

MARYLAND INSURANCE
ADMINISTRATION

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v.

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CASE NO.: MIA-2021-02-007

OBED MOZ-RAMIREZ

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Respondent

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Fraud Division File No.: R-2020-3551A

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CONSENT ORDER

This Consent Order (“Order”) is issued by the Maryland Insurance Administration (the “Administration”) with the consent of Obed Moz-Ramirez (“Moz-Ramirez” or “Respondent”), pursuant to §§ 2-108, 2-204, 2-405 and 10-403(a) of the Insurance Article, Md. Code Ann. (2017 Repl. Vol. & Supp.) (“the Insurance Article”).

I. Background

1. On February 5, 2021, the Administration issued an Order against Respondent.
2. On March 3, 2021, Respondent timely requested a hearing, which has not been scheduled.
3. The parties agree to this Consent Order to avoid further litigation on the Order and to fully and finally resolve the issues stated herein.

II. Explanatory Statement & Findings of Fact

4. On August 12, 2019, Respondent notified Liberty Mutual Insurance Company, (“Liberty”), an authorized insurer that earlier the same day, a vehicle it insured struck the vehicle he was operating. Respondent reported that he was injured, and his vehicle was damaged. Liberty opened a claim.

5. On August 13, 2019, a Liberty representative spoke with the Respondent who reported that he was driving slowly, in heavy traffic, on I-495, when a vehicle it insured struck the rear of his vehicle. The Respondent and the Liberty insured driver exchange information. Respondent advised that he was injured and seeking treatment.

6. On August 15, 2019, a Liberty representative interviewed its insured driver who reported she was driving in slow traffic on I-495 when she struck the rear of the vehicle being operated by Respondent. Liberty accepted liability.

7. On September 27, 2019, Liberty was notified by a Rockville, Maryland law firm that it represented Respondent in connection with injuries he sustained as a result of the August 12, 2019 motor vehicle accident, wherein a vehicle it insured struck the rear of the vehicle Respondent was operating.

8. On November 5, 2019, a representative for the law firm notified Liberty that Respondent lost several days of wages as a result of the accident.

9. On January 22, 2020, a representative for the law firm representing Respondent advised Liberty that there was a “hang-up” getting lost wages information from Respondent’s employer; he spoke with employer and believed he could have a demand package “next week.”

10. On February 18, 2020, the attorney representing Respondent sent a letter to Liberty, which stated, among other things, that as a result of the August 12, 2019 accident, Respondent missed four days of work. He earned \$48.32 an hour, and lost \$1,546.24 in wages. Attached to the letter was a lost wage verification form, (“LW form”), which stated, Respondent missed work on August 13, 14, 15 and 16, 2019, and his hourly wage was \$48.32. His employer was identified as an electrical company. The LW form identified Respondent’s supervisor as “Acebedo,” Although it was signed by, “Acevedo” having a phone number of “703-***-7547.

11. On March 9, 2020, in an effort to authenticate the LW form, a Liberty representative called the phone number, ending in 7547. It went directly to voicemail, and did not identify the person or company called. The Liberty representative identified another phone number for the electrical company named on the LW form. The Liberty representative called the electrical company and spoke to a Human Resources representative who reported that, contrary to the LW form, Respondent in fact worked on August 13, 14, 15 and 16, 2019. Based on this information, Liberty referred Respondent's claim to its Special Investigation Unit ("SIU") for further investigation.

12. On March 18, 2020, a Liberty investigator contacted Respondent's employer, named on the LW form. The representative for the employer confirmed that Respondent worked 8 hours, each day, on August 13, 14, 15 and 16.

13. On March 24, 2020, a Liberty investigator provided a copy of the LW form to Respondent's employer, and requested that it be authenticated. In response, Acevedo, the person identified as the supervisor on the LW form advised, "that is not my signature. I believe this is a misunderstanding that [Respondent] will fix."

14. On March 30, 2020, a representative for Respondent's employer advised that a superintendent spoke to Acevedo, who confirmed Respondent was on the job site on August 13, 14, 15 and 16.

15. On April 8, 2020, Liberty sent a letter to Respondent's attorney denying Respondent's claim, which stated in pertinent part:

While evaluating the demand package you sent to me for your client [Respondent]. It was found that the lost wages form was incorrect. His employer was called and an employee in human resources confirmed that [Respondent] did not miss anytime and worked full days on all of the days submitted. It was then confirmed with [Respondent] direct supervisor that the supervisor did not fill out that form or sign the form. The supervisor confirmed that [Respondent] did not miss any time from

work. Based on this confirmation the entire bodily injury claim is being denied due to misrepresentation by [Respondent].

16. On September 30, 2020, in response to Liberty's denial letter, Respondent's attorney submitted to Liberty a letter requesting that it reconsider denial of the claim. In pertinent part, the letter stated:

If you decide to stick with your denial, we will file suit. Since you cannot testify to hearsay statements made to you by the HR department, you will have no way to even raise the issue of a potentially inaccurate lost wage verification.

Attached to the attorney's letter was a signed "STATEMENT OF *** ACCEBEDO [*note the spelling*]," which stated, in pertinent part:

[Respondent] was injured in a motor vehicle accident in August, 2019. [Respondent] missed four days of work from August 13 -19, 2019.

[Respondent] brought a Lost Wage Verification form to work to have filled out. I told him the HR Department should fill out the form. For some reason, they would not fill out the form and he asked me to fill it out. [Respondent] filled out most of the form except putting my name and phone number at the bottom. I filled that out.

17. 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.

Liberty Mutual, having a good faith belief that Respondent committed insurance fraud, referred the matter to the MIA, Fraud Division.

18. In the course of its investigation, an MIA investigator contacted Liberty and confirmed the facts regarding its handling of Respondent's claim.

19. An MIA Investigator contacted the electrical company Respondent worked for. A representative with its Human Resources department advised that Respondent did work on August 13, 14, 15 and 16. As evidence, the representative provided copies of Respondent's time sheet

and pay stub for the pay period covering August 13, 14, 15 and 16, which reflect Respondent worked on those days, for which he was paid. The Pay stub reflected Respondent's hourly rate of pay was \$47.64. The supervisor, identified on the LW form is no longer employed by the company; however, his name was "Acevedo," not "Acebedo" or "Accebedo" as written in the "supervisor" field of the LW form, or Statement of *** "Accebedo" submitted by Respondent's attorney.

20. On December 31, 2020, an MIA investigator attempted to reach Acevedo at the phone number listed on the LW form submitted to Liberty by Respondent. No one answered, and no ability to leave a voicemail message as the mailbox was full. The MIA investigator received a return call from the number. upon identifying himself the caller indicated he was unable to hear. He disconnected the call. Additional attempts were made to call the number but the line was busy. On January 6, 2021, another MIA investigator called Acevedo at the phone number listed on the LW form and received similar results. A person answered then disconnected. On January 7 and 11, 2021, MIA investigators sent an email to a possible email addresses for Acevedo, requesting his cooperation. The investigators did not receive a response.

21. By the conduct described herein, the Respondent Moz-Ramirez violated § 27-403(2) of the Insurance Article. As such, Respondent Moz-Ramirez are subject to disciplinary action under the Insurance Article.

22. Administrative penalties shall be made payable to the Maryland Insurance Administration and shall identify the case by number (R-2020-3551A) and name (Obed Moz-Ramirez). 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.

23. This Order does not preclude the Insurance Fraud Division of the Administration from taking any non-civil action or prosecution of Obed Moz-Ramirez with respect to any matter including the conduct that is the subject of this Order nor does this Order preclude or any other person, entity, or governmental authority, from taking any investigative, civil or non-civil action or prosecution of Obed Moz-Ramirez with respect to any matter, including the conduct that is the subject of this Order.

Order

WHEREFORE, for the reasons set forth above, it is this 29th day of April, 2021,

ORDERED by the Commissioner and consented to by Respondent, that:

- A. Obed Moz-Ramirez shall pay an administrative penalty of One Thousand Dollars (\$1,000.00) as follows:
- i. \$250.00 paid by Respondent to the Administration along with the submission of the executed Consent Order;
 - ii. \$250.00 due by May 28, 2021;
 - iii. \$250.00 due by June 30, 2021;
 - iv. \$250.00 due by July 30, 2021.
- B. Failure to pay as outlined in paragraph A constitutes a default and Notice of Default is hereby waived by Respondent. Failure to pay any part of the \$1,000.00 penalty will result in the remaining balance of \$1,500.00 being referred to the Central Collections Unit. Respondent agrees to pay the balance within 30 days of default, the balance will be sent to the Central Collections Unit of the Department of Budget and Management for collection.

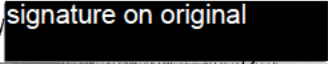
The executed Consent Order and initial payment shall be sent to the attention of: Maryland Insurance Administration, Steve Wright, Associate Commissioner, Insurance Fraud & Enforcement Division, 200 St. Paul Place, Suite 2700, Baltimore, MD 21202 and shall identify the case by number (R-2020-3551A) and name (Obed Moz-Ramirez).

- C. The parties acknowledge that this Order contains the entire agreement between the parties relating to the administrative actions addressed herein and that this Order resolves all matters relating to the factual assertions and agreements

contained herein. All time frames set forth in this Order may be amended or modified only by subsequent written agreement of the parties.

- D. Respondent had the opportunity to have this Order reviewed by legal counsel of his choosing, and he is aware of the benefits gained and obligations incurred by the execution of this Order. Respondent waives any and all rights to any hearing or judicial review of this Order to which it would otherwise be entitled under the Insurance Article with respect to any of the determinations made or actions ordered by this Order.
- E. For the purposes of the Administration 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 Order will be kept and maintained in the regular course of business by the Administration. For the purposes of the business of the Administration the records and publications of the Administration will reflect this Order.
- F. Nothing herein shall be deemed a waiver of the Commissioner's right to proceed in an administrative action or civil action to enforce the terms of this Order. Failure to fully comply with the terms of this Order may subject Respondent to further legal and/or administrative action.
- G. This Order shall go into effect upon signing by the Commissioner or her designee, and is a Final Order of the Commissioner under § 2-204 of the Insurance Article.

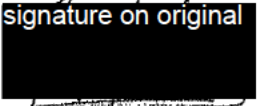
KATHLEEN A. BIRRANE
INSURANCE COMMISSIONER

By:  _____
STEVE WRIGHT
Associate Commissioner
Fraud Division

RESPONDENT'S CONSENT

Obed Moz-Ramirez hereby CONSENTS to the representations made in, and terms of, this Consent Order.

04/22/2021
Date

signature on original

Obed Moz-Ramirez