

**BEFORE THE COMMISSIONER OF INSURANCE  
OF THE STATE OF KANSAS**

In the Matter of the Kansas Nonresident )  
Insurance Agent's License of ) Docket No. **4231--SO**  
**BRAD STEVEN WESSLER** )  
NPN #2725086 )

**SUMMARY ORDER**

Pursuant to the authority granted to the Commissioner of Insurance ("Commissioner") by K.S.A. 40-4909, the Commissioner hereby proposes to find facts and revoke the Kansas nonresident insurance agent's license of Brad Steven Wessler ("Respondent") by way of Summary order as provided by K.S.A. 77-537.

**Findings of Fact**

1. Records maintained by the Kansas Insurance Department ("KID") reflect that Respondent is licensed as a nonresident agent to transact the business of insurance in Kansas and has been so licensed since July 6, 2010.
2. KID records further indicate Respondent's legal address is 6598 Pinon Ct., Chino, California, and his mailing address is 6251 Schaefer Ave., Ste O, Chino, CA 91710-9066.
3. Following investigation, the Commissioner has no reason to believe that protection of the public interest requires the Commissioner to give notice and opportunity to participate to anyone other than the respondent.
4. Following investigation, the Commissioner finds evidence sufficient to support the following findings of fact:

5. Respondent was previously licensed as a resident insurance agent in the state of Indiana, and effective August 27, 2010, Respondent's Indiana license was revoked for misstatement on the license application.
6. Respondent did not report this action to the Kansas Insurance Department within 30 days as required by K.A.R. § 40-7-9(a) and has not reported it to date.
7. By letter dated July 23, 2010, Continental American Insurance Company ("CAIC") reported to KID that Americans for Affordable Healthcare (AFAH) incorrectly named CAIC as the carrier for insurance coverage of members of another association through an affiliation agreement.
8. According to CAIC, CAIC was identified as the carrier providing benefits to the Association for Lifestyle Reform (ALR) and other related association groups through its relationship with AFAH.
9. According to CAIC, CAIC provides hospital indemnity coverage and offers critical illness coverage to the membership of AFAH but provides no coverage to ALR members, directly or indirectly, and has collected no premium on behalf of those members.
10. CAIC identified Respondent as a principal of ALR who provided membership and enrollment information to CAIC.
11. According to CAIC, 21 Kansas consumers are among the 1964 consumers identified who may believe they have CAIC hospital indemnity and/or critical illness coverage through ALR.

12. In addition, as of March 2010, AFAH was more than six months behind in its premium payments, and it is unknown whether any Kansas consumers may have made premium payments through ALR to AFAH for critical illness coverage.

13. By letter of October 4, 2010, counsel for KID wrote to Respondent at his mailing address of record and invited Respondent to reply within 15 business days if he disputed the above.

14. To date, the letter has not been returned and Respondent has not replied. Thus, the above facts are deemed undisputed.

### **Applicable Law**

15. K.S.A. 40-4909(a) provides, in relevant part:

“The commissioner may deny, suspend, revoke or refuse renewal of any license issued under this act if the commissioner finds that the applicant or license holder has . . .

(2) Violated: (A) Any provision of chapter 40 of the Kansas Statutes Annotated, and amendments thereto, or any rule and regulation promulgated thereunder; . . . (C) any insurance law or regulation of another state; . . .

(9) Had an insurance agent license, or its equivalent, denied, suspended or revoked in any other state, district or territory.” K.S.A. 40-4909(a).

16. Use of “any name or title of any insurance policy or class of insurance policies misrepresenting the true nature thereof” is an unfair trade practice in violation of K.S.A. 40-2404(1)(e).

17. Any “statement containing any assertion, misrepresentation or statement with respect to the business of insurance or with respect to any person in the conduct of such person’s business, which is untrue, deceptive or misleading” is an unfair trade practice in violation of K.S.A. 40-2404(2).

18. K.A.R. §40-7-9(a) requires a licensed agent to report to the Commissioner within 30 days any disciplinary action against the agent's license by the insurance regulatory agency of another jurisdiction.

19. In addition, the Commissioner may revoke any license issued under the Insurance Agents Licensing Act if the Commissioner finds that the interests of the insurer or the insurable interests of the public are not properly served under such license. K.S.A. 40-4909(b).

### **Conclusions of Law**

20. The Commissioner has jurisdiction over Respondent as well as the subject matter of this proceeding, and such proceeding is held in the public interest.

21. The Commissioner finds, based on the undisputed facts contained in paragraphs 5 and 6, that Respondent's license may be revoked pursuant to K.S.A. 40-4909(a)(2)(A) because Respondent has violated K.A.R. §40-7-9(a) by failing to report a disciplinary action to the Commissioner.

22. The Commissioner finds, based on the undisputed facts contained in paragraphs 7 through 10, that Respondent's license may be revoked pursuant to K.S.A. 40-4909(a)(2)(A) for use of the name or title of any insurance policy or class of insurance misrepresenting the true nature thereof, in violation of K.S.A. 40-2404(1)(e) and/or false, deceptive, or misleading statements about the business of insurance, in violation of K.S.A. 40-2404(2).

23. The Commissioner finds, based on the undisputed facts contained in paragraph 5, that Respondent's license may be revoked pursuant to K.S.A. 40-4909(a)(2)(C)

and (a)(9) because Respondent has had an insurance agent license revoked in another state for violation of that state's law.

24. The Commissioner further concludes Respondent's license may be revoked pursuant to K.S.A. 40-4909(b) because such license is not properly serving the interests of the insurer and the insurable interests of the public.

25. Based on the facts and circumstances set forth herein, it appears that the use of summary proceedings in this matter is appropriate, in accordance with the provisions set forth in K.S.A. 77-537(a), in that the use of summary proceedings does not violate any provision of the law, the protection of the public interest does not require the KID to give notice and opportunity to participate to persons other than Respondent, and after investigation, KID believes in good faith that the allegations will be supported to the applicable standard of proof.

**IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE THAT** the Kansas nonresident insurance agent's license of **BRAD STEVEN WESSLER** is hereby **REVOKED**. **It is further ordered,** that **BRAD STEVEN WESSLER** shall **CEASE and DESIST** from the sale, solicitation, or negotiation of insurance and/or receiving compensation deriving from the sale, solicitation, or negotiation of insurance conducted on and after the effective date of this order.

IT IS SO ORDERED THIS  24th  DAY OF  November  2010, IN THE CITY OF TOPEKA, COUNTY OF SHAWNEE, STATE OF KANSAS.



/s/ Sandy Praeger  
Sandy Praeger  
Commissioner of Insurance

BY:

/s/ John W. Campbell  
John W. Campbell  
General Counsel

**NOTICE OF RIGHTS TO HEARING AND REVIEW**

Within fifteen (15) days of the date of service of this Summary Order, Respondent may submit a written request for a hearing pursuant to K.S.A. 77-537 and K.S.A. 77-542. Any request for a hearing should be addressed to the following:

John W. Campbell, General Counsel  
Kansas Insurance Department  
420 S.W. 9<sup>th</sup> Street  
Topeka, Kansas 66612

If a hearing is requested, the Kansas Insurance Department will serve notice of the time and place of the hearing and information on procedures, right of representation, and other rights of parties relating to the conduct of the hearing.

If a hearing is not requested in the time and manner stated above, this Summary Order shall become effective as a Final Order upon the expiration of time for requesting a hearing. In the event Respondent files a Petition for Judicial Review, pursuant to K.S.A. 77-613(e), the agency officer to be served on behalf of the Kansas Insurance Department is:

John W. Campbell, General Counsel  
Kansas Insurance Department  
420 S.W. 9<sup>th</sup> Street  
Topeka, Kansas 66612

**Certificate of Service**

The undersigned hereby certifies that she serviced a true and correct copy of the above and foregoing **Summary Order** and accompanying **Notice of Rights** on this 24th day of November 2010, by causing the same to be placed in the United States Mail, first class postage prepaid, addressed to the following:

BRAD STEVEN WESSLER  
6251 Schaefer Ave., Ste O,  
Chino, CA 91710-9066

/s/ Brenda J. Clary  
Brenda J. Clary  
Staff Attorney