

No. 2022-7580

**Official Order
of the
Texas Commissioner of Insurance**

Date: 11/01/2022

Subject Considered:

Dennis Lenard Pryor
[REDACTED]
Jasper, Texas 75951

Default Order
SOAH Docket No. 454-22-07691
TDI Enforcement File No. 25798

General remarks and official action taken:

This is a default order taken against Dennis Lenard Pryor (Respondent) because he committed fraudulent or dishonest acts or practices which included unauthorized enrollment in Marketplace coverage. Respondent did not respond to a Notice of Hearing filed by the Texas Department of Insurance. This order revokes Respondent's license.

The following findings of fact and conclusions of law are adopted:

Findings of Fact

Failure to Respond to Notice of Hearing

1. On August 24, 2022, the department filed a Notice of Hearing, attached as Exhibit A, and an Original Petition, attached as Exhibit B, with the State Office of Administrative Hearings.
2. The department's factual allegations set out in the attached Notice of Hearing and Original Petition are incorporated in this order as findings of fact.

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3. The department sent the Notice of Hearing and Original Petition to Respondent's last known address provided in writing to the department, [REDACTED], Jasper, Texas 75951.
4. Respondent failed to file a written response to the Notice of Hearing within 20 days of the date the Notice of Hearing and Original Petition were mailed.

Conclusions of Law

1. The commissioner has jurisdiction under Texas law, including TEX. INS. CODE §§ 82.051-82.055, 4001.002, 4005.101-4005.105, 4101.051, and 4054.051, and TEX. GOV'T CODE §§ 2001.051-2001.178.
2. The commissioner has authority to dispose of this case informally under TEX. GOV'T CODE § 2001.056; TEX. INS. CODE § 82.055; and 28 TEX. ADMIN. CODE §§ 1.47, 1.88, and 1.89.
3. The department provided proper notice of the hearing under TEX. GOV'T CODE §§ 2001.051, 2001.052, and 2001.054, and 28 TEX. ADMIN. CODE §§ 1.28, 1.88, 1.89, and 19.906.
4. Based on Respondent's failure to file a written response to the Notice of Hearing, the department is entitled to disposition by default under 28 TEX. ADMIN. CODE §§ 1.88 and 1.89.
5. The department's factual and legal allegations set out in the attached Notice of Hearing and Original Petition are incorporated in this order and deemed admitted as true under 28 TEX. ADMIN. CODE § 1.89.

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Commissioner's Order


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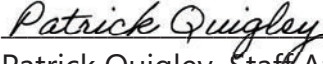
Order

It is ordered that any licenses held by Dennis Lenard Pryor are revoked. A copy of this order will be provided to law enforcement or other appropriate administrative agencies for further investigation as may be warranted.

DocuSigned by:

FC5D7EDDFFBB4F8...

Cassie Brown
Commissioner of Insurance

Prepared and reviewed by:



Patrick Quigley, Staff Attorney
Enforcement

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Commissioner's Order
Dennis Lenard Pryor
SOAH Docket No. 454-22-07691
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Affidavit

STATE OF TEXAS §

§

COUNTY OF TRAVIS §

Before me, the undersigned authority, personally appeared David Moreno, who, being by me duly sworn, deposed as follows:

"My name is David Moreno and I am employed by the Texas Department of Insurance. I am of sound mind, capable of making this affidavit, and have personal knowledge of these facts which are true and correct.

I have reviewed TDI's records concerning Dennis Lenard Pryor. I have confirmed that:

- a. The last mailing address provided to the department in writing by Dennis Lenard Pryor is [REDACTED], Jasper, Texas 75951.
- b. The file maintained by Enforcement contains a Notice of Hearing and Original Petition dated August 24, 2022, which were filed with the State Office of Administrative Hearings.
- c. On August 24, 2022, the Notice of Hearing and Original Petition addressed to Dennis Lenard Pryor were mailed first-class and certified, return receipt requested, to his last known address.

Copies of the first-class mail log and certified mail log maintained by Enforcement are attached as Exhibit C and Exhibit D, respectively."

DocuSigned by:

David Moreno

1F2AB254115645C...

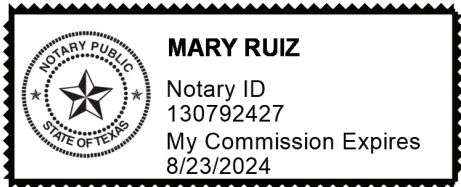
Affiant

2022-7580

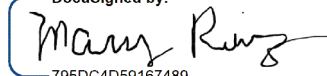
Commissioner's Order
Dennis Lenard Pryor
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SWORN TO AND SUBSCRIBED before me by means of an interactive two-way audio and video communication on 9/16/2022. This notarial act was an online notarization.

Notary Seal



Digital Certificate

DocuSigned by:

795DC4D59167489...

Notary Public State of Texas

FILED **2022-7580**
454-22-07691
8/24/2022 8:14 AM
STATE OFFICE OF
ADMINISTRATIVE HEARINGS
Crystal Rosas, CLERK

ACCEPTED
454-22-07691
8/25/2022 11:05:42 am
STATE OFFICE OF
ADMINISTRATIVE HEARINGS
Crystal Rosas, CLERK

**SOAH DOCKET NO. 454-22-07691
TDI ENFORCEMENT FILE NO. 25798**

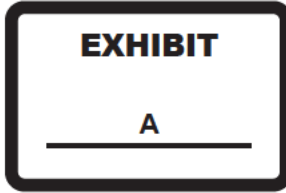
TEXAS DEPARTMENT OF INSURANCE,

Petitioner

v.

DENNIS LENARD PRYOR,

Respondent



BEFORE THE STATE OFFICE

OF

ADMINISTRATIVE HEARINGS

NOTICE OF HEARING

The Texas Department of Insurance seeks to take disciplinary action against you. This Notice of Hearing and the Original Petition, which is attached and incorporated for all purposes, states the allegations against you and the relief sought by the Department.

A public hearing will be held before an Administrative Law Judge on **November 21, 2022 at 9:00 a.m.** The hearing will take place via videoconference using a videoconference platform controlled by the State Office of Administrative Hearings, unless otherwise ordered to proceed in another manner by the Administrative Law Judge.

The hearing shall be conducted under TEX. GOV'T CODE, ch. 2001 and 1 TEX. ADMIN. CODE, ch. 155. Unless otherwise directed by the Administrative Law Judge, the hearing shall continue from day to day in the offices of the State Office of Administrative Hearings until concluded. You have the right to appear at this hearing and to be represented by an attorney.

Parties that are not represented by an attorney may obtain information regarding contested case hearings on the public website of the State Office of Administrative Hearings at www.soah.texas.gov, or in printed format upon request to SOAH.

YOU MUST FILE A WRITTEN RESPONSE TO THE NOTICE OF HEARING WITH THE STATE OFFICE OF ADMINISTRATIVE HEARINGS WITHIN 20 DAYS OF THE DATE THE NOTICE OF HEARING WAS MAILED. FAILURE TO FILE A WRITTEN RESPONSE BY THIS DEADLINE SHALL ENTITLE TDI TO SEEK DISPOSITION BY DEFAULT UNDER 1 TEX. ADMIN. CODE § 155.501 AND 28 TEX. ADMIN. CODE §§ 1.88 AND 1.89.

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IF YOU FAIL TO FILE A WRITTEN RESPONSE, THE SCHEDULED HEARING CAN BE CANCELED AND WITHOUT FURTHER NOTICE TO YOU THE COMMISSIONER OF INSURANCE CAN ISSUE AN ORDER IN WHICH THE ALLEGATIONS IN THE NOTICE OF HEARING ARE DEEMED ADMITTED AS TRUE AND THE RELIEF SOUGHT IN THE NOTICE OF HEARING, INCLUDING REVOCATION OF YOUR LICENSE, ISSUANCE OF A CEASE AND DESIST ORDER, IMPOSITION OF ADMINISTRATIVE PENALTIES, AND/OR PAYMENT OF RESTITUTION, IS GRANTED BY DEFAULT.

IF YOU FILE A WRITTEN RESPONSE BUT THEN FAIL TO APPEAR ON THE DAY AND TIME SET FOR HEARING, WITHOUT FURTHER NOTICE TO YOU, THE COMMISSIONER OF INSURANCE CAN ISSUE AN ORDER IN WHICH THE ALLEGATIONS IN THE NOTICE OF HEARING ARE DEEMED ADMITTED AS TRUE AND THE RELIEF SOUGHT IN THE NOTICE OF HEARING, INCLUDING REVOCATION OF YOUR LICENSE, ISSUANCE OF A CEASE AND DESIST ORDER, IMPOSITION OF ADMINISTRATIVE PENALTIES, AND/OR PAYMENT OF RESTITUTION, IS GRANTED BY DEFAULT.

In accord with 28 TEX. ADMIN. CODE § 1.90(e) and 1 TEX. ADMIN. CODE §§ 155.101 and 155.103, you should send copies of your written response to:

- (1) *(by mail, fax, or electronically)*
Docketing Division
State Office of Administrative Hearings
300 West 15th Street, Room 504
P.O. Box 13025
Austin, Texas 78711-3025
(512) 322-2061 (Fax);
www.soah.texas.gov
- (2) *(by mail, fax, or email)*
Chief Clerk
Texas Department of Insurance
P.O. Box 12030, MC GC-CCO
Austin, Texas 78711-2030
(512) 490-1064 (Fax)
chiefclerk@tdi.texas.gov; and
- (3) *(by mail, fax, or email)*
Patrick Quigley, Staff Attorney

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Texas Department of Insurance
Enforcement, MC ENF
P.O. Box 12030
Austin, Texas 78711-2030
(512) 490-1020 (Fax)
Patrick.quigley@tdi.texas.gov

Receiving Documents Electronically and Filing Documents with SOAH

The State Office of Administrative Hearings (SOAH) offers you the ability to electronically receive orders and other documents issued by SOAH by email instead of by mail. If you want to receive SOAH-issued documents by email, follow the instructions on SOAH's website: www.soah.texas.gov.

A request to receive SOAH-issued documents by email does not change the procedures you must follow to file documents or exhibits with SOAH. Instructions on how to file documents and exhibits are on SOAH's website. SOAH's website also includes guidance for representing yourself.

Important Security Notice (for In-Person Hearings ONLY)

ALL VISITORS TO THE WILLIAM P. CLEMENTS BUILDING WITHOUT AN AGENCY OR DPS ISSUED ID CARD MUST PROVIDE THE BUILDING SECURITY OFFICER WITH THE STATE OFFICE OF ADMINISTRATIVE HEARINGS DOCKET NUMBER AND RECEIVE A VISITOR'S PASS IN ORDER TO BE ALLOWED ACCESS TO THE HEARING ROOM. INDIVIDUALS SHOULD ALLOW ADDITIONAL TIME TO GO THROUGH THE SECURITY PROCESS.

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Notice of Hearing
Dennis Lenard Pryor
SOAH Docket No. 454-22-07691
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If you have any questions, please contact me at the address or telephone number shown below.

Respectfully Submitted,

/s/ Patrick Quigley

Patrick Quigley, Staff Attorney
State Bar No. 16430320
Texas Department of Insurance
Enforcement, MC ENF
P.O. Box 12030
Austin, Texas 78711-2030
(512) 676-6335 (Direct)
(512) 490-1020 (Fax)
patrick.quigley@tdi.texas.gov

ATTORNEY FOR THE PETITIONER
TEXAS DEPARTMENT OF INSURANCE

Enclosure: Original Petition

cc: Leah Gillum, Deputy Commissioner, Fraud and Enforcement Division, MC ENF
Ginger Loeffler, Litigation Director, Enforcement, MC ENF
Administrative Review, MC CO-AAL

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Notice of Hearing

Dennis Lenard Pryor

SOAH Docket No. 454-22-07691

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CERTIFICATE OF SERVICE

I, Patrick Quigley, certify that a true and correct copy of the *Notice of Hearing and the Original Petition* were sent by regular, first-class mail and by certified mail, return receipt requested, and by email on August 24, 2022 to:

Dennis Lenard Pryor

[REDACTED]

Jasper, TX 75951

Via CM/RRR No.: 9214 8901 9403 8387 4892 23

Via email:

[REDACTED]

/s/ Patrick Quigley

Patrick Quigley

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SOAH DOCKET No., 454-22-07691

FILED
454-22-07691
8/3/2022 12:00 PM
STATE OFFICE OF
ADMINISTRATIVE HEARINGS
Carol Hale, CLERK

SOAH DOCKET NO. 454-_____
TDI ENFORCEMENT FILE NO. 25798

TEXAS DEPARTMENT OF INSURANCE,

BEFORE THE STATE OFFICE

Petitioner



ACCEPTED
454-22-07691
8/3/2022 1:31:42 pm
STATE OFFICE OF
ADMINISTRATIVE HEARINGS
Carol Hale, CLERK

v.

OF

DENNIS LENARD PRYOR,

ADMINISTRATIVE HEARINGS

Respondent

ORIGINAL PETITION

The Texas Department of Insurance seeks to take disciplinary action against Dennis Lenard Pryor (Pryor). In support of this petition, the department makes the following allegations upon information and belief:

Jurisdiction

The Commissioner of Insurance has jurisdiction over this matter pursuant to TEX. INS. CODE §§ 82.051-82.055, 84.021-84.044, 4001.002, 4005.101, 4005.102, 4051.051, and 4054.051, and TEX. GOV'T CODE §§ 2001.051-2001.178.

Factual Allegations

Licensure

1. Pryor holds a general lines agent license with a life, accident, and health qualification and a property and casualty qualification originally issued by the department on September 18, 1985.
2. On September 4, 2020, The Centers for Medicare & Medicaid Services (CMS), Center for Consumer Information and Insurance Oversight, responsible for the management and oversight of the Federally Facilitated Exchange (FFE or Exchange) for the state of Texas, notified Pryor it had issued a Notice of Immediate Suspension of Plan Year (PY) 2020 Agreements against him. CMS found Pryor engaged in fraud or abusive conduct that may cause imminent or ongoing

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Original Petition
Dennis Lenard Pryor
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consumer harm using personal identifiable information (PII) of an Exchange enrollee or applicant or in connection with an Exchange enrollment or application.

3. Pryor entered into similar agreements with CMS to participate in the Texas Exchange for PYs 2015 through 2019.

Fraudulent or Dishonest Acts or Practices

4. The Marketplace Program Integrity Contractor (MPIC) investigated misconduct by Pryor that included the period between January 2017 and November 2018 due to 61 consumer complaints, impacting 63 consumers.
5. Of the 61 consumer complaints, 56 complained of unauthorized enrollment in Marketplace coverage, 21 consumers had other coverage in place at the time of the enrollment, and 11 reported inaccurate information on their applications. Additionally, three consumers complained that unauthorized changes were made to their accounts, one consumer alleged inaccurate information was reported on his account, and one consumer claimed unauthorized access to his account.
6. Pryor is affiliated with Affordable Insurance Group, Liberty Tax Service, and Lone Star Communications Radio. Emails associated with these businesses were used to create consumer accounts. Consumers confirmed coverage was placed without their knowledge or consent, names were misspelled, and addresses, incomes and telephone numbers were incorrect.
7. MPIC also determined a significant spike in policies created for coverage year 2017, and 56 percent of the policies created that year were cancelled and/or terminated.
8. On all the associated applications, Pryor's national producer number identifies him as the agent who assisted the consumer with enrollment in individual market qualified health plan (QHP) coverage through the Texas Exchange. The alleged applicants reported to CMS that they did not consent to enrollment. Multiple consumers reported inaccurate information was provided in the application, and others reported they were unaware of their enrollment until they received materials from the QHP issuer or tax information from the IRS. Some affected consumers had other health coverage for the years in question, and some acknowledged they contacted Pryor for assistance but did not consent to the use of their PII for

enrollment in multiple exchange plans on the Texas FFE. Additionally, multiple consumers reported they did not know Pryor or his agency.

9. Based on CMS's review of the information gathered during its investigation, CMS found that Pryor violated the requirements of 45 C.F.R. § 155.220 and section 1411(h) of the Patient Protection and Affordable Care Act PPACA. Specifically, he was noncompliant with the following federal requirements:
 - Proper use and disclosure of PII;
 - Adherence to FFE privacy and security standards for PII adopted consistent with 45 C.F.R. § 155.260;
 - Create, collect, and disclose consumer PII only for authorized functions;
 - Provide the FFEs with correct information;
 - Obtain consumer consent prior to assisting with or facilitating enrollment through the FFE or State-based Exchanges on the Federal Platform (SBE-FP);
 - Obtain consumer consent prior to assisting with the application for advance payments of the premium tax credit and cost-sharing reductions for QHPs; and
 - Adherence to all applicable federal and state laws and regulations.
10. Pryor's PY 2020 Exchange Agreements were terminated on March 17, 2021.
11. CMS further denied Pryor the right to enter into agreements with CMS and complete FFE registration until the final day of the Open Enrollment Period for PY 2025.

Failure to Notify Department of Administrative Action

12. Pryor did not report the administrative action by CMS to the department as required by law.

Legal Allegations

1. Pryor committed acts for which a license holder may be disciplined under TEX. INS. CODE § 4005.101, as contemplated by TEX. INS. CODE § 4005.102.
2. Pryor willfully violated an insurance law of this state, as contemplated by TEX. INS. CODE § 4005.101(b)(1).

3. Pryor engaged in fraudulent or dishonest acts or practices, TEX. INS. CODE § 4005.101(b)(5).
4. Pryor violated TEX. INS. CODE § 4005.252(a)(3) by failing to notify the department of the administrative action against him by CMS.

Relief Sought

If one or more of the above allegations is found to be true, the department asks the Administrative Law Judge to enter a Proposal for Decision recommending that the Commissioner of Insurance issue an order:

1. revoking Pryor's general lines agent license;
2. directing Pryor to pay an administrative penalty under TEX. INS. CODE §§ 84.021–84.022; and
3. imposing any other just and appropriate relief to which the department may be entitled to by law, including any combination of the above actions.

Respectfully Submitted,

/s/ Patrick Quigley

Patrick Quigley

State Bar No. 16430320

Texas Department of Insurance

Enforcement, MC ENF

P.O. Box 12030

Austin, Texas 78711-2030

(512) 676-6335 (Direct)

(512) 490-1020 (Fax)

Patrick.quigley@tdi.texas.gov

ATTORNEY FOR THE PETITIONER
TEXAS DEPARTMENT OF INSURANCE

2022-7580



Shipment Confirmation Acceptance Notice

A. Mailer Action

Note to Mailer: The labels and volume associated to this form online, **must** match the labeled packages being presented to the USPS® employee with this form.

Shipment Date: 08/24/2022

Shipped From:

Name: MC ENF M RUIZ

Address: 1601 CONGRESS AVENUE SUITE 6 900

City: AUSTIN

State: TX ZIP+4® 78711



Type of Mail	Volume
Priority Mail Express®*	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	1
Total	1

*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

B. USPS Action

Note to RSS Clerk:

1. Home screen > Mailing/Shipping > More
2. Select Shipment Confirm
3. Scan or enter the barcode/label number from PS Form 5630
4. Confirm the volume count message by selecting Yes or No
5. Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail.
Leave form with customer or in customer's mail receptacle.

USPS SCAN AT ACCEPTANCE



9275 0901 1935 6200 0038 8522 05

QUIGLEY/25798



Name and Address of Sender

MC ENF M RUIZ
TEXAS DEPARTMENT OF INSURANCE
1601 CONGRESS AVENUE, SUITE 6.900
AUSTIN TX 78711

Check type of mail or service

- Adult Signature Required
Adult Signature Restricted Delivery
Certified Mail
Certified Mail Restricted Delivery
Collect on Delivery (COD)
Insured Mail
Priority Mail
Priority Mail Express
Registered Mail
Return Receipt for Merchandise
Signature Confirmation
Signature Confirmation Restricted Delivery

USPS Tracking/Article Number

1. 9214 8901 9403 8387 4892 23

QUIGLEY/25798

Addressee (Name, Street, City, State, & ZIP Code TM)

DENNIS LENARD PRYOR

JASPER, TX 75951

Affix Stamp Here

(for additional copies of this receipt).
Postmark with Date of Receipt.

2022-7580

Table with columns: Postage, (Extra Service) Fee, Handling Charge, Actual Value, Insured Value, Due Sender if COD, ASR Fee, ASRD Fee, RD Fee, RR Fee, SC Fee, SCRD Fee, S Fee. Includes a 'Special Handling' section at the bottom.

Total Number of Pieces Listed by Sender: 1

Total Number of Pieces Received at Post Office: 1

Postmaster, Per (Name of receiving employee)

