



STATE OF RHODE ISLAND
DEPARTMENT OF BUSINESS REGULATION
1511 PONTIAC AVENUE, BUILDING 69-2
CRANSTON, RHODE ISLAND 02920

IN THE MATTER OF:

MICHAEL J. HUTCHINSON

RESPONDENT.

DBR No.: 2023-IN-004

&

NPN No.: 19702915

**EMERGENCY ORDER SUMMARILY SUSPENDING LICENSE;
ORDER TO SHOW CAUSE: WHY AN ORDER SHOULD NOT ISSUE
TO REVOKE INSURANCE PRODUCER LICENSE AND
FINES SHOULD NOT BE ASSESSED;
NOTICE OF HEARING AND APPOINTMENT OF HEARING OFFICER**

Pursuant to R.I. Gen. Laws § 42-35-1 *et seq.*, the Director (“Director”) of the Rhode Island Department of Business Regulation (“Department”) issues to Michael J. Hutchinson (“Respondent”) this Emergency Order summarily suspending Respondent’s Insurance Producer License, and Order to Show Cause Why an Order Should Not Issue to Revoke the Insurance Producer License, Notice of Hearing, and Appointment of Hearing Officer (the “Order” or “Emergency Order”). This Order is issued pursuant to the Administrative Procedures Act (“APA”), R.I. Gen. Laws § 42-35-1 *et seq.*, specifically including the Director’s emergency authority found in R.I. Gen. Laws § 42-35-14(c), having determined that the public health, safety, and welfare imperatively requires emergency action. **This Order requires that Respondent appear at an Administrative Hearing to show cause why Respondent’s Insurance Producer License should not be permanently revoked, and fines assessed. This Order of Summary Suspension is effective upon issuance. The Hearing will be held on**



February 22, 2024, at 10:30 A.M. remotely through Zoom, please see the Zoom link below.

The Director issues the Emergency Order for the following reasons:

EMERGENCY FINDING

1. Based on the facts below, the Director finds that Respondent presents a threat to the public welfare were he to continue to hold an insurance producer license.
2. This Emergency Order is being issued because Respondent has failed to respond to three communications with requests and questions from the Department's Insurance Division (the "Division") in a timely or meaningful manner regarding two (2) filed consumer complaints that impacted three (3) separate consumers involving serious allegations of fraud, forgery, dishonesty, and untrustworthiness.
3. The Division sent two (2) emails and one (1) letter, sent both by certified mail and regular mail, requesting his response, and to date no material response has been received.
4. During a phone call from Division's personnel (see Paragraphs 12-13 below), in response to a question about the allegations that he had taken life insurance out on consumers without them asking for the policies, Respondent stated that it was his business practice to take policies out on people without their knowledge. During the call Respondent also admitted remorse for having done so with these consumers.
5. While the Division has not made any final conclusions as to the underlying allegations of the complaints, due in large part to Respondent's uncooperativeness throughout the investigation, the Division believes these are serious insurance fraud allegations and is continuing to investigate.



6. Respondent is aware of the Division’s requests and outreach attempts and has yet to address the serious allegations levied against him.

7. As such, this emergency suspension is in the public’s best interest.

FACTS SUPPORTING THIS ORDER

8. Respondent currently holds a non-resident Rhode Island insurance producer license (License# 3001096676, NPN# 19702915) with a current expiration date of April 30, 2025.

9. The Division has long required that licensees provide a way to communicate with them. The Division requires both a resident mailing address, a business mailing address, phone numbers and email addresses from all licensees.

10. On November 3, 2023, the Division received a consumer complaint regarding Respondent. The consumer complaint involved two separate policies that were issued, one each to a husband and a wife.

11. The consumer complaint alleged that Respondent fraudulently submitted a life insurance application on behalf of the consumer and his wife. Neither had authorized a new life insurance policy and both were unaware they were issued until receiving policy documents from the insurance company in the mail.

12. On the same day, November 3, 2023, a Principal Insurance Analyst (“Analyst”) with the Division spoke to Respondent on the phone and made him aware of the complaint allegations regarding a fraudulent life insurance application.

13. The Analyst noted that on the phone Respondent acknowledged that this was a fraudulent practice where he would submit applications for “union members”, and



that he did it on a “regular basis.” Respondent apologized on the phone and said he would “never do this again.”

14. While on the phone with Respondent, the Analyst informed Respondent that he would be receiving an e-mail with the consumer complaint.

15. On or about November 6, 2023, the Analyst sent an e-mail to Respondent, and the insurance company, requesting a response to the allegations in the consumer complaint within 15 business days.

16. This email was sent to the email address Respondent provided on his insurance producer license application, [REDACTED]

17. On November 27, 2023, the Division received a response from the insurance company regarding the complaint and informed the Division that they had received five (5) additional complaints regarding Respondent.

18. On November 30, 2023, the Division received its second consumer complaint regarding Respondent with similar allegations of fraud.

19. On December 4, 2023, the Analyst reached out to Respondent again via email and provided him with this second complaint, requesting a response to the allegations in the consumer complaint within 15 business days.

20. On December 7, 2023, the Division’s Chief of Consumer Relations and Licensing Administrator mailed an additional letter to Respondent which referenced both complaints and asked for a response to those complaints. This letter was sent via certified and regular mail to the address provided by Respondent on his license application. This letter was mailed on December 7, 2023, and certified mail was delivered on December



11, 2023. The certified mail tracking describes that the letter was left with an individual at Respondent's address.

21. The letter required a response to both complaints within 10 days. Specifically, a response was due by December 22, 2023.

22. On December 27, 2023, five (5) days after a response to the Division's follow-up letter was due, Respondent replied to the email sent by the Analyst on November 6, 2023, stating that he would be sending a response that day.

23. To date, the Division has not received a response or any other type of communication from Respondent.

AUTHORITY

24. R.I. Gen. Laws § 42-35-14(c) states that if "the agency finds that public health, safety, or welfare imperatively requires emergency action, and incorporates a finding to that effect in its order, summary suspension of license may be ordered pending proceedings for revocation or other action. These proceedings shall be promptly instituted and determined."

25. R.I. Gen. Laws § 27-2.4-14(a) provides several bases for the Department to bring an action to revoke or suspend an insurance producer's license including: "(7) Having admitted or been found to have committed any insurance unfair trade practice or fraud;" and (8) "relating to the use of dishonest practices or trustworthiness."

26. R.I. Gen. Laws § 42-14-16(a)(1) provides that after a hearing, the Department can suspend a license or issue penalties for violations of Title 27 or regulations promulgated thereunder.



At this time, based upon the complaints and information received from consumers and the insurer and Respondent's failure to respond timely and meaningfully to the Department's communications, questions, and concerns, the Director has good cause to believe that Respondent has engaged in dishonest, unfair, untrustworthy, and/or fraudulent practices injurious to consumers in violation of § 27-2.4-14(a). The totality of the information and circumstances described herein demonstrates that Respondent is acting to the detriment of the welfare and safety of the public making it imperative that a summary suspension be imposed to prevent further harm to the public welfare.

THEREFORE, based on the foregoing, the Director hereby **ORDERS**:

- I. That Respondent's non-resident Insurance Producer License (License# 3001096676, NPN# 19702915) is suspended immediately for a period of thirty (30) days pursuant to R.I. Gen. Laws § 42-35-14(c).
- II. During the period of such suspension, Respondent shall not undertake, offer to undertake, perform or arrange to perform services requiring an insurance producer license in the State of Rhode Island.
- III. Each Respondent is ordered to appear before a Hearing Officer at the Department for an **Administrative Hearing on February 22, 2023. The Hearing will be held remotely via Zoom accessible at the link on the final page of this Order.**
- IV. The Hearing is held pursuant to 230-RICR-10-00-2.5 to determine why the Director should not issue an order revoking Respondent's Insurance Producer License and issue penalties pursuant to R.I. Gen. Laws §§ 27-2.4-14(a)(7&8) and 42-14-16.



- V. The Director hereby appoints Catherine R. Warren, Esq. as Hearing Officer for the purpose of conducting the hearing and rendering a decision in this matter. The proceedings shall be conducted in conformity with R.I. Gen. Laws § 42-35-1 et seq. and 230-RICR-10-00-2.
- VI. Pursuant to 230-RICR-10-00-2.7, the Respondents may be represented by legal counsel admitted in the State of Rhode Island. If either Respondent fails to appear at the hearing and has not otherwise notified the Department of the Respondent's inability to attend, the Hearing Officer may enter a default judgment against the Respondent pursuant to 230-RICR-10-00-2.21.

If you have any questions regarding the subject matter of the hearing, please contact Attorney Mariel Garcia, Esq., via email at mariel.garcia@dbr.ri.gov or by phone at (401) 462-9606 and reference the case name and number.

Dated: February 1, 2024

Elizabeth Kelleher-Dwyer, Esq., Director

All are welcome at the Rhode Island Department of Business Regulation (“DBR”). If any reasonable accommodation is needed to ensure equal access, service or participation, please contact DBR at (401) 462-9500, RI Relay at 7-1-1, or email DBR.dirofficeinq@dbr.ri.gov at least three (3) business days prior to the hearing. To request sign language and/or CART services for the deaf and hard of hearing, please contact the Department via email at DBR.dirofficeinq@dbr.ri.gov or via telephone at (401) 462-9500. We strongly encourage you to do this at least five (5) business days before the date of the scheduled hearing to allow adequate time to process your request.



CERTIFICATION OF SERVICE

I hereby certify that on this 1st day of February, 2024, a copy of this Emergency Order Summarily Suspending License, Order to Show Cause, Notice of Hearing and Appointment of Hearing Officer was sent by first class mail postage prepaid and certified mail to:

Michael J. Hutchinson
[REDACTED]

And by email to:

1. Catherine Warren, Esq., Hearing Officer (catherine.warren@doa.ri.gov);
2. Matthew Gendron, Esq. (matthew.gendron@db.ri.gov);
3. Mariel Garcia, Esq. (mariel.garcia@db.ri.gov);
4. Rachel Chester (rachel.chester@db.ri.gov);
5. Michael J. Hutchinson [REDACTED]

Megan Mihara

Print Name:

Megan Mihara