

STATE OF NEW JERSEY  
DEPARTMENT OF BANKING AND INSURANCE

IN THE MATTER OF:

	)	FINAL ORDER
Proceedings by the Commissioner of	)	
Banking and Insurance, State of New Jersey,	)	
to fine, suspend and/or revoke the insurance	)	
producer licenses of Giovanni R. Jean-	)	
Baptiste, Reference No. 1524740, and of	)	
Premier Choice Health, LLC, Reference No.	)	
1538675.	)	

TO: Giovanni R. Jean-Baptiste  
455 Bainbridge Street  
Brooklyn, N.Y. 11233

Premier Choice Health, LLC,  
455 Bainbridge Street  
Brooklyn, N.Y. 11233

This matter, having been opened by the Commissioner of Banking and Insurance, State of New Jersey (“Commissioner”), upon information that Giovanni R. Jean-Baptiste (“Jean-Baptiste”) and Premier Choice Health, LLC (“PCH”) (collectively, “Respondents”) may have violated various provisions of the insurance laws of the State of New Jersey; and

WHEREAS, Jean-Baptiste was formerly licensed as a resident insurance producer in the State of New Jersey pursuant to N.J.S.A. 17:22A-32(a), until his license expired on or about April 30, 2015; and

WHEREAS, PCH was formerly licensed as a resident business entity insurance producer in the State of New Jersey pursuant to N.J.S.A. 17:22A-32(b), with Jean-Baptiste listed as its

Designated Responsible License Producer (“DRLP”), until its license expired on or about May 31, 2016; and

WHEREAS, Respondents are subject to the provisions of the New Jersey Insurance Producer Licensing Act of 2001, N.J.S.A. 17:22A-26 to -48 (“Producer Act”), the Producer Licensing regulations, N.J.A.C. 11:17-1.1 to -2.17, and the regulations governing Insurance Producer Standards of Conduct, N.J.A.C. 11:17A-1.1 to 11:17D-2.8; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40(a), the Commissioner may place on probation, suspend, revoke or refuse to issue or renew an insurance producer’s license or may levy a civil penalty, or may take any combination of actions for violating the Producer Act, the Producer Licensing regulations and/or the regulations governing Insurance Producer Standards of Conduct; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40(d), the Commissioner shall retain the authority to enforce the provisions of and impose any penalty or remedy authorized by this act and Title 17 of the Revised Statutes or Title 17B of the New Jersey Statutes against any person who is under investigation for or charged with a violation of this act or Title 17 of the Revised Statutes or Title 17B of the New Jersey Statutes even if the person’s license or registration has been surrendered or has lapsed by operation of law; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40(a)(2), an insurance producer shall not violate any insurance law, regulation, subpoena or order of the Commissioner or of another state’s insurance regulator; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40(a)(5), an insurance producer shall not intentionally misrepresent the terms of an actual or proposed insurance contract, policy or application for insurance; and

WHEREAS, pursuant to N.J.S.A. 17:22A-40(a)(8), an insurance producer shall not 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-40(a)(16), an insurance producer shall not commit any fraudulent act; and

WHEREAS, pursuant to N.J.A.C. 11:17A-4.8, an insurance producer shall reply, in writing, to any inquiry of the Department relative to the business of insurance within the time requested in said inquiry, or no later than 15 calendar days from the date the inquiry was made or mailed in cases where no response time is given; and

WHEREAS, pursuant to N.J.S.A. 17:22A-45(c), any person violating the Producer Act is subject to a penalty not exceeding \$5,000.00 for the first offense and not exceeding \$10,000.00 for each subsequent offense; additionally, the Commissioner may order restitution of moneys owed any person and reimbursement of costs of the investigation and prosecution; and

WHEREAS, the Commissioner issued Order to Show Cause E19-73 on July 29, 2019, alleging violations of New Jersey insurance laws by Respondents as set forth below:

**ALLEGATIONS COMMON TO ALL COUNTS**

IT APPEARING, that at all relevant times, Jean-Baptiste was the owner, officer and Designated Responsible License Producer of PCH; and

IT FURTHER APPEARING, that Respondents employed salespeople (“PCH Employees”) to solicit, market and sell exclusively to non-New Jersey residents certain insurance products and services, including but not limited to, health insurance policies issued by Unified Life Insurance Company (“ULIC”) and memberships in the National Congress of Employers (“NCE”); and

IT FURTHER APPEARING, that Respondents instructed and directed PCH Employees to follow written scripts and employ aggressive “hard sell” tactics to increase the sale of said insurance

products by, including but not limited to, representing to potential customers that ULIC policies and NCE memberships provided major medical health insurance coverage and were deemed “Qualified Health Plans”<sup>1</sup>; and

IT FURTHER APPEARING, that ULIC policies did not, in fact, provide major medical health insurance coverage nor were they deemed “Qualified Health Plans” as they did not provide all the minimum essential benefits associated with serious illness and hospitalization, and otherwise failed to meet the standards of the Affordable Care Act; and

IT FURTHER APPEARING, that NCE memberships did not, in fact, provide major medical health insurance coverage nor were they deemed “Qualified Health Plans” as they did not cover expenses typically associated with a hospitalization, surgery, major illness or injury, but rather merely provided discounts on the cost of select medical services and products, and otherwise failed to meet the standards of the Affordable Care Act; and

### **COUNT 1**

IT FURTHER APPEARING, that Respondents, through instruction and direction to PCH Employees, engaged in fraudulent and deceitful insurance business practices, which included but was not limited to, making false and misleading representations to customers regarding the terms, benefits and coverages provided by ULIC policies and NCE memberships, in violation of N.J.S.A. 17:22A-40a(2), (5), (8) and (16); and

### **COUNT 2**

IT FURTHER APPEARING, that in addition to other aggressive “hard sell” marketing tactics, PCH Employees represented to certain potential customers that as a condition for buying a ULIC policy, they also were required to purchase a NCE membership when, in fact, there was no legal obligation to purchase these insurance products together; and

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<sup>1</sup> “Qualified Health Plans” are health insurance plans certified by the Health Insurance Marketplace as providing the minimum essential health benefits and coverages, following the established limits on cost-sharing (like deductibles, copayments, and out-of-pocket maximum amounts), and meeting certain other requirements under the Patient Protection and Affordable Care Act, 42 U.S.C. § 18001 et seq. (2010) (“Affordable Care Act”).

IT FURTHER APPEARING, PCH Employees automatically charged the accounts of certain customers with the fees and costs of a NCE membership after they had only agreed to purchase a ULIC policy; and

IT FURTHER APPEARING, that Respondents, through instruction and direction to PCH Employees, engaged in fraudulent and deceitful insurance business practices by deceiving and forcing customers into purchasing NCE memberships and charging fees for such membership when the customers neither desired nor needed such membership, in violation of N.J.S.A. 17:22A-40a(2), (5), (8) and (16); and

### **COUNT 3**

IT FURTHER APPEARING, that in connection with its investigation into this matter, the New Jersey Department of Banking and Insurance (“Department”) requested that Respondents produce for examination the books and records relating to the insurance-related transactions conducted by PCH Employees; and

IT FURTHER APPEARING, that Respondents failed to produce same, in violation of N.J.S.A. 17:22A-40a(2) and N.J.A.C. 11:17A-4.8 2.5(a); and

IT FURTHER APPEARING, that as set forth in the certification of Dakar Ross, attached hereto as Exhibit A, Respondents were given notice of the aforesaid charges and an opportunity to contest the charges at a hearing pursuant to Order to Show Cause E19-73, which was duly served on Respondents by certified mail, RRR, and regular mail to the addresses listed on this Final Order in accordance with N.J.A.C. 11:17D-2.1(a)(3); and

IT FURTHER APPEARING, that Respondents failed to provide written responses to the charges contained in Order to Show Cause E19-73 within 20 days as provided by N.J.A.C. 11:17D-2.1(d)(1), and therefore Respondents have waived their rights to a hearing to contest these charges and the charges are deemed admitted, pursuant to N.J.A.C. 11:17D-2.1(b)(1);

**NOW, THEREFORE, IT IS** on this 14th day of December , 2020,

ORDERED, that the charges contained in Counts 1, 2 and 3 of Order to Show Cause E19-73 are deemed admitted by Respondents, pursuant to N.J.A.C. 11:17D-2.1(b)(1); and

IT IS FURTHER ORDERED, that pursuant to N.J.S.A. 17:22A-40, and N.J.A.C. 11:17D-2.1(b)(2), the resident insurance producer license of Giovanni R. Jean-Baptiste is hereby **REVOKED** effective upon the execution of this Final Order by the Commissioner; and

IT IS FURTHER ORDERED, that pursuant to N.J.S.A. 17:22A-40, and N.J.A.C. 11:17D-2.1(b)(2), the resident business entity producer license of Premier Choice Health, LLC is hereby **REVOKED** effective upon the execution of this Final Order by the Commissioner;

IT IS FURTHER ORDERED, that pursuant to N.J.S.A. 17:22A-45(c), Respondents, jointly and severally, shall pay a civil penalty in the total amount of \$25,000 to the Commissioner, determined as follows: \$5,000 for the violation stated in Count 1 of the OTSC, \$10,000 for the violation stated in Count 2 of the OTSC and \$10,000 for the violation stated in Count 3 of the OTSC; and

IT IS FURTHER ORDERED, that pursuant to N.J.S.A. 17:22A-45(c), Respondents, jointly and severally, shall be responsible for the reimbursement to the Department of the costs of investigation totaling \$4,375.00. A true and exact copy of the Certification of Eugene R. Shannon, Department of Banking and Insurance Investigator, is attached hereto as Exhibit B; and

IT IS FURTHER ORDERED, that Respondent, jointly and severally, shall pay the above penalties and costs to the Commissioner of Banking and Insurance, State of New Jersey, P.O. Box 329, Trenton, New Jersey 08625, Attention: Virgil Downtin, Chief of Investigations, by certified check, cashier's check or money order made payable to the "State of New Jersey, General Treasury," within ten days from the date of service of this Order; and

IT IS FURTHER ORDERED, that in the event full payment of the penalty and costs is not made, the Commissioner may exercise any and all remedies available by law, including but not limited to recovery of any unpaid penalties, with post-judgment interest, in accordance with the Penalty Enforcement Law, N.J.S.A. 2A:58-10 to -12; and

IT IS FURTHER ORDERED, that the civil penalty in this Final Order is imposed pursuant to the police powers of the State of New Jersey for the enforcement of the law and the protection of the public health, safety and welfare, and is not intended to constitute debts which may be limited or discharged in a bankruptcy proceeding; and

IT IS FURTHER ORDERED, that the provisions of this Final Order represent a final agency decision and constitute a final resolution of the allegations contained in Order to Show Cause No. E19-73.



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Marlene Caride  
Commissioner