

IN THE MATTER OF THE  
MARYLAND INSURANCE  
ADMINISTRATION

v.

DEVONTA TYRELL BROWN  
137 Stoddert Avenue  
Waldorf, Maryland 20602

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BEFORE THE MARYLAND  
INSURANCE COMMISSIONER

CASE NO. : MIA-2020-06-018  
Fraud Division File No.: R-2020-0770A

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**ORDER**

This Order is entered by the Maryland Insurance Administration (the "Administration") against Devonta Tyrell Brown ("Respondent") pursuant to §§ 2-108, 2-201, 2-204 and 2-405 of the Insurance Article, Md. Code Ann. (2017 Repl. Vol. & Supp.) ("Insurance Article").

**I. Facts**

1. Effective July 25, 2019, Respondent purchased from Progressive Select Insurance Company ("Progressive"), an authorized insurer, a policy of automobile insurance for his 2013 Buick. In doing so, Respondent signed a Progressive insurance application, which contained the following statement:

Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

2. On August 14, 2019, Respondent notified Progressive that on August 13, 2019, while he was washing his car, at a Charles County, Maryland car wash, he had exposed the engine to water, after which the engine would not start. Progressive opened a claim.

3. On August 20, 2019, a Progressive representative conducted a recorded interview with Respondent. Respondent confirmed that his insured vehicle suffered water damage on

August 13, 2019 and that the vehicle had no damage prior to August 13, 2019. Respondent initially stated that his vehicle was at his home in Waldorf, Maryland. Respondent subsequently stated that his insured vehicle was at a Meineke car care center (“Meineke”), on Crain Highway.

4. On August 28, 2019, a Progressive representative interviewed Respondent, who stated that his insured vehicle suffered water damage while being washed at a self-serve car wash. He stated that the hood of the vehicle was slightly open and that the front of the vehicle was not submerged in water. He stated that the vehicle was then towed from the car wash to Meineke.

5. On August 28, 2019, a Progressive representative inspected Respondent’s vehicle at the Meineke location. A Meineke representative told the Progressive representative that Respondent’s vehicle had been totally submerged in water and that it was a total loss. He also said that Respondent’s vehicle had been towed to Meineke on July 11, 2019, two day following a local flooding event that occurred on July 9, 2019. The Progressive representative obtained from Meineke a copy of the towing invoice and an “estimate,” written by Meineke. The invoice confirmed that Respondent’s vehicle had been towed to Meineke on July 11, 2019, 14 days before Respondent’s Progressive insurance policy took effect.

6. In light of the above information, Progressive referred Respondent’s claim to its Special Investigations Unit (“SIU”) for further investigation.

7. On September 4, 2019, Progressive sent the Respondent a letter denying his claim. The letter stated, in part:

Our investigation shows this policy started on 7/25/2019 which is after the loss date. In addition, the date of loss was misrepresented at the report of the claim as 8/13/2019, instead of the true date of loss, 7/11/2019. Our investigation included: recorded interview with you, discussion with the shop and discussion with the tow yard.

Therefore, we must respectfully deny coverage for this loss.

8. Section 27-802(a)(1) of the 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 referred the Respondent's claim file to the Fraud Division of the Administration. The Fraud Division commenced an investigation.

9. In the course of its investigation, the Administration investigator contacted Progressive and confirmed the facts as stated above regarding Respondent's claim.

10. On April 28, 2020, an Administration investigator contacted Meineke, as well as the towing company that towed Respondent's vehicle. Representatives from both companies confirmed that Respondent's vehicle was towed to the Meineke facility on July 11, 2019. The towing company representative further stated that Respondent's vehicle had been towed from a residential address in Waldorf.

## II. Violation(s)

11. By engaging in the conduct described above, the Administration finds that Respondent violated section 27-403 of the Maryland Insurance Article, which states:

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[.]

12. Section 27-408(c) of the Insurance Article states:

(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.

13. By engaging in the conduct described herein, Respondent violated § 27-403. Respondent is therefore subject to an administrative penalty pursuant to § 27-408(c) of the Insurance Article.

### **III. Sanctions**

14. Having considered the factors stated in § 27-408(c)(2) of the Insurance Article, the Administration has determined that \$1,500.00 is an appropriate penalty amount.

15. Administrative penalties shall be made payable to the Maryland Insurance Administration and shall identify the case by number (R-2020-0770A) and name (Devonta Tyrell Brown). 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.

16. 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 11<sup>th</sup> day of June 2020, ORDERED that:

Devonta Tyrell Brown shall pay an administrative penalty of (one thousand five hundred dollars) (\$1,500.00) within 30 days of the date of this Order.

KATHLEEN A. BIRRANE  
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.