

STATE OF NEW JERSEY  
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

Proceedings by the Commissioner	)	
of Banking and Insurance, State	)	
of New Jersey, to fine, suspend	)	<b>ORDER</b>
and/or revoke the insurance	)	<b>TO</b>
license of Ted L. Calinog,	)	<b>SHOW CAUSE</b>
Reference No. 9724592	)	

TO: Ted L. Calinog	Ted L. Calinog
Apartment A35	TLC Group
1 Rustic Ridge	160 Littleton Road
Little Falls, NJ 07424	Suite 315
	Parsippany, NJ 07054

This matter, having been opened by the Commissioner of Banking and Insurance ("Commissioner"), State of New Jersey, upon information that Ted Calinog ("Calinog"), licensed as a resident individual insurance producer pursuant to N.J.S.A. 17:22A-26 et seq., may have violated various provisions of the insurance laws of the State of New Jersey; and

WHEREAS, Respondent is subject to the provisions of the New Jersey Insurance Producer Licensing Act of 2001, N.J.S.A. 17:22A-26 et seq.; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(2), no insurance producer shall violate any insurance laws, or violate any regulation, subpoena or order of the commissioner or of another state=s insurance regulator; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(8), no insurance producer shall use fraudulent, coercive or dishonest practices, or

demonstrate incompetence, untrustworthiness or financial irresponsibility in the conduct of insurance business in this State or elsewhere; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(16), no insurance producer shall commit any fraudulent act; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40a(17), no insurance producer shall knowingly facilitate or assist another person in violating any insurance laws; and

**COUNT 1**

IT APPEARING THAT Calinog was first licensed as a producer from July 29, 1997 and currently maintains an active license; and

IT FURTHER APPEARING THAT, on or about December 3, 2002, Calinog, acting as an insurance producer, submitted to General Electric Assurance Company ("General Electric") an application for long term care insurance on behalf of both his mother, D.F., and his step father, M.C.; and

IT FURTHER APPEARING THAT, on or about February 4, 2003, the resulting policy became effective and General Electric issued a long term care group trust certificate of insurance covering all benefits; and

IT FURTHER APPEARING THAT said policy contained an exclusion for family members as caregivers stating that family members are not entitled to compensation or reimbursement for any care provided to the insured; and

IT FURTHER APPEARING THAT the policy contained a provision defining a family member as, "Your spouse and anyone who is related to you or your spouse (including adopted, in-law and step-relatives) as a parent, grandparent, child, grandchild, brother, sister, aunt, uncle, first cousin, nephew or niece>"; and

IT FURTHER APPEARING THAT, in or about January 2004, M.C. became ill and began to seek coverage under his General Assurance long term care policy for care alleged to have been provided to him because of his illness; and

IT FURTHER APPEARING THAT from about May 1, 2005 through August 16, 2005, Calinog submitted eight invoices, each signed by Calinog, seeking reimbursement for care he provided to M.C. under this same policy noting the care provider as Ted L. Calinog and stating his relationship to the insured, M.C., as none, in violation of N.J.S.A. 17:22A-40(2), (8), (16) and (17); and

IT FURTHER APPEARING THAT General Electric reimbursed Calinog for these eight invoices in the amount of \$25,410.00; and

IT FURTHER APPEARING THAT on or about February 28, 2006, General Electric and M.C. entered into a General Release and Settlement Agreement wherein M.C. agreed to pay General Electric \$18,180.00 dollars, constituting restitution and reimbursement for money distributed by General Electric when Calinog acted as his caregiver; and

NOW, THEREFORE, IT IS on this 7<sup>th</sup> day of April, 2010

ORDERED that pursuant to the provisions of N.J.S.A. 17:22A-40a, Respondent shall appear and show cause why his insurance producer license shall not be revoked by the Commissioner; and it is further

ORDERED that Respondent appear and show cause why the Commissioner should not assess fines up to \$5,000.00 for the first violation and not exceeding \$10,000.00 for each subsequent violation, pursuant to the provisions of N.J.S.A. 17:22A-45c, due to his failure to comply with New Jersey's insurance laws and regulations; and it is further

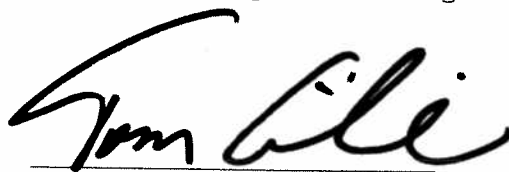
ORDERED that Respondent appear and show cause why he should not be subject to additional penalties, fines, restitution, and reimbursement of the costs of investigation and prosecution by the Department of Banking and Insurance pursuant to the provisions of N.J.S.A. 17:22A-45c; and

IT IS PROVIDED that Respondent has the right to request an administrative hearing, to be represented by counsel or other qualified representative, at his own expense, to take testimony, to call or cross-examine witnesses, to have subpoena and subpoena duces tecum issued and to present evidence or argument if a hearing is requested; and

IT IS FURTHER PROVIDED that, unless a request for a hearing is received within twenty (20) days of the service of this Order to

Show Cause, the right to a hearing in this matter shall be deemed to have been waived by the Respondent, and the Commissioner shall dispose of this matter in accordance with law. A hearing may be requested by mailing the request to Thomas F. Ritardi, Manager of Enforcement, Department of Banking and Insurance, P.O. Box 329, Trenton, N.J. 08625 or by faxing the request to the Department at (609) 292-5337. The request shall contain:

- (A) The licensee's name, address, and daytime telephone number;
- (B) A statement referring to each charge alleged in this Order to Show Cause and identifying any defense intended to be asserted in response to each charge. Where the defense relies on facts not contained in the Order to Show Cause, those specific facts must be stated;
- (C) A specific admission or denial of each fact alleged in this Order to Show Cause. Where the Respondent has no specific knowledge regarding a fact alleged in this Order to Show Cause, a statement to that effect must be contained in the hearing request. Allegations of this Order to Show Cause not answered in the manner set forth above shall be deemed to have been admitted; and
- (D) A statement requesting a hearing.



Thomas Considine  
Commissioner