

**BEFORE THE COMMISSONER OF INSURANCE
OF THE STATE OF KANSAS**

In the Matter of)
COMPLETE HOME SOLUTIONS,)
YOUR COMPLETE HOME SOLUTIONS, LLC,) **Docket No.: 4324-EO**
CHS CLAIMS SERVICE,)
NATIONAL CLAIMS SOLUTIONS,)
SERENA KOTALIK,)
and WILLIAM L. ROBERTS,)
Respondents.)

EMERGENCY ORDER
(Pursuant to K.S.A. 77-536)

Pursuant to the authority granted to the Commissioner of Insurance (“Commissioner”) by K.S.A. 40-4909 and K.S.A. 77-536, the Commissioner hereby **ORDERS** that **RESPONDENTS** and any and all related entities, however named, **CEASE AND DESIST** from soliciting business as a public adjuster in state of Kansas.

Findings of Fact

1. Sandy Praeger is the duly elected, qualified, and acting Commissioner of Insurance for the State of Kansas.
2. Respondent Complete Home Solutions (“Respondent”) is a “claims company” doing business in Kansas, Serena Kotalik (“Kotalik”) is named as the company representative for Complete Home Solutions, LLC., on the company’s contract form, and Respondent William L. Roberts (“Roberts”) supervises employees representing the business, or businesses, in Kansas under multiple names.
3. Respondents appear to have business addresses of 200 NE Missouri Road, Suite 200, Lee’s Summit, Missouri, and 625 W. Southern Avenue, Mesa, Arizona, and the internet domain name of www.chsclaims.com.
4. Respondents also appear to be known as Complete Home Solutions, LLC, Your Complete Home Solutions, LLC, National Claims Solutions, and CHS Claims Service.
5. Respondents are doing business in Kansas but do not appear to be registered with the Secretary of State to do business in Kansas under any of the listed entity names.
6. Respondents do not reside in Kansas or maintain an office in Kansas.

7. The internet domain name is registered through Contact Privacy, Inc., maintaining anonymity for the user of the domain name.
8. Respondents do not hold a license or other authority granted by the Commissioner to engage in the business of insurance in Kansas.
9. KID has received complaints and inquiries about Respondents from insurance consumers in Topeka, Kansas, and from an insurance company.
10. In the days after a damaging hail storm in Topeka, consumers began reporting unsolicited contacts from representatives of Complete Home Solutions.
11. Through the initial telemarketing call and a follow-up visit by a “claims consultant,” Complete Home Solutions offered to inspect for roof damage, represent the consumer in negotiations with the consumer’s insurance company, and arrange for one of the company’s contracting roofers to repair the damage.
12. The claims consultant’s business card states, “You wouldn’t go to court without an attorney so don’t deal with your insurance company without a Claims specialist on your side!!!”
13. The Complete Home Solutions contract provides that the company shall assist the homeowner in “submitting, processing, negotiating, and settling claims with its Homeowner’s Insurance coverage for damage to Homeowner’s roof” in exchange for payment of the full amount of the claim, including deductible, plus any agreed upgrades.
14. The contract further provides that if the homeowner chooses not to have the company complete the work, the homeowner must pay the company thirty percent of the total amount approved by the insurance company for repairs, including the deductible.
15. The contract requires the homeowner to sign the initial insurance claim and grants power of attorney to Your Complete Home Solutions, LLC, for all further submission and processing of the claim.
16. In the contract, the company disclaims liability for damage and disclaims all warranties, express and implied, except manufacturers’ warranties on materials.
17. In one case, a representative of Complete Home Solutions is alleged to have contacted a consumer and posed as an adjuster for the consumer’s insurance company.
18. Information gleaned from those complaints and inquiries, with attached documents, contracts, and business cards, as well as internet searches and information provided by the

National Insurance Crime Bureau (NICB) led to identification of William Lee Roberts (“Roberts”) as a principal of the business.

19. Respondent’s local employment advertisements for sales people provide telephone and email contact information for “Bill Roberts.”
20. In telephone communication with the Commissioner’s investigator, Roberts said he was in charge of the Kansas City office and the sales people in Kansas.
21. Roberts refused to provide a list of contracting roofers.
22. Roberts provided a copy of a script he said telemarketers were instructed to follow.
23. The script states that nine out of ten homeowners in the area have “plenty of damage” from the recent hailstorm.
24. The script continues, “[W]e understand that you can do this on your own, however, most people wouldn’t go to court without a lawyer so why file a claim with out [sic] a claim specialist, it doesn’t cost you any more than it would if you did it yourself, and you get an expert on your side.”
25. During the call, the telemarketer attempts to set an appointment for a “Claims manager” to visit the home “tomorrow” to inspect for damage.
26. Based on sources of background information, the Commissioner has reason to believe that Roberts may have been convicted of felony crimes involving dishonesty.
27. In addition to hail damage in Topeka, tornadoes have recently caused damage in other communities in Kansas, leaving Kansas residents specially vulnerable to a promise of the kind of services Respondents purport to offer.
28. Adjusting damage and representing consumers with respect to claims for damage or loss covered by insurance is acting as a public adjuster, as the term is uniformly understood in the business of insurance, and is insurance business.

Applicable Law

29. The Commissioner is “charged with the administration of all laws relating to insurance, insurance companies and fraternal benefit societies doing business in this state, and all other duties which are or may be imposed upon such officer by law.” K.S.A. 40-102.
30. The Commissioner is authorized to hold a fact-finding hearing on any matter relating to the business of insurance, and empowered to subpoena witnesses, compel their attendance, and

require the production of documents, whenever the Commissioner shall have reason to believe that such a proceeding would be in the public interest. K.S.A. 40-281.

31. The Kansas Administrative Procedures Act (KAPA), K.S.A. 77-501 *et seq.*, permits a state agency to use an emergency proceeding “[i]n a situation involving an immediate danger to the public health, safety or welfare that justifies use of emergency adjudication.” K.S.A. 77-536(a)(1). “The state agency may take only such action as is necessary: (1) To prevent or avoid the immediate danger to the public health, safety or welfare that justifies use of emergency adjudication.” K.S.A. 77-536(b)(1). The state agency must give such notice as is practicable to persons who are required to comply with the order, and the order is effective when rendered. K.S.A. 77-536(d)(1). The agency shall proceed as quickly as feasible to complete any proceedings that would be required if the matter did not justify the use of emergency proceedings. K.S.A. 77-536(e).

Conclusions of Law

32. Respondents’ conduct involves the business of insurance.

33. Respondents’ solicitation poses an immediate risk of harm to consumers, and any other loss payees, by enticing consumers to pay or assign insurance policy proceeds to Respondents with the reasonable expectation that Respondents are authorized and qualified to do the work and accountable for their performance, when in fact, they are not.

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

Policy Reasons

35. The Commissioner and the Kansas Insurance Department seek to regulate the business of insurance in Kansas so as to protect the public health, safety and welfare. The Commissioner seeks to assure that any person or company engaging in the insurance business in Kansas is qualified and accountable for the promised performance. Any person or company doing business in the state anonymously or under multiple business names, with a questionable history, and without a physical presence in the state, poses a risk of financial loss to consumers. The risk of harm to the public is particularly imminent at a time when insurance companies and consumers are contending with a high volume of storm damage. An emergency order pursuant to K.S.A. 77-536 is necessary and appropriate to prevent irreparable financial harm to consumers from the unauthorized acts of Respondent.

IT IS THEREFORE ORDERED BY THE COMMISSIONER OF INSURANCE THAT Serena Kotalik, William L. Roberts, and Complete Home Solutions any of its related entities, however identified and named, CEASE AND DESIST from soliciting or accepting engagement to represent insurance consumers in negotiating and settling claims for losses to property covered by contracts of insurance in the state of Kansas.

IT IS SO ORDERED THIS 22nd DAY OF JUNE 2011, IN THE CITY OF TOPEKA, COUNTY OF SHAWNEE, STATE OF KANSAS.



/s/ Sandy Praeger
Sandy Praeger
Commissioner of Insurance

BY:

/s/ Zachary J.C. Anshutz
Zachary J.C. Anshutz
General Counsel

NOTICE OF RIGHTS

Pursuant to K.S.A. 77-536(d), this Emergency Order shall become effective when rendered. However, Respondent may make a written request for a stay of this order. Hearing on the request would be limited to the issue of whether circumstances warrant imposition of an emergency order pending other hearing procedures. Any request should be directed to the following:

Zachary J.C. Anshutz, General Counsel
Kansas Insurance Department
420 S.W. 9th Street
Topeka, Kansas 66612

In the event Respondent files a petition for judicial review, pursuant to K.S.A. 77-613(e), the petition must be filed within 30 days of the date of service of this order. The agency officer to be served on behalf of the Kansas Insurance Department is:

Zachary J.C. Anshutz, General Counsel
Kansas Insurance Department
420 S.W. 9th Street
Topeka, Kansas 66612

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NOTICE OF HEARING

PLEASE TAKE NOTE that, whereas an Emergency Order, docket number 4324-EO, was entered against Complete Home Solutions, LLC, *et al.*, for unlawfully engaging in the business of insurance, Respondents are entitled to a hearing on the facts, law, and disposition contained in the Emergency Order.

The Commissioner has jurisdiction pursuant to K.S.A. 40-103 and under the authority of K.S.A. 77-501 *et seq.* to proceed as follows:

You are hereby notified that the Kansas Insurance Department alleges that you have violated the law as set forth in the Emergency Order and/or as may be more fully set forth, prior to hearing, as a result of further investigation or at your request.

A prehearing conference in this matter is scheduled for the 20th day of July **2011, at 10 : 00 a.m./p.m.** at the Kansas Insurance Department, 420 S.W. 9th Street, Topeka, Kansas 66612, telephone (785) 296-3071. You may appear in person or by telephone with prior approval of the Presiding Officer.

Robert M. Tomlinson, Assistant Commissioner, is designated as Presiding Officer and authorized, pursuant to K.S.A. 77-547, to act on behalf of the Commissioner for all matters pertinent to the above-captioned case and render a final order.

Pursuant to K.S.A. 77-517(b), matters to be considered by the presiding officer at the prehearing conference may include the following: exploration of settlement possibilities, preparation of stipulations, clarification of issues, rulings on identity and limitation of the number of witnesses, objections to proffers of evidence, determination of the extent to which direct evidence, rebuttal evidence, or cross-examination will be presented in written form, the extent to which telephone or other electronic means will be used as a substitute for proceedings in person, the order of presentation of evidence and cross-examination, rulings regarding issuance of subpoenas, discovery orders and protective orders, and such other matters as will expedite the hearing.

At least one week prior to the prehearing conference, you must file and serve a completed Prehearing Questionnaire, a form for which is enclosed.

Any application for a continuance should be made in writing specifying the grounds in support thereof. Such application should be filed with the Presiding Officer for Prehearing Procedural Matters no later than three days prior to the time set for the prehearing conference, except where an emergency or exceptional circumstances exist.

Without further notice, the prehearing conference may be converted into a conference adjudicative hearing or a summary adjudicative proceeding for disposition of the matter as provided by K.S.A. 77-516(a)(7).

Any communication with the Presiding Officer for Prehearing Procedural Matters regarding this matter shall be in writing and any oral communication must be confirmed in writing. Mr. Tomlinson may be reached by telephone at (785) 296-2676 or by e-mail at Btomlins@ksinsurance.org.

File all correspondence and original pre-hearing pleadings in this matter at the Kansas Insurance Department and provide a copy to:

Robert M. Tomlinson
Presiding Officer
Kansas Insurance Department
420 S.W. 9th Street
Topeka, Kansas 66612

In addition, you must serve a copy on each party or the attorney for each party.

If you fail to appear or participate at the prehearing conference, the Presiding Officer may proceed to enter any such order as authorized by law and justified by the evidence before him. In such event, you will be held in default and will be served with a written notice of a proposed default order which will include a statement of the grounds supporting the Presiding Officer's order.

/s/ Brenda J. Clary
Brenda J. Clary, #18770
Staff Attorney
Kansas Insurance Dept.
420 SW 9th St.
Topeka, KS 66612
Voice: 785-296-7809
Fax: 785-291-3190
bclary@ksinsurance.org

Certificate of Service

The undersigned hereby certifies that she served a true and correct copy of the above and foregoing **Emergency Order**, **Notice of Rights**, and **Notice of Hearing** on this 22nd day of June 2010, by causing the same to be placed in the United States Mail, first class postage prepaid, addressed to the following:

William L. Roberts
Complete Home Solutions
200 NE Missouri Road, Suite 200
Lee's Summit, MO 64086

And

William L. Roberts
Complete Home Solutions
625 W. Southern Avenue
Mesa, AZ 85210

And

Serena Kotalik
Complete Home Solutions
200 NE Missouri Road, Suite 200
Lee's Summit, MO 64086

And by facsimile to the following:

Complete Home Solutions, LLC
c/o William L. Roberts or Serena Kotalik
602-357-3383 and 816-326-3873

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