

IN THE MATTER OF THE

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MARYLAND INSURANCE
ADMINISTRATION

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v.

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CASE NO.: MIA- 2023-10-010

NATIONS HOME REMODELERS, INC.
730 Old Liberty Rd. STE 201
Sykesville, Maryland 21784-8520
C/O Henry Hentzman, Resident Agent

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Fraud Division File No.: T-2023-0279

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CONSENT ORDER

This Order is entered by the Maryland Insurance Administration (the “MIA”) against Nations Home Remodelers, Inc. (“NHR” or “Respondent”) with Respondent’s consent, 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.¹

I. RELEVANT MATERIAL FACTS

1. A public adjuster ("PA") is defined in the Insurance Article to include a person who, for compensation, acts for or assists a policyholder in assessing the value of, negotiating for, or effecting the settlement of a first property insurance claim under a property and casualty policy that insures the policyholder’s real or personal property. *See* § 10-401(g)(1). A person is required to be licensed to act as a public adjuster in the State. *See* § 10-403(a).

2. NHR is a limited liability company, located in Sykesville, Maryland. Henry Hentzman (“Hentzman”) is the resident agent and owner of NHR. Hentzman holds a contractor and salesperson license issued by the Maryland Home Improvement Commission ("MHIC") (License No. 38249). Neither NHR nor Hentzman have a Maryland public adjuster license. NHR held a

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

Maryland public adjuster license, which was issued on February 15, 2013, and became inactive on September 15, 2014, when it was canceled by its then designated licensed responsible producer “DLRP.”

3. On April 27, 2023, an NHR representative contacted the MIA’s Property and Casualty complaints Unit (“P & C”) and “indicated that he is a contractor working with a Complainant [policyholder] for which we [NHR] investigated a claim.” The NHR representative further indicated that he is a contractor who advocates and helps his clients navigate through the claims process. The NHR Representative stated that the difference between him and a public adjuster is that a public adjuster charges, and he does not. The MIA declined to discuss the claim, as it appeared that the NHR representative was acting as public adjuster without the requisite license to do so. P & C notified the MIA’s Insurance Fraud and Producer Enforcement Division, which opened an investigation.

4. An MIA investigator examined NHR’s website² which revealed the following.

NHR’s Website Postings

- **Our Team**

Our insurance recovery specialist have extensive training and experience evaluating storm damage and assisting our customers with insurance claims. We begin by performing a NO COST, NO OBLIGATION comprehensive inspection to determine the extent of the damage to your property. If the damage meets or exceeds the criteria used by your insurance company, **our team will partner with you to make sure your insurance company covers the damages** [*emphasis added*] and restores your home to pre-loss condition. We handle everything for you. We will make certain that all storm damage is thoroughly documented and provided to your insurance company’s adjuster when we meet them on site for you. We will provide all information necessary to prove your loss to your insurer. Our inside claims team will supplement your insurer for any items that are unfounded or required by local building codes. Out of pocket expenses will be limited to your insurance deductible* unless you decide to contract separately for upgrades or maintenance items**. Once we have evaluated the insurance adjustments report to guarantee that all damage has been covered and the appropriate funding has been

² <https://www.nationshomeremodelers.net/services/Hail-Storm-damage-restoration>

provided, we will schedule a date to begin repairs. As your preferred contractor, we will complete the repairs and replacement of all items listed in the insurance companies “scope of work” for the dollar amount specified by your insurer.

- **We Are Locally Owned And Operated:**

Our philosophy about working with clients: We recognize that the insurance claims process can be stressful and confusing for a homeowner. **We take the burden of dealing with your insurance company off of your shoulders. Our number one goal is to insure our clients recover 100% of what they are entitled to under their insurance policy. Our extensive experience along with our belief in open communication enables us to navigate the challenging insurance claims process** [*emphasis added*].

- **Our Expertise:**

We pride ourselves on our reputation as “The Contractor You Can Trust”. Our Expertise in the insurance claims process goes far beyond performing repairs. We know how to get you everything you are entitled to. We are fully insured and licensed by the Maryland Home Improvement Commission and the **Maryland Insurance Administration** [*emphasis added*]. We complete all work according to local building codes and obtain all necessary permits as required by law.

- **Will The Insurance Company Really Pay For This? Or Is This A Scam?**

Yes, the Insurance Company will pay for storm damage to your home. And no, it’s not a scam. The Insurance Company will only pay for what is actually damaged. But the burden of proof is on you. If your home is damaged, you will need an experienced Contractor to meet with the Insurance Company and prove that you have damage.

5. An MIA investigator examined NHR’s online business reviews on Angi’s list, as well as

Google. The following information was discovered:

February 5, 2017 (Angi’s List)

...We had to have our roof replaced due to hail damage, it involved a lot of paperwork with the insurance company. Henry walked us through the process and handled all the details, saving us a lot of time and trouble.

Google Reviews:

... They helped us in managing the insurance claim process in order to save our non-profit money and to insure the highest quality shingles for the new roof...

Highly recommended! Excellent service, product, and price. Prompt response and installation. Worked directly with my insurance company, making it super convenient for me.

6. An MIA investigator interviewed the P & C representative who spoke with the representative for NHR. The P & C representative confirmed her conversation; she expressed to the NHR representative her concern with his statement that the difference between him and a public adjuster is that a public adjuster charges [a fee]; he does not. The MIA representative explained to the NHR representative that a license was required to act as a public adjuster in Maryland.

7. Notwithstanding its failure to be licensed, NHR engaged in the business of public adjusting in Maryland and therefore, have violated the insurance laws of the State.

II. MARYLAND INSURANCE LAWS

8. The following provisions of the Maryland Insurance Article apply to acts and omissions of the Respondents in the State.

Section 10-401(g) of the Insurance Article provides, in pertinent part:

(g)(1) “Public adjuster” means a person who for compensation or any other thing of value:

(i) acts or aids, solely in relation to first-party claims arising under an insurance policy that insures the real or personal property of the insured, on behalf of the insured in negotiating for, or effecting the settlement of, a claim for loss or damage covered by an insurance policy;

(ii) except as provided in § 10-403 of this subtitle, directly or indirectly solicits for employment as a public adjuster of insurance claims, solicits business, or represents oneself to the public as a public adjuster of first-party insurance claims for losses or damages arising out of insurance policies that insure real or personal property; or

(iii) Investigates or adjusts losses, or advises an insured about first-party claims for losses or damages arising out of an insurance policy that insures real or personal property for another person engaged in the business of adjusting losses or damages covered by an insurance policy, for the insured.

Section 10-403 of the Insurance Article provides, in pertinent part:

(a) Except as otherwise provided in this subtitle, a person must obtain a license before the person acts as a public adjuster in the State.

Section 27-405 of the Insurance Article provides, in pertinent part:

- (a) It is a fraudulent insurance act for a person to act as or represent to the public that the person is:
 - (1) an insurance producer or a public adjuster in the State if the person has not received the appropriate license under or otherwise complied with Title 10 of this article[.]

Section 4-205 of the Insurance Article provides, in pertinent part:

- (b) An insurer or other person may not, directly or indirectly, do any of the acts of an insurance business set forth in subsection (c) of this section, except as provided by and in accordance with the specific authorization of statute.
- (c) Any of the following acts in the State, effected by mail or otherwise, is considered to be doing an insurance business in the State:
 - ...
 - (6) except as provided in subsection (d) of this section, with respect to a subject of insurance resident, located, or to be performed in the State, directly or indirectly acting as an insurance producer for, or otherwise representing or helping on behalf of another, an insurer or other person to:
 - ...
 - (vii) investigate or adjust claims or losses;
 - ...
 - (ix) in any other manner represent or help an insurer or other person to transact insurance business;
 - (7) doing any kind of insurance business specifically recognized as doing an insurance business under statutes relating to insurance;
 - (8) doing or proposing to do any insurance business that is substantially equivalent to any act listed in this subsection in a manner designed to evade the statutes relating to insurance[.]

Section 27-203 of the Insurance Article provides, in pertinent part:

A person may not make, publish, disseminate, circulate, place before the public, or cause directly or indirectly to be made, published, disseminated, circulated, or placed before the public in a newspaper, magazine, or other publication, in the form of a notice, circular, pamphlet, letter, or poster, over a radio or television station, or in any other way, an advertisement, announcement, or statement that contains an assertion, representation, or statement about the business of insurance or about a person in the conduct of the person's insurance business that is untrue, deceptive, or misleading.

Section 4-212 of the Insurance Article provides, in pertinent part:

An unauthorized insurer or person that violates this subtitle is subject to a civil penalty of not less than \$100 but not exceeding \$50,000 for each violation.

Section 27-408(c) of the Insurance Article provides, in pertinent part:

(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.

III. VIOLATIONS

9. By the conduct set forth above, Respondent violated the Insurance Article by acting as a public adjuster without having the requisite license to do so. Specifically, NHR proclaimed, advertised, or otherwise advised the public that:

- It could advocate and help clients navigate through the claims process;
- It recognized that the insurance claims process can be stressful and confusing;
- It takes the burden of dealing with the “insurance company off of your shoulders;”
- Its “number one goal is to insure our clients recover 100% of what they are entitled to under their insurance policy;”
- Its “extensive experience along with our belief in open communication enables us to navigate the challenging insurance claims process;”
- Its “Expertise in the insurance claims process goes far beyond performing repairs.”
- It was licensed by the Maryland Insurance Administration, when it was not.

10. The public justifiably expects the MIA to ensure that only competent and trustworthy public adjusters are permitted to conduct the business of insurance in the State and with Maryland. Respondent’s conduct violated §§ 27-405(a)(1), 27-203, 10-403(a), and 4-205(b) and (c) of the

Insurance Article. Respondent did not have a license as required under § 10-403 to act as a public adjuster.

IV. SANCTIONS:

11. Respondent acknowledge the violations, and admit that the above facts accurately depict the language and content of its website. Respondent denies liability to any party, and agreed to discontinue all activities that are the subject of this Consent Order, thereby resolving the violations enumerated in this Consent Order.

12. The Commissioner may bring an action in a court of competent jurisdiction to enforce this article or an order issued by the Commissioner under this article. Insurance Article §§ 2-201(a) and 2-405.

13. The Respondent denied that the violations cited in this Consent Order were intentional acts. Respondent stated through its representative that it was unaware that its employee contacted the MIA, Respondent concurs with the MIA's finding that its action violated the laws of this State. Respondent corrected its website.

14. In consideration of the violations set forth above, and the need to protect the public by the enforcement of the Insurance Article, the MIA issues the following directives and imposes the following sanctions:

- (a) Respondent shall immediately **DISCONTINUE** all business activities in the State of Maryland that fall within the scope of activities defined in § 10-401;
- (b) Respondent shall immediately **DISCONTINUE** holding themselves out as persons or entities qualified to act on behalf of Maryland policyholders in the evaluation, appraisal, estimation or negotiation of the cost to repair damages covered by a policy of insurance;
- (c) Respondent shall immediately **DISCONTINUE** publishing, disseminating, circulating, or placing before the public any statements that contain an assertion, representation, or statement about the business of insurance that are untrue, deceptive, or misleading. In that regard, Respondents shall immediately

amend/modify its respective advertisements, including Facebook pages and websites to remove any references to the performance of any activities that fall within the scope of the activities described in § 10-401 in Maryland.

15. In addition, having considered the factors set forth in § 27-408(c)(2), the MIA has determined that \$1,000.00 is an appropriate penalty against Respondent.

16. The aforesaid administrative penalties shall be paid within thirty (30) days of the date of this Order to the Maryland Insurance Administration. Payment shall be made by immediately payable funds and shall identify the case by number (T-2023-0279) and Respondent name (Nations Home Remodelers, Inc.). Payment of the administrative penalty shall be sent to the attention of: Acting Associate Commissioner Joseph E. Smith, Insurance Fraud & Enforcement Division, 200 St. Paul Place, Suite 2700, Baltimore, Maryland 21202. Unpaid penalties will be referred to the Central Collections Unit for collection.

17. This Consent Order does not preclude any potential or pending action by any other person, entity, or government authority, regarding any conduct by Nations Home Remodelers, INC. including the conduct that is the subject of this Order.

WHEREFORE, for the reasons set forth above, consented to by Respondent, it is on this 10th day of October _____ 2023, **ORDERED** that:

- (A) Nations Home Remodelers, Inc. shall pay an administrative penalty of One Thousand Dollars (\$1,000.00) within 30 days of the date of this Order;
- (B) Nations Home Remodelers, Inc. shall otherwise fully and completely comply with Paragraph 15 of this Order.
- (C) The parties acknowledge that this Consent Order contains the entire agreement between the parties relating to the administrative actions addressed herein and that this Consent Order resolves all matters relating to the assertions and agreements contained herein. All time frames set forth in this Consent Order may be amended or modified only by subsequent written agreement of the parties. The Administration agrees that no additional penalties or sanctions beyond those set forth herein may be levied against Respondent for the actions alleged and acknowledged in this Consent Order.

- (D) Respondent has had the opportunity to have this Consent Order reviewed by legal counsel of its choosing, and is aware of the benefits gained and obligations incurred by the execution of this Consent Order. Respondent waives any and all rights to any hearing or judicial review of this Consent Order to which it would otherwise be entitled under the Insurance Article.
- (E) For the purposes of the Administration and for any subsequent administrative or civil proceedings concerning the Respondent, whether related or unrelated to the foregoing paragraphs, and with regard to requests for information about the Respondent made under the Maryland Public Information Act, or properly made by governmental agencies, this Consent Order will be kept and maintained in the regular course of business by the MIA. For the purposes of the business of the MIA the records and publications of the MIA will reflect this Consent Order.
- (F) Nothing herein shall be deemed a waiver of the Commissioner's right to proceed in an administrative action or civil action to enforce the terms of this Consent Order. Failure to fully comply with the terms of this Consent Order may subject Respondent to further legal and/or administrative action.
- (G) This Consent Order shall go into effect upon signing by the Commissioner or her designee, and is a Final Order of the Commissioner under § 2-204 of the Insurance Article.

KATHLEEN A. BIRRANE
Insurance Commissioner

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

RESPONDENT'S CONSENT

RESPONDENT, Nations Home Remodelers, Inc., hereby CONSENTS to the representations made in, and the terms of, this Consent Order. On behalf of Nations Home Remodelers, Inc., Henry Hentzman, hereby affirms that he is duly authorized to bind Nations Home Remodelers, Inc. to the terms and conditions of this Consent Order.

Signature: _____

Nations Home Remodelers, Inc.,
By: Henry Hentzman

Date: _____

10/5/2023