

IN THE MATTER OF THE
MARYLAND INSURANCE
ADMINISTRATION

v.

Janae Alexis Curry
And
Josiah Kymari Reynolds
2418 Huntwood Court
Frederick, Maryland 21702

CASE NO.: MIA-2021-05-003

CASE NO.: MIA-2021-05-004

Fraud Division File No.: R-2021-1458A

ORDER

This Order is issued by the Maryland Insurance Administration (the "MIA") against Janae Alexis Curry ("Curry") and Josiah Kymari Reynolds ("Reynolds"), (collectively "Respondents") pursuant to §§ 2-108, 2-204, 2-405, of the Insurance Article, Md. Code Ann. (2017 Repl. Vol. & Supp.) (the "Insurance Article") for the violations of the Maryland Insurance Article identified and described.

I. Facts

1. Respondents were the named and insured drivers on an automobile insurance policy (the "policy") issued by Progressive Groups of Insurance Companies ("Progressive"), an authorized insurer. The policy identified one of the insured vehicles as a 2009 Honda. Prior to September 14, 2020, the Honda did not have collision coverage protection, which is the type of insurance designed to pay for repairs to the Honda in the event of an accident. The policy was in effect from June 15, 2020 to December 15, 2020.

2. On September 9, 2020, Curry requested that collision coverage be added to the policy with respect to the Honda. The amended coverage took effect on September 14, 2020.

3. On September 15, 2020, Curry notified Progressive that earlier that day, Reynolds was operating the Honda, when he struck another vehicle. Curry submitted a photograph of the damage to the Honda to Progressive. A Progressive representative noticed that the photograph's metadata reflected that it was taken on September 7, 2020, two days before Curry added collision coverage. Consequently, Progressive referred Respondents' claim to its Special Investigations Unit ("SIU") for further investigation.

4. On September 17, 2020, Reynolds provided a recorded statement to Progressive, wherein he reported that the accident occurred on September 15, 2020.

5. On September 18, 2020, a Progressive representative interviewed Reynolds. When asked about the metadata reflecting that the photograph was taken on September 7, 2020, Reynolds terminated the call.

6. On September 21, 2020, a Progressive investigator conducted a recorded interview with Reynolds. He again reported that the accident occurred on September 15, 2020. Reynolds disputed that the photograph's metadata reflected that it was taken on September 7, 2020. Reynold's refused to submit his mobile phone records to Progressive.

7. On September 24, 2020, a Progressive investigator conducted a recorded interview with Curry who reported that the accident occurred on September 15, 2020.

8. On September 30, 2020, a Progressive representative interviewed the driver ("claimant") of the vehicle struck by Reynolds. The claimant reported that the accident occurred on September 7, 2020, in support of the metadata.

9. On October 9, 2020, Progressive sent a letter to Curry, denying the claim, which states:

“[I]nvestigation to date reveals that you misrepresented the date of loss in an attempt to gain coverage for this loss. Therefore, the Company will not be responsible to pay for this part of the loss.”

10. Having a good faith belief that Respondent committed insurance fraud, Progressive referred the matter to the Administration under Section 27-802(a)(1) of the Maryland Insurance Article, which states,

An authorized insurer, its employees, fund producers, 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.

11. During the course of its investigation, an MIA investigator contacted Progressive and confirmed the facts surrounding its handling of the Respondents' claim.

12. On April 12, 2021, an MIA investigator interviewed Curry, who admitted that she and Reynolds submitted a fraudulent claim to Progressive. Curry submitted a written confession to the MIA. Curry's statement to the Administration acknowledged that the accident actually occurred on September 7, 2020, before she added collision coverage.

II. Violation(s)

13. In addition to all relevant sections of the Maryland Insurance Article, the Administration relies on the following pertinent sections of the Maryland Insurance Article, which apply to the Respondents' conduct.

14. **Section 27-403** of the Insurance Article provides, in pertinent part:

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[.]

15. § 27-408(c) of the Insurance Article provides, in pertinent part:

(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.

16. By the conduct set forth above, Respondents have each violated § 27-403. The fraudulent insurance act of making false statements in support of a claim is complete upon making the false statement(s) and is not dependent on payment being made. Respondents committed a violation of the Insurance Article when they made false statements to Progressive. As such, Respondents are subject to an administrative penalty pursuant to § 27-408(c) of the Insurance Article.

III. Sanctions

17. 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.

18. In addition, having considered the factors set forth in § 27-408(c)(2), the MIA imposes an administrative penalty in the amount of \$1,000.00 against Respondent Curry, and a \$1,000.00 administrative penalty against Respondent Reynolds.

19. The aforesaid administrative penalties shall be paid within thirty (30) days of the date of this Order to the Maryland Insurance Administration. Payment shall be made by immediately payable funds and shall identify the case by number (R-2021-1458A) and name (Janae Alexis Curry) and (Josiah Kymari Reynolds). Payment of the administrative penalties shall be sent to the attention of: Associate Commissioner, Insurance Fraud and Enforcement Division, 200 St. Paul Place, Suite 2700, Baltimore, Maryland 21202. Unpaid penalties will be referred to the Central Collections Unit for collection.

20. This Order does not preclude the Insurance Fraud Division of the Administration from taking any non-civil action or prosecution of Respondents 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 Respondents 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 6th day of May,

2021, **ORDERED** that:

- (1) Janae Alexis Curry shall pay an administrative penalty of One Thousand Dollars (\$1,000.00) within 30 days of the date of this Order.
- (2) Josiah Kymari Reynolds shall pay an administrative penalty of One Thousand Dollars (\$1,000.00) within 30 days of the date of this Order.

KATHLEEN A. BIRrane
Insurance Commissioner

By: signature on original
Steve Wright
Associate Commissioner
Insurance Fraud and Enforcement 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.