

PIC/CARE Update: Oregon Becomes 6th State to Order "Cease and Desist" against Malpractice Insurer

Editorial Staff

Oregon Insurance Division press release proclaims: "Company from Mythical Island-Nation Ordered to Stop Selling Insurance in Oregon."

On April 23, 1993, the Oregon Insurance Division ordered the Professional Indemnity Corporation (PIC), the American Institute of Chiropractic, Inc., doing business as Chiropractic Association for Research and Education (CARE), and William A. Rose to "immediately cease and desist from:

1. transacting insurance in Oregon or relative to an Oregon risk directly or indirectly without a certificate of authority;
2. acting as an agent for or otherwise transacting insurance on behalf of an insurer not authorized to transact insurance in the state of Oregon;
3. acting as an agent in Oregon relative to Oregon residents by soliciting, negotiating, affecting, countersigning or transacting insurance relative to Oregon residents unless licensed in this state pursuant to the Oregon Insurance Code;
4. violating any of the provisions of the Oregon Insurance Code.

Oregon joins Washington, California, Delaware, Vermont and Colorado as the sixth state to issue a cease and desist order. A number of other states are currently involved in investigations that may lead to additional cease and desist orders. Any questions and/or additional information should be directed to the Consumer Services and Enforcement Section of the Oregon Insurance Division: (503) 378-4636.

Other states have also responded:

Alabama

According to Jimmy W. Gunn, rate analyst for the Alabama Department of Insurance:

"Neither PIC nor CARE are licensed in our state. We do not have a current investigation on either one of these entities. I would appreciate if you are aware of any business that has been written in our state to please let me know."

All questions and information should be directed to Mr. Gunn: (205) 269-3589.

Missouri

According to Kathryn L. R. Turner, associate general council, Division of Consumer Affairs, Missouri Department of Insurance:

"To our knowledge, neither CARE nor PIC are operating in Missouri. Our system shows no complaints against either entity. In addition, neither entity is licensed or otherwise authorized to do business in this state.

"If you have any information that these entities are operating in Missouri, please let us know."

All questions and information should be directed to Ms. Turner: (314) 751-4126.

North Dakota

According to William E. Maxwell, legal counsel for the North Dakota Department of Insurance:

"Neither of these two entities (PIC and CARE) are licensed in North Dakota at the present time. To my knowledge, there is no pending investigation of these entities. I am unaware of any requests for information from any North Dakota resident chiropractic doctors regarding these two entities.

"If the circulation of Dynamic Chiropractic is as wide as you stated (mailed to every chiropractic doctor, student and supplier in the world), I would expect that the chiropractors in our state have been put on notice of these two entities. Should any problems or concerns be raised, I anticipate we will hear about it and take appropriate action."

All questions and information should be directed to Mr. Maxwell at (701) 224-2440.

As more than 1,000 chiropractors across the country are purportedly PIC clients, updated information will be presented as it becomes available.

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