companies.

4. On August 28, 2012, MILLER's AFLAC appointment was terminated by AFLAC for cause.

5. AFLAC's stated reasons for MILLER's termination for cause were based on an AFLAC fraud investigation that concluded that MILLER established bogus businesses to get payroll rates and submitted business group insurance policy applications for friends and family members that did not meet AFLAC's business group requirements.

6. By letter dated September 6, 2012, AFLAC, in compliance with Idaho law, notified the Department that MILLER's appointment was terminated for cause.

7. Upon investigation of the AFLAC allegations included in its notice, the Department determined that MILLER submitted the fraudulent insurance applications to AFLAC to get payroll rates; that the applications concerned at least three fraudulent businesses and seventy individual applications for thirteen individuals (including MILLER) as employees of the non-existent businesses, without the intent to pay through payroll deductions per AFLAC's requirements; and that many of the applicants' signatures were forged by MILLER, to wit:

- a. MILLER fraudulently submitted to AFLAC up to fourteen insurance applications for four separate individuals identified as employees for a business referred to as Gift Guide. None of the four individuals were employees of Gift Guide. MILLER forged or otherwise signed the applicants' signatures on the applications without permission. The Idaho Department of Labor could not identify any business registered in Idaho under the name Gift Guide, and no such entity is listed on the Idaho Secretary of State's website.

- b. MILLER fraudulently submitted to AFLAC as many as twenty insurance applications for four separate individuals identified as employees for a business referred to as SarahnDipity Jewelry. None of the four individuals were employees of SarahnDipity Jewelry. MILLER forged or otherwise signed the applicants' signatures on the applications without permission. The Idaho Department of Labor could not identify any business registered in Idaho under the name SarahnDipity Jewelry, and no such entity is listed on the Idaho Secretary of State's website.
- c. MILLER fraudulently submitted to AFLAC as many as thirty-six insurance applications for six separate individuals (including MILLER) identified as employees for a business referred to as Miller Benefits. None of the six individuals were employees of Miller Benefits. MILLER forged or otherwise signed the other applicants' signatures on the applications without permission. The Idaho Department of Labor could not identify any business registered in Idaho under the name Miller Benefits, and no such entity is listed on the Idaho Secretary of State's website.

8. The parties agree that this matter may be brought to a close by this negotiated and stipulated Consent Order.

CONCLUSIONS OF LAW

9. Idaho Code § 41-1016(1)(e) provides that the director of the Department may impose an administrative penalty not to exceed one thousand dollars (\$1,000) and may revoke any license issued under chapter 10, title 41, Idaho Code, for misrepresenting the terms of an actual or proposed application for insurance or misrepresenting any fact material to any insurance transaction or proposed transaction.

10. Idaho Code § 41-1016(1)(h) provides that the director of the Department may impose an administrative penalty not to exceed one thousand dollars (\$1,000) and may revoke any license issued under chapter 10, title 41, Idaho Code, for using fraudulent or dishonest practices, or demonstrating incompetence or untrustworthiness in the conduct of business in this state.

11. Idaho Code § 41-1016(1)(j) provides that the director of the Department may impose an administrative penalty not to exceed one thousand dollars (\$1,000) and may revoke any license issued under chapter 10, title 41, Idaho Code, for forging another's name on an application for insurance or on any document related to an insurance transaction.

12. In each instance referenced above wherein MILLER submitted an application to AFLAC for an individual as an employee of a nonexistent employer MILLER violated Idaho law.

13. The director of the Department is authorized under Idaho Code §§ 41-1016(1)(e), (h) and (j) to impose a penalty of \$1,000 for each act in violation of Idaho law and to revoke MILLER's producer license.

SANCTIONS

14. Based on the foregoing, MILLER and the Department agree as follows:

- a. MILLER's Resident Producer License No. 401387 shall be discontinued and revoked, effective immediately upon entry of this Consent Order.
- b. An administrative penalty in the amount of Five Thousand Dollars (\$5,000.00) shall be imposed upon MILLER, provided that such penalty shall be suspended but due and payable in full prior to any application by or on behalf of MILLER for any license under title 41, Idaho Code.

15. The parties waive their right to notice and hearing at which they may be

represented by counsel, present evidence and examine witnesses.

16. The parties hereby waive the right to seek reconsideration and judicial review of the Consent Order entered herein.

17. The parties agree that the terms of this Consent Order are appropriate and proper under the circumstances referenced herein and that they have entered into this Consent Order knowingly, voluntarily and with full knowledge of any rights they may be waiving thereby.

AGREED THIS 12 day of February, 2013.

By: Jeffery Miller
JEFFERY M. MILLER

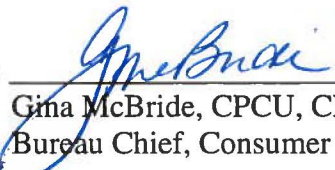
State of Idaho)
) ss.
County of Ada)

On this _____ day of February, 2013, before me, the undersigned Notary Public, personally appeared JEFFERY M. MILLER, proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument, and acknowledged that he executed the same.

Notary Public in and for the State of Idaho
My commission expires on _____

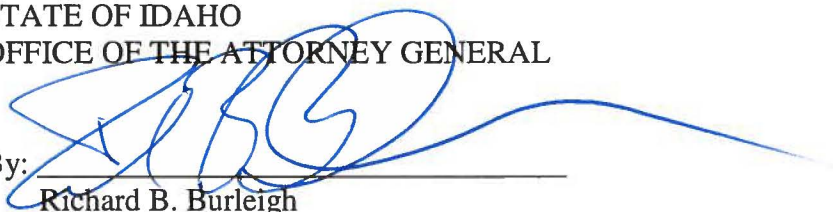
AGREED THIS 14th day of February, 2013.

STATE OF IDAHO
DEPARTMENT OF INSURANCE

By: 
Gina McBride, CPCU, CPM, CIE
Bureau Chief, Consumer Services

Approved as to Form:

STATE OF IDAHO
OFFICE OF THE ATTORNEY GENERAL

By: 
Richard B. Burleigh
Deputy Attorney General
Attorney for the Department of Insurance

FINAL ORDER

IT IS HEREBY ORDERED,

1. JEFFERY M. MILLER's Resident Producer License No. 401387 is hereby discontinued and revoked, effective immediately.
2. An administrative penalty in the amount of Five Thousand Dollars (\$5,000.00) is imposed upon JEFFERY M. MILLER, provided that such penalty shall be suspended but due and payable in full prior to any application by or on behalf of JEFFERY M. MILLER for any license under title 41, Idaho Code.

DATED this 14th day of February, 2013.

STATE OF IDAHO
DEPARTMENT OF INSURANCE



WILLIAM W. DEAL
Director

NOTICE REGARDING REPORTABLE PROCEEDINGS

The foregoing is considered a reportable administrative proceeding. As such, it is a public record and is public information that may be disclosed to other states and reported to companies for which you are actively appointed. This information will be reported to the National Association of Insurance Commissioners (NAIC) and will appear in the online searchable database of the Idaho Department of Insurance. You should be aware that this proceeding must be disclosed on any insurance license application and must be reported to any and all states in which you hold an insurance license.

CERTIFICATE OF SERVICE


I HEREBY CERTIFY that, on this 14th day of February, 2013, I caused a true and correct copy of the foregoing, fully-executed **CONSENT ORDER** to be served upon the following by the designated means:

Jeffery M. Miller
11857 Clover Field Lane, Apt. 201
Boise, ID 83713-5289

- ☒ first class mail
- ☒ certified mail
- ☐ hand delivery
- ☐ via facsimile

Richard B. Burleigh
Deputy Attorney General
Idaho Department of Insurance
700 W. State Street, 3rd Floor
P.O. Box 83720
Boise, ID 83720-0043

- ☐ first class mail
- ☐ certified mail
- ☒ hand delivery
- ☐ via facsimile


Teresa Jones