

IN THE MATTER OF THE
MARYLAND INSURANCE
ADMINISTRATION

v.

LAKEISA N. MICKEY
3612 Dudley Avenue
Baltimore, MD 21213

* BEFORE THE MARYLAND
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* INSURANCE COMMISSIONER
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* CASE NO. : MIA-2016-11-024
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* Fraud Division File No.: R-2017-0118A
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ORDER

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

I. Facts

1. Respondent had an automobile insurance policy with Government Employees Insurance Company (“GEICO”), an authorized insurer, for a 2015 Dodge Charger. The policy was in effect from March 3, 2016 through September 3, 2016, and identified Respondent as well as Donte Worrell as authorized insured drivers.

2. On June 17, 2016, at 12:27 p.m. Respondent gave a recorded statement to a GEICO representative. She stated on June 14, 2016, she was operating the Dodge Charger when she was involved in a motor vehicle accident in Baltimore County, Maryland.

3. The GEICO representative asked Respondent the following question: “What are the nature of your injuries?”

Respondent answered: “My arm, my back, my up-, really its my back. My, the whole back. It’s, like, my neck from her, when she hit me and then I jerked, it’s, like, you know, not, when, like, I turn, it’s really stiff when I turn. And it’s, it’s all in my back.”

4. GEICO opened a claim under the Personal Injury Protection (“PIP”) portion of Respondent’s policy and assigned claim number 0388392470101059.

5. On June 21, 2016, an attorney sent a letter of representation to GEICO on behalf of Worrell, the other named insured under Respondent’s GEICO policy, due to injuries Worrell received in the June 14, 2016, accident.

6. On July 5, 2016, Worrell’s attorney provided GEICO with a Baltimore County Police Department Motor Vehicle Collision Information Exchange Form (“Exchange Form”), which identified Worrell as the driver of the Dodge Charger; Respondent was not listed on the Exchange Form.

7. On July 6, 2016, GEICO referred the matter to its Special Investigations Unit (“SIU”) as Respondent was not listed on the Exchange Form.

8. On July 8, 2016, a GEICO SIU investigator interviewed the operator of the other vehicle involved in the June 14, 2016, accident. She reported that a male was operating the GEICO insured Dodge Charger at the time of the accident.

9. On July 12, 2016, a GEICO SIU investigator interviewed Respondent and she confessed that Worrell was driving the Dodge Charger at the time of the June 14, 2015 accident, and she arrived at the accident location after the accident. Respondent signed a Claim Withdrawal Form withdrawing her GEICO claim.

10. Section 27-802(a)(1) of the 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.

GEICO, having a good faith belief that Respondent committed insurance fraud, referred the matter to the MIA Fraud Division.

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

12. On September 9, 2016, an MIA fraud investigator conducted a telephone interview of Respondent who admitted she was not driving the Dodge Charger as she initially reported to GEICO, and that Worrell was the operator of the vehicle at the time of the June 14, 2016, accident.

13. On September 14, 2016, an MIA fraud investigator conducted a telephone interview with the operator of the KIA Optima involved in the June 14, 2016, accident. She reported that a male had been operating the Dodge Charger at the time of the accident, and a female arrived after the accident.

14. On September 27, 2016, an MIA fraud investigator interviewed Worrell who confirmed he was the driver of the Dodge Charger when it was involved in the June 14, 2016, accident.

II. Violation(s)

15. 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:

16. **§ 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.

17. § 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

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(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.

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

III. Sanctions

19. 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.

20. Respondent reported to GEICO that she was driving the 2015 Dodge at the time of the June 14, 2016, accident and was injured. Investigation revealed Respondent was not the driver at the time of the accident. Having considered the factors set forth in § 27-408(c)(2) and COMAR 31.02.04.02, MIA has determined that \$1,000.00 is an appropriate penalty.

21. Administrative penalties shall be made payable to the Maryland Insurance Administration and shall identify the case by number (R-2017-0118A) and name, (Lakeisa N. Mickey). Unpaid penalties will be referred to the Central Collections Unit for collection.

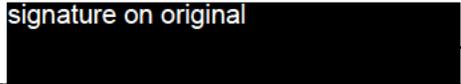
Payment of the administrative penalty shall be sent to the attention of: Associate Commissioner, Insurance Fraud Division, 200 St. Paul Place, Suite 2700, Baltimore, Maryland 21202.

22. 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 17th day of November 2016, **ORDERED** that:

Lakeisa N. Mickey pay an administrative penalty of \$1,000.00 within 30 days of the date of this Order.

ALFRED W. REDMER, JR.
Insurance Commissioner

BY:  signature on original
STEVE WRIGHT
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 Respondent in a Final Order after hearing.