

IN THE MATTER OF THE
MARYLAND INSURANCE
ADMINISTRATION

BEFORE THE MARYLAND
INSURANCE COMMISSIONER

v.

BIANCA MARINHO VIZA
8010 Gramercy Boulevard, Apt. 131
Rockville, Maryland 20855

CASE NO. : MIA-2019-05-043
Fraud Division File No.: R-2019-1852A

ORDER

This Order is entered by the Maryland Insurance Administration (“MIA”) against Bianca Marinho Viza (“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 was a named insured on an automobile insurance policy she had with Progressive Group of Insurance Companies (“Progressive”), an authorized insurer, for her 2016 Honda. The policy was in effect from April 30, 2018 through October 30, 2018, at which time the insurance policy lapsed because Respondent failed to pay her insurance premium.

2. On November 2, 2018, at 8:14 a.m., Respondent made her insurance premium payment to Progressive via the internet. As such, Respondent’s automobile insurance policy was reinstated, and “coverage began on November 2, 2018 ... at the time that payment was made.”

3. On November 2, 2018, at about 8:39 a.m., Respondent contacted Progressive and reported she had been involved in a motor vehicle accident with another vehicle “about two minutes ago, 8:25 or so,” in Rockville, Maryland. Progressive opened a claim and later that day a Progressive representative conducted a recorded interview with Respondent who stated the accident occurred “this morning around 8:30.”

4. On November 2, 2018, a Progressive representative interviewed the driver of the other vehicle involved in the accident with Respondent.

The other driver reported the accident "... happened this morning which is November 2, 2018, it happened at ah around 8:05 to 8:10 a.m. if I remember correctly."

5. On November 6, 2018, the driver of the other vehicle involved in the accident with Respondent sent Progressive a screenshot of his mobile phone call log, which confirmed that he called Respondent at 8:06 a.m., immediately following the accident, after he exchanged contact information with her. Consequently, Respondent's claim was referred to Progressive's Special Investigation Unit ("SIU") for further investigation.

6. On November 8, 2018, a Progressive representative interviewed Respondent who stated that she renewed her policy at approximately 8:00 a.m. on November 2, 2018.

7. On November 13, 2018, Progressive sent Respondent a letter denying her claim as its investigation concluded the insurance policy was cancelled on October 31, 2018, for nonpayment, which was prior to the loss date.

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.

Progressive, 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, the MIA contacted Progressive and confirmed the facts regarding its handling of the Respondent's claim.

10. On April 15, 2018, an MIA investigator contacted Progressive and learned it sent Respondent an insurance policy renewal reminder on October 14, 2018, stating, "Your auto insurance will expire on October 30, 2018 at 12:01 A.M." and, "...Your payment is not due until October 30, 2018, but we don't want you to miss an opportunity to maintain continuous coverage." Respondent failed to make her premium payment and her insurance policy lapsed on October 30, 2018, at 12:01 A.M.

11. On April 18, 2019, an MIA investigator confirmed with Progressive that Respondent renewed her insurance policy, online, on November 2, 2018, after the accident for which Respondent filed her claim. Progressive provided the MIA with a record of Respondent's premium payment.

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 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

* * *

(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. A 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 Progressive. As such, Respondent is, therefore subject to an administrative penalty pursuant to § 27-408(c) of the Insurance Article.

III. Sanctions

16. Insurance fraud is a serious violation, harmful to consumers because the losses experienced by insurance companies are passed on to consumers in the form of higher premiums. Pursuant to §§ 2-210 (d)(1) and 2-405 of the Insurance Article, the Commissioner has the authority to investigate complaints alleging that a fraudulent claim has been submitted to an insurer.

17. Having considered the factors set forth in § 27-408(c)(2) the MIA has determined that fine of \$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-2019-1852A) and name (Bianca Marinho Viza). 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. Unpaid penalties will be referred to the Central Collections Unit for collection.

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 30th day of May 2019, **ORDERED** that:

Bianca Marinho Viza 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

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 served. The written request for hearing must be addressed to the Maryland Insurance Administration, 200 St. Paul Place, Suite 2700, Baltimore, Maryland 21202, Attn: Melanie Gross, Executive Assistant to the Deputy Commissioner. 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.