

IN THE MATTER OF THE
MARYLAND INSURANCE
ADMINISTRATION

* BEFORE THE MARYLAND
*
* INSURANCE COMMISSIONER
*
*
*
*

v.

*
* Case No.: MIA-2016-02-050
*
*
* Fraud Division File No. R-2015-2165A
*
*

JASSON JABARI HARDY SIMMS
2302 Good Hope Road SE, #422
Washington, DC 20012

ORDER

This Order is entered by the Maryland Insurance Administration (“MIA”) against Jasson Jabari Hardy Simms (“Simms” or “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 by Hudson News Distributors, LLC (“Hudson”) as a delivery driver. Hudson carries workers’ compensation insurance through Travelers Indemnity Company (“Travelers”), an authorized insurer. The insurance provides benefits to employees for medical expenses and lost wages for work-related injuries.
2. On October 24, 2014, Respondent completed a Hudson Workers’ Compensation Accident Report stating he had injured his back a day earlier, while delivering “Totes” to a Baltimore area supermarket. A tote is described as a thirty-five pound bag containing magazines. Hudson referred Respondent’s workers’ compensation claim to Travelers, which assigned claim number E1H3152.
3. In accordance with the requirements for filing a claim with the Workers’ Compensation Commission (hereinafter “Commission”) under COMAR 14.09.02.02, Respondent filed a claim form with the Commission on November 12, 2014.

4. On his handwritten claim form Respondent alleged that on October 23, 2014, at 8:10 a.m., he injured his lower back delivering 60 pound totes to supermarket in Baltimore, Maryland. [sic]

5. Respondent signed his Workers' Compensation Commission claim form certifying that he had read the information on the form and the information on the claim form is accurate.

6. On November 6, 2014, Hudson's Human Resource Director contacted Travelers to advise that a co-worker (hereinafter "co-worker 1") notified a supervisor that Respondent had asked him to lie about how the injury occurred. Consequently, Respondent's claim was referred to Travelers' Intensive Care Unit ("ICU") for further investigation.

7. On November 6, 2014, Travelers interviewed co-worker 1. He reported that on November 3, 2014, Respondent asked him to tell Travelers he had been injured while lifting totes. To the contrary, co-worker 1 advised that he worked with Respondent on October 23, 2014, and he did not observe Respondent lifting any totes.

8. On November 11, 2014, Travelers sent Respondent a letter denying his claim, due to "...inconsistencies on the reporting of the claim..."

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

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

11. MIA interviewed co-worker 1. He confirmed that Respondent worked with him on October 23, 2014, but performed no lifting. Co-worker 1 advised Respondent asked him to falsely report that Respondent injured himself while lifting totes.

12. MIA interviewed a second co-worker (hereinafter "co-worker 2"). He advised that on October 23, 2014, he and a supervisor arrived at a supermarket to meet Respondent and co-worker 1. He observed that Respondent was not performing any work, and Respondent informed him that he had injured his back prior to coming to work.

13. MIA interviewed the Hudson supervisor who had accompanied co-worker 2 to meet Respondent. He stated that he also noticed Respondent was not performing any work. He asked Respondent if he were injured and Respondent replied "No." This supervisor later learned from co-worker 2 that Respondent stated he injured his back before coming to work. The supervisor notified the Hudson Route Dispatch Supervisor.

14. MIA interviewed the Route Dispatch Supervisor. He confirmed that he learned of Respondent's injury from the aforementioned supervisor. He advised that co-worker 1 told him that Respondent asked him to lie about how he had been injured.

15. On December 2, 2015, MIA contacted the Commission regarding Respondent's claim. The Commission advised that Respondent's claim for compensation was dismissed on March 20, 2015, due to his failure to appear at the March 3, 2015 hearing without good cause.

II. Violation(s)

16. 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:

17. **§ 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.

18. **§ 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.

19. By the conduct described herein, Respondent knowingly violated § 27-403.

Because the fraudulent insurance act of making a false statement in support of a claim is complete upon making the false statement and is not dependent on payment being made, Respondent violated the law when he made a false statement regarding his workers' compensation claim. As such, he is subject to an administrative penalty under the Insurance Article § 27-408(c).

III. Sanctions

20. 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.

21. Having considered the factors set forth in § 27-408(c)(2) and COMAR 31.02.04.02, MIA has determined that \$1,500.00 is an appropriate penalty.

22. Administrative penalties shall be made payable to the Maryland Insurance Administration and shall identify the case by number (R-2015-2165A) and name (Jasson Jabari Hardy Simms). 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.

23. 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 18th day of February 2016, **ORDERED** that:

(1) Jasson Jabari Hardy Simms pay an administrative penalty of \$1,500.00 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.