

IN THE MATTER OF THE
MARYLAND INSURANCE
ADMINISTRATION

v.

SHAWNTAE PATRICE BRIGGS
6419 Hil-Mar Drive, Apt. 103
District Heights, Maryland 20747

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BEFORE THE MARYLAND
INSURANCE COMMISSIONER

CASE NO. : MIA-2017-08-012

Fraud Division File No.: R-2017-2668A

ORDER

This Order is entered by the Maryland Insurance Administration (“MIA”) against Shawntae Patrice Briggs (“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. On August 4, 2016, Respondent obtained automobile insurance for her 2014 Honda from the Maryland Automobile Insurance Fund (“MAIF”) an authorized insurer. The policy was in effect from August 4, 2016 until September 27, 2016, when it was cancelled by MAIF as Respondent failed to pay her insurance premiums.

2. On October 31, 2016, Respondent contacted a MAIF insurance producer and requested to have her MAIF policy reinstated effective September 27, 2016, the date it had been canceled. On the same date, at 10:26 a.m., as a condition of reinstatement, Respondent signed a Request For No-Lapse Policy Coverage, which specifically stated:

As a condition to this request, I certify that there have been no losses applicable to this policy or any policy rewritten from the date of cancellation or expiration 09/27/2016, to the date of this request...

3. On November 2, 2016, Respondent contacted MAIF and reported that on October 31, 2016, at 10:15 p.m., she was involved in a motor vehicle accident with another vehicle in

District Heights, Maryland. Respondent reported that the other driver stopped but left the scene before providing any information.

4. On November 4, 2016, the driver (hereinafter "Driver 2") of the other motor vehicle involved in the accident with Respondent in District Heights, Maryland contacted MAIF and reported that the accident occurred on October 28, 2016. Driver 2 provided MAIF with text messages sent to him by Respondent on October 28, 2016. The messages stated, "...my ins (*sic*) was cancelled...I am willing to pay for your damage out of pocket..." Driver 2 also reported that on October 28, 2016, he had notified MAIF of the accident with Respondent and a MAIF representative advised Respondent's MAIF insurance policy had canceled on September 27, 2016.

5. On November 4, 2016, a MAIF claims adjuster ran an Insurance Services Office ("ISO") report, a database of insurance claims, and discovered an October 28, 2016, accident involving Respondent and Driver 2. The claims adjuster called Respondent who admitted that the accident occurred on October 28, 2016.

6. On November 10, 2016, MAIF sent respondent a letter denying her claim, as she had signed a no loss letter indicating there had been no losses between September 27, 2016 and October 31, 2016; however, her reported loss occurred on October 28, 2016.

7. 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.

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

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

9. On August 9, 2017, an MIA investigator contacted driver 2. He advised that he called MAIF on October 28, 2016, and was told Respondent's insurance coverage had been canceled.

10. On August 10, 2017, an MIA investigator contacted the MAIF claims adjuster. She reported that on November 2, 2016, Respondent reported to MAIF that she had an accident on October 31, 2016, and that her vehicle had to be towed. Further, the claims adjuster spoke to Driver 2 on November 4, 2017, and he advised that the accident actually occurred on October 28, 2016. Driver 2 provided text messages sent to him by Respondent following the accident in which Respondent admitted her insurance was canceled. The claims adjuster confronted Respondent and told her about the text messages, Respondent then admitted the accident was on October 28, 2016.

II. Violation(s)

11. 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:

12. § 27-406

It is a fraudulent insurance act for a person:

(1) knowingly or willfully to make a false or fraudulent statement or representation in or with reference to an application for insurance[.]

13. § 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.

14. By the conduct described herein, Respondent knowingly violated § 27-406(1). As such, Respondent is subject to administrative penalty under the Insurance Article § 27-408(c).

III. Sanctions

15. 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.

16. By the conduct described herein, Respondent violated § 27-403 and is subject to the imposition of an administrative penalty under the Insurance Article.

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

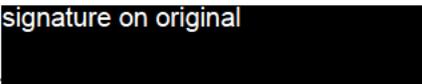
18. Administrative penalties shall be made payable to the Maryland Insurance Administration and shall identify the case by number (R-2017-2668A) and name (Shawntae Patrice Briggs). Unpaid penalties will be referred to the Central Collections Unit for collection. Payment of the administrative penalty shall be sent to the attention of: Associate Commissioner, Insurance Fraud Division, 200 St. Paul Place, Suite 2700, Baltimore, Maryland 212

19. 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 21st day of August 2017, **ORDERED** that:

Shawntae Patrice Briggs shall pay an administrative penalty of fifteen hundred dollars (\$1,500.00) within 30 days of the date of this Order.

ALFRED W. REDMER, JR.
Insurance Commissioner

BY:  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 served. 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.