

IN THE MATTER OF THE
MARYLAND INSURANCE
ADMINISTRATION

v.

BRIAUNA CHANEL SNOWDEN
5672 Furnace Ave., Apt. A
Elkridge, Maryland 21075

* BEFORE THE MARYLAND
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* INSURANCE COMMISSIONER
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* CASE NO. : MIA-2019-10-004
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* Fraud Division File No.: R-2019-3302A
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ORDER

This Order is entered by the Maryland Insurance Administration (the “MIA”) against Briauna Chanel Snowden (“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 with the Government Employees Insurance Company (“GEICO”), an authorized insurer, for her 2014 Toyota. The policy was effective from October 23, 2018 until December 10, 2018, when it was cancelled because Respondent failed to make her premium payment. On February 27, 2019, Respondent reinstated her GEICO insurance policy, which was in effect from February 28, 2019 through August 28, 2019.

2. On March 13, 2019, Respondent notified GEICO that on February 28, 2019, she was operating her insured vehicle, in Elkridge, Maryland, when she struck a guardrail. GEICO opened a claim. On the same date, a representative for an automobile repair facility, in Glen Burnie, Maryland contacted GEICO and requested to be notified when GEICO was going to inspect Respondent’s vehicle.

3. On March 14, 2019, a GEICO representative inspected Respondent's vehicle, at the Glen Burnie, Maryland repair facility. He observed rust and damage all over the vehicle. Consequently, Respondent's claim was referred to GEICO's Special Investigation Unit ("SIU").

4. On March 15, 2019, a GEICO investigator learned that Respondent's insured vehicle was towed on January 13, 2019, by M&K Towing ("M&K") at the request of the Anne Arundel County, Maryland Police Department ("AA Co. PD"). On February 14, 2019, Quality Auto Recovery ("QAR"), a repossession company, took Respondent's vehicle from M&K. On March 4, 2019, White Huff Towing ("WHT") towed Respondent's vehicle from QAR to the Glen Burnie repair facility. A WHT employee confirmed that he towed Respondent's vehicle on March 4, 2019, from QAR, and the vehicle was damaged. A Representative for QAR confirmed that QAR took Respondent's vehicle from M&K. Respondent's vehicle remained at QAR until it was towed away, by WHT. The vehicle had damage to the front, driver's side, and rear bumper. The QAR representative provided a copy of the January 13, 2019, M&K Towing receipt as well as two photographs of the vehicle, which confirmed the damage. Thus, Respondent's vehicle was not in her possession on February 28, 2019.

5. On March 15, 2019, the GEICO investigator conducted a recorded interview with Respondent. He advised her that insurance fraud was a crime. Respondent reported that on February 28, 2019, she was driving her insured vehicle, slid, and hit a guardrail. The investigator advised Respondent that he knew the vehicle had been in possession of tow companies since January 13, 2019; therefore, she could not have driven it on February 28, 2019. The investigator asked Respondent whether she had an accident on February 28, 2019. Respondent replied, "...Yes, I was." The investigator again explained that insurance fraud was a crime. Respondent requested to withdraw her claim.

6. 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.

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

7. During the course of its investigation, the MIA investigator contacted GEICO and confirmed the facts regarding its handling of Respondent's claim.

8. On September 10, 2019, an MIA investigator interviewed the manager for WHT who confirmed that his company towed Respondent's vehicle from QAR on March 4, 2019, and took it to a Glen Burnie, Maryland repair facility.

9. On September 11, 2019, an MIA investigator interviewed the manager for QAR, who advised that on February 14, 2019, QAR repossessed Respondent's vehicle from M&K, for Capital One Auto Finance. The vehicle had heavy front-end damage and remained at QAR until March 4, 2019, when WHT towed the vehicle away. The following day, the QAR manager provided the MIA with a repossession receipt, signed by Respondent on February 27, 2019, in which Respondent scheduled to pick up her vehicle on March 4, 2019. The MIA investigator interviewed an M&K employee who confirmed that on January 13, 2019, M&K towed Respondent's vehicle, subsequent to a police impound. Respondent's vehicle remained at M&K until February 14, 2019.

10. On September 12, 2019, an MIA investigator obtained a copy of AA Co. PD incident report as well as a Tow & Vehicle Inventory Report, which confirmed AA Co. PD had Respondent's vehicle towed by M&K Towing on January 13, 2019.

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. § 27-403

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[.]

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 § 27-403. 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 false statements to GEICO. As such, Respondent is subject to an 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. Having considered the factors set forth in § 27-408(c)(2), the MIA has determined that \$1,500.00 is an appropriate penalty.

17. Administrative penalties shall be made payable to the Maryland Insurance Administration and shall identify the case by number (R-2019-3302A) and name (Briauna Chanel Snowden). 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.

18. 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 4th day of October 2019, **ORDERED** that:

Briauna Chanel Snowden 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.