

IN THE MATTER OF THE  
MARYLAND INSURANCE  
ADMINISTRATION

v.

VANDORA STEVENS  
711 Stanford Court  
Edgewood, Maryland 21040

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BEFORE THE MARYLAND  
INSURANCE COMMISSIONER

CASE NO. : MIA-2018-05-001

Fraud Division File No.: R-2018-1375A

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**ORDER**

This Order is entered by the Maryland Insurance Administration (“MIA”) against Vandora Stevens (“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. On October 3, 2017, a person insured by Nationwide Mutual Insurance Company (“Nationwide”), an authorized insurer, (hereinafter “the insured”) notified Nationwide that earlier that day, he was backing his insured vehicle from a parking space at 6721 Chesapeake Drive, Glen Burnie, Maryland. He checked his mirrors, looked over his left shoulder, and did not see any vehicles or pedestrians. He was approximately five feet out of the parking space when he heard a slap on the trunk of his car. He exited his vehicle and Respondent alleged she was struck. An Anne Arundel County, Maryland (“AA Co.”) police officer came to the scene and interviewed two witnesses (hereinafter, “W-1” and “W-2”)<sup>1</sup>. The police officer wrote an accident report.

2. On October 4, 2017, a Nationwide representative interviewed W-1 who reported she was about twenty-four feet away from the incident with an unobstructed view. She observed

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

Respondent standing in the middle of the aisle speaking to someone who was near W-1. The insured was backing out of a parking space, when Respondent turned and intentionally struck the insured's vehicle with her hand. Once Respondent hit the insured's trunk, the insured stopped his vehicle and got out. Respondent was screaming "didn't you see me?" The insured apologized, and Respondent reached for her leg and said it hurt, then reached for her neck.

3. On October 5, 2017, Nationwide referred the claim to its Special Investigations Unit ("SIU") for further investigation.

4. On October 6, 2017, Nationwide contacted Respondent who advised she is represented by counsel. Nationwide called and confirmed that the law firm represents Respondent.

5. On October 10, 2017, the AA Co. police officer who went to the location of the alleged accident notified Nationwide that he identified two witnesses who did not believe the insured struck the Respondent.

6. On October 11, 2017, a Nationwide investigator met with the insured and W-1 at the parking lot where the alleged accident occurred. W-1 stated she observed Respondent walking across the parking lot, talking with another female who was on the curb, near W-1. The insured was slowly backing his vehicle from a parking space and as Respondent approached the rear of the insured's vehicle, she smacked the trunk with her hand. The insured stopped and asked Respondent whether she was ok and opened his rear door so Respondent could sit. W-1 stated Respondent was not struck by the insured, she saw Respondent take her hand and strike the trunk of the insured's vehicle, and then complain about pain to her left side.

7. On October 18, 2017, W-2 provided a recorded statement to a Nationwide representative. W-2 advised that he was with W-1 and about one-hundred feet from the alleged

accident with an unobstructed view. W-2 reported that the insured was slowly backing from a parking space. He never observed contact between the insured and Respondent and if contact had occurred, he would have seen it.

8. On October 27, 2017, Nationwide sent Respondent's attorney a letter denying Respondent's claim as its investigation showed its insured did not strike Respondent.

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.

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

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

11. On January 30, 2018, an MIA investigator interviewed W-1, who confirmed that the insured did not strike Respondent with his vehicle.

## **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 the Respondent violated Maryland's insurance laws:

13. § 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[.]

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

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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.

15. 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 Nationwide in support of her claim. 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. 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.

18. Administrative penalties shall be made payable to the Maryland Insurance Administration and shall identify the case by number (R-2018-1375A) and name (Vandora

Stevens). 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.

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 2nd day of May 2018, **ORDERED** that:

Vandora Stevens 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: \_\_\_\_\_

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.