

IN THE MATTER OF THE
MARYLAND INSURANCE
ADMINISTRATION

v.

A'LISHIA CINLARIA WALL
401 E 20th Street, Apt C
Baltimore, MD 21218

LECHADORA CHANIKA MAJOR
1247 Kitmore Road
Baltimore, MD 21239

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BEFORE THE MARYLAND
INSURANCE COMMISSIONER

CASE NO. MIA - 2015-04-015

Fraud Division File No.: R-2015-1723A

CASE NO. MIA - 2015-04-016

ORDER

This Order is entered by the Maryland Insurance Administration (“MIA”) against A’lishia Cinlaria Wall (“Wall”) and Lechadora Chanika Major (“Major”) or (“Respondents”) pursuant to §§2-108, 2-201, 2-204 and 2-405 of the Insurance Article, Md. Code Ann. (2011 Reg. Vol. & Supp.) (“the Insurance Article”).

I. Facts

1. Major had an automobile insurance policy (HS3-87-66) with Maryland Automobile Insurance Fund (“MAIF”), an authorized insurer. The policy provided insurance coverage for Major’s 2009 Chrysler Concorde. The policy was in effect from December 3, 2013 through December 3, 2014.

2. On February 10, 2014, Major was operating the Chrysler Concorde when she was involved in a motor vehicle accident with another vehicle, insured by Government Employees Insurance Company (“GEICO”).

3. On February 11, 2014, Respondents retained an attorney. Through their attorney, they notified MAIF of the accident, reporting Major was driving the vehicle and Wall was her passenger. Both reported being injured as a result of the accident.

4. On February 18 and 26, 2014, Major gave recorded statements to MAIF and reported she was operating the Chrysler Concorde at the time of the accident. In addition, she identified Wall was her passenger.

5. On February 26, 2014, Wall gave a recorded statement to MAIF. She reported she was a passenger in Major's Chrysler Concorde at the time of the February 10, 2014 accident and that she was injured.

6. On June 10, 2014, Wall completed a Personal Injury Protection ("PIP") benefits application, which she submitted to MAIF through her attorney. On the application, Wall again claimed she had been a passenger in Major's vehicle at the time of the accident and was injured.

7. Both Respondents received treatment for their reported injuries at a medical clinic in Baltimore, Maryland.

8. The matter was referred to MAIF's Special Investigations Unit ("SIU") after the GEICO insured reported that Major was the sole occupant of the Chrysler Concorde at the time of the accident.

9. On November 14, 2014, both Respondents submitted to an Examination Under Oath ("EUO"), conducted by a MAIF investigator, in Owings Mills, Maryland. Both Respondents initially maintained that Wall occupied the vehicle at the time of the accident; however, when confronted with witness testimony to the contrary, they admitted that Wall was not in the vehicle.

10. On December 23, 2014, MAIF denied Wall's PIP claim for making a false statement specifically, that she was not a passenger in the vehicle at the time of the accident.

11. Section 27-802(a)(1) of the Maryland Insurance Article states, "An authorized insurer, its employees, producers... or agents, who in good faith have 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." MAIF, having a good faith belief that Respondents committed insurance fraud, referred the matter to the Maryland Insurance Administration, Fraud Division.

12. MIA confirmed MAIF's handling of the claims as set forth in paragraphs one through ten.

13. MIA interviewed the GEICO insured, who confirmed that Major was the sole occupant of the Chrysler Concorde at the time of the accident.

14. MIA interviewed Major, who admitted Wall was not an occupant in her vehicle at the time of the accident.

II. Violation(s)

15. The Administration relies on the following pertinent sections of the Insurance Article in finding that Respondents violated Maryland's insurance laws:

16. **Section§ 27-403(2)**

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.

17. **Section § 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 \$25,000.00 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.

18. By the conduct described herein, Respondents knowingly violated §27-403 and are subject to the imposition of an administrative penalty under §27-408(c).

III. Sanctions

19. 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 that a fraudulent claim has been submitted to an insurer. Insurance Article, §§2-201(d)(1) and 2-405.

20. Having considered all relevant factors, including those set forth in Insurance Article §27-408(c)(2) and COMAR 31.02.04.02, MIA has determined that \$2,500.00 is an appropriate penalty for Major and \$1,500.00 is an appropriate penalty for Wall.

21. Administrative penalties shall be made payable to: Maryland Insurance Administration. Payments shall reference the case number (R-2015-1723A) as well as names (A'lishia Wall) and (Lechadora Major). Unpaid penalties will be referred to the Central Collections Unit. 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.

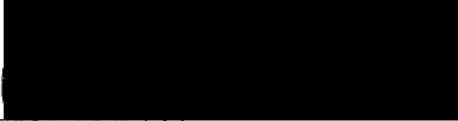
22. This Order does not preclude any potential or pending action by any other person, entity or government authority, regarding any conduct by Respondents including the conduct that is the subject of this Order.

WHEREFORE, for the reasons set forth above, and subject to the right to request a hearing, it is this 13th day of April 2015, **ORDERED** that:

- (1) A'lishia Wall shall pay an administrative penalty of \$1,500.00 within 30 days of the date of this Order.
- (2) Lechadora Major shall pay an administrative penalty of \$2,500.00 within 30 days of the date of this Order.

ALFRED W. REDMER, JR.
Insurance Commissioner

BY:


CAROLYN HENNEMAN
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 issued. The written request for hearing must be addressed to the Maryland Insurance Administration, 200 St. Paul Place, Suite 2700, Baltimore, Maryland 21202, Attn: Hearings and Appeals Coordinator. 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.