

IN THE MATTER OF THE

MARYLAND INSURANCE
ADMINISTRATION

v.

CHARLENE SWANN
1005 Atlee Drive
Hyattsville, Maryland 20785

*
*
*
*
*
*
*
*
*
*
*

CASE NO.: MIA-2025-11-008

Fraud Division File No.: R-2025-1874

ORDER

This Order is issued by the Maryland Insurance Administration (the “MIA”) against Charlene Swann (“Respondent”) pursuant to §§ 2-108, 2-201, 2-204¹ and 2-405 of the Insurance Article, Md. Code Ann. (2017 Repl. Vol. & Supp.) (the “Insurance Article”).

I. FACTS

1. On January 11, 2023, Respondent applied for an Accident Insurance policy (the “Policy”) with American Family Life Assurance Company of Columbus (“AFLAC”), an authorized insurer.

Respondent signed the policy application immediately after the following fraud warning:

Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

2. The Policy, policy number P1A3F0G2, took effect on January 12, 2023, and remained in effect at all relevant times for which Respondent submitted the claims enumerated in this Order.

3. The Accident only policy was purchased as an Individual plan, providing accident coverage only for the Respondent. The policy requires proof of loss to be provided to AFLAC within 90 days of loss.

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

4. The Respondent submitted three claims to AFLAC relating to this policy, two claims dated March 9, 2023 and one claim dated June 25, 2023.

5. Respondent signed each of the claim forms immediately after the following fraud warning:

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime, and subjects such person to criminal and civil penalties.

6. Claim numbers 040042596 and 040042990 were both dated March 9, 2023, with an accident date of February 24, 2023. Respondent received payments in the amount of \$5,550.00 for claim 040042596 and \$180.00 for claim number 040042990. Claim 040042596 contained a medical bill from Holy Cross Hospital showing total costs for services rendered as \$17,703.59.

7. Claim number 042093315 was submitted to AFLAC by Respondent on June 25, 2023 with an accident date of May 2, 2023. Respondent received payment in the amount of \$4,205.00 for the claim. Claim 042093315 contained a medical bill from Holy Cross Hospital showing cost for services rendered as \$13,359.76.

8. In order to authenticate claims submitted by Respondent, on August 12, 2024, AFLAC Special Investigations Unit (SIU) contacted Holy Cross Hospital records administrator to verify the medical bills provided by the Respondent. Holy Cross Hospital responded and indicated that Charlene Swann was not a patient and the records could not be validated. The SIU investigator noted that these claims were linked with another insured party, Arniece Hillian, who had submitted similar records from Holy Cross Hospital and received AFLAC funds.

9. On August 12, 2024, AFLAC sent letters to Respondent requesting her to contact its investigator within three days to discuss the above listed claims. The letter explicitly stated:

Please be advised that failure to comply with this request may result in the denial of your claim(s) due to insufficient information and/or reporting to the Maryland Insurance Administration.

Respondent failed to reply to the three day notice letter.

10. On August 12, 2024 the SIU contacted Respondent via telephone at phone number (240) 521-2798, which is the phone number associated with the Respondent on her AFLAC policy P1AF0G2. Respondent indicated she was unavailable to speak and would call the SIU at a later time.

11. Additional attempts to speak with Respondent were made by the SIU on August 13, 2024 and August 14, 2024. No return call was received.

12. On August 15, 2024 AFLAC sent a letter to Respondent requesting restitution for the claims paid erroneously, in the amount of \$9,935.00.

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.

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

II. THE MIA'S INVESTIGATION:

15. In an effort to authenticate claim numbers 040042596, 040042990 and 042093315 submitted by Respondent, all documents submitted to AFLAC by the Respondent were reviewed by the MIA investigator. The claims which were submitted on March 9, 2023 (040042596, 040042990) and June 25, 2023 (042093315) contained police accident reports as documentation of the claim.

16. Claims 040042596 and 040042990 were submitted along with an accident report from the Montgomery County Police Department (MCPD). The submitted document lists a report number of MCP8257001Z, local case number 280089344, with a crash date and time of 2/14/2023 at 4:38pm. The location of the crash is listed as University Blvd and Colesville Rd, involving a 2015 Mercedes with MD registration 2XY1731. Respondent is listed as the vehicle driver however according to a Maryland vehicle tag report run by the MIA investigator, 2XY1731 is not a valid license plate.

17. The Maryland Insurance Administration submitted a request to the MCPD to obtain an authenticated copy of the accident report submitted by the Respondent for claims 040042596 and 040042990. Records personnel from MCPD indicated that the details listed on the report submitted by Respondent do not match their records. A copy of the valid accident report was provided, and shows a report number of MCP3295001Z, and local case number of 220037100 with a crash date and time of 8/27/2022 at 5:38pm. The location, accident diagram, and narrative match the submitted document with the exception of the removal of the statement “There is BWC footage available for this incident”. The involved vehicle description matches in both reports including the VIN WDCGG8JB9FG380233, however the report from the MCPD provides a license plate number of 1DX1731. This license plate is registered to Curtis Marvin Fann (“Fann”). Fann is listed as the driver of the vehicle during the time of the accident in the MCPD report. The Respondent is not listed anywhere on the official report provided by the Montgomery County Police Records Division.

18. The Maryland Insurance Administration contacted Montgomery County Fire and Rescue Services (MCFRS) to validate the billing statement provided by the Respondent. The bill the Respondent submitted indicates a total cost of \$518.70 for transport to Holy Cross Hospital on

2/14/2023. On September 2, 2025 the records division of MCFRS indicated they had no record of the Respondent being a transport patient at any time.

19. Claim 042093315 was submitted to AFLAC on June 25, 2023 along with an accident report from the Prince Georges County Police Department (PGPD). The submitted document lists a report number of DA4186005J, local case number PP22061800000254, with a crash date and time of May 2, 2023 at 5:25pm. The location of the crash is listed as Central Avenue and Hampton Park Boulevard, involving a 2013 Hyundai Sonata with MD registration 97817CJ. The driver is identified as Timothy Fletcher (registered owner of the vehicle). The Respondent is not listed anywhere in the accident report as a passenger or driver of a vehicle.

20. The Maryland Insurance Administration submitted a request to PGPD for a copy of records associated with the accident report submitted by the Respondent for claim 042093315 with an accident date of May 2, 2023. A copy of the police report provided by Prince Georges county police for report number PP2206100000254 shows an actual date of June 18, 2022 (correlates directly to the case number) with a time of occurrence as 1:43am. The location is listed as the same as the report submitted to AFLAC by the Respondent of Central Avenue and Hampton Park Boulevard. The Accident diagrams on both documents are also identical. The involved vehicle is listed as a 2004 Lexus driven by Arniece Hillian, with license plate 3CY7272.

21. Medical records from Holy Cross Hospital submitted with the claims 040042596 and 042093315 both indicate the Respondent was hospitalized for several days following the accidents. Both Holy Cross Hospital statements show an admission time of 1702hrs, and both identify the medic associated with transport as ID number 113810942. This indicates that both admissions on February 14, 2023 and May 2, 2023 occurred at the exact same time, and involved services of the same emergency medical personnel. The records from the May 2, 2023 admission which list the

hospital admission time as 1702hrs indicate the Respondent was admitted prior to the time listed on the accident report of 1738hrs.

22. A Lexis Nexis Accurint search conducted by the Maryland Insurance Administration shows that the Respondent and Arniece Hillian are relatives. The phone number (240)521-2798 used by GEICO SIU to contact Respondent was searched in Accurint and shows the current registered user as the Respondent.

23. A letter was mailed from the Maryland Insurance Administration to the Respondent via certified mail on September 4, 2025 and via email to charleneswann710@gmail.com requested to discuss the open investigation.

24. Document review by the MIA determined that the same altered documents from Holy Cross Hospital, Montgomery County Fire and Rescue Services, Montgomery County Police Department, and Prince Georges County Police Department were submitted to AFLAC by both Respondent and Arniece Hillian.

25. USPS Tracking records for the certified letter sent to the Respondent indicate that service was refused on September 6, 2024. Respondent also did not respond to the notice sent via email.

III. LEGAL AUTHORITY

26. In addition to all relevant sections of the Insurance Article, the Administration relies on the following pertinent sections in finding that Respondents 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[.]

27-408

(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.

27. By the conduct described herein, Respondent violated § 27-403. Respondent violated the Insurance Article when she submitted false claims to AFLAC. As such, Respondent is subject to an administrative penalty pursuant to § 27-408(c) of the Insurance Article.

IV. SANCTIONS

28. 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 fraudulent claims has been submitted to an insurer. Ins. §§ 2-201(d) (1) and 2-405.

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

30. The administrative penalty shall be paid by check made payable to “Maryland Insurance Administration” within thirty (30) days of the date of this Order. Payment must identify the case by number (R-2025-1874) and name (Charlene Swann). Payment of the administrative penalty shall be sent to the attention of: Shanice Deramus, Fiscal Department, Maryland Insurance

Administration, 200 St. Paul Place, Suite 2700, Baltimore, MD 21202. Unpaid penalties will be referred to the Central Collection Unit for collections.

31. Additionally, Respondent is ordered to reimburse AFLAC \$9,935.00, which is the amount AFLAC paid Respondent for disability claims she submitted, later determined to be false.

32. Notification of restitution to AFLAC shall be made in writing to: Robert Guynn, Associate Commissioner, Insurance Fraud and Enforcement Division, 200 St Paul Place, Suite 2700, Baltimore, Maryland 21202. Such notification shall include a copy of the money order or cancelled check as proof of reimbursement and identify the case by number (R-2025-1874) and name (Charlene Swann).

33. 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 Respondent's right to request a hearing, it is this 10th day of November 2025, **ORDERED** that:

(A.) Charlene Swann shall pay an administrative penalty of one thousand dollars (\$1,000.00) within 30 days of the date of this Order.

(B.) Charlene Swann shall pay restitution to AFLAC in the amount of Nine Thousand, Nine Hundred Thirty Five dollar (\$9,935.00) within 30 days of the date of this Order.

MARIE GRANT
Insurance Commissioner

BY: (Signature on original)
ROBERT GUYNN
Associate Commissioner
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 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.

The written request for hearing must be addressed to the Maryland Insurance Administration, 200 St. Paul Place, Suite 2700, Baltimore, Maryland 21202, Attn: Clerk – Office of Hearings.