

IN THE MATTER OF THE
MARYLAND INSURANCE
ADMINISTRATION

v.

BARBARA ANN EMMANUEL
901 Cherry Hill Road, Apt. 352
Baltimore, Maryland 21225

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BEFORE THE MARYLAND
INSURANCE COMMISSIONER

CASE NO. : MIA-2019-10-041
Fraud Division File No.: R-2019-3602A

ORDER

This Order is entered by the Maryland Insurance Administration (the “MIA”) against Barbara Ann Emmanuel (“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 issued by Erie Insurance Company (“Erie”), an authorized insurer, for her 2014 Honda. The policy was in effect from November 20, 2018 through November 20, 2019.
2. On March 27, 2019, Respondent notified Erie that earlier that day, she was involved in an automobile accident with a GMC SUV. Erie opened a claim.
3. On March 28, 2019, an Erie representative conducted a recorded interview with Respondent who reported that on March 27, 2018, she was sitting in the parking lot at a gas station located at Cherry Hill Road and Waterview Avenue, looking for an available gas pump. Respondent stated that she put her car in reverse, but did not move; her vehicle was then struck from behind by a GMC, SUV. Respondent reported that the GMC was occupied by the driver, (hereinafter “C.H.”), and one passenger, (hereinafter “M.O.”).

Commissioner, the Fraud Division, or the appropriate federal, State, or local law enforcement authorities.

Erie, 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 Erie and confirmed the facts regarding its handling of the Respondent's claim.

10. On September 26, 2019, an MIA investigator spoke to the manager of the Waterview Ave. gas station who confirmed the authenticity of the video, depicting Respondent backing into the GMC.

11. On October 9, 2019, an MIA investigator interviewed both C.H. and M.O. Both confirmed that on March 27, 2019, Respondent backed into their GMC, which they occupied at the time. M.O. stated that Respondent initially stated that she was going to tell her insurance company that they struck her vehicle; however, when challenged, she apologized.

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

* * *

(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 Erie. 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 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 a 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 (Barbara Ann Emmanuel). 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 24th day of October 2019, **ORDERED** that:

Barbara Ann Emmanuel 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: 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.