



True Blue Report

Quarterly Newsletter of the Louisiana State Police Insurance Fraud Unit

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The National Insurance Crime Bureau (NICB) offers free training for law enforcement in courses such as: Introduction to Insurance Fraud, Bodily Injury Fraud, Nomadic Fraud, and Motorcycle and Vehicle Theft Fraud. Visit the NICB Training website for a complete listing of online courses.

www.nicbtraining.org

Assistant U.S. Attorney Griffing Receives Recognition

On May 9, 2005, Louisiana State Police Superintendent Colonel Henry Whitehorn recognized Assistant U.S. Attorney Mignonne Griffing (Western District of Louisiana, Shreveport) for her endless efforts in prosecuting insurance fraud cases brought forward by the Louisiana State Police Insurance Fraud Unit.



Colonel Henry Whitehorn presents AUSA Griffing with a Certificate of Appreciation

In an informal setting at the U.S. Attorney's office, before a small gathering of U.S. Attorney and Louisiana State Police personnel from around the state, Colonel Whitehorn presented AUSA Griffing with a framed Certificate of Appreciation and an official Louisiana State Police coin encased in an acrylic pyramid.

Since 2001, AUSA Griffing has

more than forty years in prison, seventy-three years of probation, seventeen months in a halfway house, thirty-one months in home confinement and sixty years of supervised release. In addition, more than \$1.2 million was ordered in restitution.

In her comments following the award presentation, AUSA Griffing lauded the professionalism of the Louisiana State Police Insurance Fraud Unit and their investigatory efforts in combating insurance fraud in Louisiana.

AUSA Griffing expressed, in closing, her desire to continue in the prosecution of cases presented by the Insurance Fraud Unit.

prosecuted nine Louisiana State Police Insurance Fraud Unit cases resulting in the arrest of fifty-eight persons. Of those arrested, fifty were convicted in federal court and six were entered into a pre-trial diversion program.

As a result of her prosecutorial efforts, those sentenced thus far were cumulatively sentenced to

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Legislative Update - House Bill 689

House Bill 689, authored by Representative Michael Walsworth (Republican) of Monroe has passed and has been sent to the Governor for her signature.

The present law provides that a person convicted of violating Louisiana Revised Statute 22:1244 Automobile Insurance Policies is subject to imprisonment of up to

five years, with or without hard labor, or a fine of up to \$5,000.00, or both.

Representative Walsworth's proposed law adds that the defendant would be subject to restitution to the victim insurance company of insurance payments and the cost associated with the defense of the fraudulent claim, including but not

limited to the investigative costs, attorney's fees and court costs. And, in addition, the proposed law would provide that the restitution would not extinguish any civil judgment by the amount of restitution received.

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UPCOMING SIU MEETINGS

July 7th - 9:30 a.m.
LSP HQ, Baton Rouge

August 3rd - 9:30 a.m.
LSP IFU Office, Kenner

IASIU Meeting
August 9th - 11:30 a.m.
Andrea's Restaurant
3100 19th St. @ Ridgelake,
Metairie

September 1st - 9:30 a.m.
LSP HQ, Baton Rouge

Stephen Street, who heads the AG's Insurance Fraud Support Unit, will serve on the faculty at the LA DA's Association Summer Conference in Sandestin FL from 7/25-7/30. He will speak on insurance fraud prosecution.



**Caused Crash
Causes Three to
be Arrested in
Ville Platte**

Alexandria - 3654 Government St., Alexandria LA 71302, (318) 484-2423

In January 2005, three Concordia residents orchestrated an elaborate scheme to defraud AIG and Wal-Mart. First, one of the suspects took his truck to a Wal-Mart in Natchez, Mississippi, to have the left front tire serviced. He picked up a female participant afterwards and they drove to a wrecker service in Vidalia. There, the wrecker service operator loosened the bolts on the just serviced tire. The female then got

behind the wheel and attempted to drive the truck across a levee and into Old River.

The plan to intentionally submerge the vehicle began to fall apart, however, when the wheel fell off prematurely leaving distinct gouge marks in the roadway. The wrecker service owner got into the truck and backed it into Old River creating additional marks. He left the scene but returned when the others requested his

company tow the truck.

The truck's owner later filed claims with both AIG and Wal-Mart. The trio's hopes were that AIG would pay off the vehicle's lien and Wal-Mart would be held liable for their property damage and bogus injuries. And, the wrecker service owner would purchase the salvaged vehicle from AIG for resale. The three were arrested one month later and charged with Insurance Fraud.

Baton Rouge - 7919 Independence Blvd., Baton Rouge LA 70806, (225) 925-3818

The Bogalusa Police Department requested that the Louisiana State Police Insurance Fraud Unit investigate an allegation of insurance fraud involving a Bogalusa Police Department police officer.

The Baton Rouge field office's investigation found the officer filed a property damage claim with his insurer, The Horace Mann Insurance Company, after allegedly striking a deer in the roadway.

The officer claimed the impact with the deer damaged his vehicle's air conditioner and fuel tank and he estimated the replacement cost at \$2,107.09.

The investigation revealed the officer's vehicle did have minor damage to the bumper cover, but the defects the officer claimed were not consistent with the physical evidence and may have existed prior to his claim.

A claims adjuster and a mechanic inspected the officer's vehicle and determined the damage was minor and inconsistent with his claims. In addition, the mechanic stated the officer had previously spoken to him about problems with the air conditioner. The investigation concluded that the officer inflated his insurance claim and this time he was the one arrested. He was charged with Insurance Fraud.

Lafayette - 113 Borman Dr., Lafayette LA 70508, (337) 262-2051

In June 2005, the Lafayette field office arrested three Ville Platte residents on felony insurance fraud related warrants. The arrests were the culmination of an investigation into a costly staged accident which occurred in Lafayette Parish.

The investigation revealed that the three planned, then intentionally caused, an automobile crash for monetary gain. The driver is believed to have caused a three vehi-

cle collision by slamming on his brakes in front of a commercial van driven by an elderly man. The lives of several unsuspecting people were endangered, including three children in the suspect vehicle and an innocent driver's one year old daughter. The elderly van driver had a pre-existing back condition which was aggravated by the collision and he was not able to return to work.

The total loss incurred by the

three separate insurance companies involved is estimated at over \$115,000, to date.

The three were arrested in Ville Platte on charges ranging from Automobile Insurance Policy Fraud to Theft by Fraud to Child Desertion. They were transported to the Lafayette Parish Correctional Center where Judge Thomas Frederick set bonds totaling \$206,000.

Monroe - 3030 Aurora Ave., Suite 107, Monroe LA 71201, (318) 362-4588

LSP's Insurance Fraud Unit and North District Narcotics section recently teamed up to bring down a mother and son suspected of insurance fraud and narcotics related offenses.

During the course of the investigation, it was determined that the son had received a medical prescription card while he was insured with BlueCross BlueShield of Louisiana. The card was to be used when obtaining prescription

drugs prescribed by a licensed medical doctor.

Impersonating a nurse, the mother called in prescriptions for her son on twenty separate occasions to CVS Pharmacy, Wal-Mart Pharmacy and the Winnsboro Drug Store in the name of three different doctors. The mother was not authorized to call in any prescriptions for any physicians.

As a result, the two were arrested

and charged with Insurance Fraud. The mother was also arrested by the Narcotics unit for numerous counts of Unauthorized Use of a Doctor's DEA Number to Obtain Prescriptions and False Information Concerning Employment in a Nursing/Health Care Facility.

This is yet another example of how teamwork is an effective way to combat insurance fraud and the rising costs of health care.



Investigator
Spotlight:
**ROBERT
BENNETT**
Senior
Trooper

Bennett worked patrol at Troop B in New Orleans before becoming a member of the Insurance Fraud Unit in 2000. He received the Meritorious Service Award in 1995 and 2001. He is an avid football fan and openly admits to being a Saints fan!

New Orleans - 2400 Veteran's Memorial Blvd., Suite 200, Kenner LA 70062, (504) 471-2716

After receiving a complaint from GEICO concerning the reported theft of a 1999 Chrysler, the New Orleans field office began an investigation.

Their investigation confirmed that, in March 2003, a New Orleans resident renewed the automobile insurance policy on his 1999 Chrysler. A few months later, in October 2003, he shipped the vehicle to South Africa. Then, in

July 2004, the subject filed a police report with the New Orleans Police Department stating the vehicle was stolen from the front of his residence. Additionally, the subject gave a recorded statement to a GEICO insurance adjuster reaffirming his initial claim.

IFU investigators confirmed with U.S. Customs officials and officials in South Africa that the vehicle had indeed been shipped by the

suspect and delivered to South Africa.

An arrest warrant was obtained and the subject was located in Jacksonville, Florida, and arrested. He was returned to Louisiana where he now faces charges of Insurance Fraud and Filing False Public Records.



Fraud Investigation

*Spans Two States and
Two Continents*

Shreveport - 3010 Knight St., Suite 220, Shreveport LA 71105, (318) 862-9913

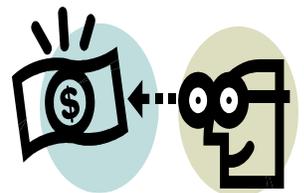
In April 2003, a Shreveport woman, her daughter, and her daughter's two children were traveling along I-20 when a tractor-trailer changing lanes struck the woman's car, forcing it into the median. The woman's car was totaled but the truck continued on its way. No injuries were reported.

Following the crash investigation, the women called Troop G indicating they had located the trac-

tor-trailer at a nearby truck stop. They called back minutes later stating they were mistaken as it was not the truck that hit them.

Shortly after her insurer paid nearly \$4,000.00 for her vehicle, the woman filed another claim with a Florida trucking company for the same damages. When this claim was denied, the two women sued the company for property damage and alleged injuries sustained in the crash.

The IFU's investigation found the two women were not truthful during depositions when they denied they told police the truck they identified was not involved in the crash and when they denied receiving payments for medical treatment following the crash. Additionally, the woman knowingly filed two claims for the same damage. Both women were arrested in May 2005 and charged with Insurance Fraud and Perjury.



**Shreveport
Woman Files Two
Claims for Same
Damage**

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SSA/CDI - 4354 S. Sherwood Forest Blvd., D-125, Baton Rouge LA 70816, (225) 298-5566



Domestic Dispute Leads Investigators to Trail of Identity Theft and Disability Fraud

The CDI Unit received an allegation that a Title XVI disability recipient was employed full time as a nurse's aid using her aged mother's name and SSN. The woman had been receiving benefits since 1982 based on mental retardation. In addition, the woman allegedly used her mother's name and SSN to act as the representative payee for her son and daughter-in-law.

The CDI investigation revealed

that the subject fraudulently obtained a LA identification card in her mother's name, date of birth, and SSN, by presenting her mother's birth certificate to the DMV. The woman also acquired a LA Certified Nurse's Aide card. With those documents, she gained employment, with very few breaks in service, at 29 different nursing homes from 1991 through 2004. The original fraudulent identification cards were recovered by

police during a domestic dispute arrest.

The recipient confessed to her long term scheme in a subsequent interview and, as a result, her benefits were terminated.

The overpayment is estimated over \$15,000. This case has been accepted for prosecution by the U.S. Attorney's Office in the Middle District of Louisiana and further judicial action is pending.

Focus on the Statutes: Child Desertion and Negligent Injuring

Adjudications:

- David L. Clements pleaded guilty on May 26, 2005, to insurance fraud in the 36th JDC Beauregard Parish. Clements was sentenced by Judge Stuart Kay to serve 3 years in the Louisiana Department of Corrections. Clements agreed to a plea deal after a third prior felony was discovered on his record.

Too often, individuals involved in caused traffic schemes such as the "Swoop and Squat" use children as pawns to inflate the value of their insurance claims. And, unsuspecting drivers and passengers can and actually have been injured.

In addition to the appropriate insurance fraud statutes, there are at least two other Louisiana Revised Statutes which address the placing of children in harm's way

and actual injuries resulting from staged crashes.

LRS 14:93.2.1 Child Desertion states, in part, that child desertion is the intentional or criminally negligent exposure of a child under 10, by a person who has the care, custody, or control of the child, to a hazard or danger against which the child cannot reasonably be expected to protect himself. LRS 14:39 Negligent In-

juring states that negligent injuring is the inflicting of any injury upon another person by criminal negligence. The violation of a statute or ordinance i.e. 22:1244 shall be considered only as presumptive evidence of such negligence.

Discuss the application of these felony statutes with your local prosecutor in cases where children are endangered or innocent victims are injured,

Statistically Speaking - Quarterly IFU Statistics

	2nd Qtr 2004	2nd Qtr 2005	YTD 2005
Cases Opened	73	51	112
Cases Closed	54	62	120
Arrests	43	52	111



We're on the Web!

www.lsp.org/ifu.html