

STATE OF INDIANA )  
 ) SS:  
COUNTY OF MARION )

BEFORE THE INDIANA  
COMMISSIONER OF INSURANCE

CAUSE NUMBER: 12254-AG13-0620-057

IN THE MATTER OF: )

Kateen Morris )  
12210 Doncaster Ct. )  
Fishers, IN 46037 )

Respondent )

Indiana License #: 717310 )

Type of Agency Action: Enforcement )

**FILED**

JAN 10 2014

STATE OF INDIANA  
DEPT. OF INSURANCE

**FINAL ORDER**

On October 28, 2013, the Administrative Law Judge, filed her Findings of Fact, Conclusions of Law and Recommended Order in the above-captioned matter.

1. The Department served Findings of Fact, Conclusions of law, and Recommended Order and Notice of Filing Recommended Order on Respondent by mailing to his address.
2. The Department has complied with the notice requirements of Ind. Code §4-21.5-3-17.
3. Neither party has filed an objection with the Commissioner regarding the Administrative Law Judge's Recommended Order, and more than eighteen (18) days have elapsed.

Therefore, the Commissioner of Insurance, being fully advised, now hereby adopts in full the Administrative Law Judge's Findings of Fact, Conclusions of Law, and Recommended Order and issues the following Final Order:

IT IS THEREFORE ORDERED by the Commissioner of Insurance:

1. Respondent's producer license is permanently revoked.

ALL OF WHICH IS ORDERED by the Commissioner this \_\_\_\_ day of January, 2014.

  
Stephen W. Robertson, Commissioner  
Indiana Department of Insurance

Copies to:

Michael Mullen  
Indiana Department of Insurance  
311 W. Washington St., Suite 103  
Indianapolis, IN 46204

Kateen Morris  
12210 Doncaster Ct.  
Fishers, IN 46037

STATE OF INDIANA )  
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CAUSE NO. 12254-AG13-0620-057

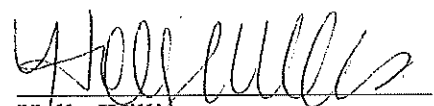
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Type of Agency Action: Enforcement )  
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Insurance License No. 717310 )

**FILED**  
OCT 28 2013  
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**NOTICE OF FILING OF RECOMMENDED ORDER**

The parties to this action are hereby notified that the Administrative Law Judge's Findings of Fact, Conclusions of Law, and Recommended Order are deemed filed as of this date.

To preserve an objection to this Order for judicial review, you must object to the Order in a writing that: (1) identifies the basis of your objection with reasonable particularity; and (2) is filed with the ultimate authority for the Final Order, Stephen W. Robertson, Commissioner of the Department of Insurance, within eighteen (18) days from the date stamped on this Order.

  
Holly Williams  
Administrative Law Judge

Distribution:  
Michael F. Mullen  
INDIANA DEPARTMENT OF INSURANCE  
311 W. Washington Street, Suite 103  
Indianapolis, Indiana 46204

Kateen Morris  
12210 Doncaster Ct  
Fishers, IN 46037

STATE OF INDIANA )  
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BEFORE THE INDIANA  
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IN THE MATTER OF: )  
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**FINDINGS OF FACT,**  
**CONCLUSIONS OF LAW, AND RECOMMENDED ORDER**

Administrative Law Judge, Holly Williams, having considered and reviewed all of the evidence, will now render a decision in the matter of Respondent Kateen Morris (“Respondent”), which came to be heard on July 30, 2013, at approximately 10:00 a.m. at the Indiana Department of Insurance, 311 West Washington St., Indianapolis, Indiana 46204.

The Indiana Department of Insurance (“Department”) was represented by counsel, Michael F. Mullen. Respondent was present and was not represented by counsel. Witnesses testified under oath, evidence was heard, and exhibits were received into evidence.

Based upon the evidence presented at said hearing, the Administrative Law Judge now makes the following Findings of Fact and Conclusions of Law, and issues her Recommended Order as follows:

**FINDINGS OF FACT**

1. Respondent is a licensed resident insurance producer, holding license number 717310 (“license”). *Exhibit A.*

2. Respondent's license is set to expire on March 31, 2015. *Exhibit A.*
3. On Respondent's license application, Respondent answered "yes" to the question asking if Respondent was charged with committing a crime. *Exhibit B.*
4. A comment found at the end of Respondent's license application indicates that the license will be issued, but the Department will need information regarding the disposition of the action. *Exhibit B.*
5. David Cuthbert (Mr. Cuthbert"), an investigator employed by the Department, testified that he interpreted this comment to mean that Respondent's license was approved and that Respondent was required to notify the Department of the final disposition of her pending criminal case. *Transcript pg. 14.*
6. Mr. Cuthbert also testified that the criminal matter reference in Respondent's license application notes is the same criminal matter that was the subject of the administrative hearing on July 30, 2013. *Transcript pg. 16.*
7. On March 9, 2010, an Indictment was filed in the Southern District of Indiana under cause number 1:10-cr-0035WTL-KPF ("Indictment"). The Indictment named Respondent as the Defendant and charged Respondent with executing a scheme and artifice to defraud a health care benefit program from on or about March 2009 through October 2009. *Exhibit C.*
8. On January 11, 2013, a Superseding Indictment was filed in the Southern District of Indiana under cause number 1:10-cr-00035-WTL-KPF ("Superseding Indictment"). The Superseding Indictment charged Respondent with executing a scheme and artifice to defraud a health care benefit program as set forth in the Indictment; however the Superseding Indictment claimed that Respondent began the scheme in June 2008. *Exhibit C & D.*

9. On July 22, 2011, a Plea Agreement Under Rule 11(c)(1)(B), Fed. R. Crim. P. was filed in the above referenced matter. In the Plea Agreement Respondent agreed to plead guilty to the count charging Respondent with perpetrating a scheme to defraud the Indiana Medicaid Program, a health care benefit program. *Exhibit E.*

10. On October 25, 2011, a Stipulated Factual Basis was filed in the above referenced matter. The Stipulated Facts formed the basis of the Plea Agreement. *Exhibit F.*

11. The Stipulated Factual Basis included the following relevant facts:

- a. "The State of Indiana participates in the [federal] Medicaid program."
- b. "Indiana Medicaid is a health care benefit program within the meaning of 18 U.S.C. § 24(b)."
- c. "Companies and providers can become authorized providers by signing a provider agreement form with Indiana Medicaid."
- d. "In order to receive Indiana Medicaid funds, enrolled providers...are required to abide by all the rules, regulation, policies, and procedures of the Indiana Medicaid Program."
- e. "M & M Transportations ("M & M") is a business providing transportation services, including medical transportation in and around the Fort Wayne, Indiana area."
- f. "M & M became an enrolled Indiana Medicaid provider in November 2003."
- g. "Beginning in or around June 2008, [Respondent] became the individual responsible for billing submitted by M & M."
- h. "[Respondent] continued in this role until M & M was essentially replaced by K.A.T.S, LLC."

- i. "K.A.T.S, LLC ("KATS") is a business providing transportation services, including medical transportation in and around the Fort Wayne, Indiana area."
- j. "KATS became an enrolled Indiana Medicaid provider in March 2009."
- k. "Providers utilize what are known as Current Procedural Terminology ("CPT"), and Health Care Common Procedure Coding Systems ("HCPCS") codes to specify what services are rendered."
- l. "[Respondent] submitted 4,846 fraudulent claims to Indiana Medicaid resulting in a criminal loss of \$394,213.63 sustained by the Indiana Medicaid Program."
- m. "[Respondent], knowingly and intentionally, continued to perpetrate the above described scheme through October 23, 2009, the date that law enforcement agents executed a search warrant upon the home of [Respondent]."

12. On October 28, 2011, a Judgment in a Criminal Case was filed in the above referenced matter. *Exhibit G.*

13. The Judgment ordered that Respondent be imprisoned for 12 months and 1 day; that upon release from prison, Respondent be supervised for 2 years; and that Respondent pay Indiana Medicaid & Medicare Program restitution in the amount of Three Hundred Ninety-Four Thousand Two Hundred Thirteen Dollars and Sixty-Three Cents (\$394,213.63). *Exhibit G.*

14. Respondent submitted an application for an 18 U.S.C. § 1033 waiver ("1033 waiver"). *Transcript pg. 32; Exhibit 6.*

15. Mr. Cuthbert testified that as of the date of the administrative hearing, Respondent had not been granted a 1033 waiver. Mr. Cuthbert also testified that he did not anticipate Respondent obtaining a 1033 waiver. *Transcript pgs. 25-26.*

16. Respondent held a Real Estate Salesperson license, license number SP30807618, from February 11, 2008 through December 17, 2012. *Exhibit H.*

17. On September 17, 2012, an Administrative Law Judge's Panel's Order was filed before the Indiana Real Estate Commission, which concluded that the above mentioned felony conviction constituted a violation of Ind. Code § 25-1-11-5(a)(2)(B) in that Respondent had been convicted of a crime that is harmful to the public. *Exhibit H.*

18. On December 17, 2012, a Final Order Affirming Administrative Law Judge Panel's Order was filed before the Indiana Real Estate Commission, permanently revoking Respondent's real estate salesperson license. *Exhibit H.*

19. Mr. Cuthbert testified that there was no indication that Respondent reported any administrative actions taken by another agency to the Department. *Transcript pg. 27.*

20. Respondent submitted two (2) letters of reference from potential employers at the administrative hearing. *Exhibits 1 & 2.*

21. Respondent testified that she was not aware of her duty to report her real estate license revocation to the Department. *Transcript pg. 35.*

22. Conclusions of Law that can be adopted as Findings of Fact are hereby incorporated herein as such.

#### **CONCLUSIONS OF LAW**

23. The Commissioner of Insurance has jurisdiction over both the subject matter and the parties to this action.



24. This hearing was held in compliance with the Administrative Orders and Procedures Act of the Indiana Code, codified at Ind. Code § 4-21.5 et seq. All procedures and rules set forth by such Act have been followed in this matter.

25. Service of process was completed via the use of the United States Mail in compliance with the statute and due process requirements.

26. Indiana Code Section 27-1-15.6-12(b)(6) states that “The commissioner may reprimand, levy a civil penalty, place an insurance producer on probation, suspend an insurance producer's license, revoke an insurance producer's license for a period of years, permanently revoke an insurance producer's license, or refuse to issue or renew an insurance producer license, or take any combination of these actions, for...[h]aving been convicted of a felony.”

27. The Department has met its burden of proof by showing, by a preponderance of the evidence, that Respondent acted in a manner contrary to Indiana Code Section 27-1-15.6-12(b)(6) by having a felony conviction for violating 18 U.S.C. § 1347 and 2.

28. Indiana Code Section 27-1-15.6-17(a) states that “A producer shall report to the commissioner any administrative action taken against the producer in another jurisdiction or by another governmental agency in Indiana not more than thirty (30) days after the final disposition of the matter. The report shall include a copy of the order, consent to order, or other relevant legal documents.” Indiana Code Section 27-1-15.6-12(b)(2)(A) states that “[t]he commissioner may reprimand, levy a civil penalty, place an insurance producer on probation, suspend an insurance producer's license, revoke an insurance producer's license for a period of years, permanently revoke an insurance producer's license, or refuse to issue or renew an insurance producer license, or take any combination of these actions, for... [v]iolating an insurance law.”

29. The Department has met its burden of proof by showing, by a preponderance of the evidence, that Respondent acted in a manner contrary to Indiana Code Section 27-1-15.6-17(a) by failing to report the permanent revocation of Respondent's real estate salesperson license.

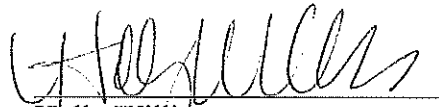
30. Findings of Fact that can be adopted as a Conclusion of Law are hereby incorporated herein as such.

**RECOMMENDED ORDER**

With the Findings of Fact and the Conclusions of Law as stated, the Administrative Law Judge now recommends to the Commissioner of Insurance the following:

31. Respondent's producer license should be permanently revoked.

ALL OF WHICH IS ADOPTED by the Administrative Law Judge and recommended to the Commissioner this 28<sup>th</sup> day of October, 2013.

  
Holly Williams  
Administrative Law Judge

Distribution:

Michael F. Mullen  
Indiana Department of Insurance  
311 W. Washington St., Suite 103  
Indianapolis, IN 46204

Kateen Morris  
12210 Doncaster Ct  
Fishers, IN 46037

STATE OF INDIANA )  
 ) SS:  
COUNTY OF MARION )

BEFORE THE INDIANA  
COMMISSIONER of INSURANCE

CAUSE NUMBER: 12254-AG13-0620-057

IN THE MATTER OF: )

KATEEN MORRIS )  
12210 Doncaster Ct. )  
Fishers, IN 46037-8466 )

Respondent. )

License Number: 717310 )

Type of Action: Enforcement )

**FILED**

JUN 28 2013

STATE OF INDIANA  
DEPT. OF INSURANCE

**STATEMENT OF CHARGES**

The Enforcement Division of the Indiana Department of Insurance (the “Department”), by counsel, Michael F. Mullen, pursuant to the Indiana Administrative Orders and Procedures Act, Indiana Code § 4-21.5-1 *et seq.*, files its Statement of Charges against Respondent Kateen Morris (“Respondent”), as follows:

**FACTS**

1. Respondent, a resident insurance producer, has held resident producer license number 717310 since September 20, 2010 (“Respondent’s license”).
2. Respondent’s license is scheduled to expire on March 21, 2015.
3. On March 9, 2010, an Indictment was filed in the Southern District of Indiana under Cause No. 1:10-cr-00035-WTL-KPF (the “Indictment”). The Indictment named Respondent as Defendant.
4. On January 12, 2011, a Superseding Indictment was filed in the Southern District of Indiana under Cause No. 1:10-cr-00035-WTL-KPF (the “Superseding Indictment”). The

Superseding Indictment alleges Respondent committed health care fraud in violation of 18 U.S.C. §§ 1347 and 2.

5. On July 22, 2011, a Plea Agreement Under Rule 11(c)(1)(B), Fed. R. Crim. P. was filed in the Southern District of Indiana under Cause No. 1:10-cr-00035-WTL-KPF (“Plea Agreement”).
6. The Plea Agreement provides, in pertinent part, that Respondent “agrees to plead guilty to Count 1 of the Superseding Indictment. Count 1 charges that [Respondent] perpetrated a scheme to defraud the Indiana Medicaid Program [...] in violation of 18 U.S.C. § 1347.”
7. A person who has violated 18 U.S.C. § 1347 “shall be fined under this title or imprisoned not more than 10 years, or both.” 18 U.S.C. § 1347(a)(2).
8. According to 18 U.S.C. § 3559(a)(4), an offense providing a maximum term of imprisonment of less than ten (10) years but five (5) or more years, is a Class D Felony.
9. On October 28, 2011, a Judgment in a Criminal Case was filed in the Southern District of Indiana under Cause No. 1:10-cr-00035-WTL-KPF (“Judgment”).
10. The Judgment directed Respondent to be imprisoned for a term of 12 months and 1 day.
11. The Judgment also directed Respondent to pay restitution to the Indiana Medicaid & Medicare Program in the amount of Three Hundred Ninety Four Thousand Two Hundred Thirteen Dollars and 63/100 (\$394,213.63).
12. On December 17, 2012, a Final Order Affirming Administrative Law Judge Panel’s Order was filed Before the Indiana Real Estate Commission under Cause No.: IREC-12-19 (“Final Order”).
13. The Final Order permanently revoked Respondent’s real estate salesperson license.

14. Respondent did not report this action to the Commissioner within thirty (30) days of December 17, 2012.

**COUNT I**

15. Averments 1 through 14 are incorporated fully herein by reference.

16. Respondent has been convicted of a felony and, thus, is subject to disciplinary action in accordance with Ind. Code § 27-1-15.6-12(b)(6).

17. Specifically, Respondent plead guilty to Health Care Fraud, under 18 U.S.C. §§ 1347 and 2.

**COUNT II**

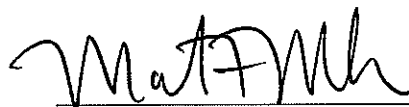
18. Averments 1 through 17 are incorporated fully herein by reference.

19. Respondent did not report to the Commissioner an administrative action taken against her by another governmental agency in Indiana within thirty (30) days of the final disposition of the matter, in violation of Ind. Code § 27-1-15.6-17(a). Respondent's conduct is subject to disciplinary action in accordance with Ind. Code § 27-1-15.6-12(b)(2)(A).

20. Specifically, Respondent failed to report the Real Estate Commission's Final Order to the Commissioner within thirty (30) days of December 17, 2012.

**WHEREFORE**, the Enforcement Division of the Indiana Department of Insurance, by counsel, Michael F. Mullen, requests that the Commissioner set this matter for a hearing; and/or issue an order permanently revoking Respondent's license; impose a fine in the amount of Ten Thousand Dollars and 00/100 (\$10,000.00); and for all other necessary and appropriate relief.

Respectfully submitted,



Michael F. Mullen, #30395-49  
Attorney, Enforcement Division

Michael F. Mullen, Esq.  
Indiana Department of Insurance  
Enforcement Division  
311 West Washington Street, Suite 103  
Indianapolis, Indiana 46204-2787  
Telephone: (317) 232-2422  
Facsimile: (317) 232-5251

**CERTIFICATE OF SERVICE**

I certify that a copy of the foregoing has been served upon the following Respondent by United States first class mail, postage prepaid, this 28<sup>th</sup> day of JUNE, 2013.

Kateen Morris  
12210 Doncaster Ct.  
Fishers, IN 46037-8466



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Michael F. Mullen