



## Early Effects of CIFI Program

The numbers are in—and the formation of Community Insurance Fraud Initiatives (CIFI) in six Massachusetts urban communities are having a positive effect on the fight against insurance fraud. Latest statistics available show a major reduction of total claim dollars and in the number of injury claims reported since the initiation of the first CIFI program in Lawrence in October 2003, followed in 2004 with similar task forces in Brockton, Boston, Springfield/Holyoke, Lowell and Lynn. The presence of CIFIs in these major urban areas, combined with other contributing factors, have resulted in a decrease in claims of over \$100 million. These communities make up only 8% of the population, but represent 40% of the statewide reduction in claims. The number of injury claims have dropped from 43 per 100 accidents in 2002 to 36 per 100 in 2004.

Each CIFI is comprised of local law enforcement personnel, IFB investigators, a designated prosecutor from the local District Attorney's office as well as involvement with insurance company investigators and the office of the Attorney General. Press coverage from local newspapers publicizing prosecution activity keeps the fraud fight and success stories in the spotlight.

The following 2004 statistics display the savings in each CIFI area attributed to the drop in claim activity.

Lawrence	\$28,735,643
Boston sections	
● Roxbury	\$5,705,254
● Dorchester	\$23,355,561
● Hyde Park	\$6,372,565
● Jamaica Plain	\$5,722,494
Holyoke	\$730,089
Springfield	\$8,521,465
Brockton	\$9,457,006
Lowell	\$7,837,231
Lynn	\$8,140,189
CIFI Total	\$104,577,497
Statewide savings	\$252,509,619

2004 Total Loss Amount (BI, PIP, PD, COMP, COLL)

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## Community Insurance Fraud Initiatives Case Activity

### Lawrence Task Force

Seven Lawrence subjects were arrested and charged with insurance fraud-related charges on August 15, 2005. **Delby Urena** and **Angela Felix** were each charged with motor vehicle insurance fraud, attempted larceny, conspiracy to commit insurance fraud and filing a false police report. **Nixara Almonte**, **Adrian Urena**, **Ramon Valdez**, **Iris Valdez** and **Germinudy Almanzar** were each charged with motor vehicle insurance fraud, attempted larceny and conspiracy to commit insurance fraud. A 1999 Mitsubishi Daimante driven by Delby Urena and a 1994 Toyota Corolla driven by Angela Felix were allegedly involved in a rear-end collision on May 26, 2003. The other five subjects were passengers in the vehicles at the time of the alleged accident. An accident reconstructionist concluded that the damage to the two vehicles could not have been caused by contact with each other but was caused by striking a cylindrical object. The insurers of the vehicles are Amica and National Grange Mutual Insurance Companies.

**Rudolf Santini** pleaded guilty to defrauding an insurer and larceny on August 8, 2005. He was sentenced to six months in the House of Correction, suspended for two years, and ordered to pay a \$2,000 fine and \$1,286 in restitution. The case against **Anastacia Cruz** was continued without a finding on May 12, 2005. She was ordered to pay \$2,000 in fines and restitution. Santini and Cruz are two of eight individuals who were arrested on insurance fraud-related charges for an alleged stage accident. Two vehicles were involved in an accident in which one was allegedly hit from behind with such force that it caused the vehicle to travel across an intersection and strike a telephone pole. An accident reconstruction deter-

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## Premium Evasion Fraud

### Hyannis Construction Company Allegedly Avoided \$100,000 in W/C Insurance Payments

**HYANNIS-** S.V. Raleigh Corporation, a Hyannis construction company, its president/owner and bookkeeper allegedly falsified statements and withheld information from insurance agents and the Division of Unemployment Assistance (DUA) in an effort to avoid payment of workers' compensation insurance premiums and unemployment contributions. From 2000 through 2002, S.V. Raleigh Corporation allegedly misrepresented the nature of its business and grossly underreported its payroll to insurance auditors. These alleged misrepresentations defrauded Associated Industries of Massachusetts (AIM) and the Workers' Compensation Rating and Inspection Bureau of more than \$100,000 in workers' compensation insurance premiums. The company president/owner, Stephen V. Raleigh, and bookkeeper, Denise E. Holbrook, both allegedly made numerous misstatements to insurance auditors and an insurance agent over several policy periods. They allegedly failed to disclose the true nature of the company's business and withheld accurate payroll information from the auditors. In addition, Holbrook allegedly underreported the company's payroll to the DUA, thereby defrauding DUA of unemployment contributions it was legitimately owed by the company. The company also allegedly failed to provide workers' compensation insurance coverage for its employees from July 1998 until May 2000.

**S.V. Raleigh Corporation**, its president and owner **Stephen V. Raleigh**, and its bookkeeper **Denise E. Holbrook** were indicted on a total of 17 insurance fraud-related charges in Barnstable Superior Court on June 28, 2005. Assistant Attorney General Kajal K. Chattopadhyay of Attorney General Tom Reilly's Insurance and Unemployment Fraud Division is prosecuting the case.

### "Rain Falls on Burlington's Contractor's Parade" Case Update

**BURLINGTON-** Louis Palmacci, a home repair contractor, falsified a Certificate of Insurance claiming he had both workers' compensation and general liability coverage. Two Woburn clients became aware of the fraudulent certificate when they attempted to file a claim with National Grange Mutual Insurance Company under Palmacci's general liability policy and were told coverage did not exist.

On July 13, 2005, **Louis Palmacci** pleaded guilty to two counts of forgery in Woburn District Court. Charges of uttering and larceny were continued without a finding. Palmacci is scheduled to be sentenced on September 6, 2005. Assistant Attorney General Ian A. McKenny of the AG's Insurance and Unemployment Fraud Division prosecuted the case.



## Property Fraud

### Alleged Theft at Marlborough Residence

**MARLBOROUGH-** Eric Mason and Lori Biele reported to 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 alleged theft was also reported to Sentry Insurance Company, their homeowner insurer, and the pair provided receipts totaling more than \$4,800 for the items allegedly stolen. Sentry denied the claim due to inconsistencies in the theft report and receipts submitted. Inconsistencies include alleged bogus receipts for the items reported stolen and questionable ownership of the items at the time of the alleged theft.

Complaints were issued on July 22, 2005 in Marlborough District Court against **Erik Mason** and **Lori Biele**. Each was charged with filing a fraudulent insurance claim, attempted larceny and filing a false police report. Assistant Attorney General Allie Alland of the AG's Insurance and Unemployment Fraud Division is prosecuting the case.



## Automobile Fraud

### Reported Stolen Vehicle Found in Methuen Garage

**METHUEN-** Katlind Bruneau and Sandy Jose Almanzar are co-owners of a 1997 Volkswagen Passat which Bruneau reported stolen on August 27, 2004 from her Methuen residence. She subsequently reported the theft loss to Amica Mutual Insurance Company. Police later recovered the vehicle in a garage at which co-owner Almanzar rents a room. Bruneau reported that the vehicle was locked and all keys were accounted for at the time of the alleged theft.

*On June 22, 2005, an arrest warrant was issued for **Katlind Bruneau** on one count each 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. An arrest warrant was issued on June 28, 2005 for **Sandy Jose Almanzar** on filing a fraudulent motor vehicle insurance claim, conspiracy to commit insurance fraud and removal or concealment of a motor vehicle to defraud the insurer. Both were arrested and arraigned in Lawrence District Court. Assistant District Attorney Michael Patten of Essex County District Attorney Jonathan Blodgett's office is prosecuting the case.*

### "Ludlow Man Indicted for Alleged Insurance Fraud" Case Update

**LUDLOW-** Joseph Hart was involved in a motor vehicle accident when his vehicle was struck in the rear and sustained minor damage. He submitted a claim to Commerce Insurance Company for lost wages and received more than \$7,600 in lost wage payments. Hart supplied Commerce with disability notes from his treating doctors and corresponded regularly with the insurance adjusters regarding his disability claim. Hart reported that he was going to food banks and shelters to feed his family during his time of disability. Investigation revealed that Hart continued to work while collecting lost wage payments.

*Joseph Hart pleaded guilty on June 3, 2005 in Hampden Superior Court to filing a fraudulent insurance claim and larceny. He was sentenced*

*to two years in the House of Correction, with six months to serve and 18 months suspended. Hart was also ordered to pay \$9,283 in restitution. Assistant District Attorney Timothy Rogers of Hampden County District Attorney William Bennett's office prosecuted the case.*

### "Dorchester Chiropractor Alleged Injuries" Case Update

**DORCHESTER-** Dr. Joel N. Charles, a chiropractor with offices in Dorchester and Brockton, pursued two claims for personal injury protection benefits stemming from a 1998 motor vehicle accident in which he injured his lower back and neck. To support his claim, Charles informed CNA and Safety Insurance Companies that he had lost wages of approximately \$1,200 per week for a period of nearly four months due to the injuries he sustained in the accident. As a result of Charles' claims of total disability, CNA paid him more than \$5,000. Safety refused to pay Charles' demand for \$12,000. Investigation found that during the time Charles claimed to be disabled and unable to work, he treated three of the other passengers in the accident, in addition to treating numerous unrelated individuals.

*On May 23, 2005 in Dorchester District Court the case against **Dr. Joel N. Charles** was continued without a finding for one year. He was ordered to pay full restitution of \$4,920 and a \$50 probation fee. Charles had been charged with two counts of motor vehicle insurance fraud and one count each of larceny and attempted larceny. Assistant Attorney General Julie Brady of the AG's Insurance and Unemployment Fraud Division prosecuted the case.*

### Middleton Chiropractor Indicted on Insurance Fraud Charges

**MIDDLETON-** Dr. Kevin Zegel allegedly billed insurance companies for treatments never provided and created bogus bills for treatments on days he had no patients. Two IFB undercover investigators sought treatment from Zegel for injuries they claimed to have received in a car accident. Zegel billed insurance companies for the investigators' treatment that he allegedly had not provided or for injuries he allegedly exagger-

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ated or fabricated. It is alleged that Zegel also billed eight different insurance companies for treatments he supposedly provided on Thursdays and Saturdays; days that he did not see patients.

**Dr. Kevin Zegel** of Boxford was indicted by an Essex grand jury on five counts of motor vehicle insurance fraud, three counts of filing a fraudulent insurance claim, seven counts of larceny and one count of attempted larceny on May 18, 2005. Assistant Attorney General Melissa Gavegnano of Attorney General Tom Reilly's Insurance and Unemployment Fraud Division is prosecuting the case, which was investigated by State Police and the IFB. The case was initiated by an anonymous phone tip to the AG's office.

**"Framingham Man Gains \$100,000 in Insurance Scams" Case Update**

**FRAMINGHAM**— A Framingham man filed false automobile accident reports that netted him and his accomplices more than \$100,000 in fraudulent insurance payments. The subject used false drivers' licenses, multiple identities, staged motor vehicle accidents and false injury claims. FBI agents caught the subject filing 24 claims for accidents that they say never occurred. The subject filed at least five claims for damage to a gold Cadillac which agents said was not damaged.

A Framingham man was sentenced on April 27, 2005 in U.S. District Court to serve a 63 month sentence for mail fraud and wire fraud. The subject pleaded guilty to these charges in January 2004. He was prosecuted by Assistant U.S. Attorney John Farley in United States Attorney Michael J. Sullivan's office.



## Commercial Fraud

### Alleged Falsified Receipt Used to Collect \$35,000

**CAPE ANN**- Bruce Ross, owner of Cape Ann Equipment, reported to his insurer, Great American Insurance Company, that his 1976 CAT excavator sustained damages as a result of a fire. At the time of the report, Ross claimed that the excavator had a new undercarriage and he faxed a copy of a receipt for the undercarriage work showing repair costs of \$25,698. Ross also signed a proof of loss. Based on the proof of loss and receipt, the insurer paid Ross \$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.

**Bruce Ross** was charged with one count each insurance fraud and larceny on May 27, 2005 in Peabody District Court. Assistant Attorney General Tracey Brown of the AG's Insurance and Unemployment Fraud Division is prosecuting the case.



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## Agent Fraud

### “Alleged Theft of Pension Funds by Worcester Agent” Case Update

**WORCESTER-** Stephen Costello, an independent insurance agent, stole \$144,912 from clients' pension funds. Beginning in February of 1996 and continuing through December 2000, Costello stole five checks from two different clients' annuity pension funds and deposited them into his personal accounts. The checks ranged in value between \$20,409 and \$34,697.

*On June 22, 2005 Stephen Costello was sentenced to 7 ½ years in the House of Correction, suspended, and twelve years probation. Costello was ordered to pay \$171,539 in restitution. Costello previously pleaded guilty to five counts each of larceny, forgery and uttering. The case was prosecuted by Assistant District Attorney James R. Lemire of Worcester County District Attorney John Conte's office.*

### Quincy Insurance Agent Allegedly Stole \$22,500 from Elderly Client

**QUINCY-** Anthony Cedrone, who was working as an insurance agent with Banker's Life and Casualty Insurance Company, allegedly stole \$22,500 in annuity funds from an elderly client for his personal use. Cedrone sold the victim two annuity insurance products worth \$170,000 through Banker's Life. Cedrone learned that he could sell products through an agent at Allianz Life and receive higher commissions than Banker's Life. The victim in this case, an 83-year-old Weymouth woman, agreed to transfer her funds from Banker's Life to Allianz. Investigation revealed that Cedrone allegedly made two separate withdrawals from the woman's account by allegedly forging requests for disbursements. Cedrone allegedly asked that the checks be sent to the Allianz agent and allegedly forged the victim's name on the checks and deposited them into his own personal account. The victim never made withdrawal requests nor did she ever receive the checks, which totaled \$22,500. In January 2004, Cedrone allegedly requested the victim's address be changed so that the checks would be delivered to his own address. This request

alerted officials at Allianz who contacted the victim and the IFB.

*Anthony Cedrone was arraigned on charges of larceny from a person over 65, forgery and uttering in Quincy District Court on June 30, 2005. Assistant Attorney General Glenn Cunha, Chief of Attorney General Tom Reilly's Insurance and Unemployment Fraud Division, is prosecuting the case, which was investigated by State Police and the IFB.*



## Helping Hands

A Nigerian National purchased several accident and health policies from AIG subsidiaries prior to trips to Nigeria to cover expenses in event of illness or accident during his trips. The subject subsequently filed two separate health claims ranging from \$5,800 to \$6,300. The insurer paid the first claim but became suspicious when circumstances of the second claim, medical treatment and hospital notes were all similar to the first claim. Investigation revealed that the subject allegedly never treated at the Port Harcourt Teaching Hospital in Nigeria as reported. An IFB investigation into the alleged fraudulent claims revealed that the subject submitted ten insurance claims to various insurers receiving more than \$34,000 in payments by allegedly utilizing two Massachusetts licenses, one Rhode Island license and one Seattle, Washington license. All licenses had different variations of the subject's name. The State Police Registry of Motor Vehicles Compliance Unit obtained complaints against the subject on April 26, 2005 on false statement on application for license, obtaining a license under false pretenses and identity fraud. The insurance fraud investigation continues.



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## **Workers' Compensation Fraud**

### **"Fishy Story Teller Collects \$47,000" Case Update**

**DORCHESTER**— Thompson Huynh claimed temporary total disability in April 2000 as a result of a repetitive hand motion injury during the course of his employment as a fish cutter. He received more than \$47,000 in workers' compensation benefits from TIG Insurance Company over a twenty-month period. Investigation revealed that Huynh opened his own business in May 2000 and was found to be working there, full-time, while claiming to be totally disabled.

*On August 25, 2005 **Thompson Huynh** pleaded guilty to workers' compensation insurance fraud and larceny in Suffolk Superior Court. He was sentenced to 2 1/2 years in the House of Correction, suspended for 10 years, and ordered to pay \$36,000 restitution. The case was prosecuted by Assistant Attorney General Kajal K. Chatopadhyay of the AG's Insurance and Unemployment Fraud Division.*

### **"Big Dig Worker Caught Committing Insurance Fraud" Case Update**

**HOLBROOK**- Scott Taylor was employed as a carpenter in August 2000 when he injured his left thumb while working on the Central Artery Project. After his injury, Taylor filed a workers' compensation claim with National Union Fire Insurance Company, a subsidiary of AIG, and was paid \$623.87 per week in total disability benefits from November 2001 to February 2004. Investigation revealed that while Taylor was collecting workers' compensation benefits, he was also employed as a contractor performing multiple renovation projects on people's homes.

***Scott Taylor** pleaded guilty to charges of workers' compensation fraud and larceny on July 5, 2005 in Suffolk Superior Court. He was placed on probation for two years and ordered to pay \$20,000 in restitution and perform 100 hours of community service. Assistant Attorney General Tracey Brown of the AG's Insurance and Unemployment Fraud Division prosecuted the case.*

### **"Roofer Collects \$23,000 in Benefits" Case Update**

**BILLERICA**- Luis Algarin of Ipswich, NH was employed as a technical specialist with a Billerica pharmaceutical company for approximately two years before reporting a job-related carpal tunnel injury. He filed a claim for total temporary disability benefits with Kemper Insurance Companies. Kemper officials subsequently discovered that Algarin's medical condition had improved enough so that he could return to work and initiated a civil suit to terminate his benefits. Kemper and IFB investigators determined that while collecting disability benefits for the first half of 2001, Algarin and another individual formed a roofing company and Algarin did roofing work for several residential customers. After the roofing company dissolved, Algarin continued his roofing work under a different company name. Algarin was observed performing manual labor and supervising other workers during the times he claimed to be totally disabled.

***Luis Algarin** pleaded guilty to workers' compensation fraud in Woburn District Court on May 25, 2005. He paid \$10,000 restitution at the time of the plea and is ordered to pay an additional \$23,352 until fully paid. Algarin was also placed on three years probation and ordered to perform 100 hours of community service. Assistant Attorney General Ian McKenny of the AG's Insurance and Unemployment Fraud Division prosecuted the case.*

### **Gloucester Man Allegedly Working While Collecting**

**GLOUCESTER**- In July 2001, Timothy Hayes claimed a left shoulder injury as a result of a work-related injury while employed as a residential framer. He began receiving temporary total workers' compensation benefits from Zurich America Insurance Company. Surgery was performed on his left shoulder in November 2001. In January 2002, Hayes reported at an IME 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

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conducted on Hayes showed him to be working during a portion of the time he claimed to be unable to work.

**Timothy Hayes** was indicted in Essex Superior Court on May 25, 2005 on one count each workers' compensation fraud, larceny and perjury. Assistant Attorney General Allie Alland of the AG's Insurance and Unemployment Fraud Division is prosecuting the case.

**“Gloucester Couple Profits from Taxi Business” Case Update**

**GLOUCESTER-** Christopher Spanks reported a back injury in October 1994 while working as a roofer. As a result of the injury, Spanks filed a workers' compensation claim with his employer's insurer, Liberty Mutual Insurance Company. Investigation found that from January 1996 to February 2000, Spanks and his wife, Mary Mello, submitted more than 500 taxi receipts to Liberty Mutual for payment of travel expenses to and from Spanks' alleged medical appointments. Liberty Mutual issued checks totaling more than \$70,000 to Spanks in full payment of the more than 500 taxi receipts. Investigation uncovered that of the 500 taxi receipts Spanks submitted, more than 200 were for dates when Spanks had no medical appointment scheduled. In addition, investigators found that all of the taxi receipts Spanks submitted were for the same cab company and contained the name of the same cab driver. The cab company listed on the receipts had gone out of business in 1998 and the cab driver named on each receipt did not drive Spanks to any of these alleged medical appointments. As a result, the insurance company paid out more than \$55,000 in benefits to Spanks.

**Christopher A. Spanks and Mary A. Mello** were each sentenced on June 20, 2005 in Essex Superior Court to serve one year under house arrest on monitoring bracelets. Spanks and Mello were also placed on probation for four years and ordered to pay restitution of \$55,000. The couple had previously pleaded guilty to workers' compensation fraud, larceny and conspiracy. The case was prosecuted by David B. Andrews of the AG's Insurance and Unemployment Fraud Division.



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The savings have resulted in part from a significant dip in the number of injury claims reported. The following statistics show the number of injury claims per 100 accidents in 2002 versus 2004 results.

	2002	2004
Lawrence	141	60
Boston sections		
• Roxbury	122	102
• Dorchester	118	86
• Hyde Park	104	85
• Jamaica Plain	89	61
Holyoke	100	78
Springfield	92	82
Brockton	93	83
Lowell	72	63
Lynn	71	61
Statewide average	43	36

2004 Total Number of Claims Per 100 Accidents (PIP)

Other factors can contribute to the decline in claims, such as yearly weather conditions, road conditions and general driving habits. Also playing a role is intensified fraud legislation that has been passed, including making the filing of a fraudulent insurance claim a felony offense punishable by a state prison sentence in September 2002 and the passage of the “anti-runner bill” in December 2004. Heightened awareness of the anti-fraud efforts is also believed to have assisted the decline.

One thing is clear—a difference can be made through the concerted efforts from a partnership with law enforcement, prosecutors, investigators, insurance personnel, the legislature and the press in the fight against insurance fraud.



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mined the force of the impact was so minor that it could not have caused the vehicle to be pushed across an intersection and that the damage caused by the telephone pole was an intentional act. Cases against the other six defendants are pending. Insurers of the vehicles are Hanover Insurance Company and Plymouth Rock Assurance Company.

**Jayson Isaac** pleaded guilty on June 20, 2005 to motor vehicle insurance fraud, conspiracy to commit insurance fraud and attempt to defraud an insurer. Isaac was sentenced to six months committed and two years probation. He was also ordered to earn his GED, continue employment and not to give police probable cause to arrest him on any other charges. Isaac was one of five co-defendants who participated in a June 16, 2003 staged accident. OneBeacon and Arbella Mutual Insurance Companies insured the vehicles involved in the alleged accident. Cases against the other subjects are pending.

On June 20, 2005 two individuals were arrested and one summoned for their involvement in an alleged hit-and-run accident. **Carmen Beltre** was charged with two counts each motor vehicle insurance fraud and attempted larceny and one count each conspiracy to commit insurance fraud and filing a false police report. Her son, **Uberto Beltre** was charged with one count each motor vehicle insurance fraud, attempted larceny and conspiracy. Beltre's daughter faces similar charges. On February 3, 2003, Beltre reported to police that while stopped at an intersection stop sign, her 1990 Nissan Maxima was struck in the rear by a hit-and-run driver. An accident reconstructionist determined that the damage to Beltre's vehicle was caused by backing into a stationary object and not by another vehicle. Beltre, her son and her daughter all filed injury claims with OneBeacon Insurance Company and treated for their alleged injuries.

**Braulio Cruz** was arrested and charged on June 17, 2005 with four counts of motor vehicle insurance fraud, five counts of attempted larceny and one count of conspiracy to commit insurance fraud. A taxi cab driver reported that while parking his cab he backed into a van. The cab driver stated that only the driver of the van, Braulio

Cruz, was in the vehicle at the time of the minor collision. However, a week later the cab driver received a call from his insurer, Arbella Mutual Insurance Company, inquiring about the details of the accident in which four people sustained injuries. Cruz and his three young children went to an emergency room for treatment of injuries Cruz alleged they had sustained in the accident.

Cases against three Lawrence individuals were continued without a finding for two years on May 18, 2005. Each was ordered to pay \$2,000 in court costs. The three subjects along with five other individuals were allegedly involved in a staged accident. One subject reported that he was driving when his vehicle collided on February 26, 2003 with a vehicle driven by another subject. Each vehicle allegedly carried three passengers and all eight occupants claimed injury. One driver later confessed to staging the accident with the assistance an alleged Lawrence "runner". This subject and the runner were previously charged with staging two other crashes. Insurers in this claim were OneBeacon and Amica Mutual Insurance Companies.

**Manuel Cardona** was arrested and charged on July 14, 2005 with one count each motor vehicle insurance fraud, larceny, false statement alleging theft, removal/concealment of a motor vehicle to defraud an insurer and false report to a police officer. Cardona reported the alleged theft of his 1995 Toyota Avalon on May 26, 2003 while it was parked at his mother's home. The vehicle was later recovered and several parts of the dashboard were missing. Cardona was paid \$5,359 by Liberty Mutual Insurance Company for the alleged theft loss. Police subsequently recovered the alleged missing parts after answering a domestic dispute between Cardona and his girlfriend.

Lawrence task force cases are being prosecuted by Assistant District Attorneys Greg Friedholm, Jay Gubitose and Michael Patten of Essex County District Attorney Jonathan Blodgett's office.

## Lowell Task Force

The case against **Elias Costa** was continued without a finding for one year on June 14, 2005. He was ordered to pay \$2,000 in court costs and \$420 in restitution. Costa had been charged on two counts of motor vehicle insurance fraud, two counts of attempted larceny and one count of false report of a crime. Costa reported to Premier Insurance Company that his 1994 Honda Accord was damaged while parked overnight. An accident reconstruction determined that the damage to the Honda was inconsistent with being struck by another vehicle.

Assistant District Attorney Jodi Walker of Middlesex County District Attorney Martha Coakley's office is prosecuting cases for the Lowell Task Force.

## Brockton Task Force

A Brockton man was arraigned on July 7, 2005 on two counts of motor vehicle insurance fraud and one count of attempted larceny. The subject reported that he found his 1999 Cadillac Escalade, that had been parked in front of his residential address, side-swiped by an unknown vehicle. He reported the loss to Brockton police and his insurer, Metlife Auto & Home. A damage analysis of the Cadillac determined the damages were intentionally inflicted and were not consistent with being damaged during a single impact with another vehicle while parked.

On July 7, 2005 three subjects were arraigned in Brockton District Court on insurance fraud-related charges. One subject was charged with three counts of motor vehicle insurance fraud and one count each attempted larceny, conspiracy and perjury. A second subject was charged with two counts of motor vehicle insurance fraud and one count of conspiracy. The third subject was charged with a single count of conspiracy. One subject reported his 2003 Chevrolet Malibu stolen from in front of his residence and claimed to have last seen his vehicle at 11 pm on December 9, 2004. Upon receipt of the theft report, Brockton police discovered that the vehicle had been pulled over by Randolph police and the vehicle was allegedly in possession of another subject after the time the vehicle had been reported

stolen. Numerous inconsistencies in the details provided by both subjects led Hanover Insurance Company to decline the claim. When the vehicle was recovered, it had substantial damage to it. The second subject admitted that the theft was staged and he and the third subject had intentionally damaged the vehicle.

**Ildo Darosa** was arraigned on June 23, 2005 on charges of motor vehicle insurance fraud and attempted larceny. Darosa claimed he parked his 2000 Jaguar in a school parking lot at approximately 11:30 p.m. on August 23, 2003 and then walked to his cousin's home located nearby to spend the night. The next morning he returned to pick up his vehicle and noticed that the vehicle had sustained severe damage to the right side. A physical damage analysis on the Jaguar determined that the substantial crush to the right side of the vehicle was not caused by a single impact but caused by being struck many times by different objects. Other inconsistencies in the claim report led Liberty Mutual Insurance Company to deny the claim.

On July 12, 2005 in a bench trial **Jose Goncalves** was found guilty on charges of motor vehicle insurance fraud and attempt to commit a crime. He was placed on probation for one year and ordered to pay a \$1,000 fine. Goncalves bought a used 2000 Ford Explorer in January 2003 for \$28,203 and was to make monthly payments of \$362 for 60 months. On June 6, 2004, Goncalves reported to police and Hanover Insurance Company that his Ford Explorer was stolen from his Brockton home. He completed and signed a Stolen/Recovered Motor Vehicle Report reporting the theft of his vehicle sometime after 10:00 p.m. on June 6, 2004. The report showed that the vehicle was recovered moments before the vehicle was reported stolen. Goncalves provided inconsistent statements about the time and date of theft of his vehicle during his EUO. In addition, a forensic examination of the vehicle determined that the security features of the steering column were not defeated and that the vehicle could not be operated without the correct key.

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A complaint was issued against a Brockton man on motor vehicle insurance fraud and attempt to commit a crime. The subject reported his 1997 Honda Accord stolen on August 17, 2004 to Brockton police and alleged there was \$5,000 worth of stereo equipment in the vehicle when it was stolen. The Honda was recovered the next day with damage to the front of the vehicle and the interior was stripped. The vehicle was later deemed a total loss by the insurance carrier. Inconsistencies in statements regarding the alleged theft and receipts provided for the stereo equipment led Amica Mutual Insurance Company to deny the claim.

Brockton Task Force cases are prosecuted by Assistant District Attorney Tara Cappola of Plymouth County District Attorney Timothy J. Cruz's office.

### **Lynn Task Force**

On June 30, 2005, a complaint was issued against **Robert Gomez** on motor vehicle insurance fraud. Gomez claimed injuries to Premier Insurance Company as a result of an alleged motor vehicle accident. Witnesses at the scene stated that Gomez was not in the vehicle at the time of the collision.

Assistant District Attorney Matthew Feeney of Essex County Jonathan Blodgett's office is prosecuting cases for the Lynn Task Force.

### **Boston Task Force**

On August 3, 2005 the case against a Hyde Park woman was continued without a finding for one year. She had been charged with insurance fraud and attempt to commit a crime. She was ordered to pay a \$50 victim witness fee, \$150 attorney's fee and \$21/month probation fee. The subject reported to Safety Insurance Company that her 1994 Mercury Villager was struck by a 1994 Infinity on November 20, 2003 and she identified the operator of the vehicle in her report but provided an invalid license number for the driver. Investigation revealed that the Infinity had been involved in an accident in October 2003 and due to that collision the vehicle had been deemed a total loss. A reconstruction

analysis of the November 2003 accident determined that the collision damages to the Infinity and the Mercury Villager could not have happened as described in the subject's report. In addition, the owner of the body shop stated that the Infinity had been towed to his shop after the October 2003 accident and had never been repaired or moved. Furthermore, the driver of the Infinity that the woman had identified had died on November 14, 2003.

The case against a Boston man was continued without a finding for one year on July 8, 2005. The subject had been charged with two counts of insurance fraud, one count of larceny and one count of attempt to commit a crime. On three separate occasions, the subject claimed to Liberty Mutual Insurance Company that his 1998 Acura CL was broken into and a DVD/CD stereo system was stolen. Investigation revealed that receipts provided by the subject in support of his theft claims were fraudulent.

Complaints were issued on May 13, 2005 against **Luc Jean** and **Bossuet Saint-Louis**. Each was charged with filing a fraudulent insurance claim. Jean reported that while driving his 1985 Mercedes on July 2, 2003 he was involved in an alleged intersection collision in Dorchester. Jean and his passenger Saint-Louis both filed injury claims with Liberty Mutual Insurance Company and Jean also filed a property damage claim. 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.

A complaint was issued against **Maria Semedo** on May 13, 2005 on a charge of filing a fraudulent insurance claim. Semedo reported to Premier Insurance Company that she was involved in a motor vehicle accident on September 17, 2002 with her 1997 Audi A4. Semedo alleged that she was hit by an unknown vehicle. An accident reconstruction determined that the damage sustained by the Audi was inconsistent with a collision with another vehicle.

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**Vincent Nguyen** pleaded guilty to motor vehicle insurance fraud, false report of a crime and forgery of a document on July 13, 2005. His case was continued without a finding for one year. He was ordered to pay \$911 in restitution along with court costs and probation fees. Nguyen reported the theft of his 2002 Honda CBR 900 motorcycle on September 22, 2003 to Dorchester police and Arbella Mutual Insurance Company. Investigation revealed that Nguyen had purchased a motorcycle frame for \$1,400. Nguyen then altered the bill of sale to appear as if he had purchased an operable motorcycle for \$6,500.

The case against **Parnel Joseph**, on charges of motor vehicle insurance fraud and attempt to commit a crime, was continued without a finding for two years on May 5, 2005. Joseph was ordered to pay \$200 in court costs and \$21 per month in administrative probation costs. Joseph claimed to Liberty Mutual Insurance Company that on June 19, 2004 his 1997 Nissan Pathfinder was struck while parked. An accident reconstruction determined that the vehicle was not struck while parked but rather was backed into a solid white abrasive object while the vehicle was in motion.

The case against **Gregory Hill** was continued without a finding on June 27, 2005. Hill was placed on supervised probation for 18 months and ordered to pay \$65/month probation fee and a \$100 victim witness fee. Hill had been charged with two counts of obtaining a false license. Investigation revealed that Hill possessed two motor vehicle driver's licenses using two different social security numbers and dates of birth. Documentation revealed that one social security number and date of birth can be traced to a New York man who died in 1992.

Boston task force cases are prosecuted by assistant district attorneys in Suffolk County District Attorney Daniel Conley's office and assistant attorneys general from Attorney General Tom Reilly's Insurance and Unemployment Fraud Division.

## Springfield Task Force

Complaints were issued on August 4, 2005 against **Antonio R. Roman** on charges of motor vehicle insurance fraud, larceny and filing a false stolen motor vehicle report. In August 2003 Roman reported to Springfield police his 2000 Daewoo Lanos stolen from a WalMart parking lot. The vehicle was not recovered and Commerce Insurance Company paid him \$3,690 for his loss. On September 7, 2004, Commerce received notice that the vehicle had been recovered in Philadelphia. The vehicle was in excellent condition, with no damage or stripping of parts. A forensic analysis determined that the vehicle's ignition system was not defeated and only a key could have been used to operate the vehicle.

Springfield task force cases are prosecuted by Assistant District Attorney Timothy Rogers of Hampden County District Attorney William M. Bennett's office.



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