

STATE OF MAINE  
DEPARTMENT OF PROFESSIONAL AND FINANCIAL REGULATION  
BUREAU OF INSURANCE

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***In re:* Donna S. Murch**

**Maine License No. ADR147813  
National Producer No. 9931941  
Docket No. INS-17-204**

**LICENSE REVOCATION  
NOTICE, ORDER,  
and  
OPPORTUNITY FOR  
HEARING**

***NOTICE TO DONNA S. MURCH:***

Effective as of **May 2, 2017**, your Maine resident insurance adjuster license will be **REVOKED** without further formal proceedings unless you request a hearing as specified below.

The reasons for your license revocation are as follows:

1. You were employed by NAHGA Inc. (NAHGA), a business entity licensed as a resident producer agency in Maine and a third party administrator from October 9, 2006, through February 2, 2017.
2. On January 30, 2017, during a routine audit, NAHGA identified a claim for which you were listed as payee. Further investigation found that you were the payee for 24 claims, many of which were processed without the appropriate supporting documentation (e.g., proof of payment).
3. After an investigation and interview, NAHGA determined that all 24 claims were submitted fraudulently. Five of the 24 claims was processed using falsified supporting documentation and the remaining 19 claims were processed without any supporting documents. Each time a claim payment is processed, NAHGA generates an explanation of benefit document (EOB) which includes the details of the payment and, in some instances, the provider information. NAHGA contacted several providers listed on the EOBs and none of those contacted had date of service records that matched the corresponding EOBs.
4. You received a total of \$69,919.81 as a result of submitting 23 fraudulent claims<sup>1</sup>.
5. On February 2, 2017, you emailed NAHGA personnel and admitted that you did "make the claims up." In an interview later that day, you admitted that you processed the majority of the false claims using the computers of two other adjusters, one of which was your direct report, when they stepped away from their terminals. You were terminated by NAHGA on February 2, 2017.
6. Title 24-A M.R.S. § 2178 states that no person may "for the purpose of obtaining any money or benefit, knowingly or willfully present or cause to be presented a false or fraudulent claim; or any

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<sup>1</sup> NAHGA was able to identify the most recent fraudulent claim payment and placed a stop payment on the check on January 31, 2017.

proof in support of such a claim for the payment of the loss upon a contract of insurance; or prepare, make, or subscribe a false or fraudulent account, certificate, affidavit or proof of loss, or other document or writing, with intent that the same may be presented or used in support of such a claim." As described above, you violated § 2178 by creating falsified records to support your claims for reimbursement and filing fraudulent claims. This is grounds for revocation of your insurance adjuster license pursuant to 24-A M.R.S. §§ 1417(1) and 1420-K(1)(B) for violating insurance laws.

7. Title 24-A M.R.S. §§ 1417(1) and 1420-K(1)(H) provide that the Superintendent may revoke an insurance adjuster's license for "demonstrating incompetence, untrustworthiness or financial irresponsibility in the conduct of business in this State." As described above you violated § 1420-K(1)(H) by using your coworkers' work stations without proper authority to process fraudulent claims.

Therefore, based upon the above grounds, your Maine insurance adjuster license is **revoked** as of **May 2, 2017**, pursuant to 24-A M.R.S. §§ 1417 and 1420-K, subject to your right to request a hearing.

Under the Maine Insurance Code, specifically 24-A M.R.S. §1417 and §1420-K, you have the right to a hearing before the Superintendent or his designee. If you request a hearing, you will have the right to present evidence and arguments in your defense, and the staff of the Bureau of Insurance will bear the burden of proving each violation by a preponderance of evidence.

If you request a hearing, you will receive further communication regarding scheduling. The matters to be determined through the hearing process are whether you committed one or more of the violations listed above, and if so, the appropriate sanctions for those violations. The sanctions imposed after a hearing can include any available remedy under applicable laws, including the payment of civil penalties.

To request a hearing, you must notify the Bureau of Insurance in writing no later than **May 2, 2017**. If you do not file a written request for a hearing within 30 days from the time you knew or reasonably should have known of the revocation of your license through this Notice and Order, you will lose your right to request a hearing on this license revocation Notice and Order.

**Nothing in this Order precludes the Superintendent from seeking restitution from you at a later date in accordance with 24-A M.R.S. § 12-A(6) on behalf of affected consumers or insureds for violations that have been set forth in this Order.**

Any request for a hearing, as well as all other communications regarding this Notice, Order, and Opportunity for Hearing must be addressed to Bureau Licensing Attorney Lindsay J. Laxon, Bureau of Insurance, #34 State House Station, Augusta, Maine 04333-0034 (for US Postal Service deliveries) or 76 Northern Avenue, Gardiner, Maine 04345 (for private carrier deliveries, such as FedEx or UPS). You may also reach Ms. Laxon by e-mail at [Lindsay.J.Laxon@maine.gov](mailto:Lindsay.J.Laxon@maine.gov) or by telephone at (207) 624-8429.

March 28, 2017



Eric A. Cioppa  
Superintendent of Insurance