



True Blue Report

Quarterly Newsletter
Louisiana State Police * Insurance Fraud / Auto Theft Program

Volume IV, Issue I
July 2008

**Louisiana State Police
IF/AT Program**
7919 Independence Blvd.
Box A-19
Baton Rouge LA 70806
Phone: 225-925-3701
225-925-3702
Fax: 225-925-3769
insurance.fraud.unit@dps.la.gov

UPCOMING SIU MEETINGS

September 17, 2008 9:30am
Baton Rouge LSP HQ

October 1, 2008 10:00am
Bossier PD Training Academy

November 5, 2008 9:30am
Baton Rouge LSP HQ

December 3, 2008 10:00am
Bossier PD Training Academy

January 7, 2009 9:30am
Baton Rouge LSP HQ

Highlights:

Training Opportunities	2
Owner-Give-Ups	2
Theft Articles	3
Personnel Changes	3
Social Security Fraud	4
Field Office Info	5
Statistical Information	5
SSA/CDI	5

Get Your Paper Plate Here!!

Sgt. Gary Bridges, Shreveport
In May 2007, the Louisiana State Police Insurance Fraud/Auto Theft Unit (IF/ATU) assisted Louisiana State Police Troop G and the Claiborne Parish Sheriff's Office in an annual parish event. In previous years, the event had drawn thousands of people from distant parts of the country. 2007 was no exception!

Shortly after beginning the detail, troopers observed a Chevrolet Impala displaying a temporary Louisiana 60-day registration. While this by itself was not an unusual site, the license plate's expiration date stuck out like the proverbial "sore thumb." The expiration date was for 120 days. Here's your

sign!
Ultimately, Troopers determined the Chevrolet Impala was stolen from a Texarkana, Texas, resi-



dence in February 2007. Further investigation of the temporary license plate and its corresponding marker revealed they were counterfeit. Within hours of the IF/ATU Shreveport Field Office alert to local law enforcement agencies, other counterfeit license plates

With the close of June 2008, the IF/ATU Shreveport Field Office concluded its year long investigation of this counterfeit

license plate scam. From May through August 2007, the IF/ATU received more than 100 counterfeit plates, all within a four number sequence. As a

result of Operation Paper Plate, investigators closed down a print shop responsible for making a large number of the counterfeit plates, identified and arrested at least 6 main players responsible for distributing them, and recovered a stolen vehicle. To date, there have been at least 50 arrests for forgery, 4 arrests for computer fraud, 2 arrests for inciting a felony and 1 arrest for possession of stolen things. Criminal charges were not filed against those willing to participate in the investigation.



began pouring in from the Shreveport Police Department, the Caddo Parish Sheriff's Office and State Troopers.



TRAINING OPPORTUNITIES:

NICB Mega Special Investigations Academy

Sept. 29– Oct. 2, 2008
St. Louis, MO
www.insurancefraud.org

Financial Services Conference

December 4-5, 2008
Washington DC
www.insurancefraud.org

Free Online Training...NICB

<http://www.nicbtraining.org/courses.html>

Information:

- Updated phone list & map for Louisiana State Police Insurance Fraud Program on pages 6 and 7.
- To be added to our email list or change your information email Michele Aucoin:

michele.aucoin@dps.la.gov



True Blue Report

New Twist On An Old Scheme... “Owner Give-Ups”

Sgt. David Stelly, Alexandria

Within the past months, the Alexandria Field Office has experienced a growing number of complaints from local agencies, concerned citizens, and insurers concerning a new twist on an old scheme, the “owner give-up”. Historically, the type of scheme involved automobile owners discarding unaffordable or unwanted vehicles and subsequently reporting them stolen to authorities and to their insurance companies; the result being the owner is free of the liability without any additional cost or damage to his credit.

The scheme has transcended automobiles and moved to off-road vehicles. In recent years, the popularity of off-road vehicles (four-wheelers) has increased considerably and the cost of four-wheelers has increased right along with it. The cost of a new four-wheeler ranges from \$3,500.00 to \$11,000.00. Because of the increase in price, most people now opt to finance their new four-wheeler purchase and this financing requires insurance.

For most, the attraction to

off-road vehicles is the thrill of participating in at-risk activities such as racing, traversing rugged or inclined terrain, or “mud runs”. These activities can be detrimental to the long-term condition and retained value of the four-wheeler. Most common damages occur to the



engines and transmissions of the bikes, which can easily require several hundred dollars investment for repair parts and labor. These high repair costs added to the monthly note and insurance premium often times pose financial problems.

As investigators, we are now seeing some people choosing to commit insurance fraud as a solution to their problems. In the cases we are seeing, violators are committing “owner give-ups” for two reasons, either to get rid of a mechanically unsound off-road vehicle, or

to upgrade to a newer model. In contrast to the similar scheme using automobiles, this particular style presents several problems for investigators. First, the vast majority of these bikes are manufactured in basic colors: red, green, yellow, or black. The models are most commonly differentiated only by a sticker of some sort identifying the engine size. Identifying these bikes without a close inspection of the VIN can be exhaustive. Second, with the availability of after-market fenders and plastic body panels, the color, style, and look of the four-wheeler can be completely changed for a minimal amount of investment. Lastly, conventional law enforcement has very little occasion to observe these off-road vehicles, most being operated on private property, national forests, or wildlife refuges.

Investigators have taken proactive steps to combat this fraud scheme. They have begun by developing relationships with repair shops, aftermarket part stores, retail dealerships, and wildlife and fisheries enforcement officers.

...Continued on page 4

Felony Theft Or Misunderstanding

Sgt. Rickie Guhman, New Orleans

Following Hurricane Katrina, a New Orleans man filed a claim with insurance company for the flood loss of his 2002 GMC Yukon. He told the insurance company the vehicle was parked in his driveway when he evacuated for hurricane Katrina in August 2005. Because the New Orleans man resided in a flood area, his insurance company declared the vehicle a total loss and settled the claim for \$32,232.00. As a result of the settlement, ownership of the vehicle was transferred to the insurance company. When they attempted to recover the vehicle it was not in the driveway and the vehicle was never recovered.

In February 2008, the insurance company learned

the vehicle had been in the custody of the New Orleans Police Department (NOPD) since January 26, 2005. On this date, the New Orleans man had been arrested by the NOPD for narcotics violations and the vehicle had been seized as part of the arrest. An inspection of the vehicle revealed no evidence of flood damage and NOPD confirmed the vehicle had not received any damages caused by Hurricane Katrina.

While conducting the investigation into the fraudulent flood claim, Louisiana State Police Investigators learned that the New Orleans man was currently involved in judicial proceedings to get his vehicle back from NOPD. By this time investigators had already taken possession of the vehicle and was in the process of re-

mitting it back to the insurance company.

The New Orleans man described the whole situation as a misunderstanding. He explained that he was going to inform his insurance company of the situation and was prepared to give the vehicle to them once it was obtained from NOPD custody. LSP Investigators were not convinced and arrested the New Orleans man for Insurance Fraud and Felony Theft.



Theft In The Lafayette Area

Sgt. Stacey Pearson, Lafayette

Troopers in the Lafayette Field Office arrested three individuals in the first half of 2008 who were responsible for the theft of nearly \$75,000.00. A St. Martin Parish man stole two vehicles valued at a total of \$22,400 from an automobile dealership in Alice, Texas, where he

was formerly employed. He brought the vehicles back to Breaux Bridge where he was charged with two counts of Illegal Possession of Stolen Things. A St. Martin Parish woman was arrested after she was found to have defrauded Aflac of over \$43,000. The woman fabricated and

submitted physician and pharmacy invoices for radiation and oral chemotherapy treatments she never received. And finally, a former Lafayette insurance agent was arrested when she failed to deliver funds to a life insurance beneficiary and

...cont. on right

Welcome to IF/AT:

Lt. Kevin Duvall
Baton Rouge

Lt. Todd Wood
New Orleans

Sgt. Rodney Perkins
New Orleans

Lt. Dusty Gates
Monroe

Lt. Jay Oliphant
Shreveport

Lt. Kenneth Moore
Alexandria

Lt. Richard Fleming
Lafayette

Theft In The Lafayette Area....

cont. from left...

converted over \$8,100 to her own personal use. She was ordered to Cease and Desist conducting any insurance business by the Louisiana Department of Insurance.

LINKS:

www.lsp.org/ifu.html

www.ldi.state.la.us

www.helpstopfraud.org

www.nw3c.org

www.insurancefraud.org

www.nicb.org

New Twist On An Old Scheme...

continued from page 2...

Investigators believe these people are key in identifying the off-road vehicles that have become the subject of fraudulent insurance claims. Investigators have also developed techniques which allow them to track and identify after-market parts, which violators will commonly remove from an off-road vehicle prior to giving it up only to install these parts on their new off-road vehicle. These new techniques, along with proven conventional ones, are aiding investigators in identifying persons committing the "owner give-up" schemes and in the recovery of the discarded vehicles.



True Blue Report

Two New Iberia Women Arrested for Social Security

Sgt. Markus Smith, Public Affairs

On June 24, 2008, Cindy Marie Londo, age 37, and Monica Rene Brumfield, age 29, both of New Iberia, LA, were sentenced by Judge Rebecca F. Doherty in the Western District of Louisiana, in Lafayette, as a result of their guilty pleas and convictions related to their attempts to defraud the Social Security Administration of \$23,894.

An investigation conducted by the Baton Rouge Cooperative Disability Investigations Unit, (a task force comprised of members of the Social Security Administration - Office of the Inspector General, the Louisiana State Police, the Louisiana Disability Determination Services, and the Social Security Administration), revealed that Londo attempted to conceal ownership of over \$33,000.00 in her personal bank account, by telling SSA that the money belonged to her sister. Londo was receiving SSI benefits at the time. Under Federal law, a single person cannot have more than \$2,000 in cash assets and be eligible to receive SSI benefits. Londo had created a ficti-

tious identity for Brumfield, identifying her as the sister. Brumfield posed as Londo's sister and then signed a false statement in which she claimed ownership of the money in Londo's bank account. As a result of this scheme, Londo received \$23,894.00 in SSI benefits to which she was not entitled.

This case was referred by the Social Security Administration office in New Iberia to the Baton Rouge Cooperative Disability Investigations Unit. It was later prosecuted by Assistant United States Attorney James McManus. Cindy Marie Londo was convicted of conspiracy to commit social security fraud and ordered to pay the Social Security Administration \$23,894.00 in restitution. Monica Rene Brumfield was convicted of making a false statement to a government agency. Judge Doherty sentenced both Londo and Brumfield to serve five years in the custody of the U.S. Bureau of Prisons followed by three years of supervised release. Londo surrendered to U.S. Marshals on June 27, 2008, to begin serving her sentence. Brumfield is sched-

uled to self-surrender on July 08, 2008.

Woman Arrested for Theft of Heavy Machinery

Sgt. Markus Smith, Public Affairs

In December of 2007, The Louisiana State Police Insurance Fraud and Auto Theft Unit received a complaint from the National Equipment Registry (NER) regarding a suspicious sale of a Komatsu PC300 excavator. The NER is a nationwide database used to track sales and transfers of heavy equipment in the United States.

During their investigation, troopers learned Angela Durham attempted to sell an excavator to Quiver Construction for \$38,000.00. The excava-



tor belonged to Park East Sales in Durham, North Carolina and was being leased to Durham's company, Heavy Iron Equipment in New Orleans.

...cont. on page 5



Woman Arrested for Theft of Heavy Machinery

...cont. from page 4

The excavator was valued at \$90,000.00. Mrs. Durham provided Quiver Construction with a bill of sale and a copy of her driver's license prior to completing the transaction, which troopers intercepted.

A warrant was issued for Durham's arrest in mid-December but she fled to Florida the next day. On June 25, 2008 Durham was stopped by the Charlotte County Sheriff's Office for speeding. She was arrested on the outstanding warrant and held for Louisiana State Police investigators. Durham waived extradition and was transported from Punta Gorda, Florida back to St. James Parish and booked into the St. James Parish Jail on July 2, 2008 for Attempted Felony Theft and Unauthorized Use of a Movable.

True Blue Report

Statistically Speaking - Quarterly IFU Statistics

	1st Qtr 2007	1st Qtr 2008	2nd Qtr 2007	2nd Qtr 2008	YTD 2008
Cases Opened	54	128	56	81	209
Cases Closed	44	104	52	88	192
Arrests	37	63	45	47	110

Social Security Admin/Cooperative Disability Investigations

Sgt. Frank Coates (225) 925-3810

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

SSA/CDI—YTD Totals

New Allegations	70
Cases Opened	94
Cases Closed	83
SSA Savings	\$3,787,610
Non SSA Savings	\$2,326,217

Insurance Fraud / Auto Theft Field Offices....

Baton Rouge

Sgt. Rickie Guhman
7919 Independence Blvd.
Baton Rouge, La. 70806
Phone: (225) 925-3818
Fax: (225) 925-3819

Lafayette

Sgt. Stacey Pearson
113 Borman Drive
Lafayette, La. 70508
Phone: (337) 262-2051
Fax: (337) 262-1514

Alexandria

Sgt. David Stelly
5903 Coliseum Blvd
Alexandria, La 71302
Phone: (318) 484-2190x134
Fax: (318) 484-2425

New Orleans

Sgt. Rodney Perkins
2400 Veterans Memorial
Blvd., Ste 200
New Orleans, La. 70062
Phone: (504) 471-2716
Fax: (504) 471-2825

Shreveport

Sgt. Gary Bridges
3010 Knight Street
Ste 220
Shreveport, La. 71105
Phone: (318) 862-9913
Fax: (318) 862-9912

Monroe

Sgt. Keith Phenix
3030 Aurora Ave.
Ste 107
Monroe, La. 71201
Phone: (318) 362-4588
Fax: (318) 362-4583

INSURANCE FRAUD / AUTO THEFT SQUAD PHONE NUMBERS

PROGRAM COORDINATOR'S OFFICE

7919 Independence Boulevard, A-19
Baton Rouge, LA 70806

Fax (225) 925-3769
Lt. Allen Carpenter (225) 925-3701
Michele Aucoin (225) 925-3702 (Analyst)

BATON ROUGE OFFICE

7919 Independence Boulevard
Baton Rouge, LA 70806

Fax (225) 925-3819
Lt. Kevin Devall (225) 925-6432
Sgt. Rickie Guhman (225) 925-3820 (Primary)
Eric Adams (225) 925-3833
Darren Foil (225) 925-3835
Brandon Poe (225) 925-3822
Vacant (225) 925-3834
Russell Graham (225) 925-3794
Vacant (225) 925-4527
Allen Applewhite(NICB) (225) 925-4526

NEW ORLEANS OFFICE

2400 Veterans Memorial Blvd, Ste 200
Kenner, LA 70062

Fax (504) 471-2825
Lt. Todd Wood (504) 471-2774
Sgt. Rodney Perkins (504) 471-2716 (Primary)
Robert Bennett (504) 471-2773
Joe Cuccia (504) 471-2714
Will Pike (504) 471-2715
Todd Marchand (504) 471-2809
Vacant (504) 471-2820

LAFAYETTE OFFICE

113 Borman Drive
Lafayette, LA 70508

Fax (337) 262-1514
Lt. Richard Fleming (337) 262-3349
Sgt. Stacey Pearson (337) 262-2051 (Primary)
Wayne Vidrine (337) 262-2052
Kevin Dies (337) 262-1677

ALEXANDRIA OFFICE

5903 Coliseum Blvd.
Alexandria, LA 71303

Fax (318) 484-2428
Lt. Kenneth Moore (318) 484-2190 x 106
Sgt. David Stelly (318) 484-2190 x-134 (Primary)
Belinda Murphy (318) 484-2190 x-148
Jerry Johnson (318) 484-2190 x-147

SHREVEPORT OFFICE

3010 Knight Street, Ste 220
Shreveport, LA 71105

Fax (318) 862-9912
Lt. Jay Oliphant (318) 862-9770
Sgt. Gary Bridges (318) 862-9913 (Primary)
Ted Raley (318) 862-9984
C.D. Lee (318) 862-9983
Lawrence Hartsfield (318) 862-9982
Carlos Ratliff (318) 862-9961

MONROE OFFICE

3030 Aurora Ave, Ste 107
Monroe, LA 71201

Fax (318) 362-4583
Lt. Dusty Gates (318) 362-4596
Sgt Keith Phenix (318) 362-4588 (Primary)
Debbie Gibson (318) 362-4578 x-103
Sanikka Williams (318) 362-4578 x-102
Ron Huey (318) 362-4578 x-123

SSA

CDI Unit (225) 298-5566

CDI Unit Fax (225) 298-5567

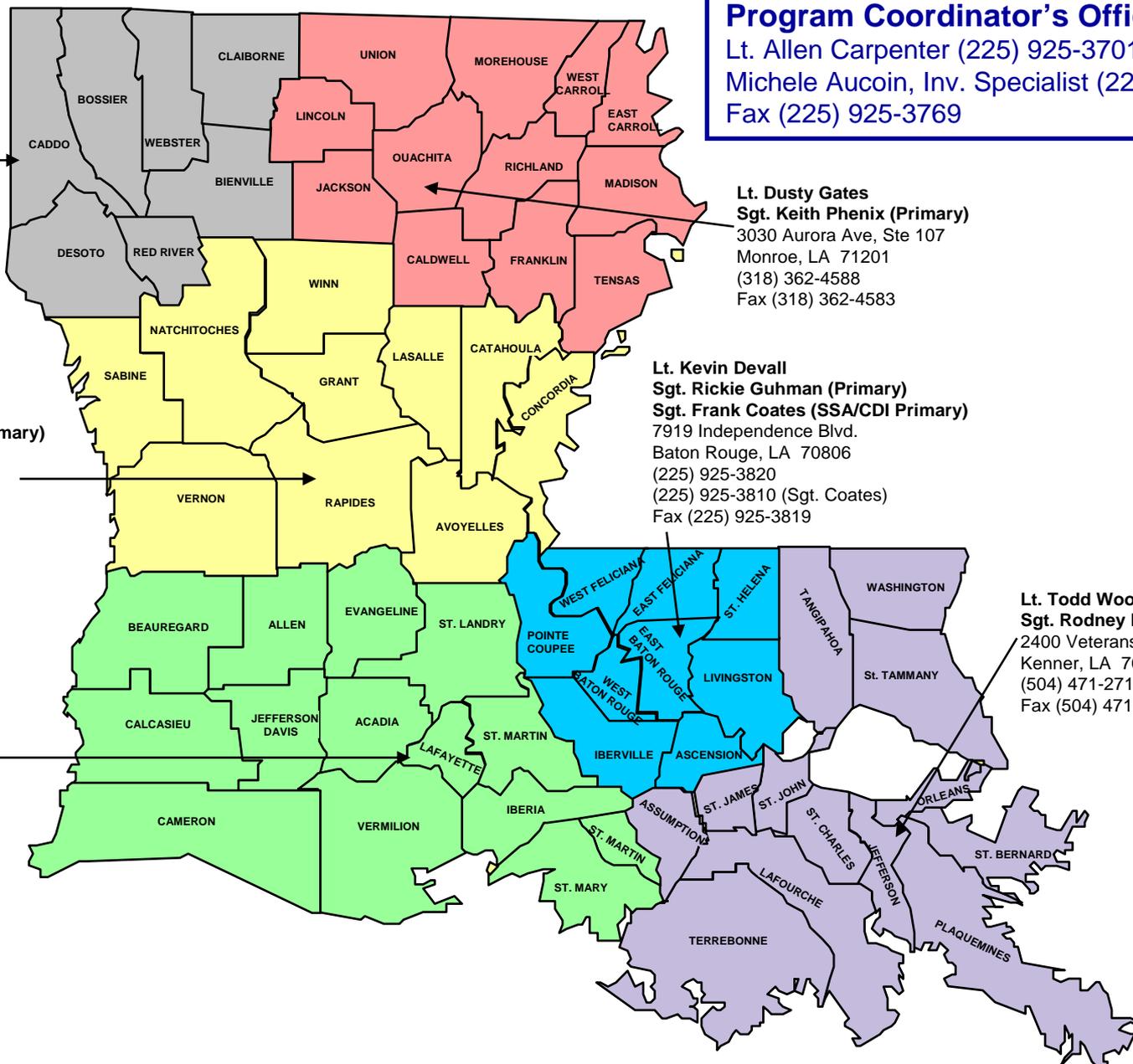
OIG (225) 298-5560

Sgt. Frank Coates (225) 925-3810 (Primary)
Wayne Presley (225) 298-5573
Paul Bateman (225) 298-5575
Daryle Graham (225) 298-5580
Stan Howard (225) 298-5569
Mark Barnes (225) 298-5577
Dirk Bergeron (225) 298-5564
Bridget Newman (225) 298-5562
Lam Huynh (225) 298-5563
Tiffany Hose (225) 298-5566

Louisiana State Police

Insurance Fraud / Auto Theft Program

Program Coordinator's Office
 Lt. Allen Carpenter (225) 925-3701
 Michele Aucoin, Inv. Specialist (225) 925-3702
 Fax (225) 925-3769



Lt. Jay Oliphant
Sgt. Gary Bridges (Primary)
 3010 Knight Street, Ste 220
 Shreveport, LA 71105
 (318) 862-9913
 Fax (318) 862-9912

Lt. Dusty Gates
Sgt. Keith Phenix (Primary)
 3030 Aurora Ave, Ste 107
 Monroe, LA 71201
 (318) 362-4588
 Fax (318) 362-4583

Lt. Kenneth Moore
Sgt. David Stelly (Primary)
 5903 Coliseum Blvd.
 Alexandria, LA 71303
 (318) 484-2190 x-134
 Fax (318) 484-2428

Lt. Kevin Devall
Sgt. Rickie Guhman (Primary)
Sgt. Frank Coates (SSA/CDI Primary)
 7919 Independence Blvd.
 Baton Rouge, LA 70806
 (225) 925-3820
 (225) 925-3810 (Sgt. Coates)
 Fax (225) 925-3819

Lt. Richard Fleming
Sgt. Stacey Pearson (Primary)
 113 Borman Dr.
 Lafayette, LA 70508
 (337) 262-2051 or 2052
 Fax (337) 262-1514

Lt. Todd Wood
Sgt. Rodney Perkins (Primary)
 2400 Veterans Memorial Blvd
 Kenner, LA 70062
 (504) 471-2716
 Fax (504) 471-2825

LOUISIANA STATE POLICE

COURTESY LOYALTY SERVICE



Colonel Michael D. Edmonson, Superintendent

HEADQUARTERS- NEWS RELEASE

September 14, 2008

State Police Cracking Down on Insurance Fraud Following Hurricanes

BATON ROUGE- The Louisiana State Police is collaborating with the National Insurance Crime Bureau (NICB) to combat insurance fraud in the aftermath of Hurricanes Gustav and Ike. Fraudulent insurance claims proliferate following major disasters due to the large number of property claims received by the insurance industry.

The Louisiana State Police and its Insurance Fraud Task Force partners would like to remind everyone to be cautious during the recovery period following Hurricanes Gustav and Ike. When using contractors, verify proof of liability insurance prior to signing a contract for services. Check with the Louisiana Contractor's Board and your local Better Business Bureau to verify legitimacy and reliability of company. Report any suspicious activity to the Louisiana Attorney General's Office.

The Louisiana State Police wants to remind residents that insurance fraud is a felony crime. Some examples of insurance fraud are:

- Creating or enhancing damage to property to meet deductibles.
- Falsifying proof of loss
- Making false statements to an adjuster or claim representative during the claims process in order to obtain payment or coverage.
- Fabricating or altering receipts to provide proof of ownership of claimed property.
- Fabricating or altering receipts to increase Additional Living Expenses (ALE) benefits.

Insurance fraud is a crime that everyone pays for through increased costs of goods and services, as well as increased insurance premiums. The Louisiana State Police would like to encourage anyone who witnesses or knows of someone committing insurance fraud to call the National Insurance Crime Bureau at 1-800-tel-nicb or 1-800-835-6422. The Louisiana State Police Insurance Fraud Unit will vigorously investigate all complaints of insurance fraud in the aftermath of Hurricanes Gustav and Ike.