

IN THE MATTER OF THE
MARYLAND INSURANCE
ADMINISTRATION

v.

TISHARA WILSON
3116 Karendale Circle
Windsor Mills, Maryland 21244

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BEFORE THE MARYLAND
INSURANCE COMMISSIONER

CASE NO. MIA-2014-12-038
Fraud Division File No.: R-2014-1691A

ORDER

This Order is entered by the Maryland Insurance Administration (“MIA”) against Tishara Wilson (“Wilson” or “Respondent”) pursuant to §§2-108, 2-201, 2-204 and 2-405 of the Annotated Code of Maryland, Insurance (“the Insurance Article”).

I. Facts

1. Respondent was an authorized driver on her parents’ automobile insurance policy with The Travelers Home and Marine Insurance Company (Travelers), an authorized insurer. The policy number was [REDACTED]. The policy provided coverage for a 1999 Hyundai Sonata. The policy was in effect from May 11, 2013 to May 11, 2014.

2. On September 30, 2013, Wilson loaned the Hyundai Sonata to her cousin. On the same date, Respondent’s cousin, while operating the Hyundai Sonata and accompanied by a passenger, was involved in a motor vehicle accident with another vehicle.

3. A police officer responded to the accident location, in Baltimore, Maryland, and authored an accident report in which the Respondent was not listed as an occupant in any of the involved vehicles. The accident was witnessed by another police officer, who was identified in the accident report.

4. On September 30, 2013, one of the policyholders, Respondent's mother, notified Travelers that the Hyundai Sonata was involved in an accident. Travelers assigned claim number [REDACTED]

5. On October 1, 2013, a Travelers claim agent contacted Respondent. She advised that she had been the driver of the Hyundai Sonata, accompanied by two passengers, at the time of the September 30, 2013 accident. Respondent reported that she had sustained injuries as a result of the accident. This conversation was recorded.

6. Later, on October 1, 2013, the other policyholder, Respondent's father, contacted Travelers and requested information as to what the Respondent reported to Travelers regarding the accident. He advised Travelers that he did not think his daughter was the driver, but possibly a passenger at the time of the accident.

7. Later that same day, Travelers again contacted the Respondent and advised her that it had information she was not driving the Hyundai Sonata at the time of the accident. In response, Respondent stated that she was mistaken and had not been the driver. She did not, however, retract her claim that she had been an occupant of the vehicle or that she had been injured. Respondent relayed that she had legal representation and provided the name of her attorney.

8. Respondent, along with her cousin who was operating the vehicle and the passenger, retained an attorney. On October 3, 2013, their attorney sent a letter of representation to Travelers, requesting the appropriate Personal Injury Protection (PIP) forms.

9. The matter was referred to Travelers Special Investigations Unit (SIU) due to discrepancies as to who was operating the Hyundai Sonata at the time of the accident.

10. On October 14, 2013, Travelers faxed a copy of the police report to Respondent's attorney. Subsequently, on the same day, Travelers received a letter from the attorney stating that he no longer represented the three individuals.

11. On October 29, 2013, Travelers' SIU interviewed the Respondent's cousin who was identified in the police report as operating the Hyundai Sonata at the time of the accident. During the interview, she reported that Respondent was not in the vehicle at the time of the accident.

12. On November 5, 2013, Travelers' SIU interviewed the person identified in the accident report as the passenger of the Hyundai Sonata at the time of the accident. She too confirmed that Respondent was not in the vehicle at the time of the accident.

13. On January 10, 2014, Travelers issued a denial letter to Wilson, citing that "...they will be unable to afford Personal Injury Protection..." as its investigation revealed that she was not an occupant of the 1999 Hyundai Sonata at the time of the accident.

14. Section 27-802(a)(1) of the Insurance Article states, "An authorized insurer ... 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." Having a good faith belief that insurance fraud had been committed, Travelers referred the matter to the Maryland Insurance Administration, Fraud Division.

15. MIA confirmed Travelers' handling of the claim as set forth above.

16. MIA interviewed Respondent's cousin, who was operating the Hyundai Sonata at the time of the accident, as well as the passenger. Both confirmed that Respondent was not in the car at the time of the accident.

17. MIA interviewed the police officer who witnessed the accident. He confirmed that there were only two occupants in the Hyundai Sonata at the time of the accident.

18. MIA interviewed the operator of the other vehicle involved in the September 30, 2013 accident. She stated there were only two occupants in the Hyundai Sonata.

19. MIA interviewed the Respondent, who admitted that she was not in the Hyundai Sonata at the time of the accident as she initially had reported to Travelers.

II. Violation(s)

20. The Administration relies on the following pertinent sections of the Insurance Article in finding that Respondents violated Maryland's insurance laws:

21. **Section § 27-403(2)**

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.

22. **Section § 27-408(c)(1) and (2)**

(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.

23. By the facts and violations stated above, Respondent is subject to the imposition of an administrative penalty under § 27-408(c).

III. Sanctions

24. 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. The Commissioner may investigate any complaint that alleges that a fraudulent claim has been submitted to an insurer. Insurance Article, §§2-201(d)(1) and 2-405.

25. Respondent, through her attorney, filed an injury claim with Travelers. She gave a recorded statement to Travelers stating that she was operating the Hyundai Sonata at the time of the September 30, 2013 accident and had been injured. Witness statements dispute Respondent's account as does the police report. Ultimately, Respondent confessed to MIA that she was not in the Hyundai Sonata at the time of the accident. Having considered all relevant factors, including those set forth in Insurance Article §27-408(c)(2) and COMAR 31.02.04.02, MIA has determined that one thousand dollars (\$1,000.00) is an appropriate penalty for Wilson.

26. Administrative penalties shall be made payable to: Maryland Insurance Administration. Payments shall reference the case number (R-2014-1691A) as well as name (Tishara Wilson). Unpaid penalties will be referred to the Central Collections Unit. 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.

27. 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 23rd day of December 2014, **ORDERED** that:

- (1) Tishara Wilson shall pay an administrative penalty of one thousand dollars (\$1,000.00) 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 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 issued. The written request for hearing must be addressed to the Maryland Insurance Administration, 200 St. Paul Place, Suite 2700, Baltimore, Maryland 21202, Attn: Sharon Kraus, Appeals Clerk. 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.