



Message from Anthony M. DiPaolo IFB Vice-President, Chief of Investigations



I want to thank everyone for their kind words and support over the last couple of months as I take over as Chief of Investigations. As many of you are aware, our first chief, Daniel Skelly, has retired and is currently enjoying the Florida sun. Since his retirement,

we have made some changes at the Insurance Fraud Bureau, and I would like to share some of the changes that have taken place.

The CIFIs have been expanded. Two additional CIFIs were added at the end of 2005. We currently have eight CIFIs in operation with plans to establish offices in additional locations in the near future. With this growth, there was a need to establish a structure for the CIFI program. Each CIFI has a Lead Investigator who is responsible for the direction of the CIFI, including all case work and relationship building within the task force. Deputy Chief Michael Gray has overall supervisory responsibility of six CIFI locations.

I have increased the size of the Provider Unit which now has a Lead Investigator plus two investigators. The Boston CIFI was also increased in size by designating a Lead Investigator with three investigators.

With the restructuring and growth, additional investigators were needed. Ten investigators and one administrative support person were hired. With new investigators coming on board, Deputy Chief Marsha MacDougall was given the responsibility of developing an IFB investigator training program. Six of the new hires are currently assigned to Deputy Chief MacDougall.

Warren Rydstrom was promoted to Deputy Chief, and he has a team of six investigators who work for him. They concentrate mainly on workers' compensation insurance fraud; including both claimant and premium fraud cases.

The growth of IFB operations to 35 investigators spread throughout the state has created administrative challenges regarding the timeliness of processing and evaluating incoming company and hotline referrals. Administrative Manager Deborah Terry has been working closely with satellite offices to identify and evaluate pending referrals. Older pending referrals have been reduced by more than 90% since the end of 2005. IFB staff will continue to monitor these levels and expedite the process.

The IFB has definitely experienced some transition, but I think the changes will further improve the already impressive results in our fight against insurance fraud. I look forward to continuing these efforts with all of you. As I write this message, the IFB continues to maintain a high level of cases referred for prosecution. Through the first four months of this year an increase in convictions over prior year has occurred.

Anthony (Tony) DiPaolo was promoted to IFB Chief of Investigations effective January 1, 2006. Mr. DiPaolo has been with the IFB since 1992 and is credited with developing and managing the IFB's premium avoidance fraud unit since its inception in 1994. He is sought nationally as a speaker on premium evasion issues and investigator training. Prior to joining the IFB, Mr. DiPaolo was with the U.S. Air Force for twelve years as a Special Agent, concentrating on fraud investigations. He has extensive experience in developing fraud detection programs. Mr. DiPaolo earned his Bachelor of Science Degree, Summa Cum Laude, in Criminal Justice from Wilmington College and his Master of Science Degree in Criminal Justice from Northeastern University. He is a member of the National Association of Certified Fraud Examiners and is currently President of the Boston Chapter of Certified Fraud Examiners.

What's Inside this Issue

More Changes Mark 15th Anniversary	page 2
Award of Distinction Recipients.....	page 3
Auto Fraud.....	page 4
Premium Evasion Fraud.....	page 5
Workers' Comp Fraud.....	page 6
Other Lines Insurance Fraud.....	page 8
CIFI Fraud.....	page 10

Insurance Fraud Bureau of Massachusetts

101 Arch Street, Suite 600
Boston, MA 02110-1131

Telephone (617) 439-0439
Fax (617) 439-0404

IFB Fraud Hotline
1-800-32FRAUD

IFB Website
<http://www.ifb.org>

Daniel J. Johnston
Executive Director

Anthony M. DiPaolo
*Vice President and Chief of
Investigations*

Laura A. Kessler
Vice President and General Counsel

Thomas Simon
Vice President of Administration

Deborah Terry
Editor
Administrative Manager
dterry@ifb.org

Individuals who have been charged and whose names have been publicly disseminated have been identified.

focusFraud and *e-focusFraud* are published periodically throughout the year. News flashes on current press releases and news articles and updates on prosecution court activity are posted frequently on the IFB website www.ifb.org.

If you prefer to get your issues of *focusFraud* and IFB announcements by email, please forward your name, company name and email address to dterry@ifb.org.

Referrals and general questions can be emailed to referrals@ifb.org.

More Changes Mark 15th Anniversary

With the IFB celebrating its 15th year anniversary this month, a few significant retirements have marked this milestone year. Daniel Skelly who was at the helm of the IFB since its inception retired after almost 15 years of service. Dan and his wife Karen are now enjoying Florida living. Long-time chairman of the IFB Board of Governors, John O'Leary from Liberty Mutual Insurance Company, also has retired. Both men gave unswerving support and dedication to the creation, the mission and successes of the IFB and we wish them and their families all the best in their retirements and future endeavors.

Francis X. Sztuk

At the annual Board of Governors meeting held on April 4, 2006, Francis X. Sztuk was elected chairman. Mr. Sztuk is the National SIU Director for The Hanover Insurance Group, a multi-line insurer based in Worcester, Massachusetts. Mr. Sztuk is currently responsible for all field SIU operations on a national level. In addition to the direct management of Hanover's field Special Investigation Units, Mr. Sztuk is also responsible for all anti-fraud training and regulatory filings for all of the Hanover companies. Mr. Sztuk has been responsible for the development of the Hanover SIU program since 1981. Prior to working for Hanover, Mr. Sztuk was a Police Officer for the Morris Township Police Department in New Jersey.

IFB Facts

- Since its inception, the IFB has received more than 30,600 referrals from insurers, law enforcement, regulators, professionals and the public. The 30,000th referral was received and logged on March 8, 2006 and came from Hanover Insurance Company.
- The IFB accepts referrals by mail, using either the IFB referral form or NAIC reporting form, and email at referrals@ifb.org. Hotline tips can be reported utilizing the 24 hour hotline 1-800-32-FRAUD. For more information on referring cases to the IFB click on the Referral Process link on www.ifb.org.
- As of April 30, 2006, 940 cases have been referred, since IFB inception, to either the Office of the Attorney General, offices of Massachusetts District Attorneys or the Office of the United States Attorney.
- Thus far, as a result of cases referred for prosecution, 406 indictments and 790 District Court complaints have been issued on 6,192 counts of insurance fraud and related charges.
- Additionally, 525 convictions have resulted with 205 other cases continued without a finding.
- For the IFB annual report and quarterly statistics, check www.ifb.org.

IFB Recognizes 15th Anniversary Award of Distinction Recipients

Over the past fifteen years, many individuals and organizations have contributed to the success of the Insurance Fraud Bureau. On May 25, 2006, the IFB observed its 15th anniversary with an awards ceremony. Forty-one individuals from the insurance industry, law enforcement agencies and prosecutors received the IFB's Award of Distinction. Award recipients represented individuals who have made significant contributions to the IFB's mission to investigate, prevent and deter insurance fraud. The following individuals were recognized:

- *Alexandra Alland*, Assistant Attorney General, Office of the Attorney General
- *Laurie Arnold*, SIU Investigator, St. Paul Travelers Insurance Company
- *David Butka*, Special Agent, Internal Revenue Service
- *Alexander R. Cain, Esq.*, Law Offices of Alexander R. Cain
- *Kajal Chattopadhyay*, Assistant Attorney General, Office of the Attorney General
- *Kenneth Clark*, Special Agent, Internal Revenue Service
- *James Collins*, President, East Coast Investigative Services, Inc.
- *Christine Cronin*, Workers' Compensation Rating & Inspection Bureau
- *Michael Cullen, Esq.*, Janzen & Associates
- *Glenn Cunha*, Assistant Attorney General and Chief, Insurance and Unemployment Fraud Division, OAG
- *Thomas Demeo*, Special Agent, Internal Revenue Service
- *Thomas Enos*, SIU Manager, Safety Insurance Company
- *Matthew L. Feeney*, Assistant District Attorney, Office of the Essex County District Attorney
- *Theresa Flaherty*, SIU Investigator, OneBeacon Insurance Company
- *Greg A. Friedholm*, Assistant District Attorney, Office of the Essex County District Attorney
- *Melissa Gavegnano*, Assistant Attorney General, Office of the Attorney General
- *James P. Gubitose*, Assistant Attorney General, Office of the Essex County District Attorney
- *Patrick Hunt*, SIU Investigator, Commerce Insurance Company
- *Det. Joseph Lally*, Boston Police Department
- *James R. Lemire*, Assistant Attorney General, Office of the Worcester County District Attorney
- *Det. John Lonergan*, Brockton Police Department
- *Nancy McCormack*, Special Agent, Federal Bureau of Investigations
- *Susan MacKay*, SIU Investigator, Hanover Insurance Company
- *Nancy Simone Manzello, Esq.*, Strategic Claim Investigator, Premier Insurance Company
- *Trooper Katrina Mazzie*, Massachusetts State Police/Office of the Attorney General
- *Ian McKenny*, Assistant Attorney General, Office of the Attorney General
- *Frances Robinson, Esq.*, Davis, Robinson & White, LLP/Arbella Mutual Insurance Company
- *Alice Tobiassen*, retired, Safety Insurance Company
- *Terry Seger*, T.M. Seger Claim Service, Inc.
- *Det. Sgt. Michael Simard*, Lawrence Police Department
- *Trooper Kenneth Skutt*, Massachusetts State Police
- *Sherry Smith*, SIU Investigator, Liberty Mutual Insurance Company
- *William Tait, Jr., Esq.*, Law Offices of Smith & Brink
- *Matthew Tittlemore*, SIU Investigator, MetLife Auto & Home
- *William Toner*, SIU Investigator, Hanover Insurance Company
- *Fredrick S. True*, SIU Investigator, MetLife Auto & Home
- *Tracey Turner-Brown*, Assistant Attorney General, Office of the Attorney General
- *Mark Volger*, *The Eagle-Tribune*
- *Brett S. Vottero*, Assistant District Attorney, Office of the Hampden County District Attorney
- *Jodi L. Walker*, Assistant District Attorney, Office of the Middlesex County District Attorney
- *Mark Warner*, SIU Investigator, Arbella Mutual Insurance Company

The IFB wishes to acknowledge everyone—from insurance industry, law enforcement and public agency personnel to the public—who submits suspected insurance fraud referrals for possible investigation. The prosecutors of the Offices of the Attorney General, United States Attorney and District Attorneys, federal and law enforcement and other public agencies, insurance companies and many others have contributed to our success. We thank everyone for their dedication and perseverance in fighting insurance fraud.

Just Out For a Walk

Worcester- Complaints were issued on March 27, 2006 against **Joseph Jaiceris** on charges of motor vehicle insurance fraud, attempted larceny, filing a false police report and leaving the scene of an accident with property damage. Jaiceris reported his 1998 Ford Mustang stolen to police and MetLife Auto & Home on March 30, 2003. The night before the theft report the vehicle was recovered abandoned following an apparent one vehicle crash. Jaiceris claimed that he last saw the vehicle parked in his driveway and had notified police when he discovered the vehicle missing. Two passengers in the vehicle later reported that Jaiceris was driving to his residence when he lost control of the vehicle, hitting a fire hydrant and a fence. After the crash, the three passengers exited the Mustang and allegedly walked away from the crash scene. The case is being prosecuted by Assistant Attorney General Melissa Gavegnano of the Attorney General's Insurance and Unemployment Fraud Division.

Update – False Identity Nets \$37,000

Lynn- **Guy Prophete** pleaded guilty on January 12, 2006 to larceny, motor vehicle insurance fraud and providing false motor vehicle documents. He was placed on probation for two years and ordered to pay \$38,890. In February 1995, Prophete, whose own license had been suspended for motor vehicle infractions, obtained a second Massachusetts driver's license using a stolen social security number and the fictitious name Frantz Gally. He used the identity and clean driving record to obtain several motor vehicle insurance policies. From August 1995 through October 1997, Prophete reported a number of claims using both the Gally and Prophete identities and was compensated approximately \$38,000 as a result of the claims. Prophete would have been unable to obtain the policies from Arbella Mutual, Peoples Service, Commerce, Fitchburg Mutual and Trust Insurance Companies had the companies been aware of his suspended license. Assistant Attorney General Alexandra Alland prosecuted the case.

Original Equipment Was Subject's Undoing

Billerica- **Peter Lombardini** pleaded guilty to filing a fraudulent motor vehicle insurance claim and attempt to commit a crime on December 27, 2005. He was placed on probation for two years and ordered to pay a \$1,000 fine. Lombardini reported that his 1994 Oldsmobile Achieva had been stolen from its parked location in Billerica on February 21, 2004. Lombardini claimed to Plymouth Rock Assurance Company that he purchased four Foose Speedstar chrome rims, with locking nuts, and four Pirelli P-Zero 18-inch tires from USA Wheel & Tire in California and had them installed on the Achieva prior to the theft loss. The vehicle was recovered, totally burned, with the original factory rims, lug nuts and tires. Documentation supporting the purchase of the vehicle, condition, repairs and receipts for the tires and rims were fraudulent or altered. Assistant Attorney General Melissa Gavegnano prosecuted the case.

Update – Trio Indicted for Alleged Insurance Fraud Scam

Boston- On April 4, 2006, after a seven day trial, a jury convicted **Filomena Joaquim Fontes** and her son **Timilty Fontes Veiga** of motor vehicle insurance fraud, attempted larceny, conspiracy to commit insurance fraud and conspiracy to commit larceny. The jury also convicted **Anthony Damaral** of conspiracy to commit insurance fraud and conspiracy to commit larceny. Veiga was sentenced to serve 2 ½ years in the House of Correction plus three years probation and to pay a \$5,000 fine. His mother, Fontes, was placed on two years probation and ordered to pay a \$2,500 fine and to perform 100 hours of community service. Damaral was placed on two years probation. Fontes, the insured owner of a 2001 BMW M3 convertible valued at \$50,000, reported to Liberty Mutual Insurance Company that the BMW was damaged in a July 2003 hit-and-run accident that occurred while the vehicle was parked overnight on a Dorchester street corner. Fontes and Veiga both claimed that the BMW was towed directly to Tony's Auto Body owned by Damaral. A Liberty Mutual appraiser inspected the car at the body shop and, based on its condition, concluded that the vehicle was a total loss. Investigation revealed, however, that prior to service at Tony's Auto Body the BMW had originally been towed to a Weymouth auto body repair shop. That shop's owner informed investigators that the car had moderate body damage when it was towed to his shop, but was not a total loss. Veiga asked the shop owner to inflict additional damage to the BMW to make it a total loss for insurance purposes. When the body shop owner refused this request, Veiga had the car towed to Tony's Auto Body where additional damages were inflicted to the BMW. Assistant Attorney General Kajal K. Chattopadhyay prosecuted the case.

Automobile Insurance Fraud Court Activity and Case Updates continued

Update – Reported Stolen Vehicle Found in Methuen Garage

Methuen- **Katlind Bruneau** pleaded guilty to one count each of filing a fraudulent motor vehicle insurance claim, attempted larceny and conspiracy to commit insurance fraud and two counts of making false statements to police alleging motor vehicle theft on November 3, 2005. She was sentenced to six months in the House of Correction, suspended for one year with probation. At a December 16, 2005 restitution hearing she was ordered to pay \$2,000. On January 3, 2006, a second subject was arrested on a default warrant. He pleaded guilty to filing a fraudulent motor vehicle insurance claim, attempted larceny and conspiracy to commit insurance fraud. He was sentenced to six months in the House of Correction, suspended, with two years probation and ordered to perform 100 hours of community service. However, for violating probation the second subject was ordered to serve the six month sentence. Bruneau and the second subject were co-owners of a 1997 Volkswagen Passat which Bruneau reported stolen on August 27, 2004 from the front of her Methuen residence. She subsequently reported the theft loss to Amica Mutual Insurance Company. Police later recovered the vehicle in a garage where the second subject rented a room. Bruneau reported that the vehicle was locked and all keys were accounted for at the time of the alleged theft. Essex County Assistant District Attorney Ron DeRosa prosecuted the case.

For up-to-date automobile insurance fraud court activity, check www.ifb.org.

Premium Evasion Insurance Fraud Court Activity and Case Updates

Update – Defunct NH Drywall Contractor Indicted

Merrimack, NH- **Michael Jenkins** and **TMJ Construction Corporation** were convicted on April 13, 2006 of larceny and workers' compensation premium evasion charges. Jenkins admitted to sufficient facts and his case was continued without a finding for two years. He must pay \$13,736 in restitution and is immediately debarred from engaging in the construction of public works for five years. TMJ Construction Corporation pleaded guilty and is immediately debarred from engaging in the construction of public works for five years. Jenkins, as principal of TMJ, completed the Workers' Compensation Rating & Inspection Bureau (WCRIB) application for insurance and indicated that TMJ had no prior Massachusetts workers' compensation insurance coverage and no employees. Investigation revealed that TMJ had been issued three prior policies and based on the prior policy information, the corporation's workers' compensation premiums would have been adjusted from \$514 to \$88,529. Assistant Attorney General Karla Zarbo from the Attorney General's Fair Labor and Business Practices Division prosecuted the case.

Update – Temp Agency Owner Allegedly Avoids \$120,000 in W/C Premiums

Brockton- **East Coast Staffing**, a Brockton temporary agency, pleaded guilty to one county of larceny on February 23, 2006 and was ordered to pay restitution of \$65,431. Investigation found that East Coast Staffing defrauded Travelers Insurance Company of workers' compensation insurance premiums by providing auditors with fraudulent and incomplete payroll records to conceal the true size and scope of East Coast's operations. By hiding more than \$1.8 million in payroll from the auditors, East Coast Staffing avoided payment of premiums totaling more than \$65,000 between 1999 and 2001. Assistant Attorney General Christopher Buscaglia prosecuted the case.

For up-to-date premium evasion insurance fraud court activity, check www.ifb.org.

One Claim Too Many for Same Injury

Haverhill- **Darcy Sanford** pleaded guilty to workers' compensation fraud on March 13, 2006. He was sentenced to two years in the House of Correction, suspended, with three years probation. Sanford was ordered to pay \$23,646 in restitution and to perform 100 hours of community service. Sanford was working as a construction laborer when he claimed an injury to his left knee on October 7, 2002 as a result of a fall from staging. He reported the injury to his supervisor the next day and sought treatment for the injury. He was found disabled from the injury and unable to return to work. While collecting workers' compensation benefits from Risk Enterprise Management, Sanford was involved in an auto accident in February 2003. He reported that accident to Arbella Mutual Insurance Company and treated for neck and back injuries sustained in the accident. In April 2003 Sanford sought treatment for his knee injury after he claimed to slip on ice. He reported that the injury was related to the October 2002 work-related injury and he had surgery on the knee in September 2003. Investigation revealed, however, that Sanford worked during the time he claimed to be disabled and unable to work. Assistant Attorney General Alexandra Alland of the AG's Insurance and Unemployment Fraud Division prosecuted the case.

Update – Easton Man Collects While Allegedly Running Steel Business

Easton- **Albert Rohrbacher** pleaded guilty to perjury, larceny and workers' compensation fraud on March 14, 2006. He was sentenced to two years in the House of Correction, 15 days to serve and the balance suspended, and two years probation. A restitution hearing is scheduled. Rohrbacher, an ironworker for approximately 50 years, began work as a foreman in 1999 at a steel company at which he worked on site supervising a crew performing detail work. A month after he began this employment Rohrbacher claimed to have fallen on snow and ice at the job site, injuring his lower back, left shoulder and right groin. He claimed to be totally disabled by the fall and over a two year period collected a total of \$70,196 in workers' compensation benefits from Beacon Mutual Insurance Company. The same day Rohrbacher fell, a company he controlled, Zennon Iron, was awarded a contract to do steel fabrication work on a Quincy church roof. Investigation found that Rohrbacher's wife was listed as the president of Zennon Iron for some purposes, but Rohrbacher continued to run Zennon's day-to-day operation and also signed documents as the "president" of Zennon Iron. Rohrbacher and Zennon Iron were also subcontracted by two other companies. While Rohrbacher claimed to be totally disabled from his injuries, Zennon Iron grossed approximately \$631,000 with at least \$125,000 deposited into a bank account under Rohrbacher's name and Zennon Iron. Despite this, on two occasions Rohrbacher submitted Employee Earnings Reports claiming he had no earnings. Assistant Attorney General Ian McKenny of the AG's Insurance and Unemployment Fraud Division prosecuted the case.

Update – Gloucester Man Allegedly Working While Collecting

Gloucester- **Timothy Hayes** pleaded guilty to workers' compensation fraud and perjury on January 19, 2006. He was sentenced to serve one year in the House of Correction for the perjury charge, to be served after the six months he is currently serving for a violation of probation. He was also placed on probation for two years and ordered to undergo a substance abuse evaluation. In July 2001, Hayes claimed a work-related left shoulder injury while employed as a residential framer. He began receiving temporary total workers' compensation benefits from Zurich American Insurance Company. Surgery was performed on the left shoulder in November 2001. In January 2002, Hayes reported at an independent medical exam that his level of daily activities was limited due to shoulder pain. In May 2002 his benefits were reduced to temporary partial with an earning capacity of \$90 a week. At a subsequent Department of Industrial Accidents hearing, Hayes testified that he had not worked nor earned any wages since his injury. However, surveillance conducted on Hayes showed him to be working during a portion of the time he claimed to be unable to work. Assistant Attorney General Alexandra Alland prosecuted the case.

Update—False Identity Used to Commit Insurance Fraud

Lowell- **Charles Hood**, previously known as Charles Byrd, pleaded guilty to three counts of larceny, three counts of unemployment fraud and one count of workers' compensation fraud on February 28, 2006. He was sentenced to 2 ½ years in the House of Correction, 140 days to serve, and the balance suspended for five years. Hood has been incarcerated since his October arrest. He was also sentenced to probation for five years while he makes full restitution of \$94,500; \$23,000 to AIM Mutual Insurance Company, \$70,000 to the Social Security Administration and \$1,500 to the Division of Unemployment Assistance. From 2002 to December 2004, Hood fraudulently collected more than \$23,000 in workers' compensation benefits. At the time he claimed the benefits, Hood told his insurer and medical personnel that he had no history of back injuries and did not disclose his history of filing workers' compensation claims under the name of Charles Byrd. Investigation found that Hood had previously made five claims of back injuries between 1980 and 1997 under the name of Charles Byrd. Hood had different Social Security numbers for both names. His misrepresentation that he had no prior back injuries led the insurer to pay the workers' compensation benefits. Further investigation revealed that in February 2002, Hood began collecting unemployment benefits after being laid off from a construction company. In October 2002, Hood continued to collect unemployment benefits while employed at another construction firm where he alleged a back injury that led to the fraudulent workers' compensation claim. Glenn Cunha, Chief of the AG's Insurance and Unemployment Fraud Division, prosecuted the case.

Son Allegedly Submits Father's Claim Documentation

Hyde Park- **Jonathan Farrow** was indicted on charges of workers' compensation fraud and larceny on December 16, 2005. Farrow claimed to Kemper Insurance Company a work-related injury alleging he bruised his chest when a piece of furniture shifted toward him while he was working as a furniture deliverer. The company offered to have two helpers do all the lifting but Farrow declined the offer. Documents were provided after Kemper requested medical documentation of Farrow's time out of work. Investigation revealed that the documents were identical, except for dates and a business address, to documents submitted for a 1998 workers' compensation claim submitted by Farrow's father to AIG, also named Jonathan Farrow. Georgia Critsley, Deputy Chief of the AG's Insurance and Unemployment Fraud Division, is prosecuting the case.

Oil Deliveryman Claimed No Income While Allegedly Working

Millbury- A Millbury man was indicted on charges of workers' compensation fraud and larceny on December 15, 2005. The subject claimed a work-related lower back injury in October 2001 and began to collect temporary total workers' compensation benefits from Lumbermen's Mutual Insurance Company. In July 2002, the subject signed an Employee Earnings Report claiming that he had earned no income while receiving benefits. At a May 2003 independent medical exam, the subject claimed he was not working and was still totally disabled. Investigation revealed that the subject was allegedly employed delivering oil from January 2003 through July 2004. In December 2003, the subject entered into an agreement with Lumbermen's Insurance Company when the Department of Industrial Accidents determined that he must pay \$29,387 plus interest and \$8,901 in costs to the insurer. In total, the subject was paid more than \$100,000 in benefits.

For up-to-date workers' compensation insurance fraud court activity, check www.ifb.org.

Life Insurance

Son Cashed Deceased Mother's Annuity Payments

Bridgewater- The case against **Robert Langley** was continued without a finding for two years on April 3, 2006 on charges of larceny and forgery. He was sentenced to two years supervised probation and ordered to pay \$8,047 in restitution. Langley cashed more than \$8,000 in retirement annuity payments from Prudential Insurance Company payable to his mother, Rita Langley, from May 2000 through March 2003. Rita Langley died in May 1996. The case was prosecuted by a Plymouth County Assistant District Attorney.

Multi-Lines Insurance

Update – Used Car Salesman Collects \$160,000 in Benefits

Foster, RI- **Thomas Fratantuono, Sr.** pleaded guilty to workers' compensation insurance fraud and insurance fraud on November 7, 2005. He was sentenced to serve probation for two years and pay restitution of \$55,050. Fratantuono, who was a self-employed auto broker, suffered head injuries in a June 1999 auto accident and as a result reported that he suffered from cognitive difficulties, hearing loss and balance problems which prevented him from working after November 2000. From November 2000 through August 2003, Fratantuono collected \$699 per week in total disability workers' compensation benefits from Granite State Insurance Company, a unit of AIG. In addition, Fratantuono collected \$2,000 per month in total disability benefits under a private disability insurance policy with Penn Mutual Life Insurance Company. Investigation revealed that in 2001 and 2002, Fratantuono worked as a used car broker while continuing to collect disability payments. By concealing this employment, Fratantuono fraudulently collected more than \$55,000 in total disability benefits. Assistant Attorney General Ian McKenny prosecuted the case.

Agent Fraud

Unlicensed Insurance Agent Allegedly Steals \$188,149 from Clients

Holden- **Heather Renzoni** was indicted on January 17, 2006 on 24 counts of larceny, two counts of attempted larceny and one count of impersonating an insurance broker. Renzoni, a former Jefferson Pilot Insurance and ING agent, was first licensed as an insurance agent in April 1980 but her license to sell insurance in Massachusetts was revoked in June 2002 after a Division of Insurance investigation revealed she misrepresented policy terms and conditions to clients. The revocation required Renzoni to cease and desist from all insurance activity for ten years. Since 2002 Renzoni allegedly continued to contact former clients about their policies and accounts. Investigation found that 24 customers ranging in age from 35 to 77-years-old have said they allegedly gave Renzoni money to either re-invest, pay off a whole life policy or to buy a new policy. These customers took out loans from their Jefferson Pilot policies or ING accounts and either signed over the checks to Renzoni or deposited the checks into their accounts and wrote personal checks to Renzoni. Renzoni allegedly collected \$188,149 from her clients who believed she was investing their money in various life policies and annuities. Assistant Attorney General Melissa Gavegnano is prosecuting the case.

Update – Former Agent Allegedly Pocketed Premium Money from Clients

Quincy- **William Rowan**, a former insurance agent, pleaded guilty to 15 counts of agent or broker fraud on November 5, 2005. He was sentenced to two years in the House of Correction, suspended for three years, followed by supervised probation. He was ordered to pay \$120,000 in restitution. From January 1999 through December 2003, Rowan, acting in his capacity as an agent/broker, collected premiums from numerous victims and stole more than \$120,000 in insurance premium payments from at least 16 separate commercial insurance policies. All of the victims were either commercial businesses or insurance affiliates doing business with Rowan Insurance Agency. Many of the victims became suspicious when they received notices of cancellation of their policies from their insurance carriers after they had paid insurance premiums to Rowan. In an effort to hide his scheme, Rowan would issue worthless "certificates of insurance" and "insurance binders" to allay the concerns of his victims. Assistant Attorney General John Compton prosecuted the case.

Commercial Lines Insurance

Husband and Wife Duo Scam Insurers by Eating Glass

Boston- On April 13, 2006 **Ronald Evano** and his wife **Mary Evano** were indicted on charges related to a fraudulent scheme in which the pair submitted false insurance claims that they had ingested glass found in food they had eaten at restaurants and grocery stores in Massachusetts, Rhode Island, Maryland and the District of Columbia. Each was charged with conspiracy and multiple counts of mail fraud, wire fraud, identity fraud, social security fraud and false statements on health care matters. The indictment alleges that from at least August 1997 through June 2005, the Evanos falsely claimed that various restaurants, hotels and supermarkets had served them food with glass particles. Although in some instances the Evanos may have actually ingested glass particles, those glass particles did not come from food served. Rather, the Evanos intentionally ingested the glass particles and then falsely claimed that the restaurants, hotels and supermarkets had caused the particles to be in food that they were served. In connection with their scheme, the Evanos submitted their various glass ingestion claims under a variety of identities, using false identification and false social security number information. Through their fraudulent scheme, the Evanos obtained in excess of \$200,000 and incurred over \$100,000 in medical bills, which are unpaid to date. Assistant United States Attorney Jack W. Pirozzolo of the United States Attorney's Economic Crimes Unit is prosecuting the case.

Security Cameras Tell a Different Story

Swansea- A complaint was filed issued on March 20, 2006 against a Swansea man on one count of attempted larceny. The subject reported that as he entered the Ocean State Job Lot in Fall River he was allegedly struck by the entrance door when a shopping carriage was left behind the automatic door causing the door to bounce back and strike him in the forehead. The subject claimed to Liberty Mutual Insurance Company that the alleged impact with the door caused a laceration above his right eye, which required suturing. Review of the security/ surveillance tapes show the subject walking full stride from the parking lot and entering the store through two sets of doors without incident. Investigation and witnesses interviewed confirmed that there was no evidence that the incident occurred as alleged by the subject. Assistant Attorney General Julie Brady is prosecuting the case.

Property Insurance

Update – Alleged Theft at Marlboro Residence

Marlborough- Charges of filing a fraudulent insurance claim and attempted larceny against a Marlboro couple were continued without a finding for eleven months on January 10, 2006. Each will perform 100 hours of community service. The couple reported to Marlborough police that on November 19, 2003 their home was ransacked and several items were missing, including two Kona Dawg bicycles and a Sony television. The theft was also reported to Sentry Insurance Company. The pair provided receipts totaling more than \$4,800 for the items reported stolen. Sentry denied the claim due to inconsistencies in the theft report and bogus receipts for the items claimed. Assistant Attorney General Alexandra Alland prosecuted the case.

Update – Alleged False Receipt Used to Collect \$35,000

Cape Ann- The case against a Cape Ann man was continued without a finding on October 27, 2005 for one year. The subject had been charged with insurance fraud and larceny. He was ordered to pay \$1,000 in court costs and to perform 16 hours of community service. The subject, owner of Cape Ann Equipment, reported to Commerce Insurance Company that his 1976 CAT excavator sustained damages as a result of a fire. At the time of the report, the subject claimed that the excavator had a new undercarriage and faxed a copy of a receipt for the undercarriage work showing repair costs of \$25,698. The subject also signed a proof of loss. Based on the proof of loss and receipt, Commerce paid the subject \$35,000 for his loss. It was discovered, after the claim was paid, that work had not been performed on the excavator and that the receipt was an estimate only. Assistant Attorney General Julie Brady prosecuted the case.

For up-to-date insurance fraud court activity, check www.ifb.org.

Boston CIFI

Complaints were issued against the following individuals:

- **Luc Jean** and **Bossuet Saint-Louis** on May 5, 2006 with filing a fraudulent insurance claim and attempt to commit a crime. Jean reported to Liberty Mutual that on July 2, 2003 he was involved in an alleged intersection collision in Dorchester. A forensic analysis of the two vehicles involved in the alleged collision determined that the damage sustained by each vehicle was caused by unrelated impacts.
- **Celso Barros**, **Idalina Monteiro** and **Dorina Fortes Barros** on April 28, 2006 for insurance fraud and attempted larceny. Celso Barros reported that his 1992 Dodge Stealth was hit on the driver's side by a 2003 Kia Rio on January 4, 2004. During the course of Hanover Insurance Company's investigation of the claim, Barros and the other claimants admitted that Monteiro was an alleged jump-in claimant.
- A Dorchester man on motor vehicle insurance fraud, false report of a crime and attempt to commit a crime on April 25, 2006 for the alleged staged theft of his 2000 Saab 95. A vehicle analysis determined that the security features of the Saab were not defeated and the only way to start the ignition was to use the correct transponder key.
- **Alexander Espiritusanto** on April 11, 2006 with filing a fraudulent insurance claim, false report of a crime and attempt to commit a crime for the alleged theft of his 2003 Mitsubishi Eclipse. The vehicle was later recovered burnt. Along with inconsistencies in Espiritusanto's statements given to MetLife Auto & Home, a vehicle analysis determined that vehicle could only have been moved from the place Espiritusanto alleged it was parked when stolen with the correct transponder key. Espiritusanto had all keys to the vehicle in his possession.
- A Somerville woman for filing a fraudulent insurance claim, arson, false report of a crime and attempt to commit a crime on March 24, 2006. The subject filed a stolen motor vehicle report with Everett police and State Farm Insurance alleging the theft of her 1998 Pontiac Grand Prix. The vehicle had been recovered in Boston after allegedly being intentionally set on fire.
- A Worcester woman on April 6, 2006 with filing a fraudulent motor vehicle insurance claim, attempt to commit a crime and false report to police. The subject reported to Jamaica Plain police and MetLife Auto & Home the alleged theft of her 2003 Suzuki motorcycle. She allegedly admitted that she had purchased and insured the motorcycle for her boyfriend with the understanding that he would make the monthly payments. When he terminated their relationship he stopped making payments but took the motorcycle with him.
- On March 8, 2006 **Ramona Guerrero**, **Rosanna Guerrero**, **Barbara Kuszewski**, **Jose Torres**, **Caridad Flores** and **Guillermo Aponte** with insurance fraud and attempted to commit a crime for an alleged staged accident in Jamaica Plain. An accident reconstruction analysis, ordered by Pilgrim Insurance Company, determined that the two vehicles involved in the alleged accident did not make contact.
- **Sarah Cordova** and **Carmen Santiago** with motor vehicle insurance fraud and attempt to commit a crime on February 22, 2006. Cordova reported to Pilgrim Insurance Company that while parked at a Dorchester Stop & Shop another vehicle backed into her automobile. During EUO testimony, Cordova admitted that the accident did not occur as reported.
- A Boston man on insurance fraud, larceny and filing a false police report on November 10, 2005 for an alleged staged theft of his Ford Focus. The vehicle was later recovered. The subject accounted for both sets of keys although a forensic analysis, ordered by Commerce Insurance Company, determined that the ignition and the transponder were not defeated and the correct key would be required to operate the vehicle.
- A Milton woman on charges of motor vehicle insurance fraud and attempt to commit a crime on November 18, 2005. The subject reported to Liberty Mutual that she was involved in a motor vehicle accident on September 18, 2004 in Dorchester while operating her 1999 Volvo S80. She stated that a 1995 BMW allegedly rear-ended her vehicle with such force that the impact pushed her Volvo into three upright supporting beams of a bridge. An accident reconstruction of the collision determined that the damages to the vehicle were inconsistent with the accident as described by the woman.

Boston CIFI initiated June 2004

To date:

23 cases referred for prosecution

29 subjects arrested/complaints issued

0 convictions

9 subjects continued without finding

The case against a Mattapan man was continued without a finding for one year on April 9, 2006. The Mattapan man and a second subject were allegedly involved in a two car accident on December 7, 2003. The second subject, the owner of a 1993 Ford Tempo, hit the rear of a 1998 Volkswagen Jetta. The Mattapan man was an alleged passenger in the Ford Tempo who claimed to Premier Insurance Company he sustained back and neck injuries in the accident. When questioned about events leading to the accident, the man confessed that the accident did not occur.

The case against a Dorchester man was continued without a finding for one year on November 15, 2005. The subject filed a stolen motor vehicle claim with police and Firemen's Fund Insurance Company reporting the theft of his 1996 Acura RL. The vehicle was recovered with the interior stripped and the ignition popped. A forensic analysis determined that the vehicle's active transponder security system was not defeated and the correct key was needed to drive the vehicle. Investigation revealed that on the day of the reported theft, the man had the vehicle serviced and was told that repairs would cost approximately \$2,000 and the vehicle was unsafe to drive. The man elected not to repair the vehicle.

The case against a Dorchester man was continued without a finding for two years on February 6, 2006. The subject had been charged with motor vehicle insurance fraud, attempted larceny and filing a false police report. The Dorchester man reported to Hanover and Dorchester police that his Chrysler Sebring was stolen from outside his apartment. The man stated that he lost a key to his vehicle the month before the theft but he had the remaining key in his possession. A vehicle analysis of the recovered Sebring determined that the steering column and ignition lock were not damaged and that the correct key was used to operate the vehicle.

Boston task force cases are prosecuted by Suffolk County assistant district attorneys and assistant attorneys general from the AG's Insurance and Unemployment Fraud Division.

Brockton CIFI

Maria Vaz Pires was found guilty of motor vehicle insurance fraud and attempt to commit a crime on April 25, 2006. She was sentenced to 18 months in the House of Correction, suspended for two years. The case against a second subject is still pending. Pires reported to Liberty Mutual Insurance Company that on August 26, 2003 the front of her 1995 Mazda Millennia was struck by a tractor trailer when the tractor trailer merged into her travel lane. She reported that the force of the impact pushed the Mazda into a guardrail. Pires claimed that at the time of the impact she and her three children were in the vehicle. A second subject and one minor child claimed personal injuries due to the impact. An accident reconstruction determined that the damage to the front end of the Mazda was not consistent with contact with a tractor trailer and the damage across the left front side of the vehicle did not occur during a collision with a guardrail.

Complaints or arrest warrants were issued against:

- A Brockton woman on April 10, 2006 on charges of motor vehicle insurance fraud, attempt to commit a crime and making false statements alleging motor vehicle theft. The subject's 1999 Honda Civic was involved in a motor vehicle accident when it struck another vehicle. The driver of the adverse vehicle reported that the Honda driver ran from the scene of the accident. The subject claimed to Commerce Insurance that her car keys had been stolen and she did not know who was driving her vehicle. She later submitted a stolen motor vehicle report to police alleging the Honda had been stolen.
- A Brockton man on charges of motor vehicle insurance fraud, attempt to commit a crime and perjury/ statement alleging motor vehicle theft on April 18, 2006. The subject reported to Safety Insurance Company the alleged theft of his 2001 Honda Accord. The vehicle was recovered the following day and a subsequent appraisal determined the Honda was a total loss. The subject reported in a theft affidavit that there was no damage on the vehicle at the time of the reported theft and that he was in possession of all keys. A mechanical analysis of the vehicle determined that there was no forced entry to the vehicle, that the security features were not defeated and the correct transponder key was required to operate the vehicle.

(Continued on page 12)

(Continued from page 11)

- Arrest warrants against eight Brockton subjects for motor vehicle insurance fraud, attempted larceny and conspiracy to commit insurance fraud on March 17, 2006. An alleged intersection collision occurred on June 7, 2003 between a 1994 Nissan Altima and a 1992 Subaru Legacy with the eight subjects listed as drivers or passengers in the vehicles. No police were called to the scene and all passengers claimed injuries sustained in the accident to Hanover and Liberty Mutual Insurance Companies. An accident reconstruction determined that the two vehicles did not collide.
- Three Brockton individuals on January 20, 2006 for motor vehicle insurance fraud, larceny or attempted larceny and conspiracy to commit insurance fraud. One subject claimed to Amica Mutual Insurance Company that her 1999 Mazda 626 was struck on the driver's side by a 1997 Honda Civic. There were allegedly three passengers in each vehicle at the time of the accident. All claimed to be injured and were transported by ambulance to the hospital. Due to inconsistencies in the subjects' statements, failure to cooperate and other factors, all claims were denied.
- Two Brockton subjects arrested on insurance fraud charges on January 17, 2006. In March 2005, one subject reported her 2001 Ford Focus stolen from her place of employment and stated to police and Premier Insurance Company that the vehicle was locked and all keys were accounted for. The Brockton fire department responded to a passenger vehicle fire that evening and found the Ford Focus engulfed in flames. A forensic analysis determined that there was no indication of forced entry and no damage to the ignition was found.

Brockton CIFI initiated April 2004
To date:
26 cases referred for prosecution
64 subjects arrested/complaints issued
2 convictions
7 subjects continued without finding

Brockton task force cases are prosecuted by a Plymouth County Assistant District Attorney.

Lawrence CIFI

Attorney **Charles Lonardo** was found guilty after 10 hours of jury deliberation on April 27, 2006. He was sentenced to 2 ½ years in the House of Corrections but was freed on \$100,000 bail pending an appeal. Lonardo had been accused of paying to stage accidents and bring in clients to his law office. The charges against two other subjects, Deborah Cuomo and Josefina Diaz, were dismissed after a directed verdict by the judge.

On March 14, 2006 Attorney **Jorge Elias** was found guilty of conspiracy to commit insurance fraud between January 2002 and September 2003. He was sentenced to the maximum penalty of 2 ½ years in the House of Correction. Elias was taken into custody immediately after the jury returned its verdict. On May 2, 2006, Elias was temporarily suspended from practicing law. He is appealing his conviction. Elias employed runners to stage automobile collisions and then his law office represented those people who filed insurance claims for non-existent injuries or damages.

Arrest warrants were issued on the following individuals:

- On March 27, 2006 for **Fernando Mercado, Louis Mercado, Jose Santiago** and **Ismael Sanchez** on insurance fraud-related charges. A week after Fernando Mercado added his 1991 Toyota Corolla to his Plymouth Rock insurance policy, the Corolla and a 1987 Plymouth Voyager were involved in an alleged staged intersection accident. Police were called to the scene and Fernando Mercado and his three passengers reported neck and back injuries sustained in the accident. The driver of the other vehicle allegedly fled the scene. A witness at the scene stated that the accident was staged and saw the Voyager circle the block several times before lightly tapping the Toyota.
- Nine subjects on insurance fraud-related charges on January 26, 2006 for their roles in an alleged staged auto accident. **Adaljisa Arias, Donald Frazier, Alexander Ortega, Richard Ward, Candido Arias, Ricardo Tejada, Jr., Nashlysette Espada, Christopher Ortega** and **Leo Lopez**. **Kelly Birchall** was summonsed. Adaljisa Arias reported that while driving her 1993 Mercedes-Benz on October 10, 2002 she was involved in an alleged accident with a 1990 Honda driven by Frazier. Arias reported that due to the collision her air bag

(Continued on page 13)

(Continued from page 12)

deployed. An Amica Mutual Insurance Company appraiser saw no indication of an air bag deployment and noted damage was limited to the rear of the vehicle. Alexander Otega, Ward, Candido Arias, Tejada and Espada were alleged passengers in the two vehicles. Christopher Ortega and Leo Lopez are alleged runners who helped arrange for the passengers to seek legal and chiropractic treatment after the reported accident.

A Lawrence woman was found guilty on February 10, 2006 of insurance fraud and not guilty of larceny. She was sentenced to 18 months in the House of Correction, suspended for two years, and ordered to pay a \$3,500 fine. Two others in the case, her husband and the adverse driver, were found not guilty of insurance fraud. The woman was driving her vehicle when she claimed she struck another vehicle, operated by the second subject. This subject claimed injuries from the collision to Amica Mutual Insurance Company. The woman and her husband filed bills totaling more than \$13,000 for treatment to OneBeacon Insurance Company for injuries they claimed in this accident.

Lawrence CIFI initiated October 2003
To date:
48 cases referred for prosecution
158 subjects arrested/indicted/ complaints issued
13 convictions
22 subjects continued without finding

Lawrence task force cases are prosecuted by Essex County Assistant District Attorneys James Gubitose, Greg Friedholm and Maura Officer.

Lowell CIFI

On April 26, 2006 Kiyanashevea Brown pleaded guilty to insurance fraud on April 27, 2006. She was sentenced to serve two years in the House of Correction. Brown reported the alleged theft of her 2001 Mitsubishi Mirage to Lowell police on July 25, 2005. Lowell police discovered that the vehicle had been repossessed and notified Brown of that fact. On July 26, Brown reported to Salem, NH police and Safety Insurance Company that her Mitsubishi was stolen from the Mall at Rockingham Park. Investigation by Safety confirmed that Brown's Mitsubishi Mirage had been repossessed prior to the report of the theft.
--

Complaints were issued on March 7, 2006 against **David Robillard** on two counts of insurance fraud, two counts of larceny, one count of false motor vehicle theft report and one count removing/concealing a motor vehicle/trailer to defraud an insurer. Robillard reported to police and Commerce Insurance Company the alleged theft of his 1999 Dodge Ram pickup on December 4, 2004. The theft claim was settled for more than \$14,000. In August 2005, the vehicle was recovered in a damaged state. A subsequent investigation revealed that Robillard asked and received permission from his employer to store his vehicle at the business due to mechanical problems. During the time it was stored, Robillard allegedly reported the vehicle stolen.

Lowell task force cases are prosecuted by Middlesex County Assistant District Attorney Jodi Walker.

Lowell CIFI initiated September 2004
To date:
10 cases referred for prosecution
22 subjects arrested/indicted/ complaints issued
2 convictions
1 subject continued without finding

Lynn CIFI

Complaints or arrest warrants were issued against the following individuals:

- **Sandra Peguero** on January 25, 2006 for motor vehicle insurance fraud, larceny, false statements alleging theft and filing an intentional false report of a crime. Peguero reported her 1998 Toyota Camry stolen to police and OneBeacon Insurance Company on April 16, 2005. She claimed she had allegedly parked the vehicle while at a restaurant and upon returning to the vehicle discovered it had been stolen. The vehicle was discovered in New York and allegedly had been in a parking lot in New York for two months prior to the report of theft.
- **Anthony Petrucelli** on charges of motor vehicle insurance fraud, larceny, false statements alleging theft and filing an intentional false report of a crime on January 25, 2006. Petrucelli reported to police and MetLife Auto & Home that his 1994 Ford Explorer was stolen on January 10, 2004. Upon recovery, a forensic analysis determined that the vehicle could only have been driven with the proper key.
- A Lawrence man on January 16, 2006 for motor vehicle insurance fraud, larceny, filing a false report of a crime and making a false statement alleging theft. The man reported that his 1998 Honda Accord was stolen on October 21, 2003 from the front of his home. The vehicle was later recovered. A forensic analysis determined that there was an active transponder in the vehicle and the correct key was needed to move the vehicle. The man claimed to Commerce Insurance Company that all keys to the vehicle were in his possession.
- On December 2, 2005 against a Lynn man on charges of attempt to commit a crime, motor vehicle insurance fraud, filing a false report of a crime and making a false statement alleging theft. The man reported to police and Hanover Insurance Company the alleged theft of his 1992 Mercedes 190E on March 24, 2005. The man claimed that he had one set of keys and his ex-girlfriend, who was traveling in England at the time of the alleged theft, had another set. The ex-girlfriend denied having any keys to the Mercedes. An accident reconstruction determined that the security features of the steering column were not defeated and that the correct key was required to shift the transmission and start the engine.
- A Lynn woman on four counts of motor vehicle insurance fraud and three counts of larceny on November 5, 2005. Lynn police received a phone call from a New York woman claiming that the Lynn woman allegedly stole her identity and secured an automobile insurance policy with Liberty Mutual Insurance company and lien under her name. Investigation revealed that the woman allegedly fraudulently obtained auto policies using the false name and social security number and secured liens fraudulently using the New York woman's name and social security number.
- A Malden woman on November 2, 2005 for filing a fraudulent motor vehicle insurance claim and identity fraud. The woman allegedly used several dates of birth, social security numbers and license numbers to purchase automobiles, secure auto insurance policies and to file claims.

Lynn CIFI initiated July 2004

To date:

26 cases referred for prosecution

35 subjects arrested/complaints issued

1 convictions

3 subjects continued without finding

Jean Louis Patrick pleaded guilty at his bench trial on November 10, 2005. He was sentenced to one year in the House of Correction, suspended, and ordered to pay \$750 for the cost of the accident reconstruction expert. Patrick parked his 1998 Mercedes Benz 230 on a Lynn street and returned to find it damaged. He filed a property claim in the amount of \$7,987 for damages with MetLife Auto & Home. However, an accident reconstruction determined that Patrick's vehicle was actually moving at the time of impact and had repeatedly collided with a stationary object.

Esperanza Medrano admitted to sufficient facts on November 14, 2005. Charges of attempt to commit a crime, intentional or knowing false report of a crime and filing a fraudulent insurance claim were continued without a finding for 18 months. Medrano was ordered to pay a \$450 fine. Medrano claimed to Arbella Mutual Insurance Company that her 1998 Honda Accord was stolen in April 2004. It was determined that the vehicle could only have been driven with the proper key and the electrical system was not defeated. Medrano claimed to have both keys in her possession.

Lynn task force cases are prosecuted by Essex County Assistant District Attorney Matthew Feeney.

Randolph CIFI

First arrests/complaints for Randolph CIFI!

On February 17, 2006, complaints were issued against **Ryan Vinal** on charges of motor vehicle insurance fraud, larceny, conspiracy, perjury alleging motor vehicle theft and filing a false a police report. Vinal reported on July 10, 2005 that his 2001 Ford Mustang was stolen while it was parked near the Randolph Cinemas. Vinal was paid more than \$12,000 by Premier Insurance Company for his alleged loss. **Brian Jerrier**, arrested on March 2, 2006, and **Carl F. Stewart, Jr.**, arrested on March 8, 2006, were both charged with motor vehicle insurance fraud, larceny and conspiracy for their alleged involvement in the reported theft

Randolph CIFI initiated November 2005

To date:

3 cases referred for prosecution
6 subjects arrested/complaints issued
0 convictions
0 subjects continued without finding

A Randolph woman and Brockton man were charged with motor vehicle insurance fraud, conspiracy and larceny on April 20, 2006. The man, the Randolph woman's then boyfriend, reported to police the alleged vandalism of the woman's 1998 Plymouth Neon on November 27, 2004. She subsequently submitted claims to Liberty Mutual Insurance Company totaling \$3,365 for repairs to the vehicle, a rental vehicle and for storage bills for the damaged vehicle. Investigation revealed that documents in support of her claims were allegedly falsified and that the vehicle was intentionally damaged in an attempt to receive money from Liberty Mutual for the purchase of a newer vehicle.

Raymond Auguste was arrested on April 21, 2006. **Andrea Dorvilus** was arrested May 9, 2006. Both are charged with motor vehicle insurance fraud, larceny and conspiracy. While driving his 1994 Honda Accord on March 2, 2005, Auguste struck a 2000 Nissan Altima head on. The driver of the Nissan noted that there were no other passengers in Auguste's vehicle. Both the driver of the Nissan and Auguste provided information to police regarding the collision, both declined offered medical assistance and reported the accident to their respective insurers and stated that no injuries nor passengers were involved. However, on his Operator's Report, Auguste allegedly claimed that Dorvilus was a front seat passenger in his vehicle at the time of the accident and they subsequently claimed injuries sustained in the accident. Insurers were Firemen's Fund and OneBeacon Insurance Companies.

Randolph task force cases are prosecuted by Norfolk County Assistant District Attorney Daniel Gelb.

Springfield/Holyoke CIFI

Daisy Arroyo and **Luz Martinez** were each found guilty of filing a false insurance claim on December 8, 2005. A third subject was found not guilty on the same charge. While backing up in a Springfield parking lot, a Connecticut woman tapped a vehicle owned by Arroyo. The third subject was sitting in the Arroyo vehicle at the time of the accident. The Connecticut woman offered to exchange insurance information for the accident with Arroyo, who declined. The Connecticut woman witnessed Arroyo and Martinez leaving a store at the time of the accident. Arroyo subsequently reported to Premier Insurance Company that she was involved in a hit-and-run accident with the other woman and Martinez as passengers and she provided the Connecticut license plate of the Connecticut woman as belonging to the vehicle that hit her.

Springfield/Holyoke CIFI initiated April 2004

To date:

13 cases referred for prosecution
20 subjects indicted/complaints issued
6 convictions
1 subject continued without finding

The case against **Janet Rivera** was continued without a finding for three months on January 27, 2006. Rivera had been charged with motor vehicle insurance fraud and burning or aiding to burn wood, produce or personal

(Continued on page 16)

**Insurance Fraud Bureau of Massachusetts
101 Arch Street, Suite 600
Boston, Massachusetts 02110-1131**

**PRESORTED
STANDARD
BOSTON, MA
PERMIT NO.
51826**

(Continued from page 15)

property. Rivera stated that she was having mechanical problems with her 1999 Kia Sephia on September 10, 2004 and left the vehicle locked while she went to notify a mechanic to come and repair the auto. When she returned to her vehicle, Rivera discovered the car allegedly missing and called Springfield police thinking the vehicle had been towed. Police informed Rivera that her vehicle had been recovered burned. Rivera completed theft and vehicle fire reports and reported the theft to Commerce Insurance Company. Rivera later admitted that she hired someone to burn the vehicle.

Springfield/Holyoke task force cases are prosecuted by Hampden County Assistant District Attorney Timothy Rogers.

For up-to-date CIFI insurance fraud court activity, check www.ifb.org.