

## Insurance Firm Fined For Pressuring Senior Citizens

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ROME, NY—Sylvan James Associates Inc., a Rome insurance agency, and its president, Thomas G. Statkewicz, have been fined \$120,000 for using high-pressure and misleading sales practices, as well as improper door-to-door solicitations, to sell Medicare Advantage insurance policies to senior citizens.

Insurance Superintendent Eric Dinallo announced the fine after Statkewicz waived the right to a hearing and signed a stipulation acknowledging the violations.

“Senior citizens are too often targeted by high-pressure sales pitches because many seniors are vulnerable to this type of practice. It’s unfair and we are not going to tolerate it. The Insurance Department is committed to aggressively fighting this type of activity and protecting our senior citizens,” Dinallo said.

In signing the stipulation, Statkewicz, a licensed insurance agent, admitted that he used high-pressure sales tactics from November 2006 through September 2007. This involved conducting door-to-door solicitations ostensibly offering to sell Medicare supplemental insurance but then discussing and selling Medicare Advantage policies without having a previously arranged appointment with the Medicare beneficiaries as required.

Statkewicz conducted many of the solicitations while training independent sales agents who sold insurance under his direction. Sanctions against the agents are pending.

Federal guidelines prohibit insurance agents or brokers from soliciting Medicare Advantage sales without making prior appointments with potential customers. This is designed to prevent predatory sales practices by giving seniors a chance to carefully consider their choices and perhaps have a family member or friend present before making a decision on whether to buy an insurance policy.

Statkewicz also admitted using misleading advertising materials. This involved use of financial ratings data provided to potential customers during sales presentations. The data presented was used to persuade seniors to replace their existing coverage with another plan that provided identical benefits but was more expensive.

In signing the stipulation, Statkewicz agreed to take all necessary steps to prevent the recurrence of similar violations. The Sylvan James Associates agency is located at 223 N. Washington St.

Earlier this year, the license of Jeffrey D. Leggett, 51, an agent employed by Sylvan James Associates, was revoked after he admitted illegally pressuring senior citizens into buying Medicare Advantage insurance plans. Leggett also admitted that he engaged in improper door-to-door solicitations.

That license revocation, and earlier violations by other insurance agencies in Upstate New York, led Superintendent Dinallo to form a special unit to provide support and protection to senior citizens dealing with insurance issues.

The Senior Protection Unit was formed in September 2007. The Unit has engaged in numerous enforcement and outreach activities, including working closely with New York State Office for the Aging personnel and other senior-focused organizations to educate consumers.

Seniors are encouraged to contact their local Office for the Aging site for assistance in making Medicare-related insurance decisions. Seniors should also feel free to contact the Insurance Department toll-free at 1-800-342-3736 for advice on insurance issues or to report suspicious sales or marketing activities. 12-19-08

