

IN THE MATTER OF THE  
MARYLAND INSURANCE  
ADMINISTRATION

v.

KALILU KONDEH  
9110 Kinzer Street  
Lanham, MD 20706

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BEFORE THE MARYLAND  
INSURANCE COMMISSIONER

CASE NO. : MIA-2014-01-015

Fraud Division File No.: R-2016-1016A

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**ORDER**

This Order is entered by the Maryland Insurance Administration (“MIA”) against Kalilu Kondeh (“Respondent”) pursuant to §§2-108, 2-201, 2-204 and 2-405 of the Insurance Article, Md. Code Ann. (2011 Repl. Vol. & Supp.)(“the Insurance Article”).

**I. Facts**

1. Respondent was employed as a contractor with a courier company. As such, he obtained an employer-sponsored Occupational Accident Insurance Policy [REDACTED] with OneBeacon Insurance Group (“OneBeacon”), an authorized insurer. The policy provided coverage for losses due to accidents resulting in temporary total disability. The benefits paid a minimum of \$125.00 for each week of disability, up to 104 weeks. The policy was in effect from July 1, 2014 to July 1, 2015.

2. On March 5, 2015, while working, Respondent was injured in a single vehicle accident in Chestertown, Maryland. Consequently, Respondent was put on temporary total disability by his treating physician.

3. On March 9, 2015, Respondent filed a disability claim with OneBeacon, which assigned claim number 0AB121893. In support of his claim, Respondent submitted five disability certificates to OneBeacon which reflected he was unable to work from March 13, 2015

through September 20, 2015. The certificates were purportedly signed by Respondent's treating physician and were dated March 13, 2015; May 19, 2015; June 19, 2015; July 20, 2015; and September 20, 2015.

4. Relying on the first four aforementioned disability certificates, OneBeacon paid Respondent \$2,250.00 in disability benefits.

5. On September 15, 2015, OneBeacon contacted Respondent's treating physician's office and learned that Respondent was released to return to work on July 20, 2015. Respondent was not on disability through August 20, 2015, as reported on his July 20, 2015 certificate nor was he on disability through September 20, 2015, as reported on his September 20, 2015 certificate.

6. On September 21, 2015, OneBeacon obtained Respondent's medical records which confirmed that Respondent was released to return to work on July 20, 2015.

7. Section 27-802(a)(1) of the Maryland Insurance Article states, "An authorized insurer, its employees, or insurance producers, 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." OneBeacon, having a good faith belief that Respondent committed insurance fraud, referred the matter to the Maryland Insurance Administration, Fraud Division.

8. During the course of its investigation, MIA contacted OneBeacon and confirmed its handling of Respondent's claim.

9. MIA interviewed the office representative for Respondent's treating physician. She confirmed that Respondent was authorized to return to work on July 20, 2015. She confirmed with the treating physician that the disability certificates dated July 20, 2015 and

September 20, 2015, which stated the Respondent “Should remain off work,” were false. These certificates submitted to OneBeacon by Respondent were not completed and signed by the treating physician.

10. MIA confirmed with OneBeacon that Respondent was not entitled to receive benefits once he was authorized to return to work. OneBeacon relied on the July 20, 2015 disability certificate and paid him \$500.00 in benefits prior to discovering the certificate had been fabricated. It did not issue benefits for the September 20, 2015 disability certificate as it confirmed the certificate was false prior to issuing a payment.

11. MIA interviewed Respondent. He admitted he altered disability certificates dated July 20, 2015, and September 20, 2015, to reflect he should remain off work although he was authorized to return to work on July 20, 2015.

## II. Violation(s)

12. 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:

13. **§27-403**

It is a fraudulent insurance act for a person:

(1) 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.

14. **§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.

15. By the conduct described herein, Respondent violated §27-403. As such, Respondent is subject to an administrative penalty under the Insurance Article §27-408(c).

**III. Sanctions**

16. 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 a fraudulent claim has been submitted to an insurer. Insurance Article §§2-201(d)(1) and 2-405.

17. Respondent submitted false disability certificates to fraudulently obtain disability benefits. Having considered the factors set forth in §27-408(c)(2) and COMAR 31.02.04.02, MIA has determined that \$3,000.00 is an appropriate penalty.

18. Additionally, Respondent is ordered to reimburse OneBeacon in the amount of \$500.00 which is the amount he actually received from it upon submitting the false disability certificate dated July 20, 2015.

19. Administrative penalties shall be made payable to the Maryland Insurance Administration and shall identify the case by number (R-2016-1016A) and name, (Kalilu Kondeh). 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.

20. Notification of reimbursement to OneBeacon Insurance Group shall be made in writing to the Associate Commissioner, Insurance Fraud Division, 200 St. Paul Place, Suite 2700, Baltimore, Maryland 21202. Such notification shall include a copy of the money order or cancelled check issued to OneBeacon Insurance Group as proof of reimbursement and identify the case by number (R-2016-1016A) and name, (Kalilu Kondoh).

21. 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 14<sup>th</sup> day of January 2016, **ORDERED** that:

(1) Kalilu Kondoh pay an administrative penalty of \$3,000.00 within 30 days of the date of this Order.

(2) Kalilu Kondoh pay restitution to OneBeacon Insurance Group in the amount of \$500.00 within 30 days of the date of this Order.

ALFRED W. REDMER, JR.  
Insurance Commissioner

**signature on original**

BY:

VICTORIA AUGUST  
Acting 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: Hearings and Appeals Coordinator. 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.