

IN THE MATTER OF THE  
MARYLAND INSURANCE  
ADMINISTRATION

v.

Elie Mbobda  
100 Sunmar Court Apt. 1C  
Gwynn Oak, Maryland 21207

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BEFORE THE MARYLAND  
INSURANCE COMMISSIONER

CASE NO. : MIA-2013-09-039

Fraud Division File No.: R-13-2292A

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**ORDER**

This Order (“the Order”) is entered by the Maryland Insurance Administration (“MIA”) against Elie Mbobda (hereinafter referred to as “Respondent” or “Mbobda”) pursuant to §§ 2-108, 2-204 and 2-405 of the Insurance Article, Maryland Annotated Code.

As basis for this action, the MIA states that:

**I. Facts**

1. Insurance fraud is a serious violation which harms consumers in that the losses suffered by insurance companies are passed on to consumers in the form of higher premiums.

2. Title 27, Subtitle 4 of the Insurance Article contains the specifications of what constitute “fraudulent insurance acts” and the penalties therefor. Specifically, §27-403(2) provides that it is a fraudulent insurance act for a person “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.” Section 27-408(c) provides that, with respect to violations of said Subtitle, the Commissioner may, *inter alia*, impose an administrative penalty not exceeding \$25,000.00 for each act of insurance fraud and order restitution to an insurer.

3. On April 14, 2012, the Respondent was riding a bicycle at the intersection of Liberty Road and Essex Road in Baltimore County Maryland when he was struck by J. T. who was driving a 1995 Volvo, vehicle identification number ending in 0818. Baltimore County Police responded and Officer Neville authored an accident report in which he noted observing a "minor" scuff on the front bumper of the Volvo, but did not observe visible signs of injury to the Respondent.

4. At the time of the accident, the above cited vehicle was insured by Nationwide Insurance Company (hereinafter, "Nationwide") under policy number [REDACTED]. The policy coverage period was from October 29, 2011 through April 29, 2012.

5. On April 15, 2012, Nationwide opened a claim regarding the above cited motor vehicle accident. Claim number 5219Z0065602012041401 was assigned.

6. At the time of the motor vehicle accident, Mbobda was employed as a licensed Certified Geriatric Nursing Assistant by Chapel Hill Nursing Home, 4511 Robosson Rd., Randallstown, MD 21133. He is licensed by the Maryland Board of Nursing, License # A00080965. The License was issued on July 14, 2006.

7. Following the accident, Mbobda retained the services of Alvin Filbert (hereinafter "Counsel") of the Law Offices of Sagal, Cassin, Filbert & Quasney, P.A. located at 600 Washington Avenue, Suite 300, Towson, Maryland 21204, for injuries he allegedly suffered as a result of the motor vehicle accident on April 14, 2012.

8. On September 7, 2012, a Nationwide claims specialist notified Counsel that the Bodily Injury claim involving Mbobda had been assigned to her.

9. On November 6, 2012, the claims specialist received a completed Wage and Salary Verification Form (hereinafter, "lost wage form"), from Counsel, on which Mbobda's alleged lost wages as a result of the accident were calculated at \$7,980.00.

10. The claims specialist inadvertently shredded the lost wage form prior to imaging it for inclusion in the file. Consequently, Counsel resubmitted to Nationwide the same lost wage form via fax on January 10, 2013. This form was dated October 17, 2012. The lost wage form stated that Mbobda earned an hourly wage of \$14.25, worked 40 hours per week and was absent from work following the accident, from April 14, 2012 through July 20, 2012. Additionally, the form reflected that Mbobda was not paid wages or salary during his absence.

11. On January 10, 2013, the Nationwide claims specialist spoke with the Human Resource Manager for Chapel Hill Nursing Home, who reported that she did not recall filling out the lost wage form for Mbobda.

12. On January 10, 2013, due to suspicions regarding the validity of the lost wage form submitted by Counsel on behalf of Mbobda, the claim was transferred to a Special Investigator in Nationwide's Special Investigations Unit.

13. According to Nationwide claim log notes from January 16, 2013, Counsel left a voice mail message advising that he had discussed the lost wage form with his client. He stated that his client told him that the form was filled out by a "supervising RN" at Chapel Hill since the Human Resource Manager was not there at the time.

14. On January 18, 2013, the Special Investigator called Chapel Hill Nursing Center and spoke with the Human Resource Manager who advised that Mbobda did not lose time from work between April 14, 2012, and July 20, 2012. According to the Human Resource Manager, Mbobda was paid and did attend work, which was verified through his time clock records. Since

the signature on the lost wage form is illegible, the Human Resource Manager checked to see if anyone, including any RNs, at Chapel Hill had signed the form, with negative results. The Human Resource Manager confirmed that she was the only person who had the authority to sign lost wage documents, and that she did not sign it. The Human Resource Manager also verified that no one except for Mbobda could have used the time clock to enter his hours as the time clock reads the person's hand electronically to verify the identity of the employee entering the time. Further, the Special Investigator obtained time clock records from April 1, 2012 through August 4, 2012 as well as a signed affidavit from the Human Resource Manager further confirming that Mbobda did not miss time from work between April 14, 2012 and July 20, 2012.

15. Five days after the Nationwide Special Investigator contacted the Respondent's employer and confirmed with them that the lost wage form was falsified, Counsel for Mbobda formally withdrew the claim of lost wages in a letter dated January 23, 2013, which read, "As a result of information recently provided to me, I withdraw any and all claims for wage loss..."

16. Section 27-802(a)(1) of the Maryland Insurance Article states, "An authorized insurer, its employees, producers...or agents, who in good faith have 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." Nationwide's Special Investigator, therefore, having a good faith belief that insurance fraud had been committed, referred the file to the Maryland Insurance Administration Fraud Division where it was assigned to Assistant Chief Investigator Joseph Smith.

17. On July 10, 2013, the MIA confirmed with Counsel that he did represent Mbobda. While Counsel declined to provide specific information regarding his representation of Mbobda,

citing ethical considerations, he advised that as a matter of practice, his office provides clients with a lost wage form to be completed. Once complete, the lost wage form is then sent by his office to the insurance company on behalf of the client.

18. On July 16, 2013, M.M., the current Director of Human Resources for Chapel Hill Nursing and Rehabilitation Center, reported to the MIA that Mbobda worked on average 30 hours biweekly between April 14, 2012, and July 20, 2012. Further, Mbobda did not miss time from work between April 14, 2012, and July 20, 2012.

## **II. Violation(s)**

In addition to all relevant sections of the Insurance Article, the Administration relies on the following pertinent sections in finding that Elie Mbobda violated Maryland's insurance laws:

19. **Section 27-403(2)**

It is a fraudulent insurance act for a person:

(2) to present or cause to be presented to 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.

20. The violation is complete upon submission of the false document or statement to the insurance company. Later withdrawal of the claim does not negate the violation.

21. **Section 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 \$25,000.00 for each act of insurance fraud; and

(ii) order restitution to an insurer or self-insured employer of any insurance proceeds paid relating to a fraudulent insurance claim.

(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.

22. By the conduct described herein, Elie Mbobda knowingly violated § 27-403(2).

### **III. Sanctions**

23. By the facts and violations stated above, Mbobda is subject to, *inter alia*, imposition of an administrative penalty.

24. In view of the deceptive nature of Mbobda's conduct, as well as the fact that he is a licensed health care professional (Certified Geriatric Nursing Assistant) who is expected to "demonstrate honesty and integrity," (COMAR 10.39.07.02, Ethical Responsibilities) and in consideration of the relevant statutory factors, an administrative sanction of \$5,000.00 is an appropriate penalty in this case.

25. Administrative penalties shall be made payable to the Maryland Insurance Administration and shall identify the case by number (R-13-2292A) and name (Elie Mbobda). Unpaid penalties will be referred to the Central Collections Unit for collection. Payment of the administrative penalty shall be sent to the attention of: Associate Commissioner, Insurance Fraud Division, 200 St. Paul Place, Suite 2700, Baltimore, Maryland 21202.

26. This Order does not preclude any potential or pending action by any other person, entity or government authority, regarding any conduct by the 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 1<sup>st</sup> day of November 2013, **ORDERED** that:

(1) Elie Mbobda pay an administrative penalty of \$5,000.00 within 30 days of the date of this Order.

THERESE M. GOLDSMITH  
Insurance Commissioner

*Signature on original*

BY:

CAROLYN HENNEMAN  
Associate Commissioner,  
Insurance Fraud Division

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

Pursuant to § 2-210 of the Insurance Article and COMAR 31.02.01.03, a person aggrieved by this Order may request a hearing on this Order. This request must be in writing and be received by the Commissioner within thirty (30) days of the date of the letter accompanying this Order.

Pursuant to §2-212 of the Insurance 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 issued.

The request for hearing must be made in writing. This request must be addressed to the Maryland Insurance Administration, 200 St. Paul Place, Suite 2700, Baltimore, Maryland 21202, ATTN: Sharon Kraus, Appeals Clerk. 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 made final on its effective date.