

THOUGHT LEADERSHIP

News

TEXAS DEPARTMENT OF INSURANCE FILES NOTICE OF INTENT TO INSTITUTE DISCIPLINARY ACTION AGAINST PUBLIC ADJUSTER FOR DEFRAUDING INSURANCE COMPANIES

Newsbrief

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Last month, the Texas Department of Insurance issued a notice of intent to institute disciplinary action against Robert Keith Taylor. The TDI noted that Mr. Taylor has been criminally prosecuted for defrauding insurance companies and committing mortgage fraud. On January 8, 2015, Mr. Taylor was convicted of federal felony offenses of false statement to a bank and wire fraud. Mr. Taylor was sentenced to 28 months of confinement and ordered to pay \$632,924.72 in restitution to American International Group and \$376,468.80 to bank of America.

Mr. Taylor was also noted to have engaged in acts as a public adjuster in Texas through the TEI Group & Associates, Inc. However, TEI does not hold a public insurance adjuster license in Texas. Further, Mr. Taylor had reportedly colluded with an umpire that he had had a previous working relationship with during the appraisal process on a hail damage claim. As a result, the umpire awarded damages 120 times greater than the original \$7,000 damage estimate.

Additionally, Mr. Taylor reportedly engaged in questionable practices in claims submitted to Travelers Insurance Company. Mr. Taylor refused to provide documentation to substantiate the cost of repairs associated with at least one loss. On two claims, the insureds withdrew the claims because they were unaware that Mr. Taylor and TEI Group were representing them. Further, Mr. Taylor grossly exaggerated estimated losses—the TDI noted at least one instance where Travelers estimated a loss at around \$27,000, and after Mr. Taylor became involved in the claim, the appraised value of the loss substantially increased to \$856,000.

As such, the Commissioner informed Mr. Taylor of the TDI's intent to take disciplinary action against Mr. Taylor because he has been convicted of a felony as contemplated by the Texas Insurance Code, he does not have consent to engage in the business of insurance in Texas, performing acts as a public adjuster in Texas through an unlicensed corporation, and engaged in fraudulent or dishonest acts or practices.