

FRAUD FACTS



Newsletter of the Insurance Fraud Division of the Virginia State Police

CAN YOU HEAR ME NOW? GOOD.

IFD investigators will use whatever means necessary to find a crook. It didn't matter that a Newport News woman wanted for filing thousand-dollar claims with two different insurance companies for the same crime was overseas when an IFD special agent went looking for her. Their first contact was by E-mail and then by telephone followed up by a handwritten confession that was faxed and sent by U.S. Priority mail. The two didn't meet in person until the woman returned to the United States several months later in the fall of 2002. Just as promised, she called the IFD investigator while en route to Virginia to spend her Thanksgiving holiday and turned herself in. The woman faces trial in early 2003 on one felony count of obtaining money by false pretense.

HELP! INSURANCE AGENT! MY CAR'S BEEN STOLEN!

The Loudoun County man's story didn't add up for Virginia State Police Trooper Jason Irvine. How would a man being held up at gunpoint for his new convertible Corvette on the side of the Dulles Greenway toll road have the time and incentive to collect his cell phone, several packages and his insurance card before escaping his assailant? Was it also not strange that the man would walk straight to his insurance agent to report the carjacking and file a \$60,000 claim rather than go first to the police? After contacting the IFD, the trooper's search for answers quickly unraveled the man's sordid past as a professional scam artist.

The Corvette had, in fact, been repossessed. The man ended up on the road because his wife had kicked him out of the car and left him there. He was in severe debt and his façade as a wealthy entrepreneur in need of even wealthier investors was crumbling.

The man was convicted of filing a false police report and served six months in jail.

INSURANCE FRAUD TEACHES WOMAN A LESSON

A Henrico County woman learned her lesson the hard way when she claimed to be a teacher to defraud her insurance company. After being treated for injuries sustained from a coffee burn at a fast-food restaurant, the woman claimed more than \$3,700 in lost wages as a result of her injuries. It didn't take long for the IFD investigator to determine that the timesheet and letter of authorization verifying her employment as a teacher with the City of Richmond were both forged. Not only was she not employed by the school system, but she also was not a teacher.

If convicted on all charges of attempted grand larceny, forgery and uttering, she could face up to 40 years in jail.

SLIP 'N' FALL VICTIM MUST WATCH HIS STEP

A former Isle of Wight County man slipped up when he claimed lost wages for a slip-and-fall injury. An investigation by the IFD and the insurance company's special investigation unit revealed that there was no way the man could have lost \$1,200 in wages as a result of not being able to work. The shop where the man said he was employed did not exist.

After the man was convicted of attempting to obtain money by false pretense, the Newport News Circuit Court judge directed him to keep in step with the right side of the law. He received a five year suspended prison sentence on the condition of good behavior for the next 10 years.

WANTED: WATCH THAT TELLS TIME

Ever lose track of the time? Apparently a Henrico County woman did. She went to police on a Wednesday to report that her watch worth almost \$600 and several articles of clothing had been stolen from her residence. Yet on that following Friday, she went to a local jeweler and had that same watch appraised and fitted. She claimed the jeweler got the dates mixed up. A judge ruled otherwise and sentenced her to five years in a state penitentiary, with all but five months suspended. She was also held responsible for paying several hundred dollars in court costs.

IFD HITS GROWTH SPURT

With the New Year comes several new faces to the Virginia State Police Insurance Fraud Division. By the close of 2002 the IFD was able to fill all but three positions approved by the Virginia General Assembly.

First Sgt. Rollin V. Rosser and Senior Special Agent John "J.K." K. Rowland transferred to the Fairfax IFD Office. Special Agents David R. Copley and Bronwyn "Bobbie" D. Morris joined the Chesapeake IFD Office. All four are veteran State Police investigators with experience in such specialties as violent crimes, narcotics and fugitive apprehension.

The IFD also hired two analysts, Linda L. Drane and Cynthia S. Waters, to assist investigators with preparing their cases. The analysts, through various criminal and insurance-related databases, research and track those individuals reported to the IFD for committing fraud.

As program support manager, Corinne N. Rusher joined the division in October to promote the IFD and its accomplishments through statewide media and public relations.

FORMER INSURANCE COMPANY PRESIDENT CONVICTED OF EMBEZZLEMENT

The former president of the Smyth County Mutual Insurance Company will spend 120 days in jail for embezzling thousands of dollars from the Southwest Virginia business. William Harold Green, 44, formerly of Marion, VA., pled guilty in January to 12 misdemeanor counts of embezzlement.

From 1995 to 1999, Green stole approximately \$40,616 from the insurance company. He used the money to buy extravagant personal items, gifts for his family and friends, and to open his own insurance company in neighboring Wythe County.

Even though Green repaid the company the majority of the amount taken, he was still charged with 12 felony counts of embezzlement. For each guilty plea, he was sentenced to 12 months in jail. The judge suspended all but 10 days of each consecutive sentence. Green's insurance license has been suspended. IFD Senior Special Agent W.J. Whitt worked with the State Corporation Commission's Bureau of Insurance and Smyth County Commonwealth Attorney's Office on this yearlong investigation.



MARK YOUR CALENDARS...

The 11th Annual Virginia Chapter of the International Association of Special Investigation Units (IASIU) Fraud Conference will be held May 6-8, 2003, in Richmond at the Holiday Inn Select - Koger Center South on Midlothian Turnpike.

Those in the insurance industry, law enforcement and legal community are encouraged to attend the wide range of seminars. The conference kicks off this year with a golf tournament on May 6 at The Independence Golf Club. During the two days of seminars, conference attendees can choose from such topics as how to put together an IFD case to examining the links between terrorism and insurance fraud to witnessing an insurance fraud case from a prosecutor's perspective.

Keep an eye out for registration information coming soon to the IFD web site! www.stampoutfraud.com

FRAUD FACT CHECK...



Since being established in 1999, more than \$22 million in false insurance claims have been reported to the IFD.



As a result of IFD investigations, an estimated \$8.5 million in restitution has been ordered.



From 2001 to 2002, the IFD saw a 20% increase in the number of cases involving personal injury and casualty fraud.



Workers' compensation fraud investigations rose by almost 35% in 2002.

Report Insurance Fraud

All citizens who witness or have information about possible insurance fraud are encouraged to report it by contacting:

Toll Free #: 1-877-62FRAUD

1-877-623-7283

Telephone #: 804-323-2176

Fax #: 804-323-2183

E-Mail: vspifd@vsp.state.va.us

Virginia State Police

Bureau of Criminal Investigation

Insurance Fraud Division

808 Moorefield Park Drive, Suite #300

Richmond, VA 23236

Web Site : www.stampoutfraud.com

4

VIRGINIA STATE POLICE
Insurance Fraud Division

808 Moorefield Park Drive · Suite 300 · Richmond, VA 23236

Presorted
Standard
U.S. POSTAGE
PAID
Richmond, VA
Permit No. 1225