

IN THE MATTER OF THE
MARYLAND INSURANCE
ADMINISTRATION

v.

BRANDON RASEAN JONES
6700 Belcrest Road, Apt. 705
Hyattsville, Maryland 20782

BEFORE THE MARYLAND
INSURANCE COMMISSIONER

CASE NO. : MIA- 2018-07-027

Fraud Division File No.: R-2017-1953A

ORDER

This Order is entered by the Maryland Insurance Administration (“MIA”) against Brandon Rasean Jones (“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. Respondent had automobile and renter’s insurance with United Services Automobile Association (“USAA”), an authorized insurer. The insurance policies were in effect from September 11, 2016 to March 11, 2017. The automobile policy paid a maximum benefit of \$250.00 for personal property.

2. On September 27, 2016, Respondent notified USAA that on the same date, someone entered his vehicle and stole a MacBook laptop, Apple iPad, beats headphones, gym bag, shoes, and Armani sunglasses. Additionally, the vehicle’s rims and tires were also stolen.

3. On September 27, 2016, Respondent submitted photographs to USAA as evidence he had owned the stolen items. Subsequently, USAA paid Respondent a total of \$2,139.23, to cover the stolen personal property, \$1,889.23 paid under his renter’s policy and \$250.00 was paid under his automobile policy.

4. On November 10, 2016, Respondent notified USAA that on the same date, he again discover that someone stole the rims and tires from his insured vehicle and removed personal item from the vehicle, including, a MacBook laptop, Apple iPad, and beats headphones. Respondent submitted photographs to USAA as evidence he had owned the items stolen. USAA referred Respondent's claim to its Special Investigations Unit ("SIU"), as Respondent had a recent similar loss.

5. A USAA investigator compared the photographs Respondent submitted in his September 27, 2016 claim with the photographs Respondent submitted in the November 10, 2016 claim and concluded they were identical.

6. On November 19, 2016, a USAA investigator conducted a recorded interview with Respondent who reiterated that on November 10, 2016, someone broke into his car and stole a MacBook laptop, Apple iPad, and beats headphones.

7. On November 28, 2016, an investigator for USAA conducted another recorded interview with Respondent who reported that on November 9, 2016 around 7:00 p.m. he parked his insured vehicle and left it. On November 10, 2016, he returned to the vehicle and found it sitting on blocks, the tires and wheels were gone. He confessed that no personal property was stolen from inside the vehicle. Further, Respondent admitted that he lied in the September claim as well, and that although his tires and wheels were stolen in September, no personal property was taken.

8. 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.

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

9. In the course of its investigation, MIA contacted USAA and confirmed its handling of Respondent's claims.

10. On May 30, 2018, an MIA fraud investigator interviewed Respondent who reported that although his tires and wheels were stolen in September and November 2016, he lied in both claims when he reported personal property was also stolen; specifically, a MacBook laptop, Apple iPad, and beats headphones. Respondent admitted he lied and no personal property had been stolen.

II. Violation(s)

11. 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:

12. **§ 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.

13. **§ 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.

14. By the conduct described herein, Respondent knowingly violated § 27-403. As such, Respondent is subject to an administrative penalty under the Insurance Article §27-408(c).

III. Sanctions

15. 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.

16. Having considered the factors set forth in § 27-408(c)(2) and COMAR 31.02.04.02, MIA has determined that \$2,000.00 is an appropriate penalty.

17. Additionally, Respondent, Brandon Rasean Jones is ordered to reimburse USAA \$2,139.23, which is the amount he fraudulently obtained from USAA when making false statements in his September 27, 2016 claim.

18. Administrative penalties shall be made payable to the Maryland Insurance Administration and shall identify the case by number (R-2017-1953A) and name (Brandon Jones). Unpaid penalties will be referred to the Central Collections Unit for collection. 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.

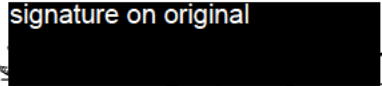
19. This Order does not preclude any potential or pending action by any other person, entity or government authority, regarding any conduct by the Respondent including the conduct that is the subject of this Order.

WHEREFORE for the reasons set forth above, and subject to the right to request a hearing, it is this 18th day of July 2018, **ORDERED** that:

(1) Brandon Jones shall pay an administrative penalty of two-thousand dollars (\$2,000.00) within 30 days of the date of this Order.

(2) Brandon Jones shall pay restitution of \$2,139.23 to USAA within 30 days of the date of this Order.

ALFRED W. REDMER, JR.
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: 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.