

# OFFICE OF THE INSURANCE COMMISSIONER SPECIAL INVESTIGATIONS UNIT



## Estate Planning Council of Southwest Washington

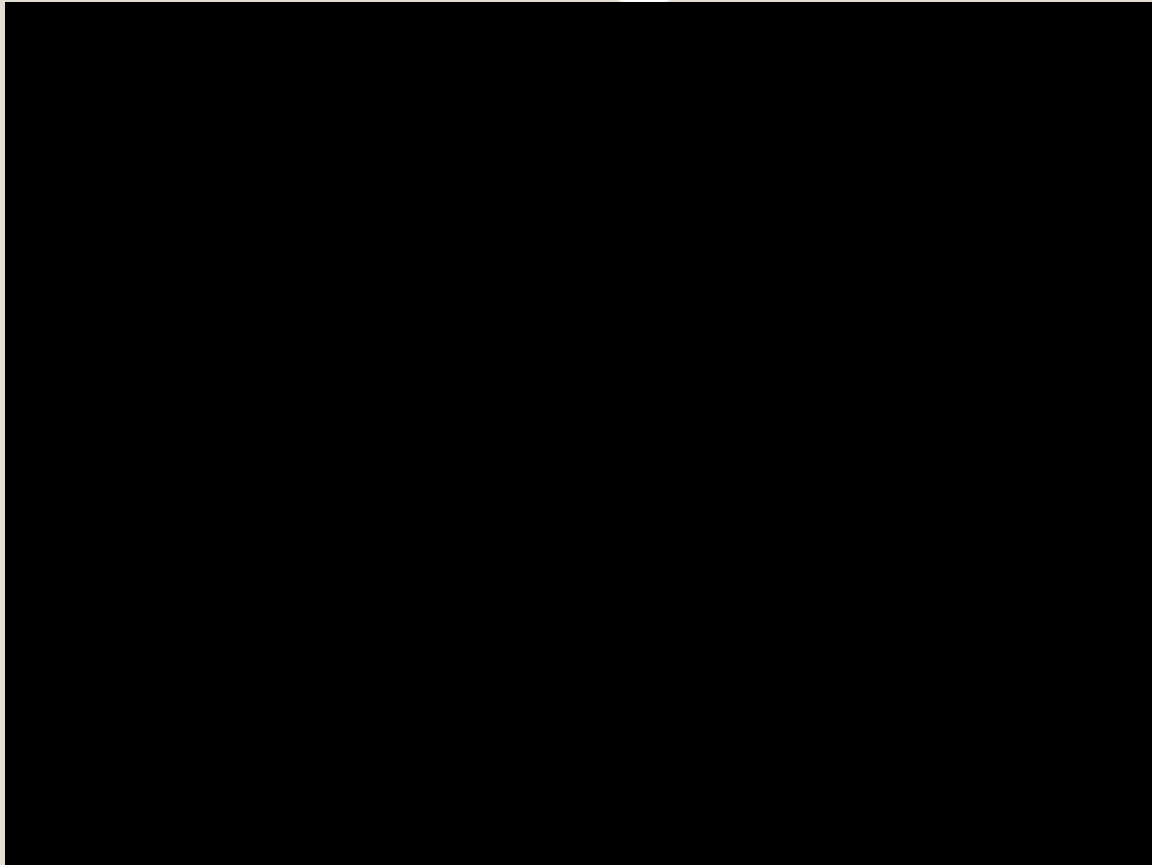
Professionals Helping to Preserve Legacies

**2014 Annual Education Seminar**

### **INSURANCE FRAUD IN WASHINGTON STATE** *Enforcement Overview & Success Stories*

*April 29, 2014*

# FRAUD = THEFT



# THE MEDIA DOESN'T LIKE FRAUDSTERS



# OFFICE OF THE INSURANCE COMMISSIONER



- Independently elected Commissioner
- Regulates the insurance industry
- Provides consumer protection and assistance
- Funded by fees from insurance carriers
- **Investigates fraud for criminal prosecution**

# OIC-SPECIAL INVESTIGATIONS UNIT



- Peace officer status
- Conducts criminal fraud investigations
- Serves search warrants
- Submits cases to prosecutor
- Arrests subjects



# How We Receive Referrals



- ✘ Insurance Companies
- ✘ National Insurance Crime Bureau
- ✘ Office of Insurance Commissioner Staff
- ✘ Law Enforcement
- ✘ The Public
  - ✘ Website: [www.insurance.wa.gov](http://www.insurance.wa.gov)
  - ✘ Email: [contactsiu@oic.wa.gov](mailto:contactsiu@oic.wa.gov)

# Life of a Referral



# A Reminder:



- **RCW 48.135.010 – Insurance Fraud Defined**  
“...knowingly, and with intent to defraud, commits, or conceals any material information...”
- **RCW 48.135.050 – Disclosing Insurance Fraud**  
“(1) Any insurer or licensee of the commissioner that has reasonable belief that an act of insurance fraud which is or may be a crime under WA law has been, is being, or is about to be committed **shall** furnish and disclose the knowledge and information to the commissioner or the NICB, NAIC, ...”



# Types of cases investigated

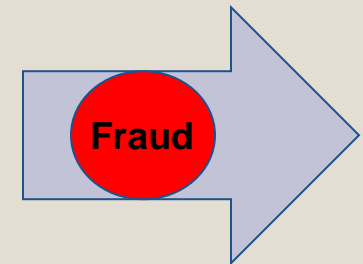
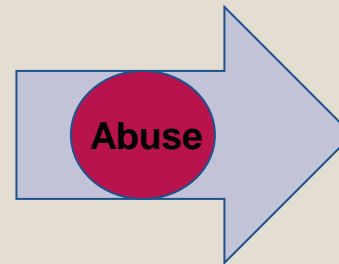
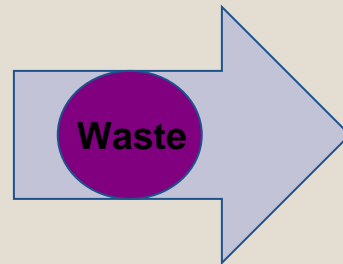
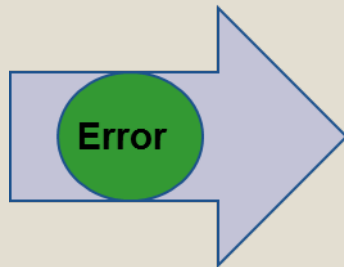


- **Property loss**
- **Medical billing**
- **Staged collisions**
- **Slip & Fall**
- **Agent fraud (criminal)**
- **Arson for profit**

# Insurance Claims & Payments



Mistake? Inefficiencies? Bending the Rules? Intentional Deception?



# CIVIL

# VS

# CRIMINAL



SIU conducts  
criminal  
investigations



# Examples of charges we pursue...



- ✓ Theft
- ✓ Attempted Theft
- ✓ Filing False Claims
- ✓ Forgery
- ✓ Perjury
- ✓ Identity Theft
- ✓ False Swearing

# SIU vehicle theft referrals tend to be “made up”



# POLICE RESOURCES...WASTED



## Bellevue Police Department

### Summary

Print Date/Time: 07/18/2011 15:23  
 Login ID: ehlavack  
 Case Number: 2011-0000827

Bellevue Police Department  
 ORI Number: WA0170200

### Case

Case Number: 2011-0000827  
 Location: 101 116TH AVE NE  
 Bellevue, WA 98004  
 Reporting Officer ID: 83745 - DJI

Incident Type: MV prol  
 Occurred From: 12/17/2010 18:00  
 Occurred Thru: 12/19/2010 12:00  
 Disposition:  
 Disposition Date:  
 Reported Date: 01/05/2011 11:24 Wednesday

### Offenses

| No. Group/ORI | Crime Code | Statute         | Description                                 | Counts |
|---------------|------------|-----------------|---|--------|
| 1 State       | 23F        | 9A.62.100(2)(c) | VEHICLE PROWLING 2ND DEGREE (THEFT FROM MV) | 1      |

### Subjects

| Type   | No. Name         | Address          | Phone        | Race          | Sex  | DOB/Age  |
|--------|------------------|------------------|--------------|---------------|------|----------|
| Victim | 1 Lal, Michael T | 850 CHELAN PL NE | 7061907-5847 | Asian/Chinese | Male | REDACTED |



## SEATTLE POLICE DEPARTMENT GENERAL OCCURRENCE HARD COPY RECORDS REQUEST COPY

GO# 2011-901237 INACTIVE

2305-0 THEFT-CA

Resident status : RESIDENT  
 Access to firearm : NO  
 Victim of:  
 2305-0 THEFT-CARPROWL - COMPLETED

### Related Vehicle(s)

1. VICTIM VEHICLE # 1 - 363VIF, WA VIN# JTHBK262665020092

### (Case Specific Information)

License number: 363VIF  
 State of issue: Washington  
 VIN #: JTHBK262665020092  
 License type: Passenger Car  
 Vehicle type: PASSENGER CAR  
 Make and model: Lexus ES250  
 Style: 4DR AUTOMOBILE  
 Year: 2006  
 Color: Black

### Master Vehicle Index Reference

License number: 363VIF  
 State of issue: Washington  
 License type: Passenger Car

### Owner Information

Owner type: PERSON

## CASTLE ROCK POLICE DEPARTMENT

### Case File Routing & PA Face Sheet

Public Disclosure:  OK to Disclose  Do Not  Not Asked

ADULT

JUVENILE REFERRAL

COPY

PA Log #

Original

Follow-Up

In Custody

CRPD Case # 12-2015

Date of Report: 10/20/2012

Offense

Officer McNEW

Send Report to:

City Attorney

Juvenile Court

County DA

# SOME OF THOSE CONVICTED



## SIU Mission

Identify, target, investigate, disrupt and dismantle criminal organizations and individuals engaged in fraud schemes that target the insurance industry.

|  |   |   |  |   |  |   |  |
|--|---|---|--|---|--|---|--|
|  <p>Name: DOREEN LYNN WALLE PRIES<br/>Charged: MARCH 3, 2010<br/>Convicted of: THEFT 1<br/>THEFT 2</p>                                    |  <p>Name: ANDREW WHERRY<br/>Charged: NOVEMBER 16, 2010<br/>Convicted of: FALSIFYING INSURANCE DATA</p>                           |  <p>Name: DAVID SALSEDO<br/>Charged: MARCH 9, 2010<br/>Convicted of: FALSIFYING INSURANCE CLAIMS IN EXCESS OF \$1,500.00</p>   |  <p>Name: ANDREW LOPEZ<br/>Charged: MARCH 9, 2010<br/>Convicted of: FALSIFYING INSURANCE CLAIMS IN EXCESS OF \$1,500.00</p> |  <p>Name: FRED LEE VERNA WHERRY<br/>Charged: MAY 20, 2010<br/>Convicted of: THEFT 2</p>   |  <p>Name: ROSEMARIE ANDERSON<br/>Charged: DECEMBER 20, 2010<br/>Convicted of: FALSIFYING INSURANCE CLAIMS IN EXCESS OF \$1,500.00</p> |  <p>Name: JEFF LEE<br/>Charged: MAY 14, 2011<br/>Convicted of: FALSIFYING INSURANCE CLAIMS IN EXCESS OF \$1,500.00</p>                       |  <p>Name: JAMES GUSTAFSON<br/>Charged: MARCH 14, 2011<br/>Convicted of: FALSIFYING INSURANCE CLAIMS IN EXCESS OF \$1,500.00</p> |
|  <p>Name: KEITH SCHWIMER<br/>Charged: JUNE 12, 2011<br/>Convicted of: FALSIFYING INSURANCE CLAIMS IN EXCESS OF \$1,500.00<br/>THEFT 2</p> |  <p>Name: DAN NEELY<br/>Charged: JUNE 12, 2011<br/>Convicted of: FALSIFYING INSURANCE CLAIMS IN EXCESS OF \$1,500.00</p>         |  <p>Name: JANINE NELSON<br/>Charged: MARCH 14, 2011<br/>Convicted of: THEFT 2</p>  |  <p>Name: NANCY STIGSON<br/>Charged: MARCH 14, 2011<br/>Convicted of: THEFT 2<br/>THEFT 1</p>                               |  <p>Name: CAROL DURREL-DOMOWITZ<br/>Charged: NOVEMBER 8, 2010<br/>Convicted of: FALSIFYING INSURANCE CLAIMS IN EXCESS OF \$1,500.00</p> |  <p>Name: MICHAEL JAMES<br/>Charged: DECEMBER 24, 2011<br/>Convicted of: THEFT 2</p>  |  <p>Name: NATHAN ALEXANDER<br/>Charged: DECEMBER 14, 2011<br/>Convicted of: CARRYING AFFECTIVE WEAPON; DISORDERLY PERSONHOOD</p>             |  <p>Name: KENNETH HILLING<br/>Charged: MARCH 15, 2011<br/>Convicted of: THEFT 1<br/>THEFT 2</p>                                 |
|  <p>Name: ROGER GORDON HARTZEL<br/>Charged: DECEMBER 20, 2010<br/>Convicted of: FALSIFYING INSURANCE CLAIMS IN EXCESS OF \$1,500.00</p> |  <p>Name: JOSEPH DEANE<br/>Charged: JANUARY 26, 2011<br/>Convicted of: FALSIFYING INSURANCE CLAIMS IN EXCESS OF \$1,500.00</p> |  <p>Name: NANA TRANKLE<br/>Charged: MARCH 10, 2011<br/>Convicted of: FALSIFYING INSURANCE CLAIMS IN EXCESS OF \$1,500.00</p> |  <p>Name: LINDA DOWD<br/>Charged: MARCH 10, 2011<br/>Convicted of: THEFT 2</p>  |  <p>Name: NICHOLAS FALKE<br/>Charged: MARCH 10, 2011<br/>Convicted of: FALSIFYING INSURANCE CLAIMS IN EXCESS OF \$1,500.00</p>        |  <p>Name: CANDICE CAMPA<br/>Charged: MARCH 9, 2012<br/>Convicted of: FALSIFYING INSURANCE CLAIMS IN EXCESS OF \$1,500.00</p>        | <p>*Person convicted of Insurance Fraud related crimes in 2011, 2012, &amp; 2013<br/>For further information or to submit tips to the OIC SIU contact:<br/><a href="mailto:contactsiu@oic.wa.gov">contactsiu@oic.wa.gov</a></p> |  |

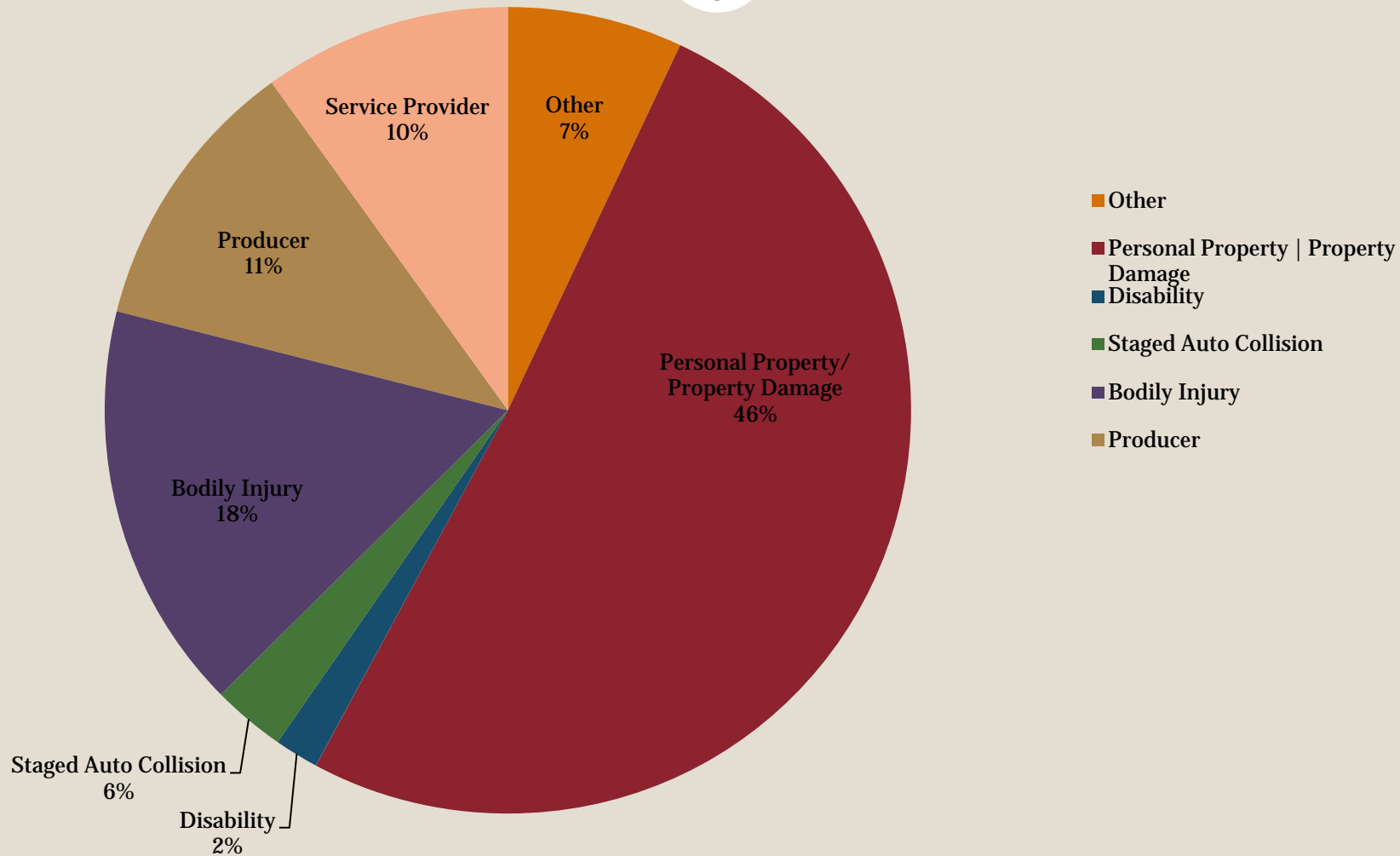
# *When to call?*



- Reasonable suspicion
- Documents or numbers don't "add up"
- Inconsistent statements



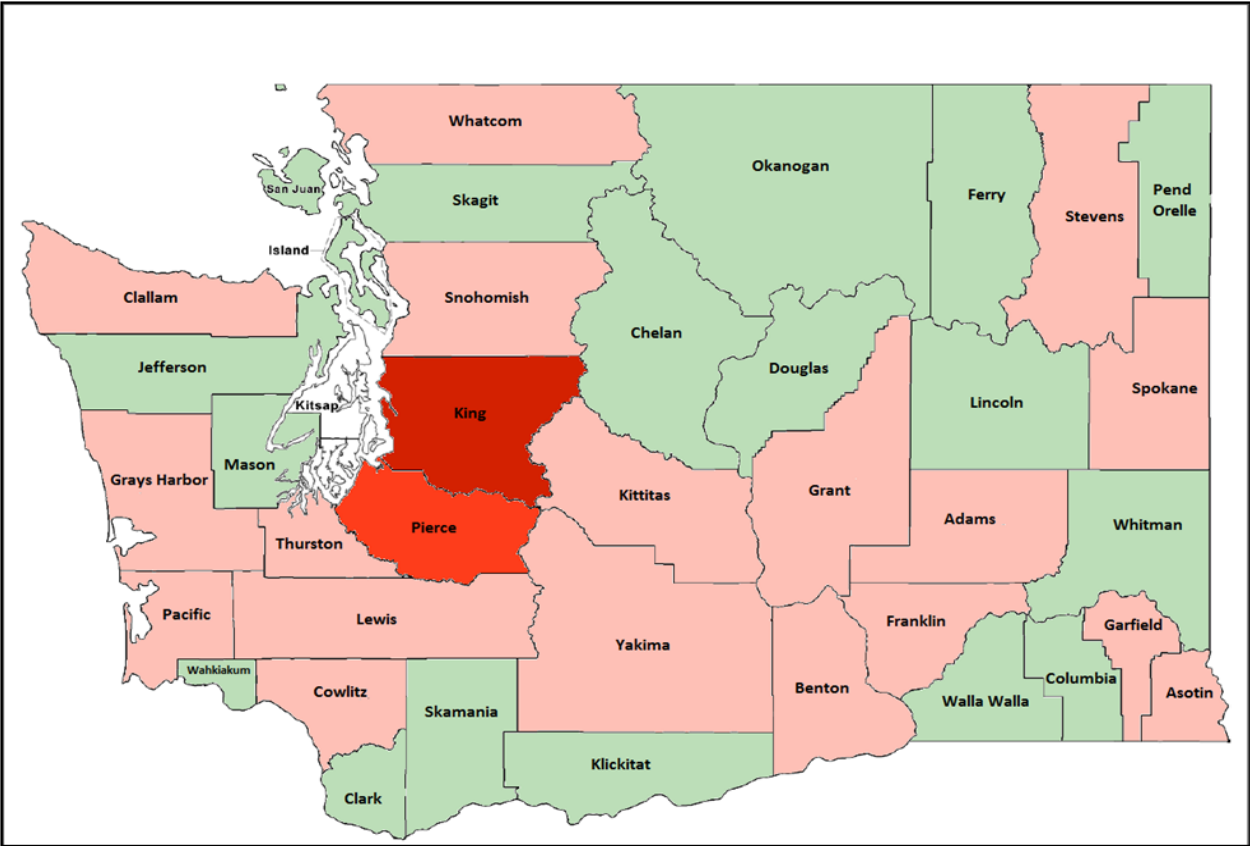
OIC-Special Investigations Unit  
January 1st, 2007 through December 31st, 2013  
**Opened Cases by Type of Investigation**



# Where our cases have been...

## CASES OPENED BY COUNTY

January 1<sup>st</sup>, 2007 through December 31<sup>st</sup>, 2013



# “The Businessman” - Overview



- Real Estate
- Filed claim on behalf of mother
- Patio cover valued at \$3,000 or was it \$200,000?
- Liberty Mutual Insurance referral
- Old photos – polycarbonate

# “The Businessman” - Epilogue



- Found Guilty subsequent to a Jury trial
- Sentenced to 15 days, 240 hours CS, \$7,200 fine
- No vote, no gun, DNA sample

**WA Office of The Insurance Commissioner  
Special Investigations Unit  
INVESTIGATION 10-0026**



**Name: KEITH SCRIBNER  
Charged: NOVEMBER 7, 2011  
Convicted of: FILING FALSE  
INSURANCE CLAIMS IN  
EXCESS OF \$1,500.00  
& THEFT 2**

# Part of just one case in evidence...



# Search Warrants



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15

IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON  
IN AND FOR THE COUNTY OF THURSTON

STATE OF WASHINGTON            )  
Plaintiff                            )  
  V.    )  
[Redacted]                            )  
Defendant(s)                        )  
  SEARCH WARRANT

NO: \_\_\_\_\_  
OIC Case No. 13- [Redacted]

STATE OF WASHINGTON            )  
  SS.  
COUNTY OF THURSTON         )

TO ANY PEACE OFFICER IN THE STATE OF WASHINGTON:

# Search Warrants



1  
2  
3  
4  
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12  
13

**DISTRICT**  
**IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON**  
**IN AND FOR THE COUNTY OF KING**

**STATE OF WASHINGTON)**

**Plaintiff )**

**v. )**

**Jasmine Jamrus-Kassim )**

**Defendant(s) )**

**NO: RTCO24S11**

**OIC Case No. 11-0008**

**AFFIDAVIT FOR SEARCH**

**WARRANT**

**For evidence of:**

**Theft in the First Degree 9A.56.030**

**Criminal Conspiracy RCW 9A.28.040**

**Criminal Attempt RCW 9A.28.020**

**Money Laundering RCW 9A.83.020**



# Reactions by suspects can vary...



# “The Business Agent” - Overview



- Licensed Producer
- AFLAC
- 91 fraudulent policies
- Some were real people, some fictitious
- Advanced commissions received \$15,000+

# ...91 fake policies...



## AFLAC NEW BUSINESS TRANSMITTAL



- Bank Draft  Payroll  Association  Direct  
 Credit Card  Employee Nonpayroll  Conversion

1. Associate's Transmittal No. (Two Digits Only)

1

2. Date: 5/19/2010  
3. State Business Written In: OR  
4. Multi-State/Multi-Location Account  
 Yes  No  
If yes, has account been registered with Account Relations Department?  
 Yes  No

### 5. ASSOCIATE INFORMATION

A. 100 Payable to: JULIE GOSS Writing No.: EV520 Sit. Code: 0 Phone No.: (360)   
Associate's Address: 1100  Fax No.: 1  
B. % Payable to: \_\_\_\_\_ Writing No.: \_\_\_\_\_ Sit. Code: \_\_\_\_\_ Phone No.: \_\_\_\_\_  
Associate's Address: \_\_\_\_\_ Fax No.: \_\_\_\_\_  
C. % Payable to: \_\_\_\_\_ Writing No.: \_\_\_\_\_ Sit. Code: \_\_\_\_\_ Phone No.: \_\_\_\_\_  
Associate's Address: \_\_\_\_\_ Fax No.: \_\_\_\_\_  
D. % Payable to: \_\_\_\_\_ Writing No.: \_\_\_\_\_ Sit. Code: \_\_\_\_\_ Phone No.: \_\_\_\_\_  
Associate's Address: \_\_\_\_\_ Fax No.: \_\_\_\_\_

**Split-Business Requirements:** "I, the writing associate A, certify that it is my desire to have all compensation paid as indicated above."  
The associate who signed the applications must sign this statement. If applications were signed by two different associates, both must sign below.

Signature of Writing Associate A

### 6. IF EMPLOYEE OR ASSOCIATION BUSINESS, COMPLETE THIS SECTION:

By completing this section, I certify that this account meets the requirements set forth by Aflac and that each applicant is a valid member/employee of the account.

7.  New Account  
 Additions to Existing Account No.  
Is this account sponsored by employer?  
Yes  No  (PA residents only)

# ...forged documents...



City and State

Date

Proposed Insured's/Employee's Signature

**I certify that I personally saw the Proposed Insured/Employee when the application was written, and each question was asked of the Proposed Insured/Employee and answered as recorded. All answers above are correct to the best of my knowledge.**

ELECTRONICALLY SIGNED BY EV520  
JULIE GOSS ON UNIT 9UFG

Associate's/Agent's Signature

Date **9/1/2010**

Licensed Resident Associate/Agent

**MAKE CHECK OR MONEY ORDER PAYABLE TO AFLAC.  
FOR INFORMATION, CALL TOLL-FREE 1-800-99-AFLAC (1-800-992-3522).  
VISIT OUR WEB SITE AT AFLAC.COM.**

Form AsigncOR

# “The Business Agent” - Epilogue

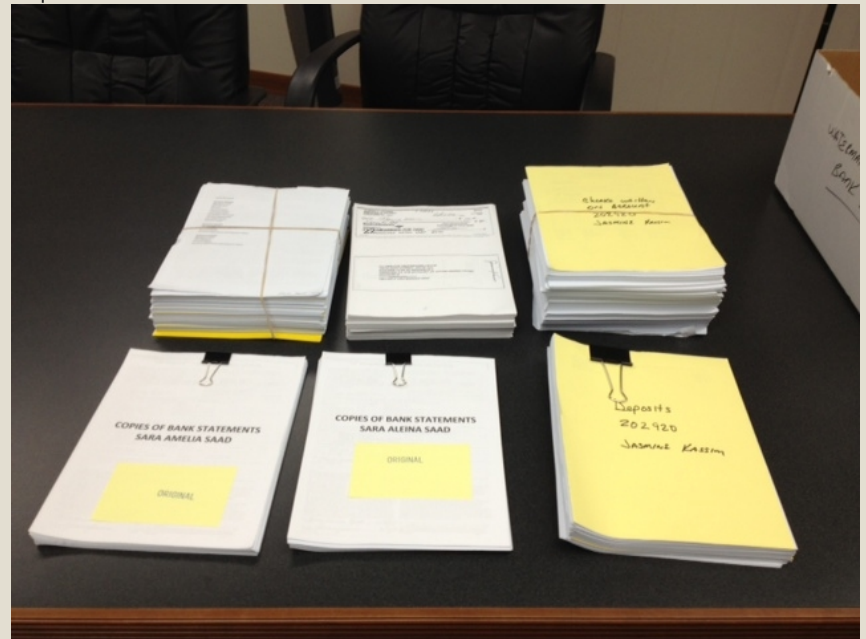
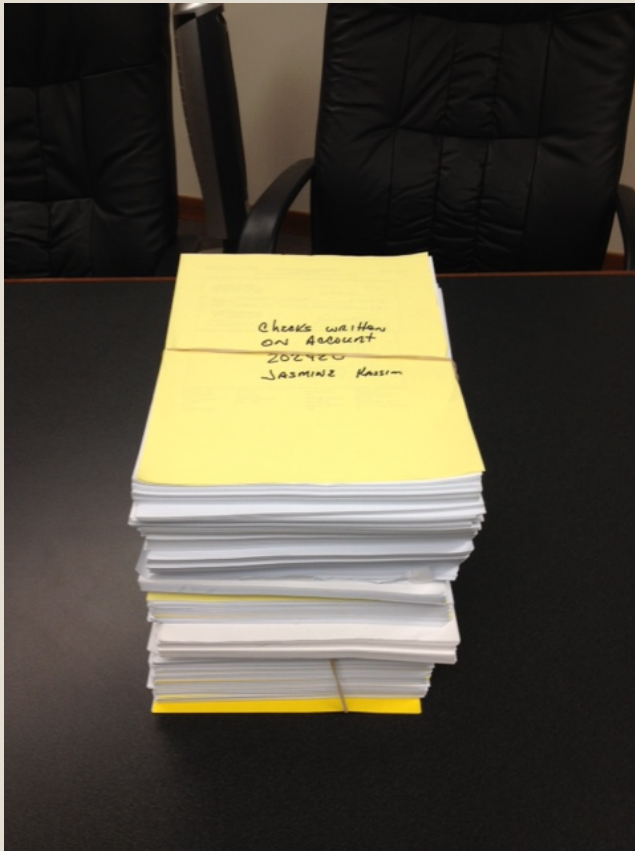


Julie Goss

- Pled Guilty 10/17/13
- Theft 1<sup>st</sup>, Forgery – 2 cts
- 30 days wr; 60 days ehm
- \$15,071 restitution + fines



# Detective work continues behind the scenes



# “\$40,000 Teeth”

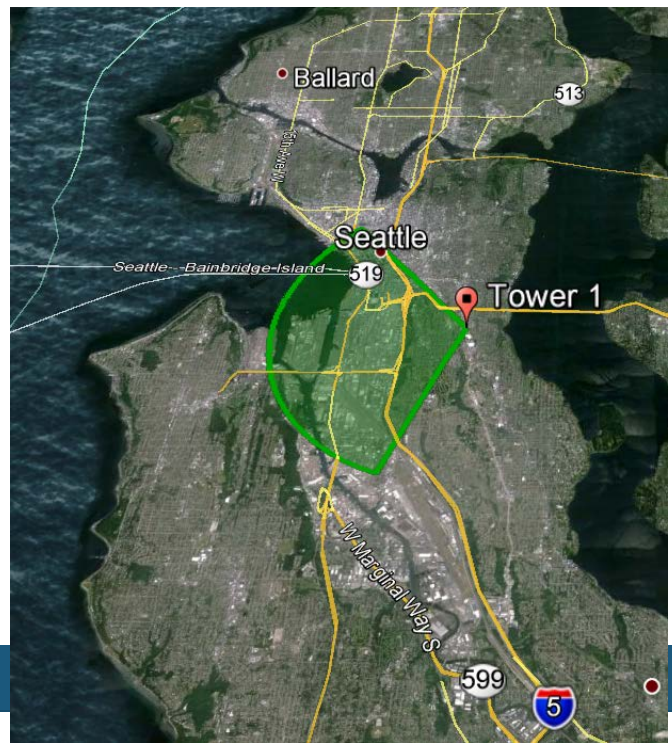
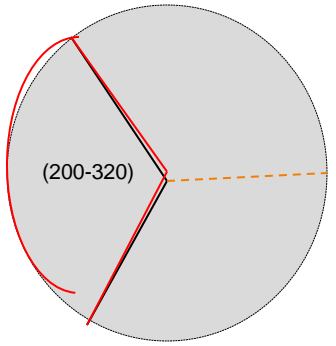


## A Cell Phone Tracking Case:

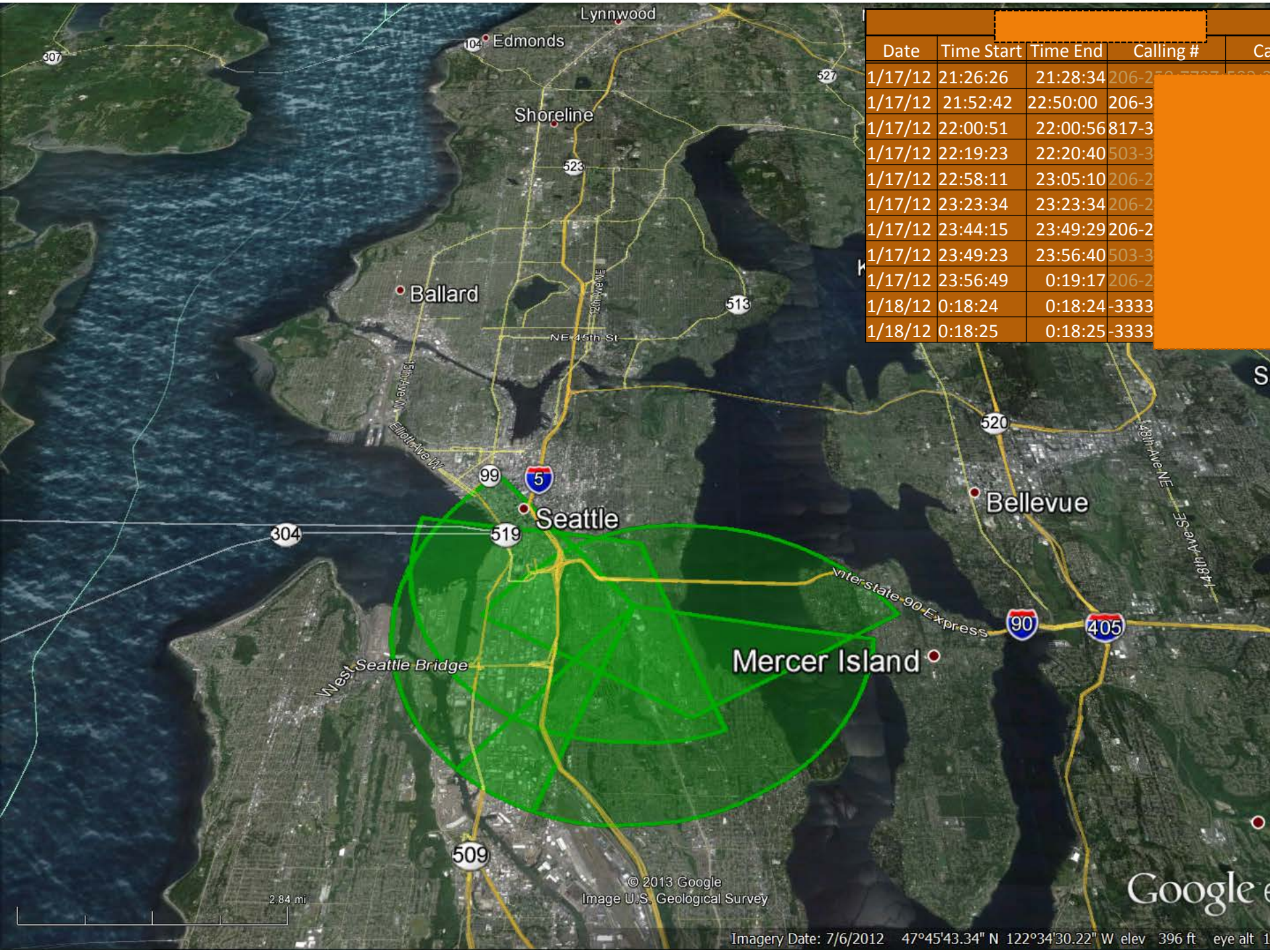
- Who was in the one-car collision?
- I-5, near Exit 72, in Chehalis, WA
- January 17, 2012, at 23:30hrs.

| CALLING_NBR | CALLED_NBR | DIALED_DIGITS | M_R_#   | START_DATE       | END_DATE         | 1ST_CELL | LAST_CELL |
|-------------|------------|---------------|---------|------------------|------------------|----------|-----------|
|             |            |               | Inbound | 1/17/12 22:19:23 | 1/17/12 22:20:40 | 40149    | 30149     |

| Cell# | City    | County | Latitude  | Longitude   | BTS Manufacturer | Sector | Azimuth |
|-------|---------|--------|-----------|-------------|------------------|--------|---------|
| 149   | Seattle | King   | 47.584274 | -122.299561 | LUCENT           | 1      | 10      |
| 149   | Seattle | King   | 47.584274 | -122.299561 | LUCENT           | 2      | 160     |
| 149   | Seattle | King   | 47.584274 | -122.299561 | LUCENT           | 3      | 260     |





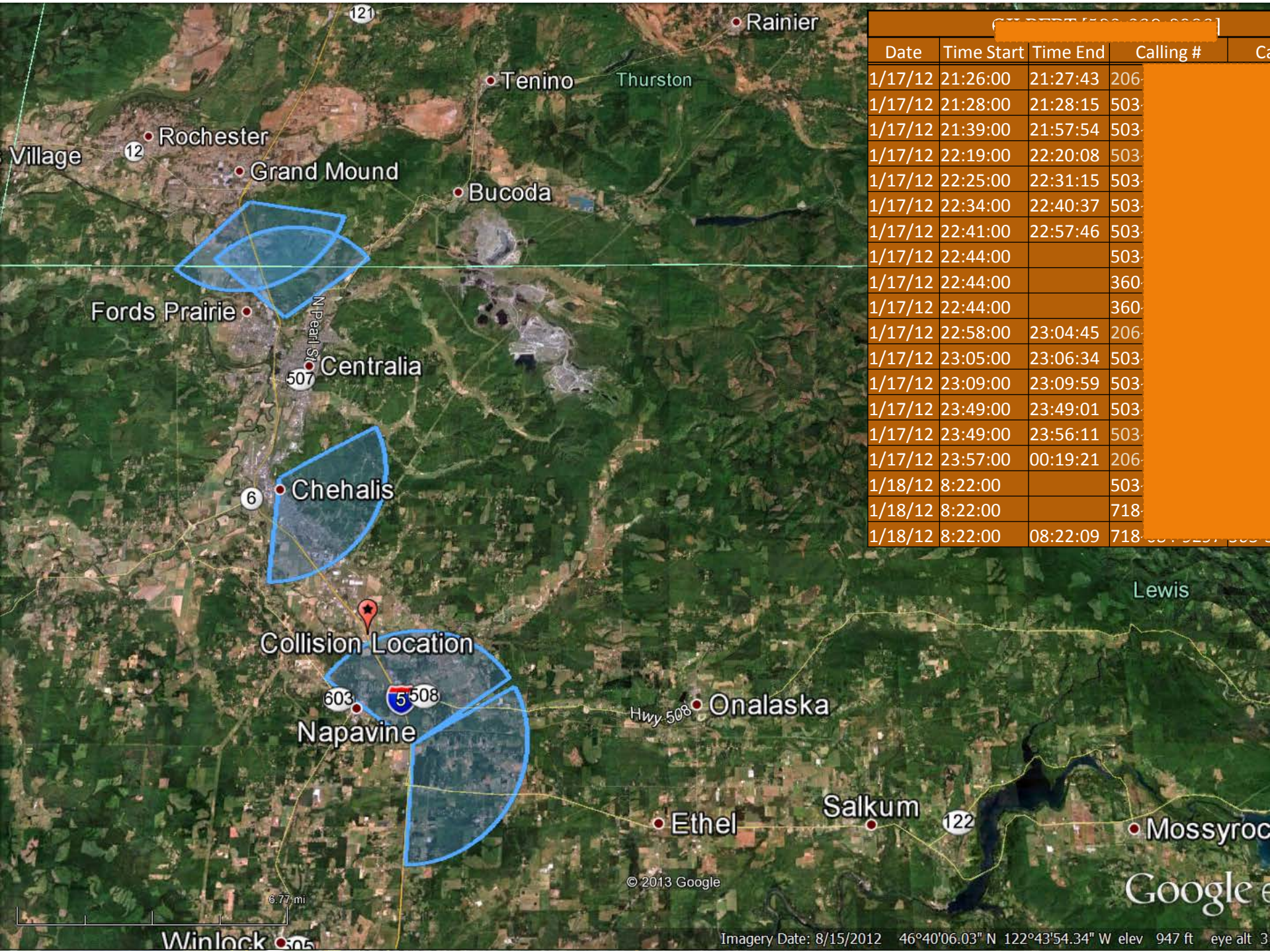


| Date    | Time Start | Time End | Calling #    | Ca    |
|---------|------------|----------|--------------|-------|
| 1/17/12 | 21:26:26   | 21:28:34 | 206-250-7737 | 533-3 |
| 1/17/12 | 21:52:42   | 22:50:00 | 206-3        |       |
| 1/17/12 | 22:00:51   | 22:00:56 | 817-3        |       |
| 1/17/12 | 22:19:23   | 22:20:40 | 503-3        |       |
| 1/17/12 | 22:58:11   | 23:05:10 | 206-2        |       |
| 1/17/12 | 23:23:34   | 23:23:34 | 206-2        |       |
| 1/17/12 | 23:44:15   | 23:49:29 | 206-2        |       |
| 1/17/12 | 23:49:23   | 23:56:40 | 503-3        |       |
| 1/17/12 | 23:56:49   | 0:19:17  | 206-2        |       |
| 1/18/12 | 0:18:24    | 0:18:24  | -3333        |       |
| 1/18/12 | 0:18:25    | 0:18:25  | -3333        |       |

2.84 mi

© 2013 Google  
Image U.S. Geological Survey

Imagery Date: 7/6/2012 47°45'43.34" N 122°34'30.22" W elev 396 ft eye alt 1



| Date    | Time Start | Time End | Calling # | Ca |
|---------|------------|----------|-----------|----|
| 1/17/12 | 21:26:00   | 21:27:43 | 206-      |    |
| 1/17/12 | 21:28:00   | 21:28:15 | 503-      |    |
| 1/17/12 | 21:39:00   | 21:57:54 | 503-      |    |
| 1/17/12 | 22:19:00   | 22:20:08 | 503-      |    |
| 1/17/12 | 22:25:00   | 22:31:15 | 503-      |    |
| 1/17/12 | 22:34:00   | 22:40:37 | 503-      |    |
| 1/17/12 | 22:41:00   | 22:57:46 | 503-      |    |
| 1/17/12 | 22:44:00   |          | 503-      |    |
| 1/17/12 | 22:44:00   |          | 360-      |    |
| 1/17/12 | 22:44:00   |          | 360-      |    |
| 1/17/12 | 22:58:00   | 23:04:45 | 206-      |    |
| 1/17/12 | 23:05:00   | 23:06:34 | 503-      |    |
| 1/17/12 | 23:09:00   | 23:09:59 | 503-      |    |
| 1/17/12 | 23:49:00   | 23:49:01 | 503-      |    |
| 1/17/12 | 23:49:00   | 23:56:11 | 503-      |    |
| 1/17/12 | 23:57:00   | 00:19:21 | 206-      |    |
| 1/18/12 | 8:22:00    |          | 503-      |    |
| 1/18/12 | 8:22:00    |          | 718-      |    |
| 1/18/12 | 8:22:00    | 08:22:09 | 718-      |    |

**Collision Location**

**Napavine**

Rainier

Tenino

Rochester

Grand Mound

Bucoda

Ford's Prairie

Centralia

Chehalis

Onalaska

Ethel

Salkum

Mossyrock

Lewis

© 2013 Google

Google e

Winlock

Imagery Date: 8/15/2012 46°40'06.03" N 122°43'54.34" W elev 947 ft eye alt 3

# SUMMARY:



- Insurance companies are required by law to report suspected fraud to OIC
- Others are encouraged to report fraud
- SIU works criminal cases





Thank you

*Questions and comments?*

*Visit us at:*

*[www.insurance.wa.gov](http://www.insurance.wa.gov)*