



Premium Evasion Fraud Court Activity and Case Updates

Case Update - Three Quincy Residents Indicted in \$30 Million Under-the-Table Scheme

Quincy - In the largest under-the-table payroll scheme prosecuted in Massachusetts, **Tina Le**, **Steven Nguyen** and **Mercedes Acar** pleaded guilty to tax and insurance fraud on May 1, 2007 in U.S. District Court. Under the terms of their plea agreements, which are subject to acceptance by the court, Le would be sentenced to 97 months incarceration, Nguyen would be sentenced to 87 months incarceration and Acar would be sentenced to 70 months incarceration. The defendants also have agreed to forfeit to the government their Quincy home, a Dorchester office building, a Brockton warehouse, as well as bank accounts and luxury automobiles. The defendants are scheduled to be sentenced on September 14, 2007. From December 1995 through the end of 2004, the defendants owned and operated a temporary employment agency that employed hundreds of workers. The defendants paid most of their employees in cash and did not report the cash payments to the IRS thus failing to pay payroll taxes and to withhold taxes from their employees' pay. Over the course of the conspiracy, the unreported cash payroll totaled approximately \$30 million. The defendants also defrauded their workers' compensation insurers, Travelers and Liberty Mutual Insurance Companies, by fraudulently reducing their insurance premiums by concealing their cash payroll from the insurers. The case was investigated by the FBI, IRS, Postal Inspection Service and the IFB. It is being prosecuted by Assistant U.S. Attorneys Jonathan F. Mitchell of U.S. Attorney Michael J. Sullivan's Economic Crimes Unit and Kristina Barclay of Sullivan's Asset Forfeiture Unit.

Nashua, NH Man Charged with Tax Evasion and Mail Fraud

Nashua, NH - On March 21, 2007, **Michael Monahan** was indicted in U.S. District Court on three counts of mail fraud related to insurance fraud and four counts of tax evasion. Monahan allegedly failed to pay federal income, Social Security and Medicare taxes on more than \$13 million in wages that were paid to employees of three temporary employment agencies he operated and owned from 2000 to 2003. Monahan allegedly reduced the premiums he would have been required to pay to AIM Mutual and Travelers Insurance Companies for workers' compensation insurance for the employees by submitting applications for the insurance that concealed his personal financial interest in the temporary employment agencies, falsely reported the number of employees who worked for the agencies, falsely described the work that was performed by the agencies' employees and underreported the agencies' estimated payroll. The case was jointly investigated by the IRS, FBI and IFB. The case is being prosecuted by Assistant U.S. Attorney Robert M. Kinsella of New Hampshire U.S. Attorney Thomas Colantuono's office.

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Fairhaven Contractor Arraigned on Workers' Compensation Fraud and Unemployment Tax Evasion

Fairhaven - **Joel De Almeida** was arraigned in Bristol County Superior Court on February 14, 2007 on multiple charges he allegedly committed workers' compensation fraud and unemployment tax eva-

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Premium Evasion Fraud *continued*

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sion. De Almeida and his construction company **EJJA Carpentry, Inc.** are charged with three counts of failure to pay wages, three counts of failure to provide suitable pay stub records, retaliation against an employee seeking rights, two counts of larceny by check, failure to furnish payroll records upon demand, failure to pay unemployment tax and two counts of failure to report unemployment tax. De Almeida is president and treasurer of EJJA Carpentry which constructs commercial and residential properties. De Almeida, as head of the company, allegedly misrepresented the size and scope of his business in order to avoid paying the appropriate taxes and workers' compensation liability, failing to pay nearly \$50,000 in wages to three employees and failing to provide these employees with proper pay stubs. De Almeida also allegedly misrepresented the nature of his business the two times he applied for workers' compensation insurance with Granite State Insurance Company, a subsidiary of AIG, by under-representing the amount of his payroll, the number of employees, and whether he had prior workers' compensation coverage. In addition, De Almeida and EJJA Carpentry allegedly failed to provide workers' compensation coverage for employees when a prior policy was cancelled. De Almeida and EJJA Carpentry also allegedly underreported their payroll to the Commonwealth on one occasion, and failed to report and pay into the unemployment insurance contribution system, as required by Commonwealth employers. The case is being prosecuted by Assistant Attorneys General Jocelyn Jones and Jonathan Groux of Attorney General Martha Coakley's Fair Labor and Business Practice Division, with assistance from Senior Trial Counsel Renee Dupuis. The case was investigated by Inspectors Paul Gordon and Mario Paiva of the AG's Fair Labor and Business Practice Division and the IFB. State Police assigned to Bristol County District Attorney Sam Sutter's Office and the Fairhaven Police assisted with the case.

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

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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 receive 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.

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- News flashes on current press releases and news articles
 - Updates on prosecution court activity
 - 2006 Annual Report
 - Back issues of *focusFraud* and *e-focusFraud*
 - IFB Referral Process and Referral Forms

AND

**Watch for details
for a November 2007 Seminar on Workers'
Compensation Claimant Fraud**

Workers' Compensation Insurance Fraud Court Activity and Case Updates

Lunenburg Man Allegedly Cashes In

Lunenburg- Complaints were issued on June 22, 2007 against a Lunenburg man on charges of uttering a false document and larceny. The man was injured in an industrial accident which was settled by lump sum agreement. Pursuant to the agreement, Central Mutual Insurance Company is responsible for ongoing reasonable and related medical expenses, which include mileage reimbursement for travel to and from treatment. On November 7, 2006, a \$546 reimbursement check was sent to the man at his home address. On November 16, 2006, he called Central Mutual to report he had not received the check and requested a replacement check. The subject allegedly cashed the \$546 reimbursement check at a cash checking service that same day. On November 17, 2006 a replacement check was issued in the incorrect amount of \$1,092 which he also allegedly cashed. The case is being prosecuted by a Worcester County assistant district attorney.

Case Update - Stoneham Man Allegedly Submits Falsified Documents to Extend W/C Claim

Stoneham - The case against **Anderson Moore** was continued without a finding for one year on February 22, 2007 in Waltham District Court. He had been charged with workers' compensation fraud and attempted larceny. He was ordered to pay court costs and probation fees and to perform 80 hours of community service. Moore reported that he injured his right knee on March 7, 2005 in the course of his employment and sought medical treatment for the alleged injury. The doctor diagnosed Moore with a knee sprain and advised Moore to follow up as needed. Although Moore saw the doctor only once, Moore submitted documents to Liberty Mutual Insurance Company on several dates fraudulently depicting his ongoing treatment for the alleged knee injury. Assistant Attorney General Francesca Stabile prosecuted the case.

Case Update - Former Gardner Company Owner Indicted on Perjury Charges

Gardner - On March 8, 2007 **Alan Koren**, former owner of now-defunct Wood Technology in Gardner, was found guilty of perjury for giving false testimony in a hearing before the Department of Industrial Accidents. On March 30, 2007 he was sentenced to two and a half years in the House of Correction, suspended for three years. He was ordered to read the book *Integrity* by Stephen Carter and write a 1,000 word essay. Koren was also ordered to publicly speak three times about his wrongdoing. An individual, while employed by Koren in 1998, lost vision in one eye when he was injured. The individual filed for workers' compensation benefits, which were denied by Wood Technology's insurer. The individual appealed the decision to the DIA. One of the issues before the DIA was whether Wood Technology provided its employees, including the injured worker, with safety glasses before he injured his eye in the 1998 accident. Koren testified that he had provided safety glasses to all his employees before the accident. In support of his position, Koren submitted an apparent invoice from a safety supply products company which was dated July 28, 1997. However, the employee's attorney obtained evidence which demonstrated that the 1997 invoice was forged and that Koren altered the date on the invoice for an order of safety glasses by using white-out and making copies of it so the alteration was not visible. The case was prosecuted by Assistant Attorney General Kajal Chattopadhyay of the AG's Insurance and Unemployment Fraud Division.

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

Agent Fraud Court Activity and Case Updates

Milford Man Allegedly Steals Nearly \$400,000

Milford - **Michael J. Minnehan** was indicted in Worcester Superior Court on April 19, 2007 on three counts of larceny over \$250 by common scheme of a victim over 60, two counts of larceny over \$250 by common scheme and four counts of impersonation of an insurance agent. Minnehan was a licensed insurance agent/broker in the 1990s. Beginning in August 1997 and until March 2007, Minnehan allegedly stole money that had been entrusted to him by clients. According to the Division of Insurance, Minnehan agreed to a 10-year revocation of his agent's/broker's license in May 2000. Since his suspension in 2000 and through March 2007, Minnehan allegedly continued to portray himself as a licensed insurance agent/broker, or as being engaged in the insurance business. He allegedly continued to solicit money under the false pretense that he would invest the money in

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Agent Fraud Court Activity and Case Updates *continued*

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annuity accounts. Minnehan instead allegedly diverted nearly \$400,000 to his own bank accounts for his own use. Milford police contacted the IFB and a joint investigation ensued. Worcester County Assistant District Attorney John O'Leary is prosecuting the case.

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

Holden- **Heather Renzoni** pleaded guilty to 24 counts of larceny and one count of impersonation of an insurance agent on June 29, 2007 in Worcester Superior Court. She was ordered to pay \$241,832 in restitution within 30 days and to perform 300 hours of community service. In June 2002, Renzoni's license to sell insurance was revoked by the state Division of Insurance because she misrepresented policy terms and conditions to clients. The revocation required Renzoni to cease and desist from all insurance activity for ten years. Renzoni, a former Jefferson Pilot and ING insurance agent, continued to contact former clients about their policies and accounts. Investigation revealed that 24 customers, ranging in age from 35 to 77-years-old, reported that they gave Renzoni money to either re-invest, pay off an entire life policy or to purchase 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 then wrote personal checks to Renzoni. Rather than re-investing or paying off the policies, authorities found that Renzoni deposited the checks into her personal account. In total, investigation found that Renzoni stole \$188,149 from her clients. Massachusetts State Police and the IFB investigated the case. Assistant Attorney General Georgia Critsley of the AG's Insurance and Unemployment Fraud Division prosecuted the case.

Former Insurance Agent Allegedly Defrauded Clients Totaling \$50,000

Lexington - **Eddy Ekanem** was arraigned on March 7, 2007 in Middlesex Superior Court on insurance fraud charges in connection with his role in a scheme to steal life insurance premiums and other monies from unsuspecting clients. Ekanem was arrested the morning of his arraignment after being in default since June 2003. Ekanem was employed with Boston Mutual Life Insurance Company as an agent selling life insurance policies from October 1989 through March 2001. Between January 1999 and October 2001, Ekanem allegedly collected premium payments from five Boston Mutual life insurance policyholders, three of which were senior citizens, but failed to turn over the premium payments to Boston Mutual. Additionally, Ekanem allegedly collected money from four customers for the purchase of annuities from Boston Mutual. Boston Mutual does not sell annuities and Ekanem allegedly did not purchase annuities for the four customers. In total, Ekanem allegedly fraudulently collected \$50,000 from clients. His insurance agent license has been revoked by the Division of Insurance. Assistant Attorney General Glenn Cunha is prosecuting the case.

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

Life Insurance Fraud Court Activity and Case Updates

Case Update - Pair Allegedly Submit Falsified Life Insurance Claim

Westfield - **Steven Brown** pleaded guilty to one count of larceny and two counts of forgery of records in Springfield District Court on March 7, 2007. He was placed on one year probation and ordered to pay \$1,000 restitution. Before Louise Brown died she named five beneficiaries to a life insurance policy. After her death, Boston Mutual Life Insurance Company received claim forms from four of the five beneficiaries but was unable to locate the fifth beneficiary, Shirley Brown. Shortly after the claims were processed and checks mailed to the four known beneficiaries, a claim form, allegedly signed by Shirley Brown, was received and processed. A second claim form, submitted and signed by Shirley Brown, was also received. When compared, signatures on the two claim forms differed and the claimant's address was different. Investigation revealed that Steven Brown completed and forged the signature of Shirley Brown, his sister, who he said he did not know how to contact. He was advised to not cash the check for Shirley Brown and to return it Boston Mutual. Instead, the check was allegedly cashed by a second subject who allegedly stated to the check cashing company that she was cashing the check issued to Shirley Brown because Shirley was her minor daughter. The case against this second subject is still pending. Hampden County Assistant District Attorney Sam Medina is prosecuting the case.

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

Automobile Insurance Fraud Court Activity and Case Updates

East Otis Man Alleges Hit-and-Run Accident

East Otis - Complaints were issued on July 2, 2007 against **Adam Chaffee** on charges of motor vehicle insurance fraud and attempt to commit a crime. Chaffee reported to Plymouth Rock Assurance Company that he parked his 2001 Nissan Xterra at his place of business on March 11, 2006 when an unidentified vehicle allegedly hit the passenger side of the vehicle and fled the scene. A forensic examination of the Nissan determined that the Nissan was moving forward when damaged and made contact with a fixed object. There were other inconsistencies in statements made by Chaffee regarding the alleged accident. The case is being prosecuted in Southern Berkshire County District Court.

Case Update - Boston Man Evades Premium by Garaging His Mercedes in Wayland

Wayland - **Alexander Midler** admitted to sufficient facts on May 25, 2007 and his case was continued without a finding for one year in Worcester District Court. He had been charged with three counts each motor vehicle insurance fraud and larceny. He was ordered to pay \$5,000 restitution and a \$1,000 fine. Midler used his mother's Wayland address to insure his \$65,000 Mercedes rather than his actual residential address in Boston. Midler evaded \$5,205 in insurance premiums from Hanover Insurance Company by using the Wayland address to insure his vehicle. The case was prosecuted by Assistant Attorney General Francesca Stabile.

Case Update - Middleton Chiropractor Indicted on Insurance Fraud Charges

Middleton - **Dr. Kevin Zegel** pleaded guilty on May 4, 2007 in Essex Superior Court to charges he billed One-Beacon Insurance Company for chiropractic services never rendered. He was sentenced to five years probation, ordered to pay \$18,075 in restitution and surrender his license to practice chiropractic medicine for two years. The IFB received an anonymous tip that alleged Zegel was billing insurance companies for chiropractic services that he never rendered. Two IFB undercover investigators sought treatment from Zegel for fake injuries they claimed to have received in a car accident. Zegel diagnosed and treated the investigators for injuries neither actually had and also billed them for treatment on 11 dates that the investigators did not even have appointments with Zegel. As part of sentencing, if Zegel chooses to continue practicing chiropractic medicine after his two year suspension, he will have to perform his duties under the supervision of a third party that will monitor his billing to insurance companies. The case was investigated by the Massachusetts State Police and the IFB. It was prosecuted by Assistant Attorney General Glenn Cunha, Chief of Attorney General Martha Coakley's Insurance and Unemployment Fraud Division.

RI Man Falsifies Invoice for Repair of Auto

Ayer - The case against **Justin Depot** was continued without a finding for two months on April 20, 2007 in Ayer District Court. He was ordered to pay court costs of \$1,100. Depot had been charged with motor vehicle insurance fraud and attempt to commit a crime. Depot reported to police and Sentry Insurance Company that his 2001 Mitsubishi Eclipse was vandalized on September 29, 2005. Two individuals were arrested for the crime. Depot filed a claim and submitted a falsified invoice for the repair of the vehicle. Investigation revealed that the submitted invoice was from a repair shop that was no longer in business and that a new owner, with a different business name, had been operating at that location for approximately nine years. Depot admitted he never had the Eclipse repaired and had traded it in for a new vehicle. The case was prosecuted by Assistant Attorney General Julie Brady.

A Hit-and-Run in the Impound Lot?

Quincy - Complaints were issued against **Ralph Fontus** on charges of motor vehicle insurance fraud and larceny in Quincy District Court on March 1, 2007. Fontus reported that his 2001 VW Golf was allegedly damaged by a hit-and-run driver on July 8, 2005. He was paid \$1,477 for repairs to the vehicle from Hanover Insurance Company. Investigation revealed, however, that Fontus' vehicle was impounded and held in storage until July 9, 2005. The damage to the vehicle was pre-existing from a June 19, 2005 loss when it was Fontus who allegedly rear ended another vehicle and left the scene of the accident. The case is being prosecuted by a Norfolk County assistant district attorney.

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Automobile Insurance Fraud Court Activity and Case Updates *continued*

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Case Update – Be Careful What You Say in Court

Boston - **Mohammed Islam** pleaded guilty to motor vehicle insurance fraud and larceny in Norfolk Superior Court on June 4, 2007. He was sentenced to two years probation and ordered to pay \$3,743 restitution. Islam was involved in a motor vehicle accident on August 14, 2001. Despite not claiming injuries at the time of the accident, Islam sought medical treatment for head, back and shoulder injuries and filed a bodily injury claim with Arbella Mutual Insurance Company. In December 2001, Islam was injured in a work-related incident and filed a workers' compensation claim. During the course of his workers' compensation claim, Islam settled his BI claim and received approximately \$6,200. In November 2003, Islam was called to testify before the Department of Industrial Accidents regarding his work-related injury. At that time Islam admitted that he filed a fraudulent motor vehicle insurance claim in connection with the August 14, 2001 accident in order to obtain money. The case was prosecuted by Norfolk County Assistant District Attorney Michael Gaffney.

Helping Hands

Methuen—On March 15, 2007, **James Hagopian** of Salem, NH was arrested at his place of business, Jim's Auto World in Methuen, on a warrant charging him with filing a false police report, larceny, motor vehicle insurance fraud and conspiracy to commit insurance fraud. Hagopian, owner of Jim's Auto World, allegedly filed false motor vehicle theft reports with police and MetLife Auto & Home resulting in Hagopian fraudulently receiving claim benefits totaling \$7,823. Investigation revealed that Hagopian allegedly enlisted the services of a tow truck driver to dispose of his 1994 BMW 540I. Information was reported to Methuen police that Hagopian allegedly had arranged for the BMW to be disposed of.

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

Property Insurance Fraud Court Activity and Case Updates

Middleborough Couple Indicted on Insurance Fraud Charges

Middleborough - **Gina Driscoll** and **Dennis Bell** were indicted on insurance fraud charges on June 22, 2007 in Plymouth Superior Court. Driscoll was charged with insurance fraud, conspiracy to commit insurance fraud and attempted larceny. Bell was charged with insurance fraud, conspiracy to commit insurance fraud, attempted larceny and malicious destruction of property. Driscoll reported to Liberty Mutual Insurance Company in December 2005 that a wooden barn on her property had collapsed, most likely due to strong winds. As part of her claim, Driscoll sought to collect the replacement value of the barn of approximately \$27,500. Liberty Mutual received an anonymous tip that the barn had been deliberately destroyed. Investigation found that eyewitnesses observed Driscoll's live-in boyfriend, Bell, topple the barn with a snow plow attached to his pickup. Assistant Attorneys General Glenn Cunha and Brendan O'Shea are prosecuting the case.

Helping Hands

Taunton—A Taunton man was sentenced to serve 15 years in federal prison and to pay \$621,390 in restitution on June 21, 2007 in U.S. District Court. He had been found guilty of arson, mail fraud and use of fire to commit a felony in connection with setting fire to his store and then filing a fraudulent insurance claim with Commerce Insurance Company. Charges stemmed from a fire that occurred in April 2001 at the subject's place of business in Taunton.

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

Boston CIFI Highlights

- Complaints were issued against **Carrie Howard** and **Jenissin Avila** on June 22, 2007 in Dorchester District Court. Howard was involved in a motor vehicle accident with a waste management truck. The driver, his passenger and a third witness stated that Howard was the sole occupant of her vehicle but Howard reported to Liberty Mutual Insurance Company that both she and Avila were in the vehicle at the time of the accident. Avila claimed and treated for alleged injuries sustained in the accident.
- Complaints were issued against **Debra Courtney** on June 20, 2007 in West Roxbury District Court. Courtney's 2002 Mitsubishi Lancer was struck by a security gate at the exit of a CVS mall parking lot when wind forced the gate to swing open. Courtney claimed to Arbella Mutual Insurance Company that the gate entered the vehicle's passenger side window and struck her causing injury to the right arm. However, Courtney allegedly sought treatment for right arm pain 18 days before the security gate struck her vehicle. The alleged injury sustained by the gate striking her was identical to the description of right arm pain to a doctor previous to the gate accident.
- On June 6, 2007 complaints were issued against a Roxbury woman on charges of motor vehicle insurance fraud, attempt to commit a crime and conspiracy to commit insurance fraud. The IFB received a hotline tip that the woman had allegedly asked the caller to stage the theft of her 2000 Ford Focus SE because of existing damage on the vehicle which was not covered by her insurance. The caller refused and reported the incident to the IFB. On October 10, 2006, five days after the phone tip, the woman reported the alleged theft of her vehicle to police and Commerce Insurance Company. A vehicle analysis of the recovered Ford Focus determined that there was no forced entry into the vehicle and the security features were not defeated.
- On April 6, 2007 in Boston Municipal Court the cases against **Rasibia Barnett** and **Melvin Wade** were continued without a finding for six months. Barnett and Wade used a Norwell mailing address when completing an RMV1 application to avoid paying higher premiums for their automobile insurance. Barnett is a resident of Hyde Park and Wade is a former resident of Hyde Park. The resident at the Norwell address phoned the IFB after he received documents addressed to Barnett and Wade indicating his Norwell address was used to gain insurance coverage for the pair. Barnett evaded \$472 and Wade evaded \$1,369 in insurance premiums from Commerce Insurance Company.

Boston CIFI initiated June 2004
Cumulative stats through June 2007
83 cases referred for prosecution
137 subjects arrested/complaints issued
10 convictions
37 subjects continued without finding

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

Brockton CIFI Highlights

- A Brockton man pleaded guilty to motor vehicle insurance fraud on March 5, 2007. He was sentenced to serve six months in the House of Correction. The case against a Brockton woman was continued without a finding for one year on April 10, 2007. The pair were involved in a staged motor vehicle accident on February 19, 2004 when a 1990 Mazda Protégé allegedly ran a stop sign and collided with a 1991 Acura Legend. Police were called to the scene. Although no injuries were reported at the time of the accident both the Brockton man and a third subject later treated for alleged injuries and filed claims with Hanover Insurance Company. A witness called the IFB reporting that he and three friends witnessed what they thought was a staged accident. The witnesses reported that they viewed an unattended vehicle in an intersection and witnessed an Acura strike the vehicle. After the collision, two individuals standing on the side of the road entered the vehicle and moved the vehicle to the roadside.
- Complaints were issued against **David Buonassisi** on April 10, 2007. The Brockton fire department responded to a call of a motor vehicle fire of a Ford Focus on August 9, 2003. Shortly after this recovery,

Brockton CIFI initiated April 2004
Cumulative stats through June 2007
50 cases referred for prosecution
130 subjects arrested/complaints issued
4 convictions
38 subjects continued without finding

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Buonassisi reported to police and Hanover Insurance Company the alleged theft of his 2001 Ford Focus. Buonassisi claimed the vehicle was stolen from his residence, that the Ford was locked and he had all keys in his possession. A vehicle analysis determined the vehicle had been equipped with a PATS transponder-based security system and could only be operated with the correct key.

- On March 14, 2007 complaints were issued against **Maria Vieira, Francisca Gomes, Solange Gomes, Casimiro Gomes, Agnelo Barros, Alexandre Fernandes, Ronald Henry** and **Mare Doxy** for their involvement in an alleged April 10, 2004 staged motor vehicle accident between a 1997 Isuzu Rodeo and a 1997 Honda Accord. Two independent vehicle analyses determined that the damages to the vehicles could not have occurred in an accident as described by the claimants. Safety and Arbella Mutual Insurance Companies insured the vehicles.

Brockton task force cases are assisted by Brockton Police Det. John Lonergan and prosecuted by Plymouth County Assistant District Attorneys William Ramsey and Sean O'Brien.

Chelsea CIFI Highlights

- On April 4, 2007 the case against a Chelsea man was continued without a finding for six months. The man reported to Commerce Insurance Company that his 2002 Ford Expedition, while parked, was damaged by an unknown vehicle. Investigation revealed that an earlier claim had been submitted for the Expedition reporting similar damages. A reconstruction forensic expert, when comparing photographs of the damages on the two separate occasions, reported that the damages appeared to be identical.
- Complaints were issued against **Delores Delrio, Nelson Rios** and **Elsa Cabrera-Rivera** on April 12, 2007. Delrio was operating her 1994 Lexus when she was allegedly hit by a 1997 Mitsubishi Diamante driven by Rios. Both Delrio and Cabrera-Rivera, an alleged jump-in passenger in the Delrio vehicle, reported injuries sustained in the accident to Safety and Sentry Insurance Companies. An accident reconstruction determined that the two vehicles collided with a solid blue object on more than one occasion in addition to colliding with each other.

<p>Chelsea CIFI initiated November 2005</p> <p>Cumulative stats through June 2007</p> <p>17 cases referred for prosecution 21 subjects arrested/complaints issued 0 convictions 3 subjects continued without finding</p>

Chelsea task force cases are assisted by Chelsea Police Officer Ed Nofle and prosecuted by Suffolk County Assistant District Attorney John Lacey.

Lawrence CIFI Highlights

- On May 31, 2007 **Vanesa Marmolejos, Clara Del Villar, Jesus Lopez, Neftali Dones, Nancy Veras, Yulisy Beltre, Vitalina Dishmey-Eusebio, Michelle Pepin** and **Omar Del Villar** were charged for their alleged involvement in a July 20, 2003 staged motor vehicle accident. Marmolejos and Del Villar were also charged with child endangerment. Police and fire departments were called to the scene of an alleged collision between a 1998 Kia which ran a stop sign and collided with a 1993 Honda. All passengers claimed and treated for alleged injuries sustained in the accident. Liberty Mutual Insurance Company paid approximately \$70,000 in bodily injury and PIP claims. An accident reconstruction determined that the Honda was stationary when it sustained multiple hits by the Kia.
- **Christopher Ortega** was arrested in Tampa, FL on March 20, 2007 on several outstanding arrest warrants on insurance fraud charges and extradited to Massachusetts. Ortega is an alleged runner who helped set up numerous staged accidents in the Lawrence area.

<p>Lawrence CIFI initiated October 2003</p> <p>Cumulative stats through June 2007</p> <p>67 cases referred for prosecution 225 subjects arrested/indicted/complaints issued 28 convictions 50 subjects continued without finding</p>

Lawrence task force cases are assisted by Lawrence Police Det. Sgt. Michael Simard and Det. Ryan Guthrie and prosecuted by Essex County Assistant District Attorneys James Gubitose, Greg Friedholm and Maura Officer.

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Lowell CIFI Highlights

- **Eric Bonnette** pleaded guilty to insurance fraud charges on May 2, 2007. He was sentenced to serve 2-3 years in State Prison and two years probation. Bonnette recruited people to loan their vehicles for the purpose of engaging in staged accidents in April and May 2004. Bonnette, allegedly working with two “runners,” would drive the borrowed vehicle and intentionally strike another vehicle. Participants in the staged collisions would then claim to have sustained injuries and file false motor vehicle insurance claims.
- **Joseph Hamilton** pleaded guilty to insurance fraud charges on April 4, 2007. He was sentenced to two years in the House of Correction, with one year to serve and the balance suspended. He was also ordered to pay \$1,200 restitution. Hamilton filed bodily injury and PIP claims for injuries he reportedly sustained in an April 21, 2004 accident. The accident was determined to be staged.
- **Sokha Nguon** pleaded guilty to insurance fraud charges on February 15, 2007. He was sentenced to two years in the House of Correction, suspended, ordered to pay \$1,300 in restitution and to perform 100 hours of community service. Nguon was a jump-in passenger in two staged auto accidents.

<p>Lowell CIFI initiated September 2004</p> <p>Cumulative stats through June 2007</p> <p>15 cases referred for prosecution</p> <p>28 subjects arrested/indicted/complaints issued</p> <p>8 convictions</p> <p>1 subject continued without finding</p>
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Lowell task force cases are assisted by Lowell Det. John Noone and Det. Jim Latham and prosecuted by Middlesex County Assistant District Attorney Elisha Willis.

Lynn CIFI Highlights

- Complaints were issued against a Melrose woman on June 5, 2007 on charges of motor vehicle insurance fraud and attempt to commit a crime. The woman reported to Lynn police and Arbella Mutual Insurance Company that on February 25, 2007 she parked her 2003 Lexus and while parked it was struck in a hit-and-run accident. The woman allegedly stated that the vehicle was undamaged prior to the hit-and-run and that her father was the owner of the Lexus. An accident reconstruction determined the Lexus was damaged in two separate incidents. Investigation also revealed that the woman was the owner of the Lexus and she allegedly used her father’s address when insuring the vehicle.
- **Anthony Petrucelli** pleaded guilty to insurance fraud charges on May 1, 2007. He was sentenced to 18 months in the House of Correction, six months to serve and two years suspended, and ordered to pay \$3,500 restitution. Petrucelli reported to police and MetLife Auto & Home that his 1994 Ford Explorer was stolen on January 10, 2004. The vehicle was recovered January 13, 2004. A forensic analysis determined that the vehicle could only have been driven with the proper key.
- **Robert Willey** pleaded guilty to insurance fraud charges on March 8, 2007. He was sentenced to 18 months supervised probation and ordered to pay \$525 restitution. Willey reported to police and Hanover Insurance Company the alleged theft of his 1992 Mercedes 190E on March 24, 2005. Willey claimed that all keys were accounted for. 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.

<p>Lynn CIFI initiated July 2004</p> <p>Cumulative stats through June 2007</p> <p>37 cases referred for prosecution</p> <p>69 subjects arrested/complaints issued</p> <p>6 convictions</p> <p>9 subjects continued without finding</p>

Lynn task force cases are assisted by Lynn Police Officer Robert LeBlanc and prosecuted by Essex County Assistant District Attorney James Burbridge.

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New Bedford/Fall River CIFI Highlights

- A complaint was issued against a New Bedford man on motor vehicle insurance fraud on May 25, 2007. The man borrowed his wife's 1995 Ford Explorer and later reported to MetLife Auto & Home that the vehicle was allegedly struck in a hit-and-run collision while in his possession. An accident reconstruction determined that the vehicle was not hit by another vehicle but the damages were consistent with having struck a cement barrier since particles of masonry debris were found embedded in the damaged area.
- Complaints were issued against **Melissa Braga** on April 6, 2007. Braga reported to New Bedford police and Plymouth Rock Assurance Company the alleged theft of her 1999 Mercedes Benz ML320 from the Silver City Galleria Mall. Braga reported that the vehicle was in excellent condition and that she was in possession of the only key. The vehicle was recovered two months later with the engine running. A vehicle analysis of the Mercedes determined that the ignition and security features were uncompromised and that the correct key had to be used to start the vehicle.

<p>New Bedford/Fall River CIFI initiated September 2006</p> <p>Cumulative stats through June 2007</p> <p>13 cases referred for prosecution 2 subjects arrested/complaints issued 0 convictions 0 subjects continued without finding</p>
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New Bedford/Fall River task forces cases are assisted by New Bedford Police Det. Paul Demers and Fall River Police Det. Mike Digangi and prosecuted by the Bristol County District Attorney's office.

Randolph CIFI Highlights

- On April 18, 2007 the case against **David Jameson** was continued without a finding for one year. Jameson reported to Randolph police the alleged vandalism of his then-girlfriend's 1998 Plymouth Neon on November 27, 2004. The girlfriend 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 the vandalism claims were falsified and that the vehicle was intentionally damaged in an attempt to receive money from Liberty Mutual for the purchase of a newer vehicle. The case against the girlfriend was continued without a finding in December 2006

<p>Randolph CIFI initiated November 2005</p> <p>Cumulative stats through June 2007</p> <p>11 cases referred for prosecution 12 subjects arrested/complaints issued 1 conviction 3 subjects continued without finding</p>

Randolph task forces cases are assisted by Randolph Police Det. William Pace and prosecuted by the Norfolk County District Attorney's office.

Revere CIFI Highlights

- Complaints were issued against **Luis Rojas-Santiago** on April 4, 2007. Rojas-Santiago filed a stolen motor vehicle report after his 1996 Toyota Corolla was allegedly stolen from outside his residence. The vehicle was recovered prior to the report of theft. A forensic analysis determined that the ignition lock and security features of the vehicle were uncompromised. Rojas-Santiago claimed to Arbella Mutual Insurance Company that he had the only set of keys to the vehicle.

<p>Revere CIFI initiated December 2006</p> <p>Cumulative stats through June 2007</p> <p>2 cases referred for prosecution 1 subject arrested/complaints issued 0 convictions 0 subjects continued without finding</p>

Revere task forces cases are assisted by Revere Police Officer Pat Hartigan and prosecuted by Suffolk County Assistant District Attorney John Lacey.

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Springfield/Holyoke CIFI Highlights

- On May 18, 2007 in Holyoke District Court complaints were issued against **Anna Coriano** and **Nicole Crigger**. Coriano reported to police and Liberty Mutual Insurance Company that on April 11, 2005, while driving her 2003 Honda Accord, she was allegedly rear ended by a 1999 Dodge pickup. Coriano and her passenger Crigger claimed injuries sustained in the alleged accident. A forensic analysis of the vehicles determined that there was no damage or transfer material to support that the Dodge pickup hit the rear of Coriano's Honda Accord.
- **Tammy Albano** pleaded guilty on May 21, 2007 to eight counts each motor vehicle insurance fraud and larceny. She was sentenced to two years in the House of Correction with six months to serve and 18 months suspended followed by three years probation. Albano was also ordered to pay \$29,495 in restitution. From October 2004 through November 2005, Albano reported to Liberty Mutual Insurance Company six vandalism claims for her 2002 Chevrolet Trailblazer and one motor vehicle accident and collected loss payments on the claims. Subsequent reviews of the damages determined that in some of the reports, damages were identical. In addition, Albano reported a second motor vehicle accident on May 10, 2005. Albano claimed that she was unable to work due to injuries sustained in the accident and collected lost wages. Investigation revealed that the wage forms submitted were false and Albano was not entitled to any lost wage payments.
- **Carlo Oldenburg** pleaded guilty to motor vehicle insurance fraud and larceny on May 3, 2007. He was sentenced to one year in the House of Correction, suspended for one year, and ordered to pay \$3,882 in restitution. Oldenburg reported that his 2000 Dodge Durango was hit on June 6, 2006 while parked. Oldenburg was issued a check by a Liberty Mutual insurance appraiser for \$1,941 for the loss. A second check for the same amount was issued in error. Oldenburg cashed the second check knowing that it was a duplicate payment and failed to return the funds to Liberty Mutual. Oldenburg also enhanced the damages to the vehicle to increase the amount he would receive for the claim.
- Complaints were issued against **Bryant Ware** on charges of filing a fraudulent insurance claim, attempt to commit a crime, larceny and misrepresentation of place of garaging on March 15, 2007. Ware reported to Springfield police and Premier Insurance Company the alleged theft of his 1997 Ford Expedition on August 26, 2006. Ware allegedly submitted fraudulent receipts totaling more than \$13,000 for audio, video and custom tires and wheels in support of his loss claim. Additionally, Ware claimed to live in Westfield at the time of the theft but allegedly resided in Springfield, thus saving more than \$800 in automobile insurance premiums.

Springfield/Holyoke CIFI initiated April 2004
Cumulative stats through June 2007
24 cases referred for prosecution
34 subjects indicted/complaints issued
10 convictions
1 subject continued without finding

Springfield/Holyoke task forces cases are assisted by Springfield and Holyoke police officers and prosecuted by the Hampden County District Attorney's office.

Worcester CIFI Highlights

- **Mercy Encarnacion** and **Damaris Matos** were arraigned on four counts of conspiracy to commit insurance fraud in Worcester District Court on May 5, 2007. The two allegedly helped orchestrate two staged motor vehicle accidents on May 7, 2004 and May 26, 2004. They had previously been indicted on similar charges for their alleged involvement in staged accidents in Lowell.
- A Worcester man was arraigned on June 28, 2007 on charges of motor vehicle insurance fraud, attempted larceny and false report to police. The subject reported the alleged theft of his 2000 Toyota 4 Runner to police and Premier Insurance Company. A forensic analysis of the vehicle determined that there was no forced

Worcester CIFI initiated November 2006
Cumulative stats through June 2007
5 cases referred for prosecution
6 subjects arrested/complaints issued
0 convictions
0 subjects continued without finding

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**Insurance Fraud Bureau of Massachusetts
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Community Insurance Fraud Initiatives Court Activity and Case Updates *continued*

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entry to the vehicle, security features were uncompromised and the vehicle could only be started with the use of the correct programmed key.

- A Worcester couple were arraigned on June 28, 2007 on insurance fraud charges. On January 27, 2006, the Worcester man reported that after hearing a car alarm, he allegedly observed his wife's 1997 Honda Accord collide with a parked vehicle. After the collision, he stated he saw two men exit the Honda and flee the scene. The husband stated he and a friend then pushed the Honda off the street and called police. Police observed the steering column had been smashed and wires cut along with other damage to the vehicle. However, the owner of the parked vehicle reported that he observed the husband at the accident scene. The owner also saw the husband drive the Honda into the driveway. Another witness stated she did not observe anyone flee the accident scene and also observed the husband drive the vehicle into the driveway. The wife reported to Hanover Insurance Company that the Honda was allegedly stolen and supported her husband's account of the alleged theft and subsequent collision. A forensic analysis of the Honda indicated no sign of forced entry, the anti-theft system was operational and that the engine could not have been started to move the vehicle with the damage to the steering column.

Worcester task forces cases are assisted by Worcester Police Det. Scott Blakeney and prosecuted by Worcester County Assistant District Attorneys John O'Leary, Director of the Worcester District Attorney's Financial Crimes Unit, and Jason Lemieux.

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