

IN THE MATTER OF THE  
MARYLAND INSURANCE  
ADMINISTRATION

v.

TONYA WILLIAMSON  
12302 Bonfire Drive  
Reisterstown, Maryland 21136

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BEFORE THE MARYLAND  
INSURANCE COMMISSIONER

CASE NO. : MIA- 2015-07-016  
Fraud Division File No.: R-2015-2289A

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**ORDER**

This Order is entered by the Maryland Insurance Administration (“MIA”) against Tonya Williamson (“Williamson” or “Respondent”) pursuant to §§2-108, 2-201, 2-204 and 2-405 of the Insurance Article, Md. Code Ann. (2011 Repl. Vol. & Supp.)(“the Insurance Article”).

**I. Facts**

1. On December 1, 2014, Respondent notified California State Automobile Association, Insurance Group (“CSAA”), an authorized insurer, that on November 26, 2014, while operating her vehicle in a parking lot in Reisterstown, Maryland, was struck by another vehicle, and was injured as a result. CSAA assigned claim number 1000-69-7321.

2. On December 4, 2014, Respondent sent an email to the assigned CSAA adjuster regarding her claim. In her email, Respondent advised she had been off work for a week.

3. On December 5, 2014, the CSAA adjuster sent an email to Respondent advising, “I have attached a verification of wage form for your employer to fill out for your missing time from work...”

4. On December 12, 2014, Respondent emailed the completed wage verification form to the CSAA adjuster. The form reflected that Respondent was employed by the State of Maryland, and was absent from work from November 28, 2014, through December 8, 2014, and

that she lost \$1,242.08 in regular earnings, in addition to lost overtime pay. The form was purportedly signed by the "HR Specialist." Accompanying the wage verification form was a letter, on State of Maryland agency letterhead, which stated, "This will serve to further explain her [Respondent's] additional wages."

5. On January 16, 2014, the CSAA adjuster referred Respondent's claim to their Special Investigations Unit (SIU), in part, because the letter submitted by Respondent on State of Maryland agency letterhead did not reflect an employer's signature.

6. The CSAA SIU investigator contacted the State of Maryland payroll department for the agency reflected on the wage verification form and learned that November 28, 2014, was a State holiday for which Respondent was paid, and that Respondent worked the week of December 1, 2014, and submitted overtime for that week.

7. 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." CSAA, having a good faith belief that Respondent committed insurance fraud, referred the matter to the Maryland Insurance Administration, Fraud Division.

8. In the course of its investigation, MIA contacted CSAA and confirmed its handling of Respondent's insurance claim.

9. MIA interviewed the Chief of Administration for the State agency identified as Respondent's employer. The Chief of Administration reviewed Respondent's time sheets for the period in question and advised that Respondent was on a paid holiday on November 28, 2014, had worked on the other days in question, and was paid for those days.

10. MIA obtained a copy of Respondent's time sheet which reflected the following:

- Friday November 28, 2014 - Paid holiday;
- Saturday, November 29, 2014 - Off;
- Sunday, November 30, 2014 - Worked four hours overtime;
- Monday, December 1 through Friday, December 5, 2014 - Worked eight hours each day, and one hour of overtime on Wednesday, December 3, 2014;
- Saturday, December 6, 2014 - Off;
- Sunday, December 7, 2014 - Four and a half hours overtime;
- Monday, December 8, 2014 - Worked six and a half hours and took one and a half hours annual leave;

11. MIA interviewed Respondent who stated that she had completed the wage verification form, which she submitted to CSAA. She confessed that although the form stated she was absent from work from November 28, 2014 through December 8, 2014, she had not missed work, and was paid. She admitted to submitting a letter to CSAA, which she drafted on State of Maryland agency letterhead, to reflect she had lost wages, although she had not.

## **II. Violation(s)**

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

13. **§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.

14. **§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.

15. By the conduct described herein, Tonya Williamson knowingly violated §27-403. Because the fraudulent insurance act of submitting a false document in support of a claim is complete upon submission of the false document and is not dependent on payment being made, Williamson committed a violation of the law when she submitted false documents to CSAA. As such Respondent is subject to an administrative penalty under the Insurance Article §27-408(c).

### **III. Sanctions**

16. 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.

17. Having considered the factors set forth in §27-408(c)(2) and COMAR 31.02.04.02, MIA has determined that \$1,000.00 is an appropriate penalty.

18. Administrative penalties shall be made payable to the Maryland Insurance Administration and shall identify the case by number (R-2015-2289A) and name (Tonya Williamson). 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 10<sup>th</sup> day of July, 2015, **ORDERED** that:

(1) Tonya Williamson pay an administrative penalty of \$1,000.00 within 30 days of the date of this Order.

ALFRED W. REDMER, JR.  
Insurance Commissioner

BY:

**signature on original**

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.