

**IN THE MATTER OF THE  
MARYLAND INSURANCE  
ADMINISTRATION**

**v.**

**TAMIKA RENEE BURTON  
1807 Whitney Street  
Charleston, West Virginia 25302**

**and**

**3612 Ladova Way  
Springdale, Maryland 20774  
[tamikarising09@gmail.com](mailto:tamikarising09@gmail.com)**

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**BEFORE THE MARYLAND  
INSURANCE COMMISSIONER**

**CASE NO.: MIA-2023-04-001**

**Fraud Division File No.: R-2022-4289A**

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**ORDER**

This Order is issued by the Maryland Insurance Administration (“MIA”) against Tamika Renee Burton (“Respondent”) pursuant to Md. Code Ann., Ins. Art. §§ 2-108, 2-201, 2-204 and 2-405 (2017 Repl. Vol. & Supp.) for the violations of the Maryland Insurance Article identified and described.<sup>1</sup>

**I. RELEVANT MATERIAL FACTS**

1. On May 22, 2021, Respondent obtained automobile insurance with Liberty Mutual Insurance Company (“Liberty”), an authorized insurer, for her 2020 Hyundai Elantra. The policy was cancelled by Liberty on February 28, 2022, because Respondent failed to make the insurance premium payment.
2. On June 1, 2022, after Respondent’s Liberty insurance policy was cancelled, Respondent was operating her Hyundai on the Baltimore Washington Parkway ("BW Parkway") in Maryland, when she was involved in a motor vehicle accident ("accident") with two other vehicles. One of

<sup>1</sup> Unless otherwise indicated, all statutory references in this Order are to the Insurance Article of the Maryland Code.

those vehicles was insured under an automobile insurance policy issued by the Government Employees Insurance Company ("GEICO"), an authorized insurer.

3. The GEICO insured filed a claim with GEICO and submitted photographs of Respondent's Hyundai, which were taken on June 1, 2022, at the accident location. The photographs depicted damage to the passenger side rear of Respondent's Hyundai. GEICO denied liability and concluded their insured was not at fault.

4. On June 2, 2022, one day after the accident, Respondent applied for a new automobile insurance policy with Liberty for her 2020 Hyundai. In Respondent's Liberty insurance application, she reported that her address was 1807 Whitney Street, Charleston, West Virginia, and that she had no motor vehicle violations, motor vehicle accidents, or any losses within the last 60 months. The application contained Respondent's electronic signature below the following fraud warning:

ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON.

5. Relying on information provided by Respondent in her application, Liberty issued Respondent an automobile insurance policy (the "Policy"). The Policy provided coverage within the policy territory, which was defined as, "The United States of America, its territories or possessions..."

6. On June 3, 2022, the day after Respondent's Liberty Policy took effect, Respondent notified Liberty that earlier that day, she discovered that her Hyundai was struck by another vehicle while it was parked and unattended on Ladova Way, in Springdale, Maryland. She reported that

the striking vehicle left the scene. Liberty opened a claim. Respondent submitted to Liberty photographs of the damage she alleged resulted from this hit and run accident.

7. On June 6, 2022, Liberty determined that Respondent's Hyundai was involved in the June 1, 2022, accident with GEICO's insured. Because Respondent reported in her June 2, 2022, application that she had no previous losses, Liberty referred Respondent's claim to its Special Investigative Unit ("SIU") for further investigation.

8. On June 6, 2022, Respondent informed Liberty of the June 1, 2022, accident on the BW Parkway. She reported that the damage to her Hyundai was limited to an outside mirror.

9. A Liberty investigator performed a license plate reader ("LPR") camera search, and discovered that on June 2, 2022, Respondent's Hyundai was photographed while parked in Glenarden, Maryland. The LPR photographs depicted damage to Respondent's Hyundai that appeared identical to the damage depicted in photographs submitted by Respondent in her June 3, 2022, claim to Liberty.

10. On June 7, 2022, GEICO provided Liberty with photographs taken by its insured following the June 1, 2022, accident. Contrary to Respondent's statements that the June 1, 2022, damage was limited to an outside mirror, the damages were actually consistent with the damages depicted in the photographs Respondent submitted to Liberty on June 3, 2022, as well as the damaged depicted in the June 2, 2022, LPR photographs.

11. On June 7, 2022, a Liberty representative interviewed Respondent, who stated that she parked her insured Hyundai on Ladova Way in Springdale, Maryland in mid to late afternoon on June 2, 2022. Respondent stated that on June 3, 2022, she returned to her Hyundai and noticed damage to the right rear and right front of the vehicle. Regarding the June 1, 2022 accident, with the GEICO insured vehicle, Respondent reported that her Hyundai was struck in the rear, but was

not damaged. The Liberty investigator confronted Respondent with evidence that her Hyundai was damaged prior to her June 3, 2022, claim with Liberty, to which Respondent replied that she was confused and that there were additional damages following the June 1, 2022, loss.

12. On June 10, 2022, Liberty sent a letter to Respondent denying her claim. The letter stated in part:

...Based upon the information available to date, the grounds for our denial of coverage under the Policy, or under applicable law, with respect to the claim, include, but are not limited to, the following:

Loss occurred prior to policy inception, misrepresentation of facts of loss and misrepresentation of policy application.

The policy does not provide coverage for claims under conditions which an insured intentionally concealed or misrepresented material facts or circumstances, engaged in fraudulent conduct, made false statements, or engaged in fraudulent conduct relating to this insurance. Because our review supports one or more of these conditions to be present, you have no coverage for this claim.

13. Section 27-802(a)(1) of the Maryland Insurance Article states,

An authorized insurer, its employees, fund producers, or insurance producers, ... who in good faith has cause to believe that insurance fraud has been or is being committed shall report the suspected insurance fraud in writing to the Commissioner, the Fraud Division, or the appropriate federal, State, or local law enforcement authorities.

Liberty, having a good faith belief that Respondent committed insurance fraud, referred the matter to the MIA, Insurance Fraud and Enforcement Division, which opened an investigation.

#### **The MIA's Investigation**

14. An MIA investigator examined the GEICO claim file which confirmed that Respondent, while operating her Hyundai, was involved in an accident with a GEICO insured vehicle on the BW Parkway on June 1, 2022.

15. On October 28, 2022, an MIA investigator interviewed the driver of the vehicle insured by GEICO (hereinafter "P.S."), who was involved in the June 1, 2022, accident with Respondent. P.S.

confirmed that following the accident, he took photographs of the damage to Respondent's Hyundai. Respondent displayed to him an image on her mobile phone of a Liberty automobile insurance identification card, which reflected an expiration date of February 28, 2022. P.S. submitted the photographs he took of the damage to Respondent's Hyundai to GEICO.

**16.** An MIA investigator compared photographs of Respondent's Hyundai taken following the June 1, 2022, accident with the photographs taken by the LPR on June 2, 2022, as well as the photographs of the damage Respondent reported to Liberty as having occurred on June 3, 2022. The MIA investigator concluded that the damages in all three sets of photographs were identical.

**17.** An MIA investigator examined Respondent's June 2, 2022, insurance application she submitted to Liberty and confirmed that despite being involved in an accident on June 1, 2022, Respondent denied having violations, accidents or any losses within the last 60 months. The application included Respondent's electronic signature.

**18.** In addition to her denial of previous losses on the application, the MIA investigator noted the address Respondent provided to Liberty on her policy application was 1807 Whitney Street, Charlestown, West Virginia. The MIA investigator interviewed the owner of this property who reported that Respondent was evicted from 1807 Whitney Street as of January 7, 2021, for failure to pay rent. Regarding Respondent's address at 3612 Ladova Way, the MIA investigator identified this address through an Insurance Services Office ("ISO") search, and subsequently spoke with the owner who reported that Respondent resided there for several months. He recalled finding the Respondent's vehicle parked at or near his home; it was damaged; therefore, he instructed Respondent to move her car. The owner of this address failed to cooperate any further.

**II. VIOLATION(S)**

**19.** In addition to all relevant sections of the Insurance Article, the Administration relies on the following pertinent sections in finding that Respondent violated Maryland’s insurance laws:

**§ 27-403**

It is a fraudulent insurance act for a person:

(2) to present or cause to be presented to an insurer documentation or an oral or written statement made in support of a claim...with knowledge that the documentation or statement contains false or misleading information about a matter material to the claim.

**§ 27-406**

It is a fraudulent insurance act for a person:

(1) knowingly or willfully to make a false or fraudulent statement or representation in or with reference to an application for insurance.

**§ 27-408(c)**

(1) In addition to any criminal penalties that may be imposed under this section, on a showing by clear and convincing evidence that a violation of this subtitle has occurred, the Commissioner may:

(i) impose an administrative penalty not exceeding \$25,000 for each act of insurance fraud; and

\* \* \*

(2) In determining the amount of an administrative penalty, the Commissioner shall consider:

- (i) the nature, circumstances, extent, gravity, and number of violations;
- (ii) the degree of culpability of the violator;
- (iii) prior offenses and repeated violations of the violator; and
- (iv) any other matter that the Commissioner considers appropriate and relevant.

**20.** By the conduct described herein, Respondent knowingly violated §§ 27-403 and 27-406 of the Insurance Article. Respondent provided false information in her application for insurance with Liberty, and falsely reported that her insured vehicle was damaged while parked and unoccupied. A fraudulent insurance act of making a false statement in support of a claim is complete upon

making the false statement and is not dependent on payment being made. Respondent committed violations of the Insurance Article when she made false statements and a false application for insurance to Liberty. As such, Respondent is subject to an administrative penalty under the § 27-408(c).

### **III. SANCTIONS**

**21.** Insurance fraud is a serious violation, which harms consumers because the losses experienced by insurance companies are passed on to consumers in the form of higher premiums. As authorized by §§ 2-210 (d)(1) and 2-405 of the Insurance Article, the Commissioner has the authority to investigate complaints alleging that a fraudulent claim has been submitted to an insurer.

**22.** Having considered the factors set forth in § 27-408(c)(2) the MIA has determined that a fine of \$1,500.00 is an appropriate penalty.

**23.** Administrative penalties shall be made payable to the Maryland Insurance Administration and shall identify the case by number (R-2022-4289A) and name (Tamika Renee Burton). Payment of the administrative penalty shall be sent to the attention of: Acting Associate Commissioner Joseph Smith, Insurance Fraud and Enforcement Division, 200 St. Paul Place, Suite 2700, Baltimore, Maryland 21202. Unpaid penalties will be referred to the Central Collections Unit for collection.

**24.** This Order does not preclude any potential or pending action by any other person, entity or government authority, regarding any conduct by Respondent including the conduct that is the subject of this Order.

**WHEREFORE**, for the reasons set forth above, and subject to the right to request a hearing, it is this 6th day of April 2023, **ORDERED** that:

Tamika Renee Burton shall pay an administrative penalty of One Thousand Five Hundred Dollars (\$1,500.00) within 30 days of the date of this Order.

KATHLEEN A. BIRRANE  
Insurance Commissioner

BY: signature on original  
JOSEPH E. SMITH  
Acting Associate Commissioner  
Insurance Fraud & Producer Enforcement Division

### **RIGHT TO REQUEST A HEARING**

Pursuant to § 2-210 of the Insurance Article and Code of Maryland Regulations (“COMAR”) 31.02.01.03, an aggrieved person may request a hearing on this Order. This request must be in writing and received by the Commissioner within thirty (30) days of the date of the letter accompanying this Order. However, pursuant to § 2-212 of the Article, the Order shall be stayed pending a hearing only if a demand for hearing is received by the Commissioner within ten (10) days after the Order is served. The written request for hearing must be addressed to the Maryland Insurance Administration, 200 St. Paul Place, Suite 2700, Baltimore, Maryland 21202, Attn: Melanie Gross, Executive Assistant to the Deputy Commissioner. The request shall include the following information: (1) the action or non-action of the Commissioner causing the person requesting the hearing to be aggrieved; (2) the facts related to the incident or incidents about which the person requests the Commissioner to act or not act; and (3) the ultimate relief requested. The failure to request a hearing timely or to appear at a scheduled hearing will result in a waiver of your rights to contest this Order and the Order shall be final on its effective date. Please note that if a hearing is requested on this initial Order, the Commissioner may affirm, modify, or nullify an action taken or impose any penalty or remedy authorized by the Insurance Article against the Respondent in a Final Order after hearing.