

**BEFORE THE INSURANCE COMMISSIONER  
FOR THE STATE OF ARKANSAS**

**ARKANSAS INSURANCE DEPARTMENT,** )  
**Petitioner** )  
 )  
**vs.** )  
 )  
**JOSHUA P. CLOUETTE,** )  
**Respondent** )

**A.I.D. NO. 2012- 284**

---

**EMERGENCY SUSPENSION ORDER**

---

On this day, the matter of Joshua P. Clouette (“Respondent”) came before Jay Bradford, Arkansas Insurance Commissioner (“Commissioner”). The Arkansas Insurance Department (“Department”) is represented by Amanda Capps Rose, Associate Counsel, in this matter. From the facts and law before him, the Commissioner finds as follows:

**FINDINGS OF FACT**

1. Respondent holds Arkansas Resident Producer License No. 378816. Respondent’s address filed with the Department is 2307 Louisiana, Little Rock, Arkansas 72206.
2. In November 2011, a verbal complaint against the Respondent was made to Ms. Joyce Morgan in the Department’s Consumer Assistance Program by John and Evelyn Dobbins. Respondent was attempting to sell the Dobbins a Medicare supplement policy, and the Dobbins were concerned by the Respondent’s alleged statement that he was a representative of the Medicaid program. The Dobbins were also reported that the Respondent had taken their current life insurance policies with him when he left. Finally, the Dobbins stated that after attempts to contact the Respondent regarding their concerns, they were unable to reach him and he did not return their calls.

3. Ms. Morgan contacted the Respondent by telephone on the morning of November 17, 2012 and conveyed the Dobbins' concerns, at which time the Respondent told Ms. Morgan that he would meet with the Dobbins that same afternoon to resolve these issues. Respondent was asked to report on the meeting with the Dobbins by contacting Ms. Morgan following his visit. Ms. Morgan contacted the Dobbins and informed them that the Respondent would be visiting them that afternoon and asked Mr. Dobbins to report to her on what transpired at the meeting.

4. Ms. Morgan did not receive any update from the Dobbins or the Respondent until Mr. Dobbins telephone her on November 27, 2011 to report that the Respondent had not visited with them on November 17, 2011 or any date since that time.

5. In correspondence to the Respondent dated November 28, 2011, from the Ms. Morgan, she states that she has not had any contact from Respondent despite attempts to contact him, including an unreturned telephone message. That correspondence listed the following of concern:

- a. The Dobbins' concern that Respondent removed their life insurance policies from their home;
- b. The referral of Ricky Conley;
- c. The assumption by the Dobbins that they were to receive a refund from previous years;
- d. Respondent's instructions to them that they not tell anyone else what Respondent was providing for them; and
- e. A thorough review of the Qualified Medical Benefit program and how it affects the Dobbins.

6. Ms. Morgan's November 28, 2011 correspondence requested that the Respondent "construct a written explanation of each of the topics" listed above with "the signatures of Mr. and Mrs. Dobbins ... that confirms the information was presented to them and that they agree that they understand your explanations."

7. The Dobbins filed a Consumer Complaint with the Department on February 7, 2012 with regard to the same issues and again complained that the Respondent was not responding to their attempts to contact him.

8. On February 9, 2012, Ms. Morgan sent a memorandum to Care Improvement Plus South Central Insurance Company ("CIP), the Medicare supplement insurer for the plan the Respondent was marketing to the Dobbins. The memorandum relayed the above items of concern, noting that the complaint was against the Respondent only, not CIP, and stated that the Respondent "has ignored numerous requests to contact Mr. and Mrs. Dobbins and to contact the Arkansas Insurance Department."

9. On February 17, 2012, Ms. Morgan forwarded the Dobbins' Consumer Complaint to both the Respondent and CIP, requesting a statement from the Respondent and a response to all issues raised in the complaint, including pertinent documentation.

10. Respondent failed to respond to Ms. Morgan's request. In correspondence dated March 9, 2012, CIP responded to Ms. Morgan, stating that the company had no record of Mr. Dobbins' signed enrollment application. In the March 9, 2012 correspondence, CIP stated that it requested a response from the Respondent on March 1, 2012 to be submitted to CIP no later than March 6, 2012. CIP had not received any response from the Respondent as of the date of the correspondence, which noted that he had been suspended for failure to respond effective March 7, 2012 and "may be subject to further disciplinary action ... up to Termination."

11. Based upon the Respondent's failure to respond to the Department, Ms. Morgan referred the Respondent's file to the Legal Division on March 13, 2012.

12. On March 15, 2012, the Respondent submitted the first and only written response to the complaint, attempting to explain the situation with the Dobbins and alleging that they had become "hostile," ending his response with a statement that he had no intentions of dealing with the Dobbins on anything. Respondent did not address the individual topics as advised by Ms. Morgan in her November 28, 2012 correspondence.

13. On March 23, 2012, the Legal Division sent a Notice of Investigative Conference to the Respondent, via certified and United States mail, scheduling a conference on April 11, 2012 at 9:00 a.m. Respondent failed to attend the conference and did not contact the Department regarding the conference.

14. The public health, safety, and welfare imperatively require emergency action.

#### **CONCLUSIONS OF LAW**

From the Findings of Fact contained herein, the Commissioner concludes as follows:

1. The Commissioner has jurisdiction over the parties and the subject matter pursuant to Ark. Code Ann. § 23-61-103.

2. The Commissioner has the authority to issue an emergency license suspension pursuant to Ark. Code Ann. §§ 23-64-216(e) and 25-15-211(c).

3. Pursuant to the Arkansas Insurance Code, the Commissioner may suspend or revoke an insurance producer's license for any one (1) or more of the following causes:

a. Using fraudulent, coercive, or dishonest practices or demonstrating incompetence, untrustworthiness, or lack of good personal or business reputation;

b. Refusing to be examined or to produce any accounts, records, or files for examination; or

c. Failing to cooperate with the Commissioner in an investigation when required by the Commissioner.

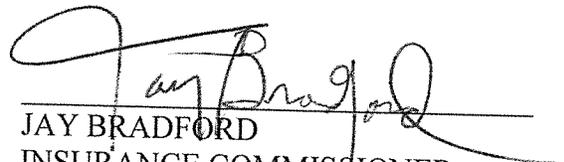
*See Ark. Code Ann. § 23-64-512(a)(8), (16) and (17).*

4. In accordance with Ark. Code Ann. § 23-64-216(e), an administrative hearing has been scheduled, notice of which has been delivered to the Respondent herewith.

**IT IS THEREFORE ORDERED:**

In consideration of the Commissioner's Findings of Fact and Conclusions of Law, the Respondent's Arkansas Resident Producer License No. 378816 is hereby immediately suspended.

**IT IS SO ORDERED THIS 13<sup>th</sup> day of April, 2012.**

  
JAY BRADFORD  
INSURANCE COMMISSIONER  
STATE OF ARKANSAS