

IN THE MATTER OF THE  
MARYLAND INSURANCE  
ADMINISTRATION

v.

ALEXANDRA K. PERRY  
4430 Newport Avenue  
Baltimore, Maryland 21211

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

CASE NO. : MIA- 2018-01-030

Fraud Division File No.: R-2018-0986A

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**ORDER**

This Order is entered by the Maryland Insurance Administration (“MIA”) against Alexandra K. Perry (“Respondent”) pursuant to §§ 2-108, 2-201, 2-204, and 2-405 of the Insurance Article, Md. Code Ann. (2017 Repl. Vol. & Supp.)(“the Insurance Article”).

**I. Facts**

1. Respondent had automobile insurance through United Services Automobile Association, (“USAA”), an authorized insurer, for her 2012 Hyundai. The policy was in effect from March 10, 2017, through September 10, 2017. The policy provided uninsured motorist property damage (“UMPD”) insurance coverage with a \$250.00 deductible and collision insurance coverage with a \$1,000.00 deductible.

2. On July 3, 2017, Respondent notified USAA that on July 2, 2017, the front-end of her insured vehicle was damaged while parked and unoccupied on the Giant Food store parking lot located at 6430 York Road, Baltimore, Maryland. Respondent provided USAA with photographs of the damage her vehicle sustained.

3. On July 14, 2017, a person (hereinafter “M.S.”<sup>1</sup>) whose vehicle was insured by Government Employees Insurance Company (“GEICO”), an authorized insurer, notified USAA that on June 29, 2017, she was operating her vehicle, and stopped at a red light on West Northern Parkway, in Baltimore, Maryland when she felt a rear impact. M.S., followed by the driver of the vehicle who had struck her, pulled to the side of the roadway and exited their vehicles. M.S. photographed the driver’s license of the operator of the vehicle who struck her as well as the damage to the striking vehicle. The driver of the striking vehicle was identified as Respondent and the vehicle was identified as Respondent’s Hyundai. M.S. provided the photographs to USAA.

4. On July 14, 2017, USAA interviewed Respondent. She admitted to being involved in the June 29, 2017 accident, but denied having severe damage to her car, saying she, “tapped someone’s back.” Consequently, USAA referred Respondent’s claim to its Special Investigations Unit (“SIU”) for further investigation.

5. On July 26, 2017, Respondent contacted USAA and requested to dismiss her claim.

6. On September 12, 2017, a USAA SIU investigator examined the photographs submitted to USAA by M.S. from the June 29, 2017, accident. He determined, based on metadata that the photographs were taken on June 29, 2017, four days prior to the alleged July 2, 2017, hit-and-run accident reported by Respondent. Further, the investigator compared photographs submitted by M.S., taken on June 29, 2017, with those submitted by Respondent on July 3, 2017. He concluded the photographs depicted the same damage.

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<sup>1</sup> The MIA uses initials to protect witnesses’ identity.

7. On September 21, 2017, USAA sent Respondent a letter denying her claim, as Respondent attempted to claim the hood and front bumper of her vehicle were damaged as a result of a hit-and-run incident, which is a \$250.00 deductible for uninsured motorists property damage (“UMPD”) verses a \$1,000.00 collision deductible for the June 29, 2017, at fault accident.

8. 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.

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

9. During the course of its investigation, MIA contacted USAA and confirmed its handling of Respondent’s claim.

10. On December 14, 2017, an MIA investigator contacted USAA. An SIU investigator examined the photographs of the damage to the Respondent’s vehicle taken on June 29, 2017, with those submitted by Respondent on July 3, 2017, and was convinced the damage to Respondent’s vehicle occurred on June 29, 2017, not July 2, 2017, as Respondent alleged.

11. On December 20, 2017, an MIA investigator contacted M.S. and confirmed that on June 29, 2017, she was involved in a motor vehicle accident with Respondent, they exchanged information, and M.S. took photographs of Respondent’s driver’s license as well as damage to Respondent’s vehicle.

12. An MIA investigator compared the photographs submitted to USAA, taken by M.S. following the June 29, 2017, accident with the photographs Respondent submitted to USAA and concluded the damage depicted in the photographs was identical.

## II. Violation(s)

13. In addition to all relevant sections of the Insurance Article, the Administration relies on the following pertinent sections in finding that the Respondent violated Maryland's insurance laws:

14. § 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[.]

15. § 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.

16. 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 committed a violation of the Insurance Article when she made a false statement to USAA in support of her claim. As such, Respondent is subject to an administrative penalty under the Insurance Article § 27-408(c).

**III. Sanctions**

17. 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.

18. 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.

19. Administrative penalties shall be made payable to the Maryland Insurance Administration and shall identify the case by number (R-2018-0986A) and name (Alexandra K. Perry). 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. 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 17<sup>th</sup> day of January, 2018, **ORDERED** that:

Alexandra K. Perry shall pay an administrative penalty of one thousand five hundred dollars (\$1,500.00) within 30 days of the date of this Order.

ALFRED W. REDMER, JR.  
Insurance Commissioner  
signature on original

BY:

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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.