

STATE OF ARIZONA

DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS

In the Matter of:

COUGHLIN, JAMES
(National Producer No. 6733043)

Respondent

No. 21A-038-INS

ORDER

On September 20, 2021, the Office of Administrative Hearings, through Administrative Law Judge Adam D. Stone, issued an Administrative Law Judge Decision (“Recommended Decision”). The Director of the Arizona Department of Insurance and Financial Institutions (“Director”) received the Recommended Decision on the same date, 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, except to correct the following:
 - a. Page 1, line 16, should read: “licensed by the Arizona Department of Insurance **and Financial Institutions**”
 - b. Page 2, line 16, should read: “another policy with Ramirez as the primary insured”
2. The Director ADOPTS the Recommended Conclusions of Law.
3. The Director ADOPTS the Recommended Order.
4. The Director orders that James Coughlin’s Arizona insurance producer license, number 6733043, is revoked effective immediately.

NOTIFICATION OF RIGHTS

Pursuant to Arizona Revised Statutes (“A.R.S.”) § 41-1092.09, Respondent may

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

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

9 DATED this 4th day of October, 2021.

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12 Evan G. Daniels, Director
13 Arizona Department of Insurance and
14 Financial Institutions
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1 **COPY** of the foregoing electronically transmitted
this 6th day of October, 2021, to:

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

5 **COPY** of the foregoing mailed by U.S. Certified Mail,
6 Electronic Receipt Requested, same date to:

7 James Coughlin
7 7351 E. Speedway Blvd., Apt. 17G 9489 0090 0027 6266 7765 63
8 Tucson, AZ 85710
9 Respondent

10 **COPY** of the foregoing electronically delivered same date to:

11 Deian Ousounov, Regulatory Legal Affairs Officer
12 Ana Starcevic, Paralegal Project Specialist
13 Steven Fromholtz, Division Manager
14 Wendy Greenwood, Investigations Supervisor
15 Aquellah Currie, Licensing Supervisor
16 Linda Lutz, Legal Assistant
17 Arizona Department of Insurance and Financial Institutions
18 100 North 15th Avenue, Suite 261
19 Phoenix, Arizona 85007

20 **COPY** sent same date via electronic mail to:

21 James Coughlin
22 JC21211857@GMAIL.COM
23 Respondent

24 Holly Wan, Assistant Attorney General
25 Holly.Wan@azag.gov
26 AdminLaw@azag.gov
Attorney for the Arizona Department of Insurance and Financial Institutions

Ana Starcevic

IN THE OFFICE OF ADMINISTRATIVE HEARINGS

In the Matter of:

No. 21A-038-INS

COUGHLIN, JAMES
(National Producer No. 6733043)

**ADMINISTRATIVE LAW JUDGE
DECISION**

Respondent

HEARING: September 9, 2021

APPEARANCES: Respondent James Coughlin did not appear. The Arizona Department of Insurance was represented by Assistant Attorney General Holly Wan.

ADMINISTRATIVE LAW JUDGE: Adam D. Stone

FINDINGS OF FACT

1. At all times relevant to this matter, James Coughlin (Respondent) was licensed by the Arizona Department of Insurance (Department) in Arizona as a resident insurance producer with lines of authority in life insurance and accident and health or sickness insurance. National Producer Number 6733043. Respondent's license was scheduled to expire on February 28, 2025.

2. On or about February 11, 2021, Raymond Ramirez ("Ramirez") submitted a consumer complaint ("Complaint") to the Department alleging that Respondent created two term life insurance policies as well as two term life insurance policies for his wife, Emily Lippert ("Lippert") without their consent or knowledge.

3. On or about February 16, 2021, the Department spoke with Ramirez and Lippert regarding the Complaint. Lippert informed the Department that when she and Ramirez were married in April 2019, Ramirez cancelled his insurance policies with Respondent and was added to Lippert's insurance coverage. Further, during the conversation, Lippert informed the Department that Respondent would constantly call her and Ramirez to try to sell them new policies, despite informing Respondent that they were

1 not interested. In June 2019, Lippert requested that Respondent stop calling and
2 Respondent became angry.

3 4. Lippert also informed the Department that in July 2020, when reviewing
4 Ramirez's bank statements, she noticed recurring charges from National General
5 Insurance Company ("NGIC"). Lippert then investigated the charges and became aware
6 that four term life insurance policies were created with NGIC and the premiums were
7 being auto-drafted from Ramirez's bank account. Two of the policies were created in
8 2019 after the last phone call with Respondent, and the other two were created in 2020.

9 5. At hearing, the Department offered the testimony of Wendy Greenwood and
10 offered 14 exhibits into evidence.

11 6. Ms. Greenwood was the Department's Investigations Supervisor and
12 investigated this matter once the former Investigator Jeff Eavenson left the Department.

13 7. Ms. Greenwood testified as to the above and detailed the four policies in
14 question. First, Ms. Greenwood demonstrated in Exhibit 3 how Ramirez's address was
15 incorrect and the e-mail address was that of Respondent's. Second, Ms. Greenwood
16 testified that Exhibit 7 was another policy with Ramirez as the primary insured and again
17 Ramirez's address and e-mail address was incorrect. All policies were purported to be
18 e-signed by Ramirez.

19 8. As to the two policies¹ with Lippert as the primary insured, again the address
20 and e-mail address was incorrect on both, but also the name of the primary insured was
21 incorrect. Further, both policies were purported to be e-signed by "Emily Ramirez". Ms.
22 Greenwood testified that during her conversation with Lippert, she was informed that
23 Lippert never changed her name to "Ramirez" upon marriage, so she never would have
24 used that name on an insurance application.

25 9. Ms. Greenwood testified further that NGIC also investigated the matter and
26 provided records to Investigator Eavenson to assist in the Department's investigation.
27 NGIC also cancelled all four policies and refunded the paid premiums to Ramirez and
28 Lippert.²

29 ¹ See Exhibits 5 and 9.

30 ² See Exhibit 12.

1 be presented, an oral or written statement, including computer generated documents, to
2 an insurer that contains untrue statements of material fact or that fails to state any material
3 facts with respect to the application for the issuance of an insurance policy, within the
4 meaning of A.R.S. § 20-463(A)(1)(a).

5 6. Grounds exist for the Director of the Department to suspend, revoke, or
6 refuse to renew the License pursuant to A.R.S. § 20-295(A).

7 7. Further, Respondent's failure to appear at the hearing demonstrates that he
8 is not able to be regulated at this time.

9 **ORDER**

10 Based upon the above, Respondent's License shall be revoked on the effective
11 date of the Order entered in this matter.

12 *In the event of certification of the Administrative Law Judge Decision by the*
13 *Director of the Office of Administrative Hearings, the effective date of the Order will be*
14 *five (5) days from the date of that certification.*

15 Done this day, September 20, 2021.

16 /s/ Adam D. Stone
17 Administrative Law Judge

18 Transmitted electronically to:

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20 Evan G. Daniels,
21 Department of Insurance and Financial Institutions - Insurance
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