

IN THE MATTER OF THE  
MARYLAND INSURANCE  
ADMINISTRATION

v.

LACHERVO ALLBROOK  
5305 Cuthbert Avenue  
Baltimore, Maryland 21215

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BEFORE THE MARYLAND  
INSURANCE COMMISSIONER

CASE NO. : MIA-2019-10-038  
Fraud Division File No.: R-2019-3316A

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**CONSENT ORDER**

This Consent Order (“Order”) is entered by the Maryland Insurance Commissioner and Lachervo Allbrook (“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”), to resolve the matter before the Insurance Administration (the “MIA” or the “Administration”).

**EXPLANATORY STATEMENT AND FINDINGS OF FACT**

1. On March 14, 2019, Respondent applied for automobile insurance with Progressive Group of Insurance Companies (“Progressive”), an authorized insurer, for her 2003 Toyota. In consideration for Respondent’s application, and initial premium payment, Progressive issued Respondent an automobile insurance policy, which took effect on the same date at 4:23 p.m.

2. On March 14, 2019, at 5:44 p.m. a person (hereinafter, “witness 1”)<sup>1</sup> called Progressive and reported that she was involved in an automobile accident with Respondent, about 20 minutes ago. A police officer came to the accident location and authored an accident report. Progressive opened a claim.

3. On March 15, 2019, Respondent provided a recorded statement to Progressive, in which she advised that on March 14, 2019, she was involved in an automobile accident at

<sup>1</sup> Witness’ identity concealed.

9. On September 6, 2019, an MIA investigator obtained a copy of the Baltimore Police Department's Call for Service report, which reflected that on March 14, 2019, a 911 call was made for an automobile accident at Pennsylvania Avenue and Gold Street at 3:25 p.m., before Respondent obtained her Progressive automobile insurance policy.

10. On September 19, 2019, an MIA investigator interviewed Respondent who admitted that she did not have insurance at the time of the March 14, 2019 accident. Following the accident she obtained a Progressive automobile insurance policy. Respondent then made a claim to Progressive in which she lied about the time of the accident.

## II. Provisions of Law

11. The following provisions of law are relevant to the Administration's inquiry. Pursuant to § 2-204(b)(2), the failure to designate a particular provision of the article in this Order does not deprive the Commissioner of the right to rely on that provision.

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)

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.

### III. Sanctions

14. 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.

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

16. Having considered the factors set forth in § 27-408(c)(2), the MIA has determined that \$750.00 is an appropriate penalty.

17. Administrative penalties shall be made payable to the Maryland Insurance Administration and shall identify the case by number (R-2019-3316A) and name (Lachervo Allbrook). 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.

### **ORDER**

**WHEREFORE**, for the reasons set forth above, it is this 23<sup>rd</sup> day of October 2019, **ORDERED** by the Commissioner and consented to by Respondent, that:

Respondent shall pay an administrative penalty in the amount of \$750.00, divided into four payments, the first payment of \$187.50 is due contemporaneous with Respondent's execution of this Order. Subsequent payments are due as follows:

- i. 187.50 due October 30, 2019

ii. 187.50 due November 29, 2019

iii. 187.50 due December 30, 2019

#### **Other Provisions**

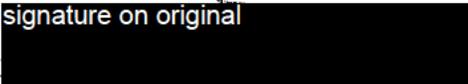
- A. The executed Consent Order and administrative penalty payment shall be sent to the attention of: Associate Commissioner, Fraud Division, Maryland Insurance Administration, 200 St. Paul Place, Suite 2700, Baltimore, MD 21202 and shall identify the case by number (R-2019-3316A) and name (Lachervo Allbrook).
- B. For the purposes of the MIA and for any subsequent administrative or civil proceedings concerning Respondent, whether related or unrelated to the foregoing paragraphs, and with regard to requests for information about the Respondent made under the Maryland Public Information Act, or properly made by governmental agencies, this Consent Order will be kept and maintained in the regular course of business by the Administration. For the purposes of the business of the MIA, the records and publications of the MIA will reflect this Consent Order.
- C. This Consent Order shall be effective upon signing by the Commissioner or his designee, and is a Final Order of the Commissioner under § 2-204 of the Insurance Article.
- D. This Consent Order does not preclude any potential action by the MIA, any other person, entity, or governmental authority regarding any conduct by Respondent, including the conduct that is the subject of this Consent Order.
- E. Respondent has had the opportunity to have this Order reviewed by legal counsel of her choosing, and is aware of the benefits gained and obligations incurred by the execution of the Order. Respondent waives any and all rights to any hearing or

judicial review of this Order to which she would otherwise be entitled under the Insurance Article with respect to any of the determinations made by this Order.

F. This Order contains the entire agreement between the parties relating to the administrative actions addressed herein. No time frames set forth herein may be amended or modified without subsequent written agreement of the parties.

G. Failure to comply with the terms of this Order may subject Respondent to further legal and/or administrative action.

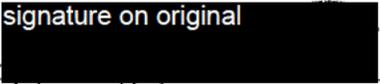
ALFRED W. REDMER, JR.  
INSURANCE COMMISSIONER

By:  signature on original  
STEVE WRIGHT  
Associate Commissioner  
Fraud Division

**LACHERVO ALLBROOK'S CONSENT**

**Lachervo Allbrook** hereby CONSENTS to the representations made in, and terms of, the above Consent Order.

10/18/19  
Date

 signature on original  
Lachervo Allbrook