



2018 ANNUAL REPORT



**NEW JERSEY OFFICE OF THE
INSURANCE FRAUD PROSECUTOR**

**PROUDLY SERVING THE PEOPLE
OF NEW JERSEY FOR 20 YEARS.**





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Message from AAG Tracy M. Thompson, Acting Insurance Fraud Prosecutor

I am honored to have been appointed by Attorney General Gurbir S. Grewal and nominated by Governor Philip D. Murphy to lead New Jersey's Office of the Insurance Fraud Prosecutor (OIFP) at this most auspicious time, when OIFP celebrated its 20th Anniversary in October 2018.

In 1998, the New Jersey State Legislature passed the New Jersey Automobile Insurance Cost Reduction Act, thereby creating OIFP and promulgating its enabling legislation. OIFP's Mission is to conduct full and fair investigations to ensure successful criminal prosecutions, civil adjudications, licensing sanctions, or other appropriate dispositions involving all insurance fraud. A person commits the crime of insurance fraud by knowingly providing false information to an insurance company or false information about insurance coverage to receive compensation or benefits to which a person is not entitled.

The Office not only serves as the focal point for all criminal, civil, and administrative prosecutions of Medicaid and insurance fraud, but it also coordinates all anti-insurance fraud activities of State and local departments and agencies.

Over the course of its 20-year history, OIFP has aggressively confronted the problem of insurance fraud in New Jersey by facilitating the detection of insurance fraud, eliminating the occurrence of such fraud through the development of fraud prevention programs, requiring the restitution of fraudulently obtained insurance benefits, reducing the amount of premium dollars used to pay fraudulent claims, and creating a reward program.

The coordinated efforts of law enforcement, other governmental agencies, private and non-profit entities, combined with timely communication, have demonstrably led to the successes highlighted in this 2018 Annual Report. Here is a snapshot of OIFP's accomplishments in 2018:

- 5,441 referrals;
- 300 criminal cases investigated;
- \$9.7 million in restitution ordered by the courts; and
- \$4.4 million in forfeitable assets seized.

OIFP has expanded participation in the County Prosecutors' Reimbursement Program, whereby County Prosecutors' Offices can be reimbursed for some of the costs incurred in the investigation and prosecution of insurance fraud and related crimes, to 19 counties.¹ Each of the participating counties receives up to \$250,000 annually from OIFP to partner with it in fighting insurance fraud.

¹ Bergen County and Monmouth County Prosecutors' Offices do not participate in County Prosecutors' Reimbursement Program.

OIFP has also increased coordinated investigations through three Task Forces: The Auto Theft Task Force with New Jersey State Police; the Commercial Bribery Task Force with the Division of Criminal Justice - Financial Crimes Bureau; and the newly created Medicaid Fraud Control Unit's Elder Protection Task Force, which collaborates with State agencies that address the needs of the elderly. OIFP has also strengthened its partnerships with the Division of Consumer Affairs; the Medicaid Fraud Division in the Comptroller's Office; and the Bureau of Fraud Deterrence in the Department of Banking and Insurance. Finally, OIFP continues to leverage the resources and fraud-fighting experience of private insurance companies, the New Jersey Special Investigators Association, the Insurance Council of New Jersey, and the National Insurance Crime Bureau.

While these partnerships are important, more could and should be done to engage perhaps OIFP's most critical partner in the fight against insurance fraud – the public. To that end, OIFP launched a new Public Partnership Initiative focusing on community awareness and engagement. The goal of this initiative is to educate members of the public about insurance fraud and encourage them to report it by emphasizing OIFP's reward program.

Our anti-insurance fraud theme, "Insurance Fraud. Report it. End it.", has been highly effective this year. As a result of this multi-media campaign (television, radio, electronic media, and billboards), OIFP saw increased traffic to its website and increased reporting of possible insurance fraud in 2018. In 2019, the OIFP hopes to build on that success by increasing its community outreach and education.

None of these accomplishments would be possible without the efforts of OIFP's attorneys, detectives, professionals, and administrative support personnel, whose unwavering dedication, perseverance, and professionalism are reflected in the pages of OIFP's 20th Anniversary Annual Report.

Respectfully submitted,

Tracy M. Thompson, AAG
Acting Insurance Fraud Prosecutor



Acting Insurance Fraud Prosecutor Tracy M. Thompson welcomes Judge Greta Gooden Brown, former Insurance Fraud Prosecutor.

20th ANNIVERSARY CELEBRATION

2018 marked the 20th Anniversary of the creation of the Office of the Insurance Fraud Prosecutor (OIFP). In honor of this momentous occasion, OIFP held a 20th Anniversary Celebration at the Richard J. Hughes Justice Complex on October 30, 2018. New Jersey based insurance companies, the National Insurance Crime Bureau (NICB), the New Jersey Special Investigators Association (NJSIA), the Vehicle Theft Investigators Association, the Insurance Council of New Jersey (ICNJ), former OIFP Insurance Fraud Prosecutors, the Department of Banking and Insurance (DOBI) Bureau of Fraud Deterrence, the 21 County Prosecutors' Offices, the Attorney General and his Executive Staff, and the DCJ Director and her Executive Staff were all invited to the occasion.

The Celebration was kicked off with a video presentation of the new anti-insurance fraud campaign: "Insurance Fraud. Report It. End It." Educational palm cards, which had been created to increase public awareness and provide fraud prevention tips for consumers, were distributed. Significant press releases from the past 20 years, highlighting the successful cases of OIFP and those County Prosecutors' Offices, which participate in the County Prosecutors' Reimbursement Program, were displayed.

During this event, remarks were made by Attorney General Gurbir S. Grewal; DOBI Commissioner Marlene Caride; ICNJ President Christine O'Brien; NJSIA President Scott Keesal; and NICB Supervising Agent Terri DiGiorgio. On behalf of OIFP, Deputy Insurance Fraud Prosecutor AAG Al Garcia; Counsel to the Acting Insurance Fraud Prosecutor AAG Nina D. Bonner; and the Acting Insurance Fraud Prosecutor AAG Tracy M. Thompson also made remarks. In this celebration, OIFP emphasized that its success is a result of its partnerships with these agencies and the insurance industry.

Attorney General Grewal recognized individual employees who had worked for OIFP since its inception 20 years ago. The following individuals celebrated their 20 years of dedicated service to OIFP: Joy Alexis, Administrative Assistant; Victoria Amato, Management Assistant; Detective Wendy Berg; Bonnie Clark, Technical Assistant; Brenda Cohen, Secretarial Assistant; Bernadette Jones, Technical Assistant; DAG Cheryl Maccaroni, Bureau Chief; Elizabeth O'Brien, Administrative Analyst; Detective Kristi Procaccino; Jeremy Rabe, Principal Civil Investigator; and Renee St. George, Legal Secretary.



Attorney General Gurbir S. Grewal gives remarks.



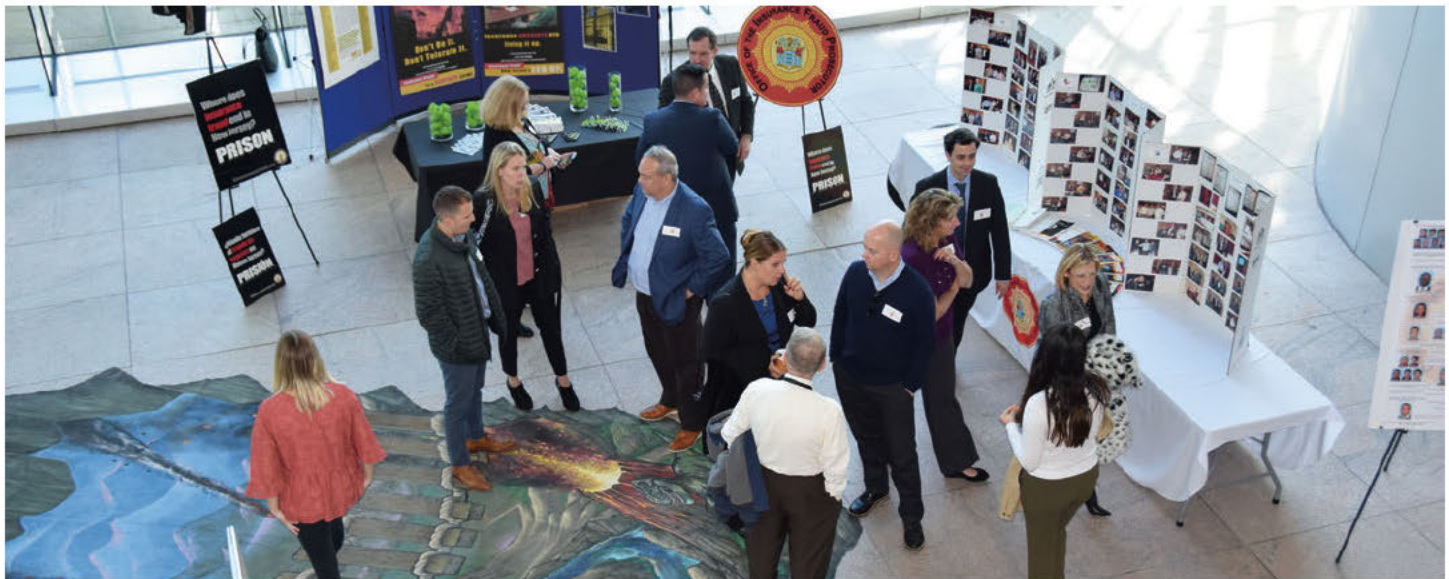
Analyst Terri Worthington, Auditor Keira McRae-Wiggins, Detective Little Trenard, and Principal Civil Investigator Jeremy Rabe at the Reception Desk.



Attorney General Gurbir S. Grewal and Acting Insurance Fraud Prosecutor Tracy M. Thompson enjoy the 3-D Display.



Deputy Insurance Fraud Prosecutor Al Garcia was the MC.



Guests enjoy assorted displays.

OFFICE OF THE INSURANCE FRAUD PROSECUTOR LEADERSHIP

In its 20-year history, New Jersey's Office of the Insurance Fraud Prosecutor has had two Insurance Fraud Prosecutors who were confirmed by the Senate. Over the years, the Office has had six Acting Insurance Fraud Prosecutors, including the current Acting Insurance Fraud Prosecutor, Tracy M. Thompson.

The Insurance Fraud Prosecutor directs the activities of a staff of approximately 100 people, including attorneys, detectives, professional, and administrative support personnel, and manages the agency's \$13 million budget with discretion and fiscal responsibility.

The First Insurance Fraud Prosecutor

Hon. Edward Neafsey, Judge of the Superior Court (retired)

On October 28, 1998, Assistant Attorney General Edward M. Neafsey was sworn-in as OIFP's first Insurance Fraud Prosecutor. Judge Neafsey was a former First Assistant Attorney General, Assistant Attorney General, acting County Prosecutor, Assistant Deputy Public Defender, and Assistant Commissioner for Enforcement at the Department of Environmental Protection. Judge Neafsey also served as a Captain in the Judge Advocate General Corps for the First Cavalry Division at Fort Hood, Texas.

Judge Neafsey remained the Insurance Fraud Prosecutor until July 1, 2000, when he accepted an appointment as New Jersey's first Inspector General. During Judge Neafsey's 18-month tenure at OIFP, 26 insurance criminals were sent to prison for a total of 77 years.

In 2004, Judge Neafsey was appointed to the Superior Court. After 30 years of dedicated public service, Judge Neafsey retired in 2011.

The Second Insurance Fraud Prosecutor

Hon. Greta Gooden Brown, Judge of the Appellate Division

On March 29, 2001, Greta Gooden Brown, then Assistant Attorney General, was confirmed by the New Jersey Senate as New Jersey's second Insurance Fraud Prosecutor. Judge Gooden Brown was the first African-American AAG and Insurance Fraud Prosecutor in the history of the Division of Criminal Justice (DCJ).

Judge Gooden Brown's outstanding career as a State prosecutor began in 1983 when she was hired as a Deputy Attorney General and assigned to DCJ's Appellate Bureau. There she argued criminal appeals and other actions before the United States Court of Appeals for the Third Circuit, the Supreme Court of New Jersey, and the Appellate Division of the Superior Court of New Jersey.

In 1985, Judge Gooden Brown was promoted to the position of Supervisor in the Appellate Bureau. In 1990, she was promoted to Section Chief of DCJ's Institutional Abuse Unit. From 1991 to 1994, Judge Gooden Brown served as Section Chief for DCJ's Medicaid Fraud Section. In 1994, Judge Gooden Brown assumed leadership of DCJ's Prosecutors and Police Bureau. In recognition of the superlative manner in which Judge Gooden Brown led the Prosecutors and Police Bureau, in 1999, she was promoted to the title of Assistant Attorney General.

As Insurance Fraud Prosecutor, Judge Gooden Brown led OIFP with remarkable vision and vigor. During her tenure, OIFP was responsible for both criminal and civil investigations of insurance fraud. She directed the activities of a staff of 300, including attorneys, detectives, professional, and administrative support personnel, and managed the agency's \$30 million budget. During her eight-year tenure as Insurance Fraud Prosecutor, more than 1,100 individuals were charged with indictable insurance fraud-related crimes; convicted defendants

were sentenced to a combined total of more than 1,000 years of incarceration and paid over \$207 million in restitution; and more than \$44 million in civil fines and \$40 million in Medicaid fines and penalties were imposed.

Judge Gooden Brown remained Insurance Fraud Prosecutor until June 25, 2009, when she was confirmed by the Senate as a Judge of the Superior Court. On August 1, 2016, Judge Gooden Brown was permanently elevated to the Appellate Division by Supreme Court Chief Justice Stuart Rabner.

AAG Tracy M. Thompson, Acting Insurance Fraud Prosecutor

Attorney General Gurbir S. Grewal appointed Tracy M. Thompson to serve as New Jersey's Acting Insurance Fraud Prosecutor (AIFP) in March 2018, followed by Governor Phil Murphy's nomination of her in May 2018. In this position, AIFP Thompson supervises a staff of 100 who investigate and prosecute all types of insurance fraud, including health care, auto, Medicaid, disability, and workers' compensation. This Office also coordinates the anti-fraud activities of the state and local investigating agencies and prosecutors.

For the past 28 years, AIFP Thompson has proudly served New Jersey, beginning as an Assistant Prosecutor in the Mercer County Prosecutor's Office, then as a Deputy Attorney General in the Division of Criminal Justice (DCJ) in the New Jersey Attorney General's Office.

Within the Attorney General's Office, AIFP Thompson began her career in DCJ prosecuting complex financial crimes in the Money Laundering Unit, and most recently served as Counsel to the DCJ Director. In that role, she advised the Director on a broad range of law enforcement policy matters, oversaw the Division's Litigation Academy, and served as a liaison between the Division and other governmental agencies. AIFP Thompson has also served as chair of the New Jersey Human Trafficking Task Force where she represented the Attorney General and worked with the National District Attorneys Association's Human Trafficking Working Group. She also served as faculty to the National Attorneys General Trial & Research Institute and the NJ Attorney General's Advocacy Institute. AIFP Thompson has served in several leadership capacities in the New Jersey Department of Law & Public Safety, including: Deputy Director of the Office of Government Integrity; Chief Counsel for the Bureau of Fiscal Oversight; and Special Assistant to the DCJ Director.

AIFP Thompson's nine-year tenure at the Mercer County Prosecutor's Office was marked by her leadership in the Domestic Violence Unit and prosecuting a variety of major crimes, including child abuse, sexual assault, attempted murder, arson and narcotics cases.

AIFP Thompson received her law degree from Temple University School of Law and an undergraduate degree in African-American Studies from the University of Pennsylvania.

AIFP Thompson is serving in an acting capacity pending her formal confirmation, which is subject to the advice and consent of the State Senate.

The following attorneys have also served as Acting Insurance Fraud Prosecutors:

- AAG John J. Smith from July 2000 to March 2001;
- AAG Riza Dagli from June 2009 to April 2011;
- AAG John Kennedy from April 2011 to May 2011;
- AAG Ronald Chillemi from May 2011 to December 2015; and
- AAG Christopher Lu from December 2015 to March 2018.

CASE SCREENING, LITIGATION, AND ANALYTICAL SUPPORT SECTION

The Office of the Insurance Fraud Prosecutor (OIFP) consists of three sections: **Case Screening, Litigation, and Analytical Support Section (CLASS)**, and the **Private Insurance** and **Medicaid Fraud Control** prosecution units (see below for a discussion of these units' cases). CLASS is the entry point for all referrals from insurance companies, other agencies, and the public.

CLASS was created as part of a 2002 re-organization of OIFP. At that time, CLASS was responsible for processing consent orders and delinquent consent order judgments, maintaining a Division of Law (DOL) database, referring of cases to DOL, and acting as liaison to the DOL, the Department of Banking and Insurance Collections Section, and the Division of Revenue. The major change in the functions of CLASS occurred in a 2010 re-organization of OIFP when the civil component was transferred to the Department of Banking and Insurance.

CLASS staffing levels have fluctuated over the years, from a high of 22 in 2011, to 12 in 2018. However, the section has been able to accomplish its goals through advances in database applications and software. The 2008 switch to InfoShare as OIFP's case tracking system facilitated the change from paper to primarily electronic documentation. In 2015, InfoShare was enhanced to process insurance carrier referrals electronically, which further streamlined the case screening process. On the analytical side, analysts have been able to greatly increase their ability to process complex financial records by leveraging advanced financial record analysis software. Civil Investigators are also assigned to CLASS. Their job responsibilities include: examining financial records, running background checks, assisting detectives in preparing documents, and interviewing potential witnesses and targets. CLASS also provides support to OIFP attorneys by assisting in the production of discovery and creating charts and graphs that summarize data.

Most cases investigated by OIFP in 2018 were the result of referrals from the Special Investigations Units of insurance companies, which are required by law to refer matters of suspected insurance fraud to OIFP. N.J.S.A. 17:33A-9. OIFP's well-publicized hotline and interactive website also generate a significant number of referrals to OIFP from the general public. OIFP's statutory reward program, which provides a monetary reward for information leading to the arrest, prosecution, and conviction of an insurance fraudster, gives private citizens a monetary incentive to report insurance fraud. N.J.S.A. 2C:21-4.7 and N.J.A.C. 13:88-3.1, *et seq.* Other law enforcement, regulatory, and administrative agencies also refer a significant number of cases to OIFP.

Case Screening and Assignment

All referrals to OIFP are screened and reviewed by the CLASS staff. Upon receipt, all referrals of suspected insurance fraud are date-stamped, classified by OIFP region and type of insurance fraud, and subjected to an initial screening by CLASS to determine whether a potential crime and/or civil violation has occurred. If the referral is deemed appropriate for a criminal investigation, the case is assigned to the appropriate section (Medicaid or Private Insurance) and becomes the responsibility of an OIFP Detective and Deputy Attorney General. If the referral is deemed appropriate for a civil investigation, it is forwarded to the Department of Banking and Insurance, Bureau of Fraud Deterrence (BFD) for civil investigation and recovery. Referrals are also sent to other appropriate agencies: the U.S. Social Security Administration; New Jersey Division of Taxation; the Department of Labor & Workforce Development; or the Department of Health. Information and documents on all cases are entered, tracked, and updated in InfoShare, OIFP's database.

CLASS functions, in effect, as the funnel of cases for OIFP. In 2018, there were 5,441 referrals to OIFP, which yielded 300 criminal case investigations. Referrals not warranting assignment after initial screening, nonetheless, are entered into OIFP's database for future reference should additional information come to light. After a criminal case has been concluded, it is then sent to BFD for consideration for civil recovery. This process results in the most comprehensive response to insurance fraud. OIFP's procedures ensure the most efficient allocation of OIFP resources and preserve the confidentiality of privileged law enforcement files.

Coordination with County Prosecutors' Offices

The County Prosecutors' Offices report targets and defendants under investigation by their offices on a monthly basis to OIFP. OIFP opens a substantial number of civil insurance fraud investigations based on these reports. CLASS assists in identifying potential civil cases from these reports and assigns them for civil action to BFD. In order to ensure effective coordination between OIFP and County Prosecutors' Offices, OIFP has designated four Civil Investigators, on a regional basis, to be the primary points of contact responsible for coordinating OIFP's actions with those of the County Prosecutors' Offices. Regardless of whether those subjects are ultimately prosecuted by the County Prosecutors' Offices, the subjects are investigated whenever the allegations appear to constitute a civil violation of the Insurance Fraud Prevention Act.

Though largely unseen, the hard work and dedication of the men and women of CLASS contribute mightily to the continued growth and success of OIFP.

ANNUAL REPORT CASE SUMMARIES – PRIVATE

The following cases are some of the highlights of OIFP's private cases, exhibiting the diligence of OIFP staff as well as the complexity of the fraud schemes. Some of these cases are lengthy, complex and can remain open for more than a year from investigation to disposition.

A. Auto Insurance Fraud

Operation Title Flip: State v. Luther Lewis and Justinas Vaitoska

Defendant Luther Lewis, the top leader in an auto theft network, and defendant Justinas Vaitoska, another leader in this organization, were sentenced to ten years and eight years respectively, in New Jersey State Prison, for their roles in this ring that targeted people selling their vehicles on Craigslist. Lewis organized and controlled the operation that was responsible for the theft of 10 vehicles, with a total value of approximately \$249,000. The cars were stolen from persons advertising vehicles for sale on Craigslist by purchase with fraudulent checks. The vehicles were then re-titled at the Motor Vehicle Commission. Some of the vehicles were re-sold to car dealerships for an approximate amount of \$107,000.

On October 13, 2017, Lewis pleaded guilty to Second-Degree Leader of Auto Theft Trafficking Network and Second-Degree Conspiracy to Commit Theft by Deception. On January 12, 2018, Lewis was sentenced to a 10-year prison term for his role in this criminal enterprise and was ordered to pay restitution in the amount of \$104,774.

After having pleaded guilty to second-degree conspiracy to commit theft by deception, Vaitoska was sentenced on September 19, 2018, to an eight-year prison term and was ordered to pay restitution in the amount of \$97,000. Also, on this same date, Vaitoska was sentenced to a three-year prison term in an unrelated check cashing fraud conspiracy.

State v. Paige Hunt

On December 20, 2018, defendant Paige Hunt was sentenced, after having previously pleaded guilty to a charge of second-degree insurance fraud, to five years in New Jersey State Prison for her role in a theft scheme in which the participants deceptively obtained car loans and luxury pre-owned cars from dealerships across the State. The cars were re-sold after fraudulently removing the liens from the vehicle titles by forging letters purporting to be from the creditors stating that the loans had been satisfied. Hunt pleaded guilty to fraudulently obtaining nine auto insurance policies and identification cards which were presented to the dealerships in order to drive the cars off the lot.

B. Health Insurance Fraud

State v. Philip Potacco and John Langerap

After having pleaded guilty to charges of second-degree money laundering and misconduct by a corporate official, and to third-degree unauthorized practice of chiropractic medicine in connection with a criminal enterprise that centered around his South Orange Trauma and Rehab Center (SOTC) from 2010 to 2015, defendant Philip Potacco was sentenced to seven years in New Jersey State Prison and was ordered to pay \$3.5 million in restitution to several insurance companies.

Potacco, whose chiropractic license was revoked in 2002, hired a licensed chiropractor, defendant John Langerap, to act as a "straw" owner of SOTC while Potacco secretly ran the business enterprise. Potacco used illegal "runners" to recruit accident patients to the facility. He then submitted or caused to be submitted fraudulent insurance claims using the billing information of the licensed chiropractor he had hired. Also, Potacco was paid money for referring SOTC patients to other providers.

On June 22, 2018, Langerap was sentenced to three years in New Jersey State Prison for his role in this medical fraud ring and ordered to pay a criminal fine of \$15,000 after having pleaded guilty to second-degree conspiracy to commit insurance fraud..

State v. Kim Bogan

On January 2, 2018, defendant Kim E. Bogan, a former Brick Township employee, was sentenced, after having previously pleaded guilty to second-degree theft by deception, to five years in New Jersey State Prison for stealing more than \$940,000 from Brick Township's health insurance program. Bogan, who worked in the Township's Building Department, admitted that between January 2011 and April 2017, she assisted an out-of-state health care practitioner in submitting false claims to Bogan's employee health insurance program, which was self-funded by Brick Township. The false claims were for medical treatments and services purportedly rendered to individuals covered under Bogan's health insurance policy. Bogan admitted that she allowed the practitioner to submit claims under her insurance policy for medical services that she knew had not been rendered and that she then endorsed the insurance checks that were mailed to her, knowing the money was stolen. Also, Bogan was ordered to pay restitution to Brick Township in the amount of \$941,354.77.

C. Property & Casualty Insurance Fraud

State v. Alexei Legassov

In January of 2018, defendant Alexei Legassov pleaded guilty to second-degree insurance fraud and misconduct by a corporate official. In connection with his ownership and/or operation of several long-haul trucking companies, he submitted or caused to be submitted approximately nine fraudulent cargo loss claims for refrigerated cargo that allegedly was spoiled during cross-country transport. In reality, the cargo either never existed or had not been damaged or destroyed. On April 23, 2018, Legassov was sentenced to nine years in New Jersey State Prison for filing more than \$1.2 million in fraudulent insurance claims and was ordered to pay \$1,286,911 in restitution to two insurance companies.

State v. Katreecea Cline

From October 2012 to November 2013, defendant Katreecea Cline, submitted fake and altered receipts to her insurance company, United States Automobile Association, to support her claims that items in her apartment and in other locations were damaged as a result of Superstorm Sandy. On May 9, 2013, Cline again committed insurance fraud by claiming her RV had been broken into and that equipment and tools valued at approximately \$20,000 had been stolen. Cline was paid \$53,800 in connection with her claims. In an unrelated matter, Cline filed a false bankruptcy petition to discharge approximately \$175,000 of debt. After having pleaded guilty to two counts of second-degree insurance fraud and one count of second-degree fraud by insolvency, on July 20, 2018, Cline was sentenced to four years in New Jersey State Prison.

D. Worker's Compensation / Disability Fraud

State v. Wanda Berry

On April 2, 2018, defendant Wanda Berry was indicted by a State Grand Jury on charges of second-degree insurance fraud and third-degree theft by deception. She was charged with stealing more than \$46,000 by fraudulently collecting her deceased mother's workers' compensation dependency benefits. Berry, whose mother had died in November of 2014, fraudulently claimed to her insurance carrier that her mother was alive in order to continue collecting the \$1,400 monthly insurance benefit her mother had been receiving.

On June 29, 2018, Berry was sentenced to five years' probation and ordered to pay restitution to New Jersey Manufacturers Insurance Company in the amount of \$46,049.99.

State v. Major Smith

On November 30, 2018, defendant Major Smith pleaded guilty to second-degree insurance fraud for illegally obtaining \$74,000 in disability benefits by submitting fraudulent documents to his insurance carrier. Smith submitted more than two dozen claims for disability with American Family Life Assurance Company of Columbus that contained forms purportedly filled out by his doctors/and or his employer. Smith filed the fraudulent claims between February 2012 and October 2015, in connection with injuries he purportedly sustained in several accidents. In accordance with the terms of the plea agreement, on April 8, 2019, Smith was sentenced to three years in New Jersey State Prison and agreed to pay restitution in the amount of \$70,248.32.

MEDICAID FRAUD CONTROL UNIT (MFCU) CASE HIGHLIGHTS

State v.

On August 17, 2018, the State Grand Jury returned a three-count indictment charging defendant a certified nurse aide, with the following: neglect of elderly or disabled persons; assault upon an institutionalized elderly person; and falsifying or tampering with records. Those charges stem from a criminal investigation into an April 5, 2017 incident involving _____ and an 87-year old nursing home resident. It is alleged that _____ assaulted the resident, who suffered from Alzheimer's, while in her care. It is also alleged that _____ falsified a report relating to the incident.

State v. Danny Brown

On June 8, 2017, defendant Danny Brown, a certified nursing assistant (CNA), was indicted on one count of making terroristic threats and one count of endangering another person. The Indictment stemmed from an incident on November 17, 2016, in which Brown assaulted a resident at an assisted living facility.

On August 6, 2018, Brown was permitted to enter the Pretrial Intervention Program (PTI)² conditioned on him forfeiting his CNA license, his Home Health Aide (HHA) license, and agreeing to never apply for similar kinds of licenses in the State of New Jersey.

State v. Deanna Attinello

On February 9, 2018, defendant Deanna Attinello was indicted on one count of second-degree misappropriation of entrusted property and one count of second-degree theft by failing to make a required disposition. The Indictment stemmed from an incident in which Attinello was a court-appointed guardian over an incapacitated elder. Attinello stole more than \$50,000 from the elderly victim.

On November 2, 2018, Attinello pleaded guilty to one count of second-degree misappropriation of entrusted property.

State v. Tamerlane Amon and Marilyn F. Duran

Defendant Tamerlane Amon was a CNA who cared for the victim in this case during his rehabilitation from a leg amputation. Amon stole the victim's checkbook and wrote checks to his mother-in-law, defendant Marilyn F. Duran, in the amount of \$34,100. Amon and Duran were indicted on 26 third-degree counts on February 2, 2018.

Duran was accepted into the PTI program. Amon pleaded guilty to theft by deception in the third degree and received a probationary sentence. Amon's CNA license was permanently revoked. Amon and Duran were also ordered to pay restitution in the amount of \$34,100 to the victim.

State v. Mythi Ly-McKinney and Todd McKinney

This case involved an institutionalized elderly man who was unable to pay his bills due to physical limitations. He sought assistance from a family friend, defendant Mythi Ly-McKinney, who wrote unauthorized checks to herself and to the business owned by her husband, defendant Todd McKinney, in the amount of \$49,500. Ly-McKinney and her husband were indicted on February 2, 2018, for 19 third-degree counts related to the theft. Ly-McKinney pleaded guilty to fourth-degree theft on April 10, 2018.

Ly-McKinney was sentenced to a term of non-custodial probation and ordered to pay \$49,500 in restitution to the victim. As part of the plea deal, charges against McKinney were dropped.

2. Pre-Trial Intervention (PTI) is a diversionary program created by statute and court rule. The Legislature established that it is the public policy of the State to divert certain defendants from the criminal justice system when, among other factors, diversion will serve to remove cases from the criminal court in order to focus resources on more serious matters or more dangerous defendants, or PTI supervision will suffice to deter that particular defendant from future criminality. N.J.S.A. 2C:43-12a. A defendant is admitted into PTI upon the recommendation of the PTI Program director and the consent of the prosecutor.

State v. [REDACTED] and Hnede Kpardeh

This case involved the neglect of an elderly patient at a short-term behavioral health facility. The victim fell in full view of two CNAs and was left on the floor for upwards of 40 minutes. The victim suffered a broken hip due to the fall. Defendants [REDACTED] and Hnede Kpardeh were indicted for third-degree neglect of an elderly or disabled person. Both defendants were accepted into the PTI program on the condition that they permanently forfeit their professional licenses.

State v. Gloria Andrade

On September 24, 2018, defendant Gloria Andrade, a licensed clinical social worker formerly with the Teaneck Board of Social Services, was charged in a 52-count indictment charging her with various crimes, including second-degree health care claims fraud. Andrade allegedly submitted fraudulent bills to Medicaid claiming to be working in two places at the same time.

State v. Mary D. Anerousis, John Freiler, Matthew Girardy and Trina Ruchelman

On February 2, 2018, defendant-dentists Mary D. Anerousis, John Freiler, Matthew Girardy, and Trina Ruchelman pleaded guilty to third-degree theft by deception. Those pleas were the result of an extensive criminal investigation into New Jersey Mobile Dental, P.A. (NJ Mobile), the mobile dental practice to which they belonged. The investigation uncovered the practice's multi-faceted fraud scheme, which caused millions of dollars to be siphoned from the New Jersey Medicaid Program.

In October 2018, the four defendant-dentists were each sentenced to five years of probation. They were each ordered to perform 300 hours of community service. Anerousis was ordered to pay restitution in the amount of \$273,059 and a \$273,059 civil penalty. Freiler was ordered to pay restitution in the amount of \$449,300 and a \$449,300 civil penalty. Girardy was ordered to pay restitution in the amount of \$318,301 and a \$318,301 civil penalty. Ruchelman was ordered to pay restitution in the amount of \$197,778 and a \$197,778 civil penalty. The ordered restitution and civil penalties in these four matters total \$2,476,876.

These four convictions marked the end of the State's lengthy criminal prosecution of 11 NJ Mobile dentists. Previously, seven other dentists, including the practice's owner, pleaded guilty and were sentenced for their roles in this Medicaid fraud scheme.

State v. Subramaniam Khanthan

Defendant Dr. Subramaniam Khanthan was investigated for utilizing "runners" to bring in patients. He was also investigated for billing for services not rendered to Medicaid patients. Khanthan's 17-count indictment was the result of an extensive joint criminal investigation with the Jersey City Police Department Special Investigations Unit.

On August 31, 2018, Khanthan pleaded guilty to one count of third-degree theft. On October 26, 2018, Khanthan was sentenced to a one-year term of non-custodial probation.

ELDER PROTECTION TASK FORCE

The Elder Protection Task Force (EPTF) of the New Jersey Attorney General's Medicaid Fraud Control Unit investigates allegations of financial exploitation and the abuse or neglect of elderly or incapacitated adults receiving Medicaid benefits in the State of New Jersey. These investigations include complaints of patient or resident abuse or neglect in health care facilities receiving Medicaid funding, such as nursing homes, as well as those Medicaid beneficiaries who reside in any other setting outside their home where care is provided to them.

In 2018, the EPTF prosecuted a variety of financial abuse cases. A significant goal of these prosecutions is to make the victim whole through restitution. For instance, in State v. Mythi Ly-McKinney, \$49,500 in restitution was ordered for an elderly victim who was exploited by a family friend.

The EPTF prosecuted a number of physical abuse cases against certified nursing assistants (CNA) and certified home health aides. A significant goal in these prosecutions is to ensure that the defendant is unable to work with the elderly through forfeiture of their Certified Nurses' Assistant or Certified Home Health Aide licenses. Many defendants are accepted into the Pre-Trial Intervention (PTI) Program with a condition that they must forfeit their professional licenses.



Various agencies distributed information.

WORLD ELDER ABUSE AWARENESS DAY



On June 15, 2018, the New Jersey Office of the Attorney General, OIFP and the Medicaid Fraud Control Unit hosted a World Elder Abuse Awareness Day (WEAAD) event at the Richard J. Hughes Justice Complex in Trenton, New Jersey. This event served as an opportunity for people and organizations to

promote a better understanding of abuse and neglect of older persons by raising awareness of the cultural, social, economic, and demographic processes causing elder abuse and neglect.

Lt. Governor Sheila Oliver made special remarks, followed by speakers from New Jersey Adult Protective Services; the New Jersey Long Term Care Ombudsman; the Ocean County Prosecutor's Office; the Division of Consumer Affairs (including its Bureau of Securities); the Jewish Home Family; the Victims of Crime Compensation Office; the New Jersey Human Trafficking Task Force; the Department of Human Services; the Office of the Public Guardian; and the Elder Abuse Task Force.

Anne Howell, RN, former Nurse Investigator for the Medicaid Unit, was awarded the Elder Protection Task Force Award of Excellence for her long career investigating elder abuse.



Lt. Governor Sheila Oliver, Dr. Maureen Persi and Acting Insurance Fraud Prosecutor Tracy M. Thompson.



Acting Insurance Fraud Prosecutor Tracy M. Thompson, MFCU Bureau Chief Peter Sepulveda and award recipient Anne Howell, R.N.



12 Things that Anyone Can Do to Prevent Elder Abuse

- 1** Learn the **signs of elder abuse and neglect.**



- 2** **Call or visit an elderly loved one** and ask how he or she is doing.

- 3** Provide a respite **break for a caregiver.**



- 4** Ask your bank manager to train tellers on **how to detect elder financial abuse.**

- 5** **Ask your doctor** to ask you and all other senior patients about possible family violence in their lives.



- 6** **Contact your local Adult Protective Services or Long-Term Care Ombudsman** to learn how to support their work helping at-risk elders and adults with disabilities.

- 7** Organize a **“Respect Your Elders” essay or poster contest** in your child’s school.

- 8** Ask your religious congregation’s leader to **give a talk about elder abuse** at a service or to put a message about elder abuse in the bulletin.

- 9** **Volunteer to be a friendly visitor** to a nursing home resident or to a homebound senior in your neighborhood.

- 10** Send a letter to your local paper, radio or TV station suggesting that they cover **World Elder Abuse Awareness Day** (June 15) or **Grandparents Day** in September.



- 11** Dedicate your **bikeathon/marathon/ other event** to elder mistreatment awareness and prevention.

- 12** **Join the Ageless Alliance.** Ageless Alliance connects people of all ages, nationwide, who stand united for the dignity of older adults and for the elimination of elder abuse. You can join (it’s free) and get involved at **agelessalliance.org**.



UNITED AGAINST ELDER ABUSE

Find local resources for Seniors, People with Disabilities, and Caregivers!
Call the **ElderCare Locator** at **1-800-677-1116** or visit **www.eldercare.gov**.

For more information on elder abuse prevention,
please visit **www.ncea.aoa.gov** or **www.centeronelderabuse.org**.

Find us on Facebook, YouTube and POPVOX!

FALSE CLAIMS ACT SETTLEMENTS

Below is an overview of the cases handled by the False Claims Act (FCA) Unit in calendar year 2018 that resulted in the payment of funds to the State during the calendar year.

In 2008, the State of New Jersey adopted the New Jersey False Claims Act ("New Jersey FCA"), its own version of the federal False Claims Act ("FCA"). A person or entity may be held liable under the New Jersey FCA for false claims submitted to New Jersey. Further, the Act allows private individuals who know about fraud against the State of New Jersey to bring a *qui tam* case against the offending party on behalf of the State.³

The New Jersey FCA Unit participates in State and federal global civil cases through the National Association of Medicaid Fraud Control Units (NAMFCU), pursuant to New Jersey's False Claims Act, N.J.S.A. 2A:32C-1, et seq., and the federal FCA, 31 U.S.C. §§3729-3733. Pursuant to both the federal and the State False Claims Acts, monetary recoveries can be sought when a person or a corporation knowingly presents or causes to be presented a false claim to the Medicaid Program. All monetary recoveries under the FCA are proportionately allocated amongst the states based upon a state's actual Medicaid damages. In addition, settlement awards typically are divided between the federal and state governments to offset each government's proportionate contribution to that state's Medicaid program.

In calendar year 2018, in partnership with NAMFCU, New Jersey recouped a total of \$884,738.51 (including interest) for the Medicaid program, which includes payment for both the federal and State portion of Medicaid. For this period, the State recovered a net amount (State portion only after adding interest and deducting the federal portion and Relators' shares) of \$336,396.10.

New Jersey participated in 10 NAMFCU FCA settlements. The following cases yielded the most significant recoveries.

United States *et al.*, ex rel. Bergman v. Abbott Laboratories **Civil Action No.: 09-CV-4264 (E.D.P.A.)**

The NAMFCU TriCor State Settlement Team, working with the United States Department of Justice (USDOJ) and the U.S. Attorney's Office for the Eastern District of Pennsylvania (EDPA), reached an agreement with Abbott Laboratories (Abbott) arising out of the *qui tam* case, *United States et al., ex rel. Bergman v. Abbott Laboratories*, No. 09-CV-4264 (EDPA).

This settlement resolved the Relator's allegations that Abbott caused the submission of false claims to government health care programs through off-label marketing of the prescription drug TriCor. In addition, the Relator claimed that Abbott paid kickbacks to physicians to induce the off-label prescribing of TriCor.

The overall Medicaid portion (State and federal) of the total settlement was \$4,024,609 plus accrued interest. Accordingly, the federal share of the Medicaid recovery was \$2,190,997 and the states' share was \$1,833,612. New Jersey's share (State and federal) was \$241,885.95; New Jersey's net state recovery, after payment of Relator's and federal shares, was \$110,888.67.

3 *Qui tam* lawsuits are a type of whistleblower (known as a "relator") lawsuit that is brought under the False Claims Act. *Qui tam* roughly translates to "he who brings an action for the king as well as for himself." A *qui tam* lawsuit is a powerful way for whistleblowers to help the government stop Medicaid fraud.

United States of America, et al., ex rel. Michael Mullen v. Amerisource Bergen Corporation, et al., Civil Action No. 10-CV-4856 (E.D.N.Y.)
United States, et al., ex rel. Omni Healthcare Inc. v. Amerisource Bergen, et al., Civil Action No. 12-CV-1178 (E.D.N.Y.)

The Amerisource Bergen State Team, working in conjunction with the United States Attorney's Office for the Eastern District of New York and the US DOJ reached an agreement in principle with Amerisource Bergen Corporation (ABC) to settle allegations that ABC and certain subsidiaries failed to register as a re-packager. ABC was accused of adulterating the cancer drugs Procrit, Aloxi, Kytril, Anzemet, and Neupogen by "breaking the seal" and supplying the drugs in pre-filled syringes without FDA oversight.

ABC agreed to pay the United States and the Medicaid Participating States the sum of \$625,000,000 plus accrued interest at the rate of 2.375% per annum commencing on December 1, 2017, until the day before payment was made. The portion of the settlement for non-Medicaid federal health care programs (Medicare, Tricare, Federal Employees Health Benefits Plan and Veteran's Administration) was \$525,136,431. The Medicaid settlement amount (federal and state dollars) was \$99,863,569. The "state only" Medicaid settlement amount was \$43,190,994, of which \$23,282,684.21 was restitution and \$19,908,309.79 was additional recoveries. The total New Jersey settlement, State and federal portions, was \$3,800,485.56. The State share was \$1,857,834.72 and the Relator's share was \$127,992.75.

United States, et al., ex rel. Ryan Bliss v. Biocompatibles, Inc., et al., Civil Action No.: 13-CA-0667 (W.D. TX)

The NAMFCU AngioDynamics State Team, working in conjunction with the United States Attorney's Office for the Western District of Texas and the US DOJ reached an agreement in principle with AngioDynamics, Inc. (AngioDynamics). The agreement settled allegations that AngioDynamics promoted its LC Bead medical device off-label. Previously, the States and the federal government entered into a settlement agreement with another defendant, Biocompatibles LC. AngioDynamics was the last remaining defendant in the case.

AngioDynamics agreed to pay the United States and the Medicaid participating States the sum of \$11,500,000, plus accrued interest. The Medicaid collective state portion of the proposed settlement was \$621,393. New Jersey's share (State and federal) was \$26,828.97. New Jersey's net recovery, after payment of Relator's and federal shares, was \$10,401.16.

United States of America, et al., ex rel. Schwartz & Tinsly, et al. v. Allergan, Inc., Civil Action No.: 10-CV-2796 (D. Md.)

The NAMFCU Allergan Settlement Team, working with the United States Attorney's Office for the District of Maryland reached an agreement in principle with Allergan, Inc. (Allergan) to settle the above-captioned *qui tam* case. Allergan manufactured, marketed, and distributed a medical device called the Lap-Band. The Lap-Band is intended to aid in weight loss for severely overweight adults who have been obese for at least five years and for whom non-surgical weight loss methods have not been successful.

This settlement resolved claims related to allegations that the Lap-Bands leaked at a rate in excess of the 3% listed in the clinical trial that accompanied its FDA approval, and that Allergan engaged in off-label marketing in promoting the "Band over Bypass" surgery for patients who had a prior, failed gastric bypass surgery.

The total settlement amount was \$3.5 million. The total recovery for state Medicaid programs was \$434,000. New Jersey's total recovery, State and federal, was \$24,753.24. After payment of the federal share and the Relators' share, the State of New Jersey's net recovery was \$9,124.13.

**United States, et al., ex rel. McAdoo and Aldridge v. Natera, Inc.
Civil Action No. 15-CV-88-DJH (W.D. Ky)**

The NAMFCU Natera Settlement Team, working with the United States Attorney's Office for the Western District of Kentucky and the US DOJ, reached an agreement with Natera, Inc. (Natera) to settle allegations asserted against Natera in the above captioned *qui tam* action.

The total value of this proposed settlement was \$11,391,798.90. Of that amount, \$1,755,189.87 represents Medicaid recoveries. The state Medicaid settlement amount was \$756,183. New Jersey's total Medicaid recovery (State and federal) was \$19,347.21. The State's net share (after payment of the Relator's share and the federal share) was \$7,738.88.

Due to cash-flow considerations, Natera will pay the federal settlement amount in installments. The Medicaid Participating State settlement amount, however, was paid in one installment.

**United States, ex rel. Amanda Wu v. Alere San Diego, et al.,
Civil Action No.: 11-CV-1808 (D. Md.)**

The NAMFCU Alere State Team, working in conjunction with the United States Attorney's Office for the District of Maryland and the US DOJ, reached an agreement in principle with Alere San Diego, Inc. (Alere SD). The allegations in this matter were that Alere SD manufactured and distributed triage devices for use in rapid point-of-care testing, commonly used in emergency rooms, whose precision varied significantly from the precision stated in the tests' package inserts and FDA approval documents.

The federal and state agreements reflected an overall settlement amount of \$33,239,672 for all government programs. This amount was divided between Medicaid and other government programs, resulting in a Medicaid settlement of \$11,692,998.28. Alere SD agreed to pay the states the sum of \$4,860,779.38, plus accrued interest. New Jersey's total Medicaid recovery (State and federal) was \$177,431.59. New Jersey's net share (after payment of the Relator's share and the federal share) was \$70,646.42.

COUNTY PROSECUTORS' REIMBURSEMENT PROGRAM

The County Prosecutors' Reimbursement Program (Program) was established on May 19, 1998. Pursuant to the Automobile Insurance Cost Reduction Act of 1998 (AICRA), the Attorney General is authorized to reimburse County Prosecutors for their efforts in combating insurance fraud. Since its inception in 1998, the Program, administered by the Office of Insurance Fraud Prosecutor (OIFP) on behalf of the Attorney General, has funded fraud fighting units in most of the State's 21 County Prosecutors' Offices.

The funding cycles operate on a calendar year, and all County Prosecutors may apply to OIFP for up to \$250,000 per annum to cover some of the costs incurred in the investigation and prosecution of insurance and related crimes. County Prosecutors' Offices may apply annually to receive reimbursement.

OIFP has established written guidelines for the function and operation of this Program. The Program, however, does not cover all costs associated with the operation of a county insurance fraud unit. Funding is limited to salaries/wages and fringe benefits, as well as a dedicated amount to defray the costs of training. OIFP allocates funds to the counties based upon the justification for expenditures provided in each county's application. Counties expend their resources conducting anti-insurance fraud activities and are reimbursed on a quarterly basis after receipt of all required programmatic and financial reports for that quarter. Dedicated personnel in the program submit signed bi-weekly time and attendance certifications indicating the amount of time spent on insurance fraud matters. Counties receiving full-time equivalent (FTE or hourly) reimbursement must submit signed certifications indicating the employee's name, position, case information, amount of time spent on each case, and the hourly salary and fringe benefits rate. OIFP verifies the quarterly expenses by reconciling the county quarterly expense report with the approved program budget and then processes the county's request for reimbursement.

The funding and verification processes are identical for each county. Recent changes to the Program include the standardization of all reporting requirements and the development of user-friendly forms. Because of the counties' participation in this Program, the scope of New Jersey's fight against insurance fraud has widened. County Prosecutor insurance fraud units are an integral part of New Jersey's comprehensive war on insurance fraud and related crimes. Through their cultivation of local informants, their ability to tap local law enforcement resources and their unique familiarity with local crime demographics, County Prosecutor insurance fraud units are often able to identify and develop promising leads that culminate in successful criminal prosecutions.

During each calendar year, OIFP performs two types of reviews – on-site visits and a detailed case review. In addition to matters that are being investigated and prosecuted during these reviews, OIFP and county prosecutor personnel discuss progress, budgetary issues and other personnel/administrative matters. OIFP performs case reviews during which OIFP staff meets with County Prosecutor staff to discuss cases that are being investigated and prosecuted. As a further condition of participating in the Program, County Prosecutor personnel submit for OIFP's review quarterly and annual reports detailing Program statistics, including the number of cases opened and closed, how much money the County recovered, and case dispositions for cases accepted for prosecution.

Over the last two decades, the Program has been successful as OIFP continues to work closely with the County Prosecutors' Offices. OIFP provides a variety of trainings, the tools, and experience needed to be successful in the battle against insurance fraud. The working relationship between OIFP and County Prosecutors' staff has kept the program robust.

For the 2018 calendar year, the total amount awarded to the counties participating in this Program was \$3,794,158. For the June 16, 1999 to December 31, 2018 time period, the cumulative total awarded to the counties participating in this Program was \$64,580,844.

Some of the highlights of the counties' activities are below.

Burlington County Prosecutor's Office (BCPO)

State v. Samantha Martina

On April 19, 2018, defendant Samantha Martina was indicted for one count of third-degree insurance fraud. Martina had falsely reported to USAA, her auto insurance carrier, that her Chevy Tahoe had been stolen. Contrary to her claim, Martina had been operating her vehicle when she was involved in a hit-and-run motor vehicle accident, from which she had fled the scene. Martina drove her vehicle to a local repair shop where it was ultimately located by Mansfield Township Police.

On June 11, 2018, Martina was accepted into Pre-Trial Intervention for 18 months, required to maintain employment, and ordered to pay mandatory fines and penalties. Martina subsequently confessed to Mansfield Police to filing a false police report. For that offense, she pleaded guilty in municipal court to local ordinance offenses.

State v. Diandre Chandler

In 2018, defendant Diandre Chandler was indicted and pleaded guilty to third-degree insurance fraud. This case involved a suspicious rental car accident. A claim was submitted to Personal Service Insurance by Budget Rental Cars on behalf of Chandler, their customer. Personal Service Insurance flagged Chandler's claim as suspicious because the tow receipt indicated that the motor vehicle accident had actually happened two days prior to the submission of the claim, and one day prior to the inception of Chandler's car insurance policy.

The BCPO Insurance Fraud Unit acquired the original motor vehicle accident report, tow slips, and incident report submitted by Chandler. These documents revealed that the rental vehicle was being driven by defendant's girlfriend Natasha Phelps, who was involved in an auto accident involving a fixed object on April 16, 2017. The police report showed that Phelps was the driver, and there were no other occupants. On April 18, 2017, defendant opened a policy with Personal Service Insurance. Defendant claimed that the accident had occurred on April 19, 2017, with him as the driver. On January 25, 2019, Diandre Chandler was sentenced to one year of probation and was ordered to pay \$5,000 in restitution to Budget Rental Cars.

State v. Zumar Dubose

On June 21, 2018, Zumar Dubose was indicted for third-degree insurance fraud and fourth-degree false reports to the police. Dubose submitted a claim to Assurant Renters Insurance for an address in Moorestown in which she claimed that a Gancini Belt and a pair of Indiana Polarized Sunglasses valued at \$983.28 were stolen. The claim was flagged as suspicious when it was noticed that the phone number used by the claimant was the same phone number for a similar claim in Essex County, New Jersey.

The claimant used the identity of "Ryan Hansen" and provided a police report that was submitted online through Moorestown Police Department's online reporting service. Assurant's Special Investigations Unit began investigating the claim, as well as a similar claim in Essex County and found that in both claims the allegedly stolen merchandise was purchased at the same Nordstrom around the same time in Cherry Hill, New Jersey. The BCPO Insurance Fraud Unit was able to identify the IP address used to submit the online police report and found that it belonged to a house in Waterford, New Jersey. The BCPO investigation further involved conducting background investigations on each individual residing at the residence and found that Dubose had numerous Insurance Services Office (ISO) claim submissions and a criminal history including multiple frauds. BCPO investigation further revealed that the cell phone records, and P.O. Box where "Hansen" requested to be paid, related back to Dubose.

BCPO's Insurance Fraud Unit shared the findings of its investigation with the Essex County Prosecutor's Office, which resulted in Dubose also being charged with second-degree insurance fraud in that county. Dubose is currently a fugitive and has an active warrant for his arrest.

State v. Frank Zanino, Jr.

On August 7, 2018, defendant Frank Zanino, Jr., was indicted for one count of third-degree tampering with public records or information. Zanino wrote down a fraudulent insurance policy number on his vehicle registration application at the NJ Motor Vehicle Commission (MVC) office in Mount Holly Township. The investigation and prosecution were the direct result of the BCPO's Insurance Fraud Unit working proactively with the NJ MVC to crack down on fraudulent registrations and insurance.

On November 13, 2018, Zanino was accepted into PTI for one year. He is required to maintain employment, perform 25 hours of community service, and pay mandatory fines and penalties.

State v. Donald Horner

On October 1, 2018, defendant Donald Horner, then the Chief of Delran's Emergency Squad, was arrested by the BCPO's Insurance Fraud Unit and charged with the following: second-degree offenses of insurance fraud, computer criminal activity, and witness tampering; third-degree offenses of terroristic threats, theft by deception, fraudulent documents, and tampering with public records; and fourth-degree offenses of altering medical records and obstruction.

The charges against Horner were the result of several months of investigation conducted by the BCPO. In June 2018, New Jersey Office of Emergency Management Investigators met with the BCPO Insurance Fraud Unit to discuss an alleged fraud committed by Horner. The State investigators received a tip that he was continuing to work on ambulances responding to calls, transporting patients, and billing for services without an active Emergency Medical Technician certification. Under the State licensure agreement for EMS agencies, two certified EMTs must be on the ambulance in order to bill for services. When the State investigators went to the Delran Emergency Squad to investigate the alleged offense, Horner threatened their lives, causing them to stop the investigation.

Over the course of the investigation, the BCPO Insurance Fraud Unit conducted numerous interviews and acquired records that contained audit trails showing all of Horner's activities within the patient care reporting system, which is used for each patient contact/bill. The audit trails showed that Horner would login and alter patient care reports by removing his name as a provider and adding in a certified EMT who was not originally on the care report. The investigation concluded that 27 patient care reports had been altered by Horner. Out of those 27 patient care reports, 11 were used to bill private insurance providers \$9,845.50, which led to Delran Emergency Squad receiving payment in the amount of \$3,728.34.

Camden County Prosecutor's Office

State v. Thomas Giannisis and Robert Zbikowski

On February 15, 2018, defendants Thomas Giannisis and Robert Zbikowski were arrested and charged with first-degree arson-for-hire and related second and third-degree crimes in connection with a fire at the Country Town Diner in Berlin Borough. Giannisis owned the business. Prior to the fire, Giannisis owed back rent, back wages, back taxes, and was in arrears on loan payments. The diner was insured through Northland Insurance Company. In exchange for \$20,000 of the anticipated insurance proceeds, Zbikowski agreed to torch the building.

The fire erupted shortly before midnight on January 10, 2018. After the blaze was extinguished, the building was inspected by investigators and detectives from the Berlin Borough Police Department, the Camden County Prosecutor's Office, and the Federal Bureau of Alcohol, Tobacco, Firearms and Explosives. Based on the fire accelerant found at the scene and other evidence, the fire was ruled an arson.

Immediately following the fire, Giannisis filed an insurance claim for a total loss, exceeding \$900,000. Following Zbikowski's statement to the police admitting his role in the scheme and implicating Giannisis, both men were indicted on the arson charges as well as charges for second-degree insurance fraud and other related second-degree crimes. Zbikowski has pleaded guilty to second-degree arson and second-degree conspiracy to commit insurance fraud.

State v. Patricia Ruple and Heather Rough

On March 1, 2018, defendants Patricia Ruple and Heather Rough, mother and daughter, were indicted for second-degree insurance fraud and conspiracy, and related third-degree crimes in connection with a motor vehicle accident “jump in” claim. On March 25, 2013, Rough, who was unlicensed, was driving a family-owned vehicle in Camden. She was involved in an accident in front of Our Lady of Lourdes Hospital. At that time, Ruple was being treated in the hospital’s emergency department. Immediately following the accident, Rough called Ruple on her cell phone. Ruple, a licensed driver, left the hospital and went straight to the scene. From that time forward, Ruple and Rough maintained that Ruple had been driving the car and Rough had been a passenger.

In addition to the claim submitted for damage to the vehicle, both Rough and Ruple submitted claims for bodily injury. Unsatisfied with Progressive Insurance Company’s offers of settlement, the two engaged an attorney who unwittingly filed suit. The emergency room records were produced in the civil action. A note from an attending nurse stated that Ruple said she had just received a call from her daughter advising her that the daughter had been in an accident and that she was leaving the hospital immediately, against medical advice. Prior to uncovering the fraud, Progressive incurred more than \$14,000 in medical expenses associated with Ruple’s claim.

State v. Elmer Johnson

On July 23, 2017, defendant Elmer Johnson’s car broke down in a toll lane on the Walt Whitman Bridge. During the incident, Johnson provided a fake GEICO insurance identification card to the Delaware Port Authority Officer who had assisted him. Following a jury trial in April 2018, Johnson was found guilty of fourth-degree simulating an insurance identification card and fourth-degree forgery. He was sentenced to three years of probation on May 25, 2018.

Cape May County Prosecutor’s Office

State v. Family Practice Associates

This case originated as a citizen theft complaint and resulted in four individuals being charged with health care claims fraud, including two physicians, defendants Drs. Wayne Schneider and Stephen Saul. Schneider was the CEO of Family Practice Associates in Marmora, New Jersey. He hired Saul in 2017 to assist in managing the office. In addition to stealing physical supplies, Schneider also realized that Saul had been giving himself bonuses and raises without authorization. Through several interviews and the review of subpoenaed records, it was determined that Saul had been fraudulently billing primarily Horizon Blue Cross Blue Shield for services not rendered and using the extra funds to provide himself and other employees with raises and/or bonuses.

On October 4, 2018, Family Practice Associates’ employees Dr. Stephen Saul, Dr. Wayne Schneider, Dr. Nicole Leo, and Catherine Gibson were all charged with second-degree health care claims fraud, and third-degree offenses of money laundering, theft by deception, and conspiracy.

State v. Darren Berry

Defendant Darren Berry was indicted for third-degree insurance fraud and fourth-degree false statement because he reported to the North Wildwood police and his insurance carrier, Nationwide Insurance, that his 2012 Suzuki motorcycle had been stolen, when in fact it had not been stolen. Nationwide Insurance paid Berry \$12,589 for his loss. Several months later, the North Wildwood Police Department received information from Berry’s wife that the motorcycle was never stolen and parts of it remained in their Philadelphia home. After the execution of a search warrant, the Philadelphia Police Department found the engine belonging to that vehicle and the license plate, along with other smaller parts, inside Berry’s home. Berry was arrested and extradited to New Jersey.

On January 15, 2019, Berry was indicted in a superseding indictment for third-degree insurance fraud and fourth-degree false statement.

Cumberland County Prosecutor's Office

Although the Cumberland County Prosecutor's Office had no insurance fraud cases to report for 2018, Cumberland is preparing to undertake insurance prosecutions for 2019. Cumberland prosecutors attended OIFP's "All Hands" meetings and the "What You Need to Know to Successfully Investigate and Prosecute Insurance Fraud" Continuing Legal Education courses. These opportunities were invaluable in providing an understanding of some of the investigative, evidentiary, and legal issues that may arise in insurance fraud cases.

In addition, the Office recently signed onto the County Prosecutors' Reimbursement Program.

Essex County Prosecutor's Office

State v. Raymond Brock-Murray

On February 1, 2018, defendant Raymond Brock-Murray, a licensed psychologist, was indicted on multiple charges related to fraudulent insurance claims that he submitted as a health care provider between January 5, 2014, and June 21, 2017. Those charges included the following: first-degree money laundering; second-degree health care claims fraud; second-degree insurance fraud; third-degree failure to file tax returns; and third-degree failure to pay taxes. Defendant submitted numerous false and/or inflated insurance claims to Aetna and/or Cigna for payment from said insurance companies for services not provided. During the period of time charged in the Indictment, Brock-Murray received more than \$500,000 from the insurance companies for the fraudulent claims and used those proceeds to create LLCs and purchase three homes with cash.

On January 22, 2019, Brock-Murray pleaded guilty to second-degree health care claims fraud, in exchange for the following: a recommendation of a flat five-year state prison sentence, no position taken by the prosecutor on his admission into the Intensive Supervision on Parole Program (ISP);⁴ restitution in the amount of \$500,000 to Aetna and \$13,000 to Cigna; and forfeiture of his property rights and/or proceeds from the sales of the three homes he purchased. Additionally, Brock-Murray signed a Consent Order to revoke his license as a professional counselor in the State of New Jersey.

State v. Nalio Scott

On November 1, 2018, defendant Nalio Scott was indicted on one count of third-degree insurance fraud for submitting a fraudulent insurance claim to Liberty Mutual for items allegedly stolen from him. Specifically, on June 25, 2017, Scott purchased a renter's insurance policy from Liberty Mutual through the internet for a property located in Irvington, New Jersey. He stated that he lived in this residence with his mother and paid her rent for a room. About a month later, on July 21, 2017, defendant reported to Irvington Police Department that while he was walking home from work, someone pulled off his backpack and ran away with it. Scott contacted Liberty Mutual to report the loss. He claimed that the backpack contained a laptop computer that he had recently purchased for \$1,400, a necklace with pendant worth \$3,500, a microphone worth \$1,700, and a Nikon lens that he purchased for \$1,430.

When Liberty Mutual asked Scott to provide receipts for those purchases, he provided receipts, which were later determined to be fraudulent. The receipt he provided for the laptop showed it was purchased by debit card from Best Buy. When the investigator from Liberty Mutual interviewed Scott, he initially stated that he no longer had the debit card, but when he later provided a picture of the card used to purchase the laptop, it was a debit card belonging to another individual. That individual advised Liberty Mutual that he bought the laptop and later sold it to Scott. Similarly, receipts from eBay that Scott provided as proof of purchase for the microphone and Nikon lens, also were deemed fraudulent by eBay. Furthermore, Scott eventually contacted Liberty Mutual and informed them that he no longer wanted to proceed with his claim.

4 "To be considered for entry into ISP, an inmate must have been convicted of a non-violent offense and be sentenced to a state prison term. Those who have been convicted of a 1st degree crime, bribery, corrupt influence, murder, robbery, or any sexual offense are automatically denied from participating in ISP. Those who are not committed to a state prison, have pending charges, or have a mandatory parole ineligibility are also denied from participating in ISP. Those applicants with an aggravated assault conviction are not automatically denied. Each case is closely reviewed by the Regional Office and/or the Screening Board to determine the eligibility of the applicant. See <https://njcourts.gov/courts/probation/ispprocess.html>

State v. Starobensky Louis

On August 2, 2018, defendant Starobensky Louis was indicted and charged with third-degree insurance fraud as a result of submitting a false claim of loss for stolen property. On June 13, 2017, Louis had purchased a renter's insurance policy from Allstate Insurance for his residence in Irvington, New Jersey. On September 9, 2017, Louis reported to the Irvington Police Department that three items had been stolen from his apartment after he had invited several people over for a party. The missing items were a Canon camera that he claimed he purchased for \$3,200, a Matrice drone for \$5,000, and a laptop for \$2,000. Louis was not able to provide receipts for those items when he made the police report. After Louis filed the claim with Allstate, he submitted receipts for the purchase of the items, which appeared to have been purchased from a store called NJTEK. The Allstate investigator obtained a sworn statement of proof of loss from Louis. Additionally, when the investigator met with the owner of the NJTEK store, and showed him Louis' purported invoices, the store owner advised that those invoices were fraudulent and they were not the kind of receipts/invoices he used. In fact, the owner printed a true copy of an invoice for the investigator.

On January 19, 2019, Louis applied to and was admitted into PTI for 24 months.

State v. Kofi Ameyaw

On December 5, 2018, defendant Kofi Ameyaw was charged with one count of insurance fraud for submitting a false insurance claim on May 30, 2018, for a damaged computer. Ameyaw submitted a claim to his homeowner's insurance company, American Bankers Insurance Company, stating that a MacBook computer was damaged in a thunderstorm. Ameyaw submitted a receipt from Amazon, which allegedly showed his purchase of the computer. A subpoena was sent to Amazon regarding the purchase of the allegedly damaged MacBook. The returned subpoena information showed that Ameyaw had ordered the MacBook and then subsequently canceled his order. Amazon's records indicated that the company never prepared a MacBook for shipping nor shipped it.

Gloucester County Prosecutor's Office (GCPO)

State v. Rashanda Key

On September 14, 2018, defendant Rashanda Key was arrested and charged with second-degree insurance fraud and driving without insurance. The investigation revealed that following a motor vehicle accident, Key misrepresented that she carried auto insurance by presenting an inactive CURE Insurance card as proof of insurance to the police. Shortly thereafter, Key purchased new policies and filed false auto insurance claims with both Progressive and Personal Service Insurance in an attempt to obtain coverage for repairs to her vehicle's pre-existing damages. Key misrepresented facts in both of the insurance policy applications and proceeded to file fraudulent claims with each company. Upon arrest, she confessed to these falsifications and insurance fraud.

The GCPO Insurance Fraud Unit was able to investigate and prosecute this case with the assistance and cooperation of personnel from OIFP, NICB, Monroe Township Police Department, CURE Insurance, Progressive Insurance, and Personal Service Insurance.

State v. Luz E. Moreno

The GCPO, in partnership with NICB and the New Jersey Motor Vehicle Commission (MVC), conducted a "Facial Scrub" investigation into defendant Luz E. Moreno after the MVC alleged that she had successfully obtained a digital New Jersey non-driver's identification card under a false identity. Moreno had submitted the signature and identifying credentials of a friend to obtain this ID card. A high-tech facial recognition program was utilized to analyze side-by-side comparisons of Moreno and the false identification image and credentials submitted to the MVC. This analysis revealed that both subjects had the same facial features, blemishes, and eye color. Surveillance video also showed Moreno entering the MVC and successfully obtaining the digital ID card on the date in question.

On July 11, 2018, Moreno confessed to filling out, signing, and submitting a government application using her friend's signature and credentials to obtain an ID card. Moreno was charged with second-degree uttering of another's identifying information to obtain government identification and third-degree forging a government application.

On January 25, 2019, Moreno was admitted into PTI for 36 months.

State v. Kesha L. Gentry-Muhammad

With the assistance of OIFP, NICB, and Liberty Mutual, the GCPO Insurance Fraud Unit determined that defendant Kesha L. Gentry-Muhammad committed insurance fraud by submitting a fraudulent invoice to Comcast Corporation, in an attempt to receive reimbursement from Liberty Mutual, Comcast's insurer, for a water removal service. The investigation revealed the following: the alleged water removal company did not exist, the invoice's address was not a valid address, and the phone number and email address on the invoice were not valid. When confronted with the discrepancies, Gentry-Muhammad confessed to detectives that she had created and submitted the fraudulent invoice for reimbursement purposes.

On May 4, 2018, Gentry-Muhammad was charged with third-degree insurance fraud and fourth-degree tampering with records. On July 26, 2018, she pleaded guilty to an Accusation for third-degree insurance fraud. On October 5, 2018, she was sentenced to a one-year term of probation.

State v. Rasheed K. Coleman

The GCPO Insurance Fraud Unit investigated defendant Rasheed K. Coleman on suspicion that he had committed several acts of forgery and theft by submitting fraudulent timesheets to his employer, which was insured by Crum & Forster Insurance Company. This prosecution was aided by OIFP, NICB, and Crum & Forster. This investigation revealed that Coleman had sustained a minor work-related injury, which resulted in workers' compensation benefits. Coleman volunteered to participate in a charity program for employees on light-duty during his recovery from work-related injuries. This charity program, sponsored by Crum & Forster, allowed employees to continue to earn wages from their employer for hours worked at the non-profit organization. It was determined that Coleman never obtained his supervisor's signature on any of the timesheets he submitted, and it was confirmed via a manual logbook that the submitted timesheets contained hours that he never worked. When questioned by detectives, Coleman confessed to forging his supervisor's signature on his timesheets and successfully deceiving his employer and the insurance company so that they would pay him wages for hours he never worked.

On February 26, 2018, Coleman was charged with five counts of forgery and one count of theft by deception. On July 30, 2018, he pleaded guilty to one count of third-degree forgery. On September 28, 2018, Coleman was sentenced to a one-year term of probation. He was also ordered to pay \$1,928.16 in restitution.

State v. Melissa Linker

The GCPO conducted an investigation into defendant Melissa Linker, with assistance from OIFP, NICB, the Monroe Township Police Department, and Progressive Insurance, on suspicion that she misrepresented facts on her application for auto insurance, resulting in thousands of dollars in avoided premiums. This investigation revealed that on June 6, 2018, Linker purchased auto insurance from Progressive, listing herself as "single" and the only driver in the household. After a claim was submitted for an auto accident in which Linker's husband had been driving an insured vehicle, it was determined that defendant should have added her husband to the policy to have proper coverage. Given Linker's husband's driving history, if he had been properly added to the policy, Linker's auto insurance premiums would have been thousands of dollars higher.

On October 30, 2018, Linker gave a statement to detectives, admitting to misrepresenting the facts on her Progressive application after unsuccessfully attempting to insure her husband with five different insurance companies. Linker was charged with third-degree insurance fraud.

Hudson County Prosecutor's Office (HCPO)

State v. Harvey Nuila and Charlie Serrano

This matter was a joint investigation between the HCPO Insurance Fraud Unit (IFU) and the Jersey City Arson Unit. The Jersey City Arson Unit responded to an Audi A6 car fire in Jersey City. The Arson Unit concluded that the fire was the result of arson and requested that the owner of the vehicle, defendant Harvey Nuila, appear for an interview. During his interview, Nuila claimed he saw his vehicle in East Rutherford after the torched vehicle was already impounded in Jersey City. In addition, Nuila provided the investigators with two sets of transponder keys, making a theft of his Audi highly unlikely. The IFU prepared a communications data warrant for Nuila's cell phone's GPS data. The obtained information contradicted what Nuila had told investigators about his whereabouts on the evening of the fire.

On February 1, 2018, Nuila was arrested and confessed to paying \$800 to defendant Charlie Serrano to burn Nuila's car. Information gleaned from a communications data warrant of Serrano's cell for GPS data also put Serrano at the scene of the fire.

On May 5, 2018, Nuila was charged by Accusation with third-degree insurance fraud. He was admitted into PTI for one year. On June 1, 2018, Serrano pleaded guilty to third-degree arson. On September 28, 2018, he was sentenced to two years' probation.

State v. Kerwin Rigaud and Roberto Herrera

Pantaenius Insurance reported that on March 20, 2017, defendant Kerwin Rigaud made a claim for preexisting damage to his yacht, "Miss Behaving," which he kept at Liberty Harbor Marina in Jersey City. Rigaud told Pantaenius that his yacht was damaged in a snowstorm. A Pantaenius investigator, however, concluded that Rigaud's claim was fraudulent.

As a part of its investigation, the IFU reviewed reports of damage from a previous claim that Rigaud had made on his yacht to Farmers Insurance on July 25, 2016. It was apparent that his most recent claim to Pantaenius was a duplicate of the claim Rigaud had previously submitted to Farmers. It also appeared that Rigaud never had the damage related to the Farmers claim repaired. In addition, the IFU obtained an audio recording from Farmers Insurance of Rigaud falsely stating that he had not had previous claims on his yacht when he opened his policy on July 6, 2016.

On February 8, 2018, after being confronted with his audio recordings to Farmers Insurance, Rigaud confessed to a scheme to commit insurance fraud on both Pantaenius Insurance and Farmers Insurance. During his confession, Rigaud implicated his yacht mechanic, defendant Roberto Herrera, as being a knowing participant in the scheme. Rigaud also entered into a cooperation agreement with the State under which he agreed to testify against Herrera.

On March 27, 2018, Herrera confessed to the IFU that he intentionally misled the investigator from Pantaenius. Herrera admitted that he had previously done repair work on Rigaud's yacht even though Herrera had told the investigator that he had not.

On February 27, 2018, Rigaud pleaded guilty to two counts of third-degree insurance fraud. On April 17, 2018, Herrera pleaded guilty to third-degree insurance fraud. On June 21, 2018, Herrera was sentenced to a one-year term of probation. On July 3, 2018, Rigaud was sentenced to two years' probation. He was also ordered to pay restitution in the amount of \$137,895.90 to Farmers Insurance and \$53,058 to Pantaenius Insurance.

State v. Joel Rodriguez, Mayelin Rodriguez and Ruddy Perez

On December 17, 2018, defendant Joel Rodriguez reported to Integon Insurance that while he was driving his 2009 Toyota Sienna van in Teaneck, he was hit from behind by a sedan driven by Rhonda Wade. Joel Rodriguez also claimed that his wife and friend were in the van at the time of the accident and that all three were injured.

Wade told IFU investigators that only Joel Rodriguez was in the van. Photos taken by Wade at the scene clearly showed only minor damage to the van. Because the van had tinted windows, the photos did not provide conclusive evidence as to who else might have been in the van.

On July 16, 2018, examinations under oath were taken of defendants Joel and Mayelin Rodriguez, and Ruddy Perez by an attorney for Integon Insurance. The IFU reviewed these transcripts and uncovered many inconsistencies. On August 27, 2018, Joel Rodriguez gave a full confession and admitted that he was working as an Uber driver at the time of the accident and that neither his wife, Mayelin Rodriguez, nor his friend, Ruddy Perez were with him in the van.

On September 18, 2018, Joel Rodriguez and Ruddy Perez pleaded guilty to third-degree insurance fraud. On November 9, 2018, both were admitted into PTI for one year. On December 17, 2018, Mayelin Rodriguez entered PTI for one year.

State v. Steven Hart

Defendant Steven Hart, a Hoboken resident, filed a theft claim for \$35,000 with American Bankers Insurance. Hart claimed that on June 22, 2018, he was in San Francisco on a business trip and that his wife's jewelry was taken from a bag that he left on a chair at a Starbucks. Starbucks' security reviewed store video at the request of American Bankers Insurance and advised that the video did not show anyone fitting Hart's description at the time he claimed the jewelry was taken. At the time of the alleged theft, Hart was the Chief Compliance Officer at Cantor-Fitzgerald and used his position to bolster his credibility with the investigator at American Bankers Insurance. During the course of the investigation, the IFU discovered that Hart had been indicted in Manhattan on other unrelated fraud and drug charges. The IFU sent a subpoena to Cantor-Fitzgerald for Hart's work attendance information and received back electronic swipe data that conclusively showed Hart was at work in his New York City office on June 22, 2018, when he claimed to have been in San Francisco.

On November 7, 2018, Hart made a full confession. On November 15, 2018, he pleaded guilty to third-degree insurance fraud.

State v. Jose Mejia and Ingrid Argueta

This investigation was initiated as a result of a citizen complaint made directly to the HCPO on March 6, 2018. The complainant told the IFU that on October 15, 2018, while she was driving her vehicle on Routes 1 & 9 in Jersey City, she rear-ended another vehicle that was driven by defendant Jose Mejia. According to the complainant, there were two other men in the Mejia's vehicle at the time of the accident. Mejia told the complainant that the car belonged to defendant Ingrid Argueta and provided her with Argueta's telephone number. The complainant called Argueta at the scene and they both agreed to resolve the accident privately without going through insurance.

The complainant explained that when efforts to resolve the accident claim privately did not work out, Argueta filed a claim through GEICO, the complainant's auto insurance carrier. Argueta told GEICO that she was driving the vehicle at the time of the accident and as a result sustained serious injuries. In addition, Argueta and Mejia filed a civil suit against the complainant for injuries and damages stemming from the accident.

The complainant turned over phone records as evidence that she was on the phone with Argueta immediately after the accident. The complainant also turned over video surveillance that she obtained from a nearby business that showed Mejia and his two coworkers approaching her after the accident.

In light of the evidence that the complainant provided and the reports from GEICO, Mejia and Argueta were arrested on March 13, 2018, and charged with second-degree insurance fraud. On April 5, 2018, both of them pleaded guilty to third-degree insurance fraud. They both agreed to make restitution of \$21,575.94 to GEICO for medical treatment they received.

On June 22, 2018, Mejia was sentenced to one year of probation. On July 28, 2018, Argueta entered PTI for one year.

Middlesex County Prosecutor's Office

State v. Macaulay Williams

In 2013, defendant Macaulay Williams had submitted a false insurance claim to Liberty Mutual Insurance Company for \$1,500 in rent that he did not pay. In May 2018, after a two-week trial, Williams was found guilty of third-degree insurance fraud and third-degree theft by deception.

On August 13, 2018, Williams was sentenced to one year of probation.

State v. Rev. Robert Keith

Defendant Rev. Robert Keith was charged with third-degree insurance fraud, multiple counts of second-degree money laundering, and identity theft for stealing more than \$700,000 from a small heating company when he was their bookkeeper. Keith used the company's credit cards, which he stole, to make numerous purchases and to pay his car insurance.

On June 11, 2018, Keith pleaded guilty to first-degree money laundering and third-degree insurance fraud. For his money laundering conviction, Keith was sentenced to 10 years New Jersey State Prison with a four-year parole disqualifier consecutive to his four-year prison sentence for insurance fraud.

State v. David Boland

Defendant David Boland was charged with setting fire to his home in Woodbridge, New Jersey. He thereafter submitted a claim for the damage that he had caused. In an Examination Under Oath, Boland lied about several key facts, including the cause of the fire. Boland was charged with aggravated arson, theft by deception, insurance fraud, and false swearing.

Because of various legal issues related to a change of venue motion and the dismissal of a jury, on December 17, 2018, Boland pleaded guilty to third-degree insurance fraud and fourth-degree false swearing. The disposition of this matter is scheduled for 2019.

State v. Wagih Tadros

This medical over-billing case involved defendant Wagih Tadros, a doctor who charged for weight-loss procedures that were unrelated to weight loss.

On July 16, 2018, Tadros applied to and was admitted into PTI for 36 months. He also agreed to pay \$45,488 to Horizon Insurance Company as restitution.

State v. Desiree C. Young

Defendant Desiree C. Young purchased a car, which had preexisting damage, and falsely claimed that the damage occurred after she bought the car. She had attempted to insure the car with GEICO, but GEICO denied her coverage because of her failure to pay her premiums. Thereafter, Young obtained a policy with Progressive Insurance Company and filed a claim for the same damage that she had previously claimed with GEICO.

Morris County Prosecutor's Office (MCPO)

State v. Adalberto Rivas

The MCPO Insurance Fraud Unit (IFU) conducted an investigation that proved that defendant Adalberto Rivas was a roofing contractor who had presented himself to residential customers as Tiger Roofing, with which he had no affiliation at that time. Rivas also utilized a copy of Tiger Roofing's Certificate of Insurance to secure contracts

for roofing projects. He came into possession of this Certificate of Insurance when he worked on prior roofing projects with Tiger Roofing as a subcontractor.

On March 20, 2018, Rivas pleaded guilty to the third-degree offenses of forgery-uttering and theft by deception. On April 20, 2018, Rivas was sentenced to two years' probation and ordered to perform community service.

State v. Krystle Barcia and Ashley Sierbinski

On February 13, 2018, defendant Krystle Barcia was charged with the third-degree offenses of insurance fraud, computer theft, identity theft, practice of medicine by an unlicensed person, forgery, forgery-uttering, and two counts of obtaining a controlled dangerous substance by fraud, and the fourth-degree offenses of theft by deception, and two counts of obtaining a prescription legend drug by fraud.

On February 12, 2018, defendant Ashley Sierbinski was charged with the third-degree offenses of computer theft, forgery, forgery-uttering, identity theft, and obtaining a controlled dangerous substance by fraud.

These charges stemmed from an investigation conducted by the IFU, in conjunction with the Kinnelon Police Department. The investigation was based on information received from Kinnelon Dermatology, which reported that Barcia, an employee, had been fraudulently writing e-script prescriptions for friends (including Sierbinski) and family members for prescription pills, creams, and medical procedures. Kinnelon Dermatology advised the police that Barcia had sent prescriptions to various pharmacies using a doctor's name without his/her permission, authorization, and/or knowledge. Barcia was not a licensed practitioner authorized to dispense prescriptions.

On August 6, 2018, both Barcia and Sierbinski entered into PTI for two years.

State v. Katherine Rinaldi

On April 9, 2018, defendant Katherine Rinaldi was arrested and charged with two third-degree counts of insurance fraud and two fourth-degree counts of forgery-uttering. The IFU conducted an investigation that determined that Rinaldi had submitted claims for dental care to Delta Dental for services performed upon her children when those services had previously been billed to, and paid for by, the New Jersey Department of Child Protection and Permanency (DCP&P). The investigation revealed that Rinaldi had been advised by dental office personnel that payment for any dental services rendered would be arranged through, and paid for by, DCP&P. Before her submission of these claims to Delta Dental, Rinaldi was well aware DCP&P would pay for the services.

On May 14, 2018, Rinaldi entered PTI for one-year.

State v. Daneisha Walker

The IFU, in conjunction with the Mt. Olive Township Police Department, conducted an investigation that proved that defendant Daneisha Walker had entered and submitted fraudulent prescription slips for Roxicodone (Oxycodone), a Schedule II narcotic, to the Mt. Olive CVS Pharmacy. The forged prescriptions listed "I.M." as the patient. The forged prescriptions were submitted by CVS to Optumrx for payment. Optumrx paid the claims in full and without any co-payment.

The investigation revealed that Walker resided in Irvington, New Jersey, and had traveled more than 35 miles to the CVS Pharmacy in Mt. Olive to commit these crimes. It was determined that Walker had no work, family, or social connections to the Mt. Olive area. The prescriptions were confirmed as forgeries by the medical provider, Internal Medicine/Nephrology.

On June 28, 2018, Walker entered PTI for one year for the third-degree offenses of conspiracy to possess a controlled dangerous substance, conspiracy to obtain a controlled dangerous substance by fraud, conspiracy to commit forgery by uttering fraudulent prescription slips, and the fourth-degree offense of hindering apprehension.

Ocean County Prosecutor's Office (OCPO)

State v. Ryan Proud

On February 13, 2018, the OCPO received a referral from the New Jersey Department of Banking and Insurance, Bureau of Fraud Deterrence regarding a fraudulent insurance card uttered by defendant Ryan Proud. After an investigation conducted by the OCPO, it was determined that on December 20, 2017, Proud had been in a motor vehicle accident in the Township of Brick. When officers responded to the scene, he presented them with a fraudulent insurance identification card from Lloyd's of London Casualty RRG.

As a result of this fraudulent uttering of an insurance card, on January 24, 2019, Proud was charged with one count of exhibiting a false motor vehicle insurance card. Proud is a fugitive from justice.

State v. Carlo Amato

In January 2016, the FBI opened a joint investigation with the OCPO Special Investigations Unit (SIU) regarding allegations that defendant Carlo Amato, a chiropractor in Lakewood, New Jersey, was involved in a fraudulent billing scheme, netting him millions of dollars in revenue. Amato operated a physical therapy practice known as Accident Recovery Physical Therapy and a chiropractic practice known as Chiropractic Care Consultants. Amato utilized the New Jersey's Open Public Records Act to receive police accident reports, which were delivered to his office weekly. More than 90% of Amato's patients were sourced from motor vehicle accidents.

The FBI and OCPO SIU devised a sting operation in which an undercover informant, posing as a car accident victim involved in a hit and run, would contact Amato's office seeking treatment. With the assistance of the NICB and Metropolitan Life Insurance Company (MetLife), a fake auto insurance policy was created, which would be monitored for billing submitted by Amato. The informant successfully sought and video-recorded his treatment on eight different occasions between June 2016 and October 2016.

During the course of the investigation, it was learned that Amato utilized accounts in his children's names to launder money and wire money to foreign accounts. The investigators also learned that Amato lived a lavish lifestyle, which included frequent luxury vacations. When he was away for extended periods of time, he would still continue to bill insurance companies for the treatment of patients. In fact, Amato billed the informant's insurance company for 47 visits, but the informant sought treatment only eight times.

To uncover the full extent of Amato's deception, authorities applied for and received multiple search warrants in December 2016. Amato routinely billed patients for treatments they did not receive. Authorities confirmed that he billed patients when he was out of the country, when the office was closed, or when patients canceled. Based on this information, Amato was indicted on five counts of second-degree theft by deception, one count of third-degree theft by deception, one count of second-degree insurance fraud and two counts first-degree financial facilitation of criminal activity.

While charges were pending, authorities received information from Amato's personal insurance company that he had applied for and received disability benefits. Specifically, he claimed that, as a result of an injury, he was forced to stop working in November 2013 and did not return to work until the beginning of April 2015. Notably, during this time period, defendant billed insurance companies more than \$600,000 for chiropractic services he performed as the treating medical professional. Amato also received disability benefits from the State of New Jersey after making similar representations of a disability.

On December 12, 2017, the OCPO and FBI executed a search warrant for a second time at Amato's residence. During the execution of the search warrant, the FBI located documents pertaining to his disability claims, recent billing records, bank statements, medical reports, and a recent application made to the Social Security Administration for benefits. Amato was placed under arrest and charged on December 12, 2017.

On April 9, 2018, prior to indictment, Amato formally accepted a plea deal. He pleaded guilty to one count of first-degree financial facilitation of criminal activity and one count of second-degree theft by deception.

In exchange for his plea, the State agreed to recommend a sentence of 10 years in New Jersey State Prison with a five-year parole disqualifier on the financial facilitation charge consecutive to five years in New Jersey State Prison on the theft by deception charge. In addition to his State charges, Amato faced federal tax charges.

State v. Jonas Knopf

Members of the OCPO worked with special agents from the FBI, agents from the U.S. Department of Labor, Office of Inspector General, Office of Investigations, New York Region, and investigators from the U.S. Department of Labor, Employee Benefit Security Administration (EBSA), to determine whether defendant Jonas Knopf was the chief executive officer of Madison Financial Services (MFS) and a licensed insurance producer from 2009 to 2017. MFS was the parent company of 11 sham companies that Knopf and others created solely for the purpose of marketing health insurance coverage to people who were not, in fact, his employees. These companies purported to be located and doing business in Pennsylvania and/or Virginia and created the appearance of employment status for hundreds of individuals, largely Lakewood residents who were seeking health care coverage through Blue Cross Blue Shield benefit plans.

Knopf's clients or purported employees paid him inflated insurance premiums, which provided him with money for payroll. Knopf, in turn, issued fake payroll checks, giving the false impression that they were actually employees being paid for services rendered. The conspiracy, which continued until January 2017, caused the health care insurers to pay out more than \$10 million in fraudulent claims.

On December 17, 2018, Knopf was charged by the U.S. Attorney's Office, District of New Jersey, with conspiring to defraud several Blue Cross Blue Shield health care insurance affiliates of more than \$10 million.

Passaic County Prosecutor's Office (PCPO)

State v. Dr. Lisa Ferraro, Yvonne Jeannotte-Rodriguez, and Marta Galvan

Defendant, Dr. Lisa Ferraro, was a medical doctor who operated Ferraro Medical Clinic in Paterson, New Jersey. Ferraro hired defendant Yvonne Jeannotte-Rodriguez, a graduate of a medical school in the Dominican Republic to see patients. Jeannotte-Rodriguez, however, was unlicensed to practice medicine in the State of New Jersey, either as a medical doctor or as a Physician's Assistant.

During the investigation, the PCPO Insurance Fraud Unit (IFU) developed information that Jeannotte-Rodriguez was allegedly seeing patients and representing herself as a medical doctor. The IFU obtained video-recorded statements from patients and the clinic's staff, which indicated that Jeannotte-Rodriguez was rendering medical services to patients. Patients were not seen by Ferraro at all. Defendant Marta Galvan, the medical biller at the clinic, allegedly billed health insurance carriers for services rendered by Jeannotte-Rodriguez as if they were rendered by Ferraro. Both Ferraro and Galvan admitted to detectives that they knew Jeannotte-Rodriguez was completely unlicensed.

On May 22, 2018, Ferraro was charged with conspiracy and health care claims fraud. Jeannotte-Rodriguez was charged with the unlicensed practice of medicine and conspiracy. Galvan was charged with conspiracy.

State v. Dr. Amy Rojas and Oscar Guevara

Defendant Dr. Amy Rojas, a licensed dentist in the State of New Jersey, ran a dental office in Passaic, New Jersey. Rojas' husband, defendant Oscar Guevara, was a licensed X-ray Technician. He had no dental training and was not licensed to practice dentistry.

The PCPO Insurance Fraud Unit received information from the Department of Consumer Affairs that Guevara was allegedly performing dental procedures at the Passaic office. Detectives interviewed a mother and her 16-year old daughter, who stated that "Dr." Oscar performed tooth extractions on the daughter. Hours later, the daughter required emergency dental treatment to stop a hemorrhage caused by the extractions. Another victim

reported that “Dr.” Oscar had installed braces. A review of insurance billing revealed that the dental office billed those procedures as if they had been rendered by Rojas.

On October 23, 2018, both Rojas and Guevara were indicted for health care claims fraud and related offenses.

State v. Pedro Carbajal

On February 20, 2018, defendant Pedro Carbajal was charged with insurance fraud and other offenses. Carbajal operated Options Staffing Inc. in Passaic and Woodland Park, New Jersey. Options Staffing Inc. provided dozens of temporary and daily workers for warehouse and loading dock jobs, including for a major trucking company in Clifton, New Jersey. It is alleged that Carbajal failed to provide workers’ compensation insurance for his employees and used a fraudulent workers’ compensation identification number on documents submitted to employers. When several workers submitted worker’s compensation claims, the claims were denied.

State v. Karen Rouse

On February 27, 2018, defendant Karen Rouse was charged with insurance fraud. This case arises from her report to the Paterson Police Department and to New Jersey Manufacturers that her 2007 Ford Focus was stolen from her Getty Avenue, Paterson, New Jersey, address on March 2, 2017. The Insurance Fraud Unit discovered that Rouse’s 2007 Ford Focus was not stolen, but had been involved in a motor vehicle accident on March 1, 2017, on the Garden State Parkway, in which her vehicle had rolled down an embankment and had to be towed.

On June 28, 2018, Rouse entered PTI for a one-year period.

State v. Shakira Smith

On October 23, 2018, defendant Shakira Smith was indicted for insurance fraud. Smith operated Amazing Kid’s Paradise Academy, a preschool in Paterson, New Jersey. Smith was required by Travelers Insurance, which insured Smith’s landlord, to provide a separate certificate of insurance to cover the operation of her preschool. It is alleged that Smith provided Travelers with a fraudulent certificate of insurance. When a child was injured at the school, Smith’s insurer denied coverage, but Travelers was compelled to cover the loss.

Salem County Prosecutor’s Office

State v. Tamisha Martin a/k/a Tamisha Thompson

On May 29, 2018, defendant Tamisha Martin, a/k/a Tamisha Thompson, tendered a fraudulent Progressive Insurance Company certificate of auto insurance to a Pennsville Police Department police officer when she retrieved her vehicle from the police impound lot. In reviewing the insurance card, it was noted that the card had expired, there was no address on the card, the National Association of Insurance Commissioners identification number was invalid, and the NJ insurance company number was not located on the top left-hand corner of the card. The police confirmed with Progressive that the policy did not exist.

On December 5, 2018, Martin was indicted on the fourth-degree offenses of forgery, uttering, criminal simulation, fraudulent insurance card, and tampering with records. On January 14, 2019, she pleaded guilty to possessing a false motor vehicle insurance card and was sentenced to pay fines only.

State v. Antoinette Brooks

Defendant Antoinette Brooks was supposed to turn over a \$16,000 death benefit from The Hartford Insurance Company to the Surrogate’s Office for the benefit of a minor for whom she was the guardian. Brooks failed to deposit the money or to attend court to explain the status of the insurance payout. She had the insurance payout deposited directly into her own bank account and spent the money as she saw fit.

On December 5, 2018, Brooks was charged with third-degree failure to make a lawful disposition and theft by unlawful taking.

State v. Jeremy Miller and Anne Wildman

Defendants, Jeremy Miller and his wife, Anne Wildman, were indicted for third-degree conspiracy to commit insurance fraud. Wildman was also indicted for third-degree insurance fraud. While operating his wife's vehicle, Miller was stopped by the police. Miller's driver's license was also suspended. The investigation revealed that Wildman failed to list her husband Miller as a resident of her household and an operator of her vehicle on her application for auto insurance with Sloan Insurance Company.

In August 2018, the couple pleaded guilty to disorderly person's offenses and was ordered to pay fines.

Somerset County Prosecutor's Office (SCPO)

State v. Kelli Jo Kinney

In February 2018, the (SCPO), Insurance Fraud Unit received a referral from OIFP involving defendant, Kelli Jo Kinney. Kinney submitted a claim to USAA Insurance Co. for three rings that she reported had been stolen or lost. During her interview with the SCPO, Kinney admitted that the insurance claim was fraudulent, the rings were never stolen, and that she had fabricated the story to collect the insurance money.

On November 16, 2018, Kinney was charged with third-degree insurance fraud. She subsequently applied for and was admitted into PTI for 12 months.

State v. Shirley Rodriguez-Campos and Jhonny Campos

On July 30, 2018, defendants Shirley Rodriguez-Campos and her husband, Jhonny Campos, were charged with third-degree insurance fraud. They made a material misrepresentation to their insurance company, NJM Insurance Company, by not disclosing additional drivers in the household in an attempt to save on their auto insurance premiums.

On July 30, 2018, they applied for and were admitted into PTI for 12 months.

State v. Kanika Williams

Defendant Kanika Williams submitted a claim for coverage to Progressive Insurance Company and indicated that her vehicle had received bad gas, which resulted in complete engine failure, requiring its replacement at a value of approximately \$20,000. An investigation revealed that Williams had contacted Progressive Insurance Company via telephone and inquired about the cost of lowering her deductible. She also asked if she was covered for bad gas. Two days later, Williams lowered her deductible from \$2,000 to \$500. The investigation also revealed that 13 days after her initial call to Progressive, Williams had again called Progressive and advised that she had just received bad gas in her vehicle the previous night and submitted a claim for coverage. It was discovered that Williams' vehicle had been brought to a repair facility with a seized engine 22 days prior to her claimed date of loss and her request to lower her deductible.

On October 10, 2018, Williams was charged with third-degree insurance fraud. Shortly thereafter, she pleaded guilty and was sentenced to five years of Drug Court probation.

State v. Miguel Figueroa

In September of 2018, as part of an on-going large medical insurance fraud case involving defendant Stewart Kaufman and several other co-defendants, co-defendant Miguel Figueroa, a law enforcement officer, was charged with third-degree insurance fraud for his participation in the fraud. Figueroa is the sixth defendant arrested in the case. Figueroa claimed that he had been receiving acupuncture twice a week since 2014 from

Kaufman. Insurance claims were filed with Horizon Insurance Company by Kaufman for each of Figueroa's visits. With the use of GPS tracking devices and cell phone data, the investigation revealed that Figueroa was not attending the appointments, despite the insurance claims being filed. The investigation revealed that Figueroa would then split the insurance money with Kaufman.

Kaufman pleaded guilty for his role in the fraud and accepted a plea offer of three years in state prison. On January 10, 2019, Figueroa was indicted for third-degree insurance fraud.

Union County Prosecutor's Office (UCPO)

State v. Christi James and Richard Shamus

On September 5, 2018, defendants Christi James and Richard Shamus were charged with third-degree insurance fraud. On March 25, 2014, James had been driving Shamus' car when she collided with another vehicle. James, who was unlicensed, identified herself to the responding police officer as Lisa Johnston, Shamus' "cousin." James, however, was actually Shamus' fiancée, and Johnston was James's ex-wife. James (claiming to be Lisa Johnston) and Shamus subsequently gave recorded telephonic statements to Shamus' automobile insurance carrier, New Jersey Manufacturers Insurance (NJM), reiterating the false claim that Johnston was driving. After the other driver sued Shamus and "Lisa Johnston," the fraud was discovered. The real Lisa Johnston contacted NJM and advised that James was unlicensed and had used Johnston's identity. Shamus eventually admitted the truth in a deposition in the civil lawsuit.

On January 18, 2019, a Union County Grand Jury returned an indictment charging James with two counts of fourth-degree identity theft/impersonation, and charging James and Shamus with third-degree insurance fraud. After pleading guilty, James was sentenced to 12 months of probation and 31 days in jail.

State v. Chris and Tara Weaver

On October 22, 2018, defendants Chris and Tara Weaver, owners of C&T Towing in Rahway, New Jersey, were charged with third-degree insurance fraud. In January 2017, the Weavers reported to the police and Allstate Insurance that their 2004 Hummer H2 had been stolen from their driveway in Mountainside, New Jersey. Several days later, the vehicle was recovered in Newark. When recovered, Newark Police had the vehicle towed by B&C Towing. Defendants then towed the vehicle from that location to their own tow yard and submitted a bill to their insurer, Allstate. Suspecting that the Weavers' \$1,100 tow bill, as compared to the \$174 tow bill submitted by B&C Towing, was fraudulent, Allstate referred the matter to their Special Investigations Unit for further review.

During their recorded statements, the Weavers claimed that the large towing bill was because the vehicle had been recovered without a key, and therefore needed extra labor and specialized equipment for towing. During questioning, both continually changed their stories and eventually admitted that they had a second key for the vehicle. Tara Weaver admitted to lying about the claim in the hope that Allstate would pay to have new locks and a new ignition installed in the vehicle. Chris Weaver admitted to providing false information to Allstate about not having another key, and about the procedures needed to recover the vehicle.

When questioned by the UCPO investigator, both Weavers initially reiterated their false stories before eventually admitting that they had lied to Allstate, although both attempted to disclaim specific knowledge of who prepared and sent the fraudulent towing invoice to Allstate. The UCPO investigator located the Weavers' former billing clerk, who confirmed in a recorded statement, that she had prepared the \$1,100 towing bill as she had been instructed by Tara Weaver. The billing clerk further stated that both Chris and Tara Weaver told her (falsely, as it turned out) that all of the charges on the bill reflected actual services provided.

On January 31, 2019, the Weavers pleaded guilty to a disorderly persons offense, and were sentenced to fines and penalties only.

State v. Antonio Calixto

On November 16, 2018, defendant Antonio Calixto was indicted for third-degree insurance fraud. On July 23, 2015, Calixto claimed that his 2004 Kenworth tractor truck was stolen from his driveway while he and his family were in Florida. Four weeks later, the truck was recovered in Newark. At an Examination Under Oath, conducted by his insurance carrier, Lancer Insurance, Calixto produced receipts for post-recovery repairs to his truck. For one of these claims, Calixto stated that he had purchased ten new truck tires for \$300 per tire totaling \$3,000. He stated that whoever had stolen his truck had taken off the new tires and put on old, worn-out tires. The owner of the business that allegedly sold these tires confirmed that the tire receipt submitted to Lancer Insurance for ten new truck tires was fraudulent and provided a recorded statement to that effect.

Calixto was admitted into PTI for 24 months.

State v. Christian M. Gomez Jadalla

In January 2016, defendant Christian M. Gomez Jadalla was driving his wife's car in Newark when it somehow went over a guard rail and fell 60 feet off an overpass. He was taken to the hospital where he was diagnosed with a broken collarbone and multiple spinal fractures. Jadalla, however, declined surgery. His wife's auto insurer, GEICO, paid his medical bills.

In early March 2016, Jadalla was driving his friend's car in Bayonne when he was hit from behind by another vehicle. The police report indicated that no one was injured. Sometime later, Jadalla made a claim against Allstate, the insurance carrier of the car that hit him in Bayonne, for injuries including a broken collarbone. Subsequently, when he gave a recorded statement to the Allstate investigator, Jadalla denied being the driver in the January 2016 accident and denied sustaining any injuries from that accident. Allstate denied Jadalla's March 2016 claim.

On November 30, 2018, Jadalla was indicted for third-degree insurance fraud. Subsequently, he was apprehended in Florida, waived extradition, and was booked into the Union County Jail.

State v. Brian M. Cubala

Defendant Brian M. Cubala made a material misrepresentation to Progressive Insurance Company when he added collision coverage to his policy without disclosing that he previously had been in a single vehicle motor vehicle accident. Cubala then falsely reported that his accident occurred after the collision coverage had been added to his policy. Progressive denied the entire \$3,720.63 claim. Cubala admitted to investigators that his claim was fraudulent.

On December 20, 2018, Cubala pleaded guilty to third-degree insurance fraud.

Warren County Prosecutor's Office

State v. Yolanda Dengelegi

On December 6, 2016, defendant Yolanda Dengelegi was indicted for insurance fraud as a result of a material misrepresentation on her application for automobile insurance with Personal Service Insurance Company. She had claimed that her driving privileges were not then suspended, when, in fact, they were. After her indictment, Dengelegi was a fugitive for six months.

On November 3, 2017, Dengelegi pleaded guilty to third-degree insurance fraud. She also pleaded guilty to third-degree possession of a controlled dangerous substance.

Dengelegi was sentenced to a concurrent term of five years in New Jersey State Prison and was ordered to pay a \$15,000 fine. Her application to Drug Court probation was granted, but on June 21, 2018, she was sentenced to 354 days in the county jail for violation of that probation.

State v. Cassandra Mohan

On June 12, 2017, defendant Cassandra Mohan was indicted for third-degree theft. A cooperative investigation between the Washington Township Police Department and the Warren County Prosecutor's Office Insurance Fraud Unit revealed that she had stolen \$13,000 from Devoe Funeral Home by forging checks from its business account. The business account was insured by Liberty Mutual Insurance Company.

On December 3, 2017, Mohan pleaded guilty and was sentenced to five years in New Jersey State Prison. On March 29, 2018, however, her application to Drug Court probation was granted.

State v. Kristine D. Henry

On May 11, 2017, Washington Township Police Department arrested defendant Kristine D. Henry for theft of \$97,682 from a Washington Borough Clerk and Registrar account. Henry withdrew the money between August 25, 2011, and July 8, 2016. The borough was insured by American Zurich Insurance Company.

On January 5, 2018, Henry pleaded guilty to second-degree theft by unlawful taking – movable property. She was sentenced to seven years in New Jersey State Prison and was ordered to pay restitution of \$97,000.

State v. Dina Elliot

This investigation stemmed from a complaint referral alleging reverse rate evasion by defendant, Dina Elliot. She was involved in a motor vehicle accident on June 24, 2016. She provided a Connecticut vehicle registration and insurance card at the accident scene even though Elliot had resided in New Jersey since 2014.

After an investigation, Elliot was advised that she would be charged with reverse rate evasion when she appeared for her Court mandated non-binding arbitration hearing. Because Elliot failed to appear (she had moved to Montana in 2017), her case against Progressive Group of Insurance Companies for \$50,000 was dismissed on June 14, 2018.

State v. Khairi A. Law

On April 3, 2018, Greenwich Police Department charged defendant Khairi A. Law with presenting a fake vehicle insurance identification card. Law was charged with third-degree insurance fraud and fourth-degree simulating a motor vehicle insurance identification card.

On June 1, 2018, Law pleaded guilty and entered into PTI for three years.

State v. Pedro L. Carbajal

In a cooperative effort, all pertinent reports on Warren County's investigation into defendant Pedro L. Carbajal were provided to Passaic County Prosecutor's Office. Please see Passaic County's case summary.

TASK FORCES

In crafting the Insurance Fraud Prevention Act (IFPA), the New Jersey Legislature recognized the critical importance of coordinating the diverse activities of the many public and private entities in New Jersey that are involved in combating all aspects of insurance fraud. The IFPA effectively mandates the consolidation and coordination of a variety of fraud fighting functions under the umbrella of OIFP. The IFPA further requires the sharing of resources among public agencies to achieve the most effective and well-integrated system to combat insurance fraud within the law enforcement community.

The creation of task forces is one of the most productive ways to garner and use cooperation and coordination among several law enforcement agencies to interdict insurance fraud in certain specialized areas. As a result, OIFP has been instrumental in participating in several task forces designed to focus on particular areas of crime related to insurance fraud, such as auto theft and commercial bribery.

Auto Theft Task Force

OIFP is a member of the New Jersey State Police Auto Theft Task Force (ATTF). Automobile theft is inextricably intertwined with fraudulent insurance claims that are investigated and prosecuted by OIFP. The ATTF is an interagency law enforcement task force with an overall mission to identify and disrupt criminal enterprises engaged in complex conspiracies to commit auto theft and related crimes. Auto theft continues to plague victims across the State of New Jersey. Advances in anti-theft and vehicle recovery technology, in combination with premium prices being paid overseas for vehicles stolen from the United States, has resulted in the refinement and insular nature of organized auto theft groups. These groups often have a nexus to violent crime. Analysis indicates that there is a direct correlation between impactful auto theft investigations and the decrease in auto theft crimes across the State.

The ATTF has been led by the New Jersey State Police since June 2016. Key objectives of the ATTF are to create law enforcement partnerships to disrupt and dismantle organized auto theft syndicates and provide vertical prosecution for appropriate suspects apprehended by Task Force members. To that end, OIFP and the Division of Criminal Justice (DCJ) serve as ATTF legal advisors and provide support to the Task Force's operations. OIFP and DCJ have the right of first refusal for all prosecutions that arise out of the Auto Theft Task Force. In addition, OIFP has assigned a sergeant full time to the ATTF to participate in active investigations.

The efforts of the ATTF have resulted in the successful identification, investigation, and apprehension of auto theft targets, including the recovery of hundreds of stolen vehicles throughout northern New Jersey.

Commercial Bribery Task Force

The Commercial Bribery Task Force (CBTF) was created in January 2016 by Attorney General Christopher Porrino after successful collaboration by the DCJ Financial & Computer Crimes Bureau and the OIFP Private Insurance Bureau on a case jointly prosecuted by DCJ and OIFP. The investigation of that case highlighted the pervasiveness of commercial bribery throughout the State of New Jersey. The goal of the then newly created CBTF was to thwart the pervasive kickback culture throughout medical offices in the State of New Jersey.

Investigations of this type of case were unique for insurance-related prosecutions as they did not focus on the collection of historical documents and required no proof or showing of medical necessity. Instead, the inquiry was simply whether doctors were conferring or receiving kickbacks for the referral of patients. The New Jersey Administrative Code makes clear that paying or receiving kickbacks is a civil violation. Chiropractors, for example, violate N.J.A.C. 13:44E-2.6 by paying or receiving any referral fee. Other medical professionals violate N.J.A.C. 13:35-6.17(c)1 if they give or receive any benefit for making such referrals. Historically, however, commercial bribery was not often criminally charged. The creation of the CBTF changed that. Pursuant to the New Jersey Criminal Code, it is also a crime *to accept* any benefit to violate a duty of fidelity. N.J.S.A. 2C:21-10a(3). Further, it is a crime *to confer* any benefit the acceptance of which would be a crime. N.J.S.A. 2C:21-10c.

By January 2018, just two years after its creation, the impact of the CBTF was widespread. Large scale participants were completely taken out of play, cash kickback rings were slowing down, and the pain management and chiropractic medical scene was put on notice. To date, nearly two dozen medical professionals and owners of medical imaging facilities have been charged.

OIFP ASSET FORFEITURE PROGRAM

OIFP is diligent in its efforts to identify and prosecute companies and individuals who abuse the system by committing insurance fraud. Insurance fraud costs New Jersey residents millions annually and plagues all areas of insurance, from auto insurance to Medicaid. One of the aims of OIFP is to take the profit out of criminal activity. An effective instrument used to accomplish this goal is civil forfeiture.

Ten years after the inception of the OIFP Asset Forfeiture Program, OIFP has renewed its commitment to and focus on this under-utilized tool. With only a handful of forfeiture cases being filed in recent years, it has become imperative that OIFP pursue asset recovery with a renewed vigor. In 2018, OIFP opened more civil forfeiture cases than in the previous three years combined. This revived focus will lead to more restitution for those directly harmed by insurance fraud.

New Jersey, like many other states, has a statute, N.J.S.A. 2C:64-1 et seq., which outlines the civil forfeiture process. This statute allows law enforcement to seize assets, including money and property, believed to be the proceeds or instrumentalities of crimes when there is probable cause to believe that a crime has been committed and that these assets have a substantial nexus to the crimes alleged. By seizing assets while the criminal investigation is ongoing, the alleged criminals cannot sell, transfer, or otherwise dispose of the assets, which would leave those wronged by fraud without the possibility of compensation.

Asset forfeiture cases are pursued proactively, with investigators and prosecutors cooperating to identify cases involving potential assets related to criminal activities. Insurance fraud can produce huge financial gains, and insurance cheats and criminals are motivated by greed. They often use assets like vehicles, bank accounts, and businesses to perpetrate the fraud, and then use the proceeds to buy luxury cars and houses and fund investment accounts. OIFP's Asset Forfeiture Program exists to separate targets from the fruits of their crimes and make restitution available to identifiable victims of insurance fraud.

In 2018, OIFP seized approximately \$3 million in assets in an ongoing investigation into a multi-million-dollar fraud scheme involving the illegal purchase of prescription drugs and their fraudulent return to drug suppliers and wholesalers. The assets seized are also evidence in a multi-state investigation and prosecution with officials in New York and Pennsylvania, where additional valuable parcels of real property are located.

Through dedication to the Asset Forfeiture Program, OIFP will continue its mission to relentlessly identify and prosecute insurance fraud. Forfeiture deters insurance fraud by reducing the economic incentives associated with it and enhancing the restitution available to identifiable victims of fraud.

THE BUREAU OF FRAUD DETERRENCE AND THE OFFICE OF THE INSURANCE FRAUD PROSECUTOR: WORKING TOGETHER TO PROTECT NEW JERSEY RESIDENTS FROM INSURANCE FRAUD FOR 20 YEARS

In New Jersey, the work of investigating and prosecuting violators of New Jersey's insurance fraud laws falls on two agencies: The Office of the Insurance Fraud Prosecutor (OIFP) in the Division of Criminal Justice in the Department of Law and Public Safety and the Bureau of Fraud Deterrence (BFD) in the Department of Banking and Insurance (DOBI). OIFP handles criminal complaints, while the Bureau of Fraud Deterrence handles civil complaints. While the work is divided between two agencies, the goal is the same: to uphold the state's laws and protect residents against fraud. New Jersey's insurance fraud laws are designed to shield residents from rising insurance premiums resulting from fraud and abuse. While these units are housed in different departments, they work collaboratively to meet this mission.

OIFP was created by the Automobile Insurance Cost Reduction Act of 1998, and originally tasked with investigating and prosecuting both civil and criminal insurance fraud complaints. OIFP's mission changed in 2010 when civil investigative responsibilities were transferred to the newly formed BFD in DOBI.

The reason for modifying the structure of the OIFP was to "enhance the effectiveness, responsiveness, and cost-efficiency" of the Office (Senate, No.2098, June 23, 2010). The law that created BFD further acknowledged that while BFD would be responsible for enforcing civil violations of the "New Jersey Insurance Fraud Prevention Act" and OIFP would be responsible for the prosecution of the criminal laws surrounding insurance fraud, the goal of both agencies was to work closely and "coordinate civil and criminal investigations and prosecutions" (Senate, No.2098, June 23, 2010).

While the work was separated, the long-standing relationships and the commitment to consumer protection remained intact. Although BFD and OIFP are no longer one, both continue to work in unison on behalf of the public to ensure that they are coordinating civil and criminal insurance fraud investigations and prosecutions to successful conclusions. Coordination between OIFP and BFD includes swearing-in BFD investigators, which enables them to review State Grand Jury materials, holding regularly scheduled monthly meetings, and making joint anti-insurance fraud community presentations.

OIFP'S 2018 RECOMMENDATIONS FOR LEGISLATIVE REFORM

N.J.S.A. 17:33A-24b directs OIFP to “formulate and evaluate proposals for legislative, administrative and judicial initiatives to strengthen insurance fraud prevention, detection, investigation, and prosecution.” To fulfill that statutory mandate and to enhance its ability to interdict insurance fraud, OIFP supports the following legislative proposals:

Senate Bill 2970: The “Information Sharing” Bill

Senate Bill 2970 would broaden the scope of information a person or entity, such as an insurance carrier, may disclose or share with law enforcement and other entities about actual or potential insurance fraud. This legislative amendment would also broaden the scope of the civil immunity afforded to a person's or entity's distribution of such information under the Insurance Information Practices Act and the Insurance Fraud Prevention Act.⁵

Assembly Bills 2337 and 3651 and Senate Bill 815: “Cooling-Off” Legislative Proposals

OIFP supports legislation which would prohibit general members of the public from having any access to a motor vehicle accident report before the passage of a certain waiting period of 80 to 90 days, as a cooling-off period of time.

The occurrence of a motor vehicle accident can trigger fraudulent and abusive practices by bad actors who make it a practice of preying on accident victims. These bad actors often operate by tracking accident report filings and making immediate contact with victims to exploit them. The ready availability of this personal information on an accident report affords criminals the opportunity to solicit accident victims to file lawsuits or to exert extreme pressure on these accident victims to seek questionable and excessive medical treatment. An individual, not then contacted or known to an insurer, who makes a claim after the expiration of the waiting period, without an adequate explanation, will seem to be suspicious and/or fraudulent.

Under this “Cooling-off” Legislation, those persons or institutions that are involved in or investigating an accident would nonetheless still have ready access to motor vehicle accident police reports.

OIFP views “Cooling-Off” Legislation as an insurance fraud prevention measure. Passage of this legislation will assist OIFP in interdicting fraud by delaying the release of the accident report to those general members of the public who have no association with the accident.

Senate Bill 315: Financial Exploitation of the Elderly

OIFP supports an amendment to the theft statute, which would create the new offense of the Financial Exploitation of the Elderly by a person in a position of trust. A person in a position of trust would include a parent, spouse, or other relative; joint tenant or tenants in common with an elderly person; or a person who owes a fiduciary duty or who provides in-home care on a continuing basis to the elderly person. The crime of the financial exploitation of an elderly person would occur when a defendant obtains an elderly person's property by compelling or inducing that elderly person to deliver property to the defendant or a third person by means of fraud, false promise, extortion, or intimidation. “Elderly person” is defined as a person at least 60 years of age, who also suffers from a mental disease, defect or condition, which renders that person incapable of deciding whether to give or withhold consent to the taking, obtaining, or withholding of the elderly person's property.

⁵ N.J.S.A. 17:23A-21; N.J.S.A. 17:33A-9.

OIFP LIAISON FUNCTIONS

Given the diverse activities of the many public and private entities involved in combating insurance fraud, it is critically important that these efforts be coordinated. To address this need, OIFP has designated certain Detectives and Deputy Attorneys General to act as liaisons between OIFP and other law enforcement and governmental agencies and insurance companies. The OIFP Liaison is also integrally involved in OIFP's anti-insurance fraud social media and awareness campaign. A sergeant provides oversight organizes one-on-one meetings with the AIFP and serves as Liaison in three key areas:

Law Enforcement and Insurance Industry

OIFP's Law Enforcement and Insurance Industry Liaison (OIFP Liaison) interfaces with the National Insurance Crime Bureau (NICB); the Assistant County Prosecutors and Detectives participating in the OIFP County Prosecutors' Reimbursement Program; New Jersey Special Investigators Association (NJSIA); New Jersey Vehicle Theft Investigators; International Association of Auto Theft Investigators; insurance companies; and all other state and local law enforcement agencies. The OIFP Liaison responds to inquiries from these entities and coordinates efforts between OIFP and those entities.

The OIFP Liaison regularly attends monthly meetings with NICB in which NICB and insurance companies discuss insurance fraud trends and recent fraud activity that insurers are encountering.

Community Outreach

The OIFP Liaison and other OIFP personnel also represent OIFP at Community Outreach, vendor, and law enforcement sponsored events. Participation is designed to educate and raise awareness about OIFP and insurance fraud. In 2018, OIFP participated in the following Community Outreach and Vendor Events:

- 2018 Police and Security Expo in Atlantic City, New Jersey;
- 2018 National Night Out events in Winslow and Bordentown Townships;
- Trenton YMCA 5K Run;
- Donation of items to children of Fallen Officers;
- Donation of "College Freshmen Care Packages," containing healthy snacks and school supplies, to the Smith Family Foundation in support of low-income, first-generation college students;
- The 2018 Black History Month Program at Perth Amboy Middle School; and
- The Bergen County Sheriff's Office Law Enforcement Career Development Course for college-age students.

Training Coordination

The OIFP Liaison also coordinates in-house training for Detectives and Deputy Attorneys General within OIFP as well as the Detectives and Assistant Prosecutors participating in the OIFP County Prosecutors' Reimbursement Program.

In recent years, OIFP training has also included **All Hands Meetings** where OIFP's DAsG, detectives, analysts, and administrative assistant attend this training. OIFP co-hosts these All Hands Meetings twice a year with the National Insurance Crime Bureau (NICB). This training is provided free of charge for the following agencies: OIFP, the Department of Banking and Insurance Bureau of Fraud Deterrence, NICB agents, the Detectives and Assistant Prosecutors in the OIFP County Prosecutors' Reimbursement Program, DCJ staff members, and private insurance company Special Investigative Unit personnel: investigators, underwriters and claims adjusters.

On March 14, 2018, OIFP held its first All Hands training session at the Hamilton Tech Complex on Workers' Compensation Disability Fraud and Worker's Compensation Premium Avoidance Fraud. Presenters included OIFP Detectives Kristi Procaccino, Megan Flanagan, and Janessa Jones, and OIFP DASG Tom Tresansky and Colin Keiffer. DASG from the Division of Law and SIU investigators from several insurance carriers made presentations as well. This training discussed case studies and examples of the hard evidence necessary to successfully prosecute insurance fraud cases.

A second All Hands training session on automobile-related fraud was held on September 24, 2018. Presenters included OIFP Detective Jarek Pyrzanowski and New Jersey State Police Detective Corey Rodriguez from the New Jersey State Police Auto Theft Task Force, NICB agents, and insurance industry experts on license plate reader technology and motor vehicle accident reconstruction.

As a part of an ongoing project since 2017, OIFP has provided State and local police departments throughout New Jersey with copies of Uninsured Motorist Identification Directories (both hard and digital copies). OIFP has given out sufficient quantities of these directories so that every patrol officer can determine whether an insurance card is fictitious while on the scene during a road stop. OIFP has also supplied State and local police departments with up-to-date insurer contact information so that police officers can verify the validity of insurance cards at the scene of a motor stop or an accident.

In addition, OIFP has extended an ongoing invitation to local police departments and the State Police to attend its All Hands Meetings.



Sgt. Kristi Procaccino and DAG Oriana Nadraga.



Sgt. Cortney Lawrence, Sgt. Wendy Berg, Sgt. Kristi Procaccino and Det. Natalie Brotherston.

ANTI-INSURANCE FRAUD AWARENESS CAMPAIGN

OIFP's new anti-insurance fraud campaign is "Insurance Fraud. Report it. End it." This campaign identifies members of the public who are insurance consumers as OIFP's partner in fighting insurance fraud. OIFP is calling on the public to play a more active role in paying attention to what is being billed to their insurance policies. OIFP has revised its website and made it more user friendly for citizens to report insurance fraud. The website can be found at: www.njinsurancefraud.org.



REWARD PROGRAM

Recognizing the significant role the public plays in the detection of insurance fraud, the Insurance Fraud Detection Reward Program was established by the New Jersey Legislature on June 9, 2003. N.J.S.A. 2C:21-4.7. OIFP promulgated regulations that established a mechanism for individual members of the public to report suspected insurance fraud to OIFP and to apply for a reward. N.J.A.C. 13:88-3.1, *et seq.* In 2004, New Jersey was one of only a few states in the nation to offer such a reward.

OIFP's Reward Program provides a valuable incentive for members of the public to come forward and assist law enforcement. Individuals may apply for a reward for any tip that leads to an arrest and conviction. The Reward Program makes available payments of up to \$25,000. Reward applications must be submitted within 30 days of the date on which the applicant initially provided the information to the OIFP to be eligible for a reward.

To date, OIFP has awarded \$11,345 for the 2007-08 timeframe, \$2,250 in 2010, and \$3,116 in 2018, for a total cumulative award of \$16,712. OIFP is redoubling its efforts to encourage members of the public – our partners in the fight against insurance fraud – to utilize the hotline to report insurance fraud.

Palm Cards

OIFP has created Palm Cards with OIFP's "Insurance Fraud. Report it. End it." anti-insurance fraud slogan on one side and fraud prevention tips for consumers on the other side. These Palm Cards are handed out at community events to provide consumers with helpful tips about different areas of insurance fraud. The Palm Cards highlight the areas of health care insurance fraud, vehicle theft prevention, and workers' compensation insurance fraud. Members of the public can play an active role in ferreting out insurance fraud in these three areas because the public is more likely to encounter or be familiar with these types of insurance policies as compared to others.

AIFP Thompson's 2018 Community Outreach Events

- June 7, 2018: Career Day, Trenton Washington Elementary School;
- October 9, 2018: Care One at Hamilton Assisted Living Facility;
- October 15, 2018: New Jersey Special Investigations Association 21st Annual NJ Insurance Fraud Summit;
- October 17, 2018: Seabrook Today TV interview (Tinton Falls) for Insurance Fraud Awareness Month (Live Broadcast);
- October 18, 2018: Meadow Lakes Senior Living, East Windsor, NJ; and
- October 19, 2018: Insurance Council of New Jersey Meeting, Forsgate Country Club, Monroe Township, NJ.

Fight Back Against Insurance Fraud. Stay Involved:

- Stay honest. Stay covered.
- Stay alert on the road.
- If in a car accident, get everyone's information at the scene.
- If in a car accident, take photos.
- If you know someone is faking an injury, report it.
- Research your contractors, insurance agents and provider
- Make sure your insurance policies and annuities are ALL active.
- Verify your insurance coverage and check your annuity balances regularly.

Health Care Fraud Tips:

- Play an active role in your health care.
- Ask questions.
- Review Your Explanation of Benefits from your insurance provider.
- Know what is being billed to your policy.
- Research your physicians.
- Keep detailed records of all of your providers, treatments and treatment dates.
- Read before you sign any forms.

Vehicle Theft Prevention Tips:

- Get a vehicle history report before buying a car.
- Park in well-lit areas.
- Never leave your keys or key fob in your car.
- Never leave car windows open and doors unlocked.
- Never leave expensive items in plain view in a parked car.

Workers' Compensation (WC) Tips:

- Make sure your employer has WC coverage.
- Make sure your employer has you properly covered.
- Make sure your employer is reporting the correct payroll and classification.
- Make sure the money deducted from your paycheck for WC is going to WC coverage.



Reporting Hotline:
1-877-55-FRAUD

Individuals may also apply for a reward for any tip that leads to an arrest and conviction. Additional information about the OIFP Reward Program is on our Web site.

OIFP TRAINING: COMMITMENT TO EXCELLENCE

Insurance Fraud Summit and the New Jersey Special Investigators' Association (NJSIA) Training Seminars in Atlantic City in October 2018

In 1998, shortly after the Office of the Insurance Fraud Prosecutor became operational, the insurance industry, through two of its trade groups, the Insurance Council of New Jersey (ICNJ) and the New Jersey Special Investigators Association (NJSIA), organized the first annual New Jersey Insurance Fraud Summit in conjunction with the NJSIA's annual training seminar.

From 1998 to 2002, this annual summit occurred in conjunction with the NJSIA seminar late in October. Beginning in 2003, in support of efforts to have the month of October proclaimed "Insurance Fraud Awareness Month" by the New Jersey State Legislature, it was decided to separate the Annual Insurance Fraud Summit from the NJSIA's annual training conference and establish it as a stand-alone event in early October. From 2003 until 2008, the Annual Insurance Fraud Summit was held at the Trenton War Memorial.

As a cost savings measure, beginning in October 2009, the ICNJ and NJSIA decided to return to the original format with the Annual Summit taking place in conjunction with the NJSIA Annual Training Seminar.

In 2018, the Annual New Jersey Insurance Fraud Summit took place on Monday, October 15th, followed by the Seminar on October 16th and 17th, at Harrah's Resort in Atlantic City, New Jersey. AIFP Thompson and the Bureau of Fraud Deterrence, Chief of Investigators Richard Besser provided the opening remarks for the Summit and Seminar.

During the NJSIA Seminars, three OIFP Detectives presented workshops:

- Sergeant Jarek Pyrzanowski made a presentation on Automobile Finance Fraud - Automobile Straw Purchasing;
- OIFP Detective Kristi Procaccino and Matthew Anderson from AIC Companies, LLC, and Jason Gudaitis from Terrier Claims Services made a presentation on Breaking Down Workers' Compensation Disability Fraud; and
- OIFP Detective Megan Flanagan and Neil Johnson from Liberty Mutual made a presentation on Workers' Compensation Premium Fraud: Investigation and Prosecution.

Insurance Fraud 101 Class

At OIFP's request, the NJSIA held an Insurance Fraud 101 Class for those OIFP Detectives and DAsG, and Assistant Prosecutors participating in the OIFP County Prosecutors' Reimbursement Program who were new to the insurance fraud field.

In 2018, NJSIA hosted this training on six different dates. The detectives and attorneys who attended this program received education and training on insurance basics as well as about the NICB and ISO. This program also provided a forum for the detectives and attorneys to openly discuss with the insurance companies the challenges that OIFP and county prosecutors' offices face when assessing criminal charges from some of the carriers' insurance fraud referrals. This training also provided a forum for the attorneys to share successful investigative techniques and legal strategies.

Medicaid Fraud Control Unit (MFCU) Training

OIFP afforded training to an OIFP DAG from the MFCU at the 32nd Annual National Institute on White Collar Crime in San Diego, California. Leading federal and state judges and prosecutors, law enforcement officials, and defense attorneys attended this convention.

The Medicaid DAsG attended classes focusing on prosecuting criminal cases in an age of new technology; sentencing guidelines and collateral prison consequences; emerging enforcement trends in health care fraud; recent developments in anti-money laundering interdiction; and asset forfeiture efforts.

DAsG also attended the 28th Annual National Institute on Health Care Fraud in San Francisco, California, and attended classes on health care claims fraud and civil litigation regarding the False Claims Act. The program also advanced education, communication, professionalism, and discussion of current legal and ethical issues that arise in the health care fraud legal practice.

Other Training

In furtherance of its commitment to excellence, Deputy Attorneys General (DAsG), Detectives and Civil Investigators attended the National White Collar Crime Center's (NW3C) Financial Records Examination and Analysis training in Reynoldsburg, Ohio.

Detectives also attended the High Intensity Drug Trafficking Areas training course, "Law Enforcement on the Stand," which was facilitated by a career homicide prosecutor who addressed recurring issues faced by law enforcement witnesses. This two-day intensive course combined interactive lectures with role play and other proven teaching methods to expose officers to what they can expect during preparation, direct testimony by government lawyers, and cross-examination by criminal defense attorneys. Law enforcement learned about attitude, presentation, common needs for law enforcement testimony, statements by defendants and witnesses, exhibits, impeachment and credibility, and how testimony correlates with evidentiary arguments and closing statements. Every facet of the program was designed to assist law enforcement personnel in becoming effective and credible witnesses.

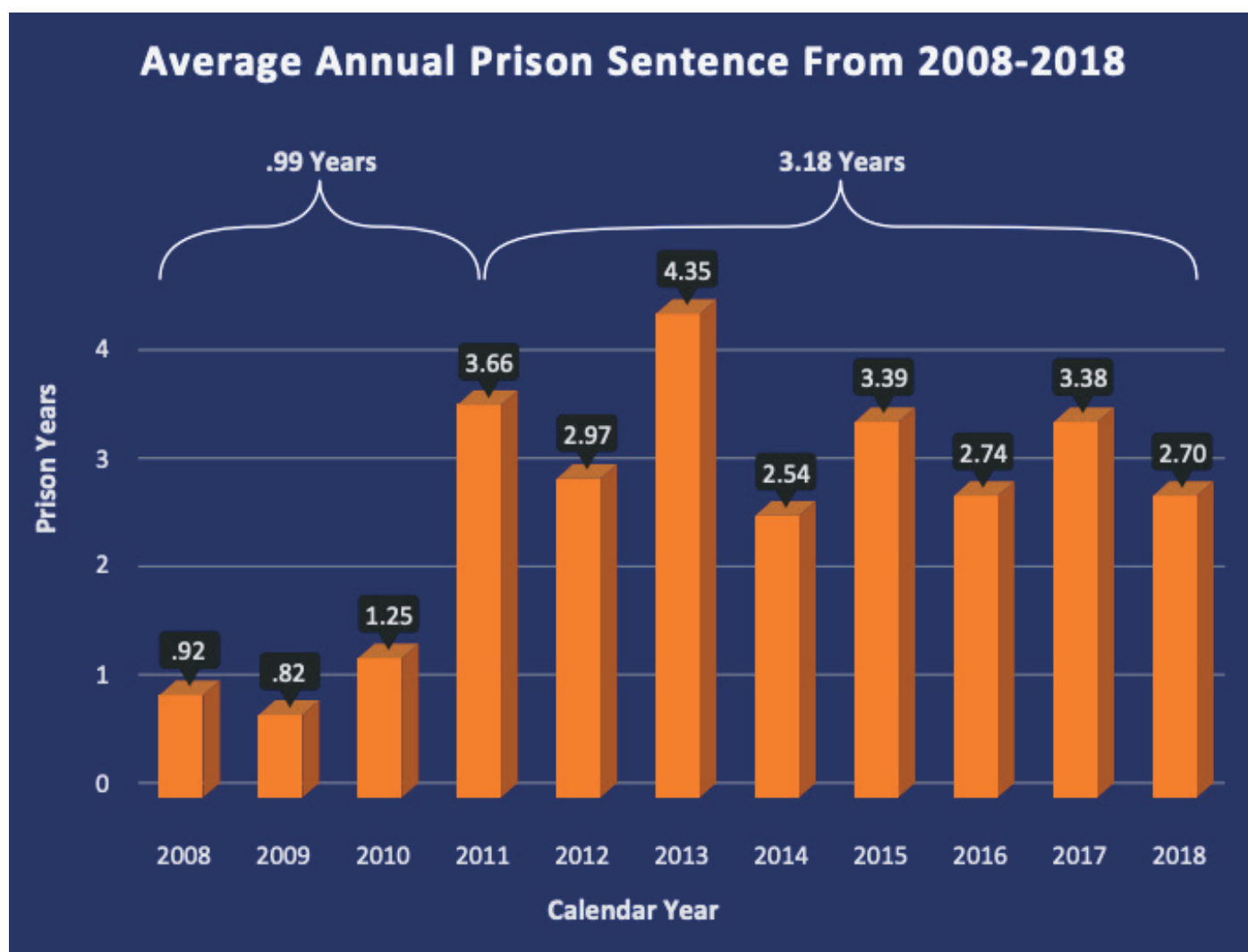
On April 11, 2018, OIFP Detectives also attended NW3C's Financial Crimes Against Seniors Seminar in Wilmington, Delaware. This course promoted a multi-agency approach to the problem of financial exploitation of senior citizens. Topics included working with senior victims, examining bank records and powers of attorney, and resources for investigation and community awareness. Detailed examination of a case study from initial complaint to prosecution illustrated and reinforced the course content. With a dual focus on financial abuse by trusted persons and common scams aimed at seniors, the course introduced senior-specific investigative skills while facilitating networking and cooperation that will extend out of the classroom and into real cases.

OIFP Section Chiefs and DAsG participated in a National Attorneys General Training & Research Institute Center for Ethics & Public Integrity Webinar: "Carpenter: Its Roots and Its Future." This webinar discussed Carpenter v. United States, a June 2018 United States Supreme Court decision that concluded that Fourth Amendment protections apply to historical cellphone location records—despite the fact that these records were shared with a third party. The presenter offered some practical suggestions for prosecutors and investigators to consider when they seek evidence for which Carpenter might suggest there is a reasonable expectation of privacy.

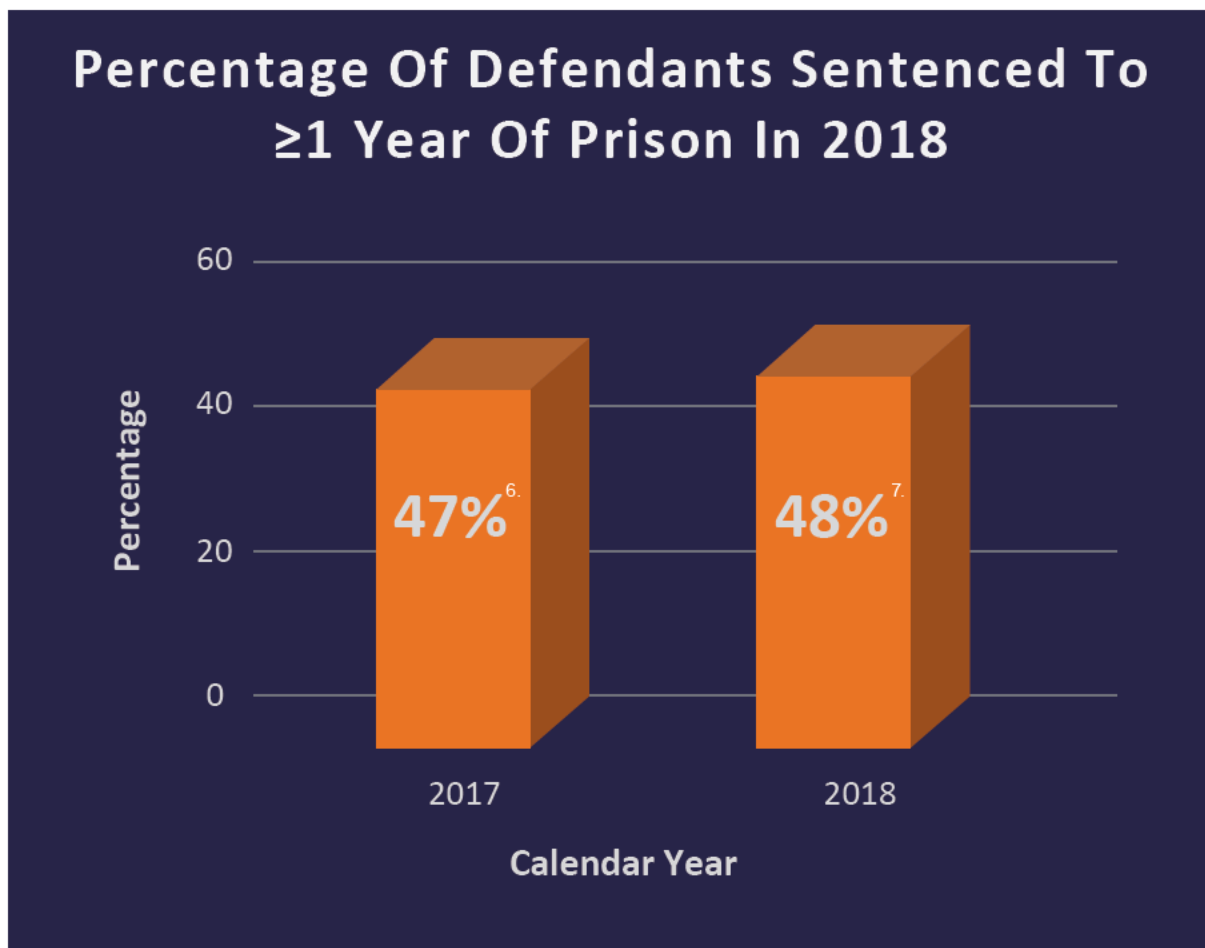
OIFP STATISTICAL OVERVIEW

In 2018, 50 defendants were sentenced. Of those 50, 15 received Pretrial Intervention and 24 received prison sentences totaling 64.9 years for an average of 2.70 years per imprisoned defendant. The average prison sentence statistic reveals that, on average, defendants in OIFP cases that resulted in any prison sentence, received a term of .99 years for the period from 2008 through 2010, but, on average, for the eight years since that period of time, OIFP defendants were sent away to prison for an average term of 3.18 years.

As shown in Chart 1 below, the average prison sentence over the past eight years (2011-2018) is far higher than for the three years between 2008 and 2010.



The precise breakdown of the percentage of defendants sentenced, who received a prison sentence of one or more years, is set forth in Table 1 below.

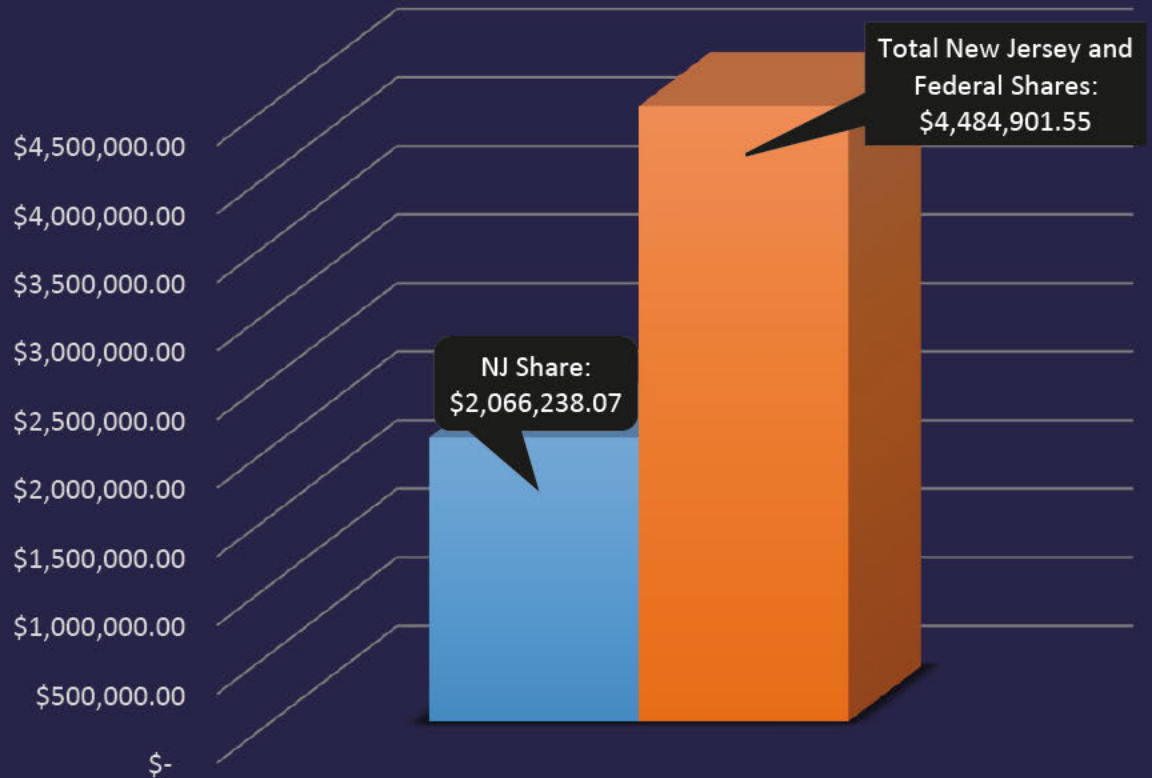


The statistics also show that OIFP is succeeding in its effort to identify, investigate, and prosecute more serious crimes that, by virtue of their nature and degree, will result in longer prison sentences. Again, this approach is designed to deter future insurance fraud by raising the public's awareness of two things: OIFP's ability to bring those who commit insurance fraud to justice; and, the serious penal consequences for those who are prosecuted for committing insurance fraud in New Jersey.

6 In 2017, 57 defendants were sentenced with 27 receiving prison or jail terms = 47%.

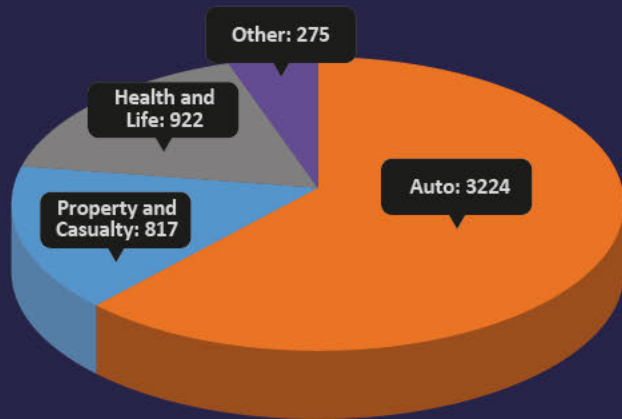
7 In 2018, 50 defendants were sentenced with 24 receiving prison or jail terms = 48%.

Federal and NJ Federal False Claims Data



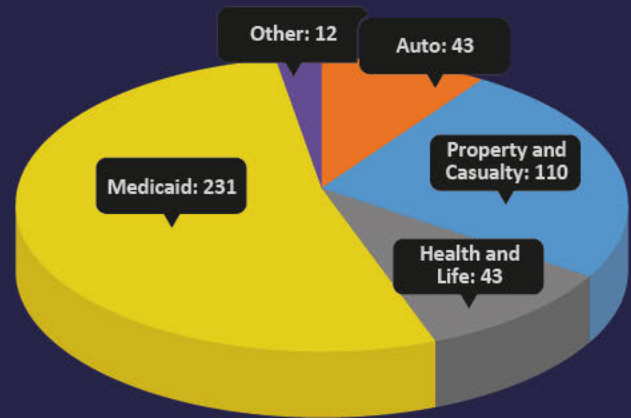
■ NJ Share	\$2,066,238.07
■ Total New Jersey and Federal Shares	\$4,484,901.55

Civil Referrals



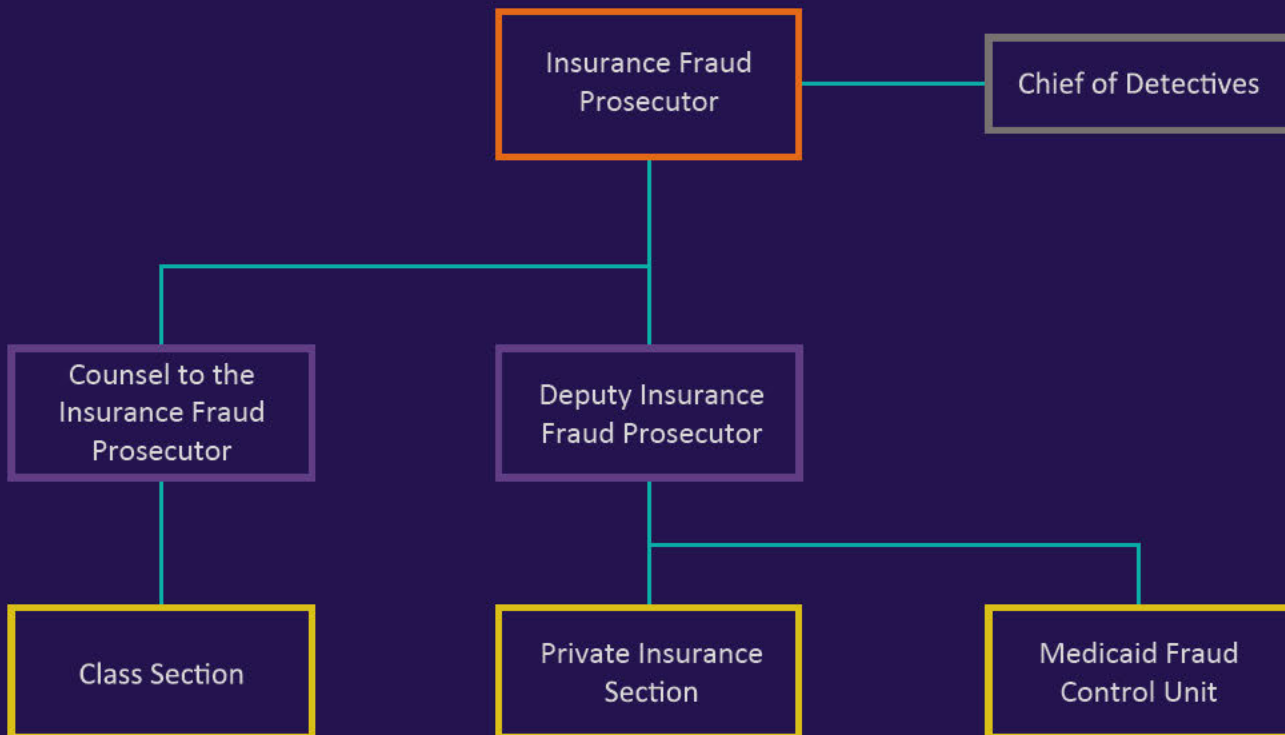
Auto	3224
Property and Casualty	817
Health and Life	922
Other	275
TOTAL	5238

Criminal Referrals



Auto	43
Property and Casualty	110
Health and Life	43
Medicaid	231
Other	12
TOTAL	439

Organizational Chart for the Office of the Insurance Fraud Prosecutor



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INSURANCE FRAUD PROSECUTOR