

2023 LOUISIANA INSURANCE FRAUD TASK FORCE



COMBINED ANNUAL REPORT

Louisiana Insurance Fraud Task Force



**Louisiana Department of Insurance
Office of Insurance Fraud
&
Louisiana Auto Theft and
Insurance Fraud Prevention Authority**



**Louisiana State Police
Insurance Fraud
&
Auto Theft Unit**



**Office of The Attorney General
Insurance Fraud Support Unit**

The **Insurance Fraud Task Force** is a partnership between three state agencies created to collectively investigate and deter acts of insurance fraud and auto theft in Louisiana.

Insurance fraud is any fraudulent act, knowingly and willfully committed by any person in an attempt to injure, defraud, or deceive an insurance company. In Louisiana, insurance fraud is a felony, and when convicted, penalties could include incarceration, fines, community service, probation and/or restitution.

NOTE: If the amount of the benefit that is the subject of the criminal act does not exceed \$1,000.00, the insurance fraud will be classified as a misdemeanor.

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Letter From The Superintendent

State of Louisiana
Department of Public Safety and Corrections
Public Safety Services

February 13, 2024



Office of the Governor
Honorable Jeff Landry
900 North 3rd Street
Baton Rouge, Louisiana

Dear Governor Landry:

I hope this letter finds you in good health and high spirits. I am writing to express my sincere appreciation for the outstanding efforts of the men and women of the Louisiana Insurance Fraud Task Force in their efforts to combat insurance fraud within our great state. Enclosed herewith is the combined annual report of the Louisiana Insurance Fraud Task Force, as mandated by Louisiana Revised Statute 40:1427. The report comprehensively details the task force's diligent work, to include statistical and summary information, budget expenditures, and the achievements made by the task force throughout the 2023 calendar year.

The collaboration between the Louisiana State Police, the Louisiana Attorney General's Office, and the Louisiana Department of Insurance has proven to be instrumental in identifying, investigating, and prosecuting individuals engaged in committing insurance fraud across the state. The tireless efforts of the men and women on the task force, along with their collaboration with local and federal law enforcement, non-profits, the public, prosecutors, and industry stakeholders, continues to play a pivotal role in deterring and reducing insurance fraud in our state. I am particularly impressed by the ongoing commitment of the task force members to stay updated on the latest trends, while employing the best practices in investigating insurance fraud. Their dedication to maintaining up-to-date training and education ensures task force members remain at the forefront of the field, effectively combating fraudulent activities and safeguarding the financial well-being of our citizens.

As you are well aware, insurance fraud continues to have a negative impact on the citizens of Louisiana, costing millions of dollars annually. I want to assure you that the Louisiana Insurance Fraud Task Force will remain resolute in utilizing all available resources to consistently conduct quality criminal investigations to help eradicate the detrimental effects of this crime on our state. Your support for the Louisiana Insurance Fraud Task Force is vital in ensuring our state remains a relevant leader in the field of fighting insurance fraud. Together, we can further strengthen our collective efforts to protect the interests of the citizens of Louisiana.

Thank you for your time and consideration.

Sincerely,

A handwritten signature in blue ink that reads "COL Robert P. Hodges".

Colonel Robert P. Hodges
Deputy Secretary, Public Safety Services
Superintendent, Louisiana State Police

LOUISIANA STATE POLICE INSURANCE FRAUD & AUTO THEFT UNIT

The Mission of the Insurance Fraud / Auto Theft Unit is to seek justice on behalf of the citizens of the State of Louisiana and industry stakeholders by the execution of superior, professional, and effective investigations



Insurance Fraud / Auto Theft Unit



Insurance Fraud / Auto Theft Unit

Program Notes

In 1999 the Louisiana Legislature passed House Bill 1868, statutorily creating the Insurance Fraud Investigation Unit within Title 40 of the revised statutes; specifically, sections 40:1421–1429 provide the outline for unit operations. The Unit became operational January 1, 2000, within the Bureau of Investigation (BOI) of the Louisiana State Police (LSP), thereby implementing a law enforcement function to combat insurance fraud. In 2006, the State Police formally added auto theft responsibilities to the unit's role. At that time it was renamed the Insurance Fraud and Auto Theft Unit (IFAT). The primary focus of the IFAT is the investigation of insurance acts that violate LRS 22:1921-1929.

Currently, IFAT is divided into six field offices and three satellite offices which covers the 64 parishes of the state. State Police Troopers along with State Police Criminal Investigators within the field offices are tasked with investigating criminal complaints from the LA Dept. of Insurance and from the public. Each field office is supervised by an IFAT Sergeant who answers directly to the LSP-IFAT Program Coordinator. The Program Coordinator holds the rank of State Police Lieutenant and is under the supervision of a State Police Captain who commands the LSP Special Investigation Section. The Program Coordinator is tasked with working alongside State Police supervisors, staff, industry representatives, and governmental partners to ensure the success of the unit's mission. Excluding the IFAT seven supervisors, there were 17 State Police investigators, and two civilian support personnel assigned to the Insurance Fraud / Auto Theft Unit at the time this report was finalized.

REGION I

Baton Rouge area

Sgt. Mindi Keith

7919 Independence Blvd, Box A-19

Baton Rouge, LA 70806

(225) 925-3850

Mindi.Keith@la.gov

New Orleans area

(includes the Northshore areas)

Sgt. Leander Journee

1450 Poydras St, Suite 1300

New Orleans, LA 70112

(504) 310-7066

Leander.Journee@la.gov

Program Coordinator: Lt. Michael Wilkerson (318) 741-2726

Administrative Program Specialist : Ms. Carol Holder (225) 925-3536

Investigative Specialist: Mrs. Ciara Stoute (337) 332-8061

Unit Email Address: lsp.insurance.fraud.unit@la.gov

Field Office Contacts

REGION II

Breaux Bridge area

(includes the Houma and Sulphur areas)

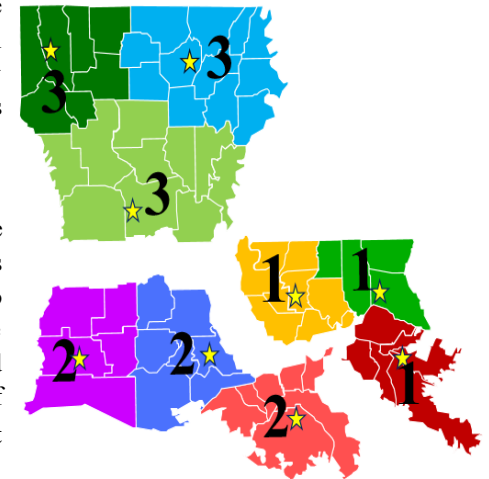
Sgt. Dale Latham

437 West Mills Ave

Breaux Bridge, LA 70517

(337) 332-8062

Dale.Latham@la.gov



REGION III

Bossier City area

Sgt. David Jernigan

4185 Viking Dr

Bossier City, LA 71111

(318) 741-2787

David.Jernigan@la.gov

Alexandria area

Sgt. Rodney Owens

5903 Coliseum Blvd

Alexandria, LA 71302

(318) 484-2171

Rodney.Owens@la.gov

Monroe area

Sgt. Justin Morris

1900 N. 18th Street, Suite 701

Monroe, LA 71201

(318) 362-4588

Justin.Morris2@la.gov

Insurance Fraud / Auto Theft Unit

Referrals Received...

The Insurance Fraud and Auto Theft Unit receives insurance fraud referrals from the Louisiana Department of Insurance (LDI) on a monthly basis. In 2023, the Unit received 2168 referrals from the LDI, of which 318 were accepted and 1850 were rejected or declined.

In addition to the 2168 referrals received from the LDI, the IFAT Unit also accepted 93 non-LDI criminal complaints related to insurance fraud, vehicle theft, and other crimes. These complaints were received from various entities, including IFAT Unit generated operations, other law enforcement agencies, citizens complaints, etc.

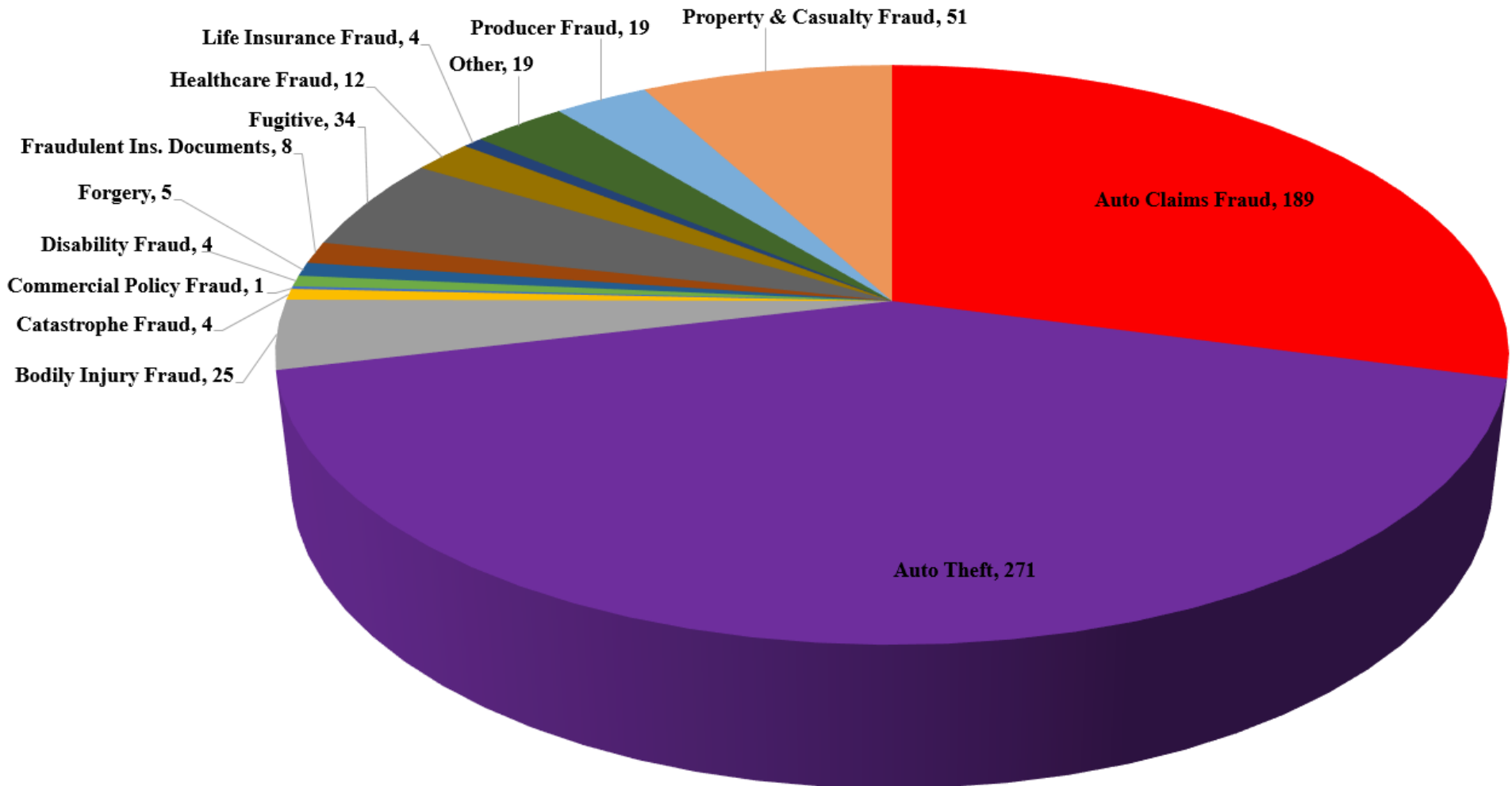
Referrals Received from LDI	2168
LDI Referrals Rejected	1850
LDI Referrals Accepted (Number denotes # of LDI referrals received by LSP minus # of LDI referrals rejected by LSP)	318
Non-LDI Investigations (referrals)	93
Total Referrals	2261

In 2023, 63.9% of the referrals received from the Department of Insurance were related to auto claims fraud, followed by property & casualty fraud at 13.8%, bodily injury fraud at 5.5%, and healthcare fraud at 4.3%. The remaining types of LDI referrals, listed in the table to the right make up the remaining 12.5%.

Type of Investigation...	LDI	Non-LDI
Arson	5	0
Auto Claims Fraud	1386	7
Auto Theft	22	35
Bodily Injury Fraud	119	0
Catastrophe Fraud	32	0
Commercial Policy Fraud	4	0
Disability Fraud	23	0
Forgery	3	4
Fraudulent Ins. Documents	12	5
Fugitive	8	26
Healthcare Fraud	93	0
Life Insurance Fraud	55	0
Other	73	14
Producer Fraud	32	1
Property & Casualty Fraud	298	1
Worker's Compensation Fraud	3	0

Insurance Fraud / Auto Theft Unit

2023 Referrals Accepted by Type...



Insurance Fraud / Auto Theft Unit

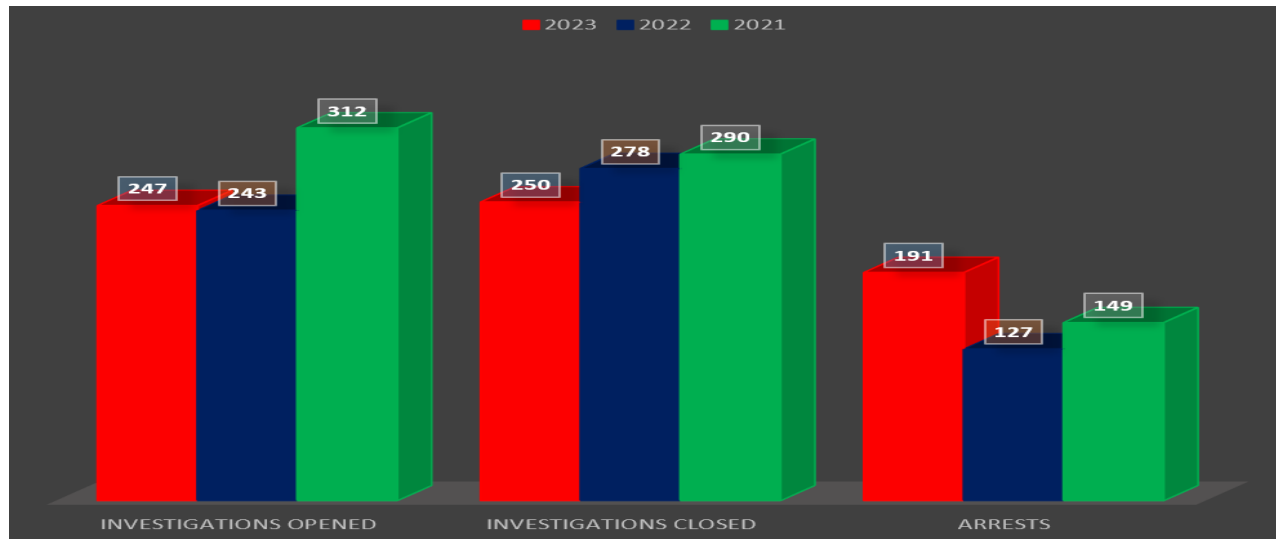
Investigations Carried Over from Prior Years	35
Investigations Opened	247
Investigations Closed	250
Arrests	191

In 2023, there were 247 criminal investigations opened and 250 investigations closed in relation to complaints received by IFAT.

OPENED: The Baton Rouge & New Orleans field offices accounted for 155 opened investigations, Region 2 - Breaux Bridge Field Office (which includes Houma & Sulphur) recorded 34 investigations opened, and Region 3 - Alexandria, Monroe, and Bossier initiated 58 investigations.

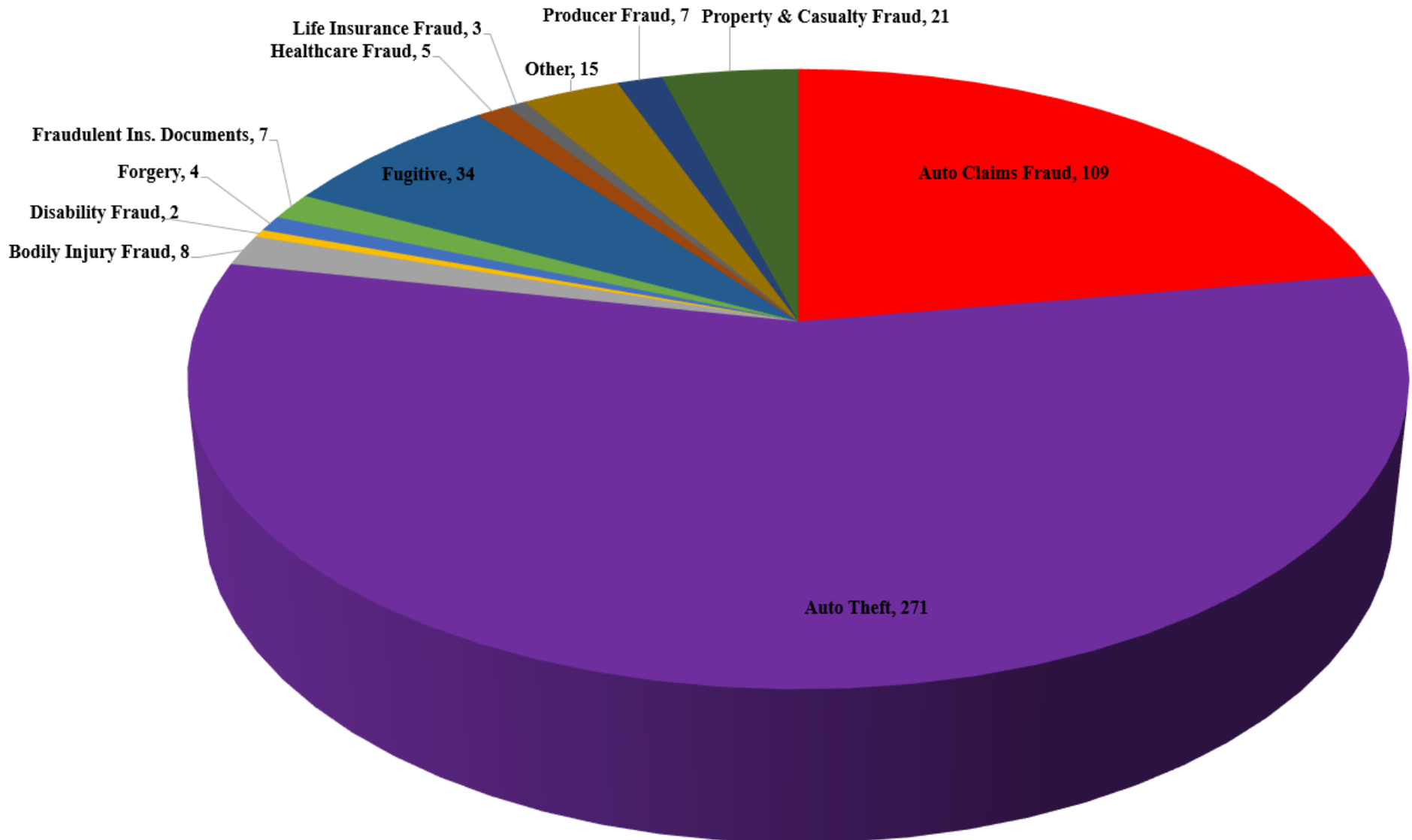
CLOSED: Of the 250 investigations closed, 144 or 57.6% were closed by arrest. Additionally, 191 individuals were arrested in 2023 in relation to complaints received by IFAT. Statewide, 45.5% of the arrests were in Region 1, 28.3% were in Region 2, and 26.2% were in Region 3.

Three Year Statistical Profile...



Insurance Fraud / Auto Theft Unit

2023 LSP Investigations Conducted by Type...



Insurance Fraud / Auto Theft Unit

2023 Judicial Actions...

<i>2023 Judicial Actions</i>	
Convictions	74
Jail Time Ordered	63.17 yrs
Probation Ordered	47 years
Community Service	392 hours
Pre-Trial Intervention	16 entries
Restitution	\$475,801.67
Court Fines	\$23,316.25

In 2023, the LSP Insurance Fraud / Auto Theft Unit had 17.6% of their convictions declared in Orleans Parish and 14.9% in Caddo Parish. The remaining convictions were spread throughout 28 other parishes. The table on the right shows all convictions and pretrial interventions by parish. Parishes not listed in the chart did not have any convictions or pretrial interventions, or no data was available.

Parish	Convictions	Pretrial
Ascension	1	0
Avoyelles	2	0
Bienville	1	0
Bossier	4	2
Caddo	11	0
Calcasieu	1	0
Catahoula	1	0
Concordia	1	0
E. Baton Rouge	6	1
E. Feliciana	1	0
Franklin	1	0
Jeff Davis	1	0
Jefferson	4	3
Lafourche	1	0
Lincoln	1	0
Livingston	1	0
Natchitoches	1	1
Orleans	13	6
Ouachita	1	0
Rapides	4	0
Richland	1	0
Sabine	1	0
St. Bernard	2	0
St. Charles	2	2
St. Mary	1	0
St. Tammany	1	0
Tangipahoa	1	1
Terrebonne	6	0
Union	1	0
Vernon	1	0
TOTAL	74	16

Insurance Fraud / Auto Theft Unit

2023 Budget Expenditures

Category Name	GL Acct	GL Account Name	Sum of Total Amount
TRAVEL AND TRAINING	5210010	IN-STATE TRAVEL-ADM	\$900.02
	5210015	IN-STATE TRAVEL-CONF	\$3,591.52
	5210030	IN-STATE TRV-IT/TRN	\$3,005.00
	5210050	OUT-OF-STATE TRV-ADM	\$1,051.57
	5210055	OUT-OF-ST TRV-CONF	\$14,314.16
	5210060	OUT-OF-ST TRV-FIELD	\$1,094.91
	5210065	OUT-OF-ST TRV-BD MEM	\$215.93
	5210070	OUT-OF-ST TRV-IT/TRN	\$595.00
	5210105	STAFF TRAINING	\$1,375.00
	5210110	CONFERENCE REG FEES	\$530.00
	5210115	CERTIFICATION FEES	\$7,230.00
TRAVEL AND TRAINING Sum			\$33,903.11
SUPPLIES	5410001	SUP-OFFICE SUPPLIES	\$13,904.11
	5410004	SUP-SECURITY/LAW ENF	\$509.95
	5410006	SUP-COMPUTER	\$1,129.78
	5410007	SUP-CLOTHING/UNIFORM	\$1,940.25
	5410015	SUP-AUTO	\$108,836.79
	5410016	SUP-BLD,GRD,GEN,PLAN	\$65.00
	5410020	SUP-COMMUNICATIONS	\$1,120.00
	5410021	SUP-ELECTRONICS/ELEC	\$320.91
	5410030	SUP-TOOLS	\$2,217.34
	5410031	SUP-REP/MNT SUP-AUTO	\$1,935.00
	5410036	SUP-FUELTRAC	\$12,163.13
	5410040	SUP-WEAPONS	\$332.25
	5410400	SUP-OTHER	\$8,147.49
	5410510	SUP-CONS INV TRAD-IM	\$86.48
SUPPLIES Sum			\$152,708.48
SALARIES	5110010	SAL-CLASS-TO-REG	\$2,029,097.13
	5110015	SAL-CLASS-TO-OT	\$112,940.75
	5110020	SAL-CLASS-TO-TERM	\$27,518.88
SALARIES Sum			\$2,169,556.76
RELATED BENEFITS	5130010	RET CONTR-STATE EMP	\$269,477.62
	5130030	RET CONTR-OTHER	\$956,073.15
	5130060	MEDICARE TAX	\$30,520.19
	5130070	GRP INS CONTRIBUTION	\$205,035.82
	5130090	TAXABLE FRINGE BEN	\$51,518.88
RELATED BENEFITS Sum			\$1,512,625.66
PROFESSIONAL SERVICES	5510400	PROF SERV-OTHER	\$116.30
PROFESSIONAL SERVICES Sum			\$116.30
OTHER COMPENSATION	5120105	COMP-NON TO-OT	\$139.50
OTHER COMPENSATION Sum			\$139.50
OTHER CHARGES	1220050	TRANS-VEHICLES-MA	\$149,261.20
	5620065	MISC-SUPPLIES OTHER	\$3,315.01
OTHER CHARGES Sum			\$152,576.21
OPERATING SERVICES	5310014	SERV-DRUG TESTING	\$45.00
	5310025	SERV-LOCKSMITH	\$1,132.36
	5310026	SERV-INVESTIGATE EXP	\$482.15
	5310037	SERV-TRAINING	\$795.00
	5310050	SERV-DUES & OTHER	\$55.00
	5310400	SERV-MISC	\$300.00
	5330018	MAINT-AUTO REPAIRS	\$931.71
	5340020	RENT-EQUIPMENT	\$3,300.33
	5340025	RENT-AUTOMOBILES	\$69.34
	5350001	UTIL-INTERNET PROVID	\$2,090.97
	5350005	UTIL-OTHER COMM SERV	\$1,157.26
	5350006	UTIL-MAIL/DEL/POST	\$48.15
	5350007	UTIL-POSTAGE DUE	\$30.66
	5350010	UTIL-ELECTRICITY	\$13,540.86
OPERATING SERVICES Sum			\$23,978.79
IAT	5950014	IAT-TELEPHONE	\$3,881.22
IAT Sum			\$3,881.22
CAPITAL OUTLAY	5710229	ACQ-SEC/LAW ENFOR EQ	\$1,590.47
CAPITAL OUTLAY Sum			\$1,590.47
Grand Total			\$4,051,076.50

Insurance Fraud / Auto Theft Unit

Region 1 Investigative Highlights

Auto Thefts from the Norfolk Southern Rail Yard

(Orleans) - In 2022, the New Orleans Police Department (NOPD) and Norfolk Southern Rail Yard (NFS) requested assistance from the Louisiana State Police Insurance Fraud/Auto Theft Unit New Orleans Field Office with the investigation of a mass cargo theft incident from a rail yard located in New Orleans, Louisiana. This was in response to the theft of approximately (63) new Infiniti, and Nissan vehicles from the site. LSP-IFAT-NFO initiated a joint state and federal investigation into the thefts. The thefts continued into March of 2023, driving the number of stolen vehicles to approximately (80) with a projected loss amount of 3.2 million dollars. From the inception of the investigation, LSP-IFAT-NFO has federally indicted (14) subjects related to the theft or subsequent possession of these vehicles and arrested several others on state charges. Almost all of these defendants are poised to plea in 2024. Investigators have also recovered approximately (75) of the stolen vehicles. This case has been a focus of the United States Attorney's Office (USAO) Project Safe Neighborhoods initiative and has been classified by HSI Headquarters' as a Significant Case Review (SCR), which involves the dismantling of a criminal organization.

Property & Casualty Fraud / Identity Theft

(Tangipahoa) On February 1, 2023, the Louisiana State Police Insurance Fraud / Auto Theft Unit received a criminal referral from the LA Dept of Insurance (LDI) related to a suspicious insurance claim. This referral alleged Crystal Cook and Diamond Mack committed Insurance Fraud against USAA on or about August 9, 2022, in Tangipahoa Parish. According to the referral, Cook, the mother of Diamond Mack, submitted a fraudulent itemized invoice pertaining to medical services her daughter received by North Oaks Hospital in Hammond, LA. The invoice totaled \$16, 033.50. The LSP investigation revealed on August 9, 2022, three juveniles were involved in a motor vehicle crash. The juveniles sought medical treatment at North Oaks Medical Center in Hammond, LA. Due to the patient's juvenile age, parents/guardians were financially responsible for the medical services rendered to the juveniles. The three adults submitted itemized invoices from North Oaks Hospital to USAA as proof of payment in order to be reimbursed for the hospital bill. A medical search warrant was applied for and submitted to North Oaks Hospital along with the itemized invoice submitted to USAA. Through a review of the documents, it was confirmed the itemized invoice submitted to USAA, which totaled \$16, 033.50, was fraudulent. The investigation

concluded Ashley Gatlin and Shunyell Mack, who were associates of Crystal Cook and Diamond Mack, financially defrauded USAA. Gatlin alone defrauded USAA out of approximately \$12,918.00 in funds she was not entitled to. She thereafter attempted to defraud USAA out of another \$16, 033.50 while impersonating herself to be Crystal Cook, by submitting fraudulent invoices to USAA. North Oaks Hospital confirmed ALL invoices submitted by Gatlin were fraudulent. Gatlin, the legal guardian for Carmiya Brim, also deprived Medicaid of funds that were received on behalf Brim. North Oaks Hospital provided the true itemized invoice billed to Medicaid, which was \$977.02. Gatlin's accomplice, Shunyell Mack, financially defrauded USAA out of approximately \$6, 480.00 in funds she was not entitled to. Mack submitted fraudulent itemized invoices to USAA in a scheme to deprive USAA of funds she was not entitled to receive. Again, North Oaks Hospital confirmed ALL invoices submitted were fraudulent. Shunyell Mack also deprived Medicaid of funds that were received on behalf of Taniyah Mack. North Oaks Hospital provided the true itemized invoice billed to Medicaid which was \$977.02. Arrest warrants were issued for both Gatlin and Mack on numerous criminal charges ranging from identity theft, theft, and forgery.

Identity Theft / Auto Theft

(Orleans and Jefferson) - In late 2021, Progressive Insurance initiated an investigation into Bruce Brewer after determining he stole the identity of a Colorado citizen and used the individual's identity to purchase a car insurance policy and two vehicles in his name. After confirming their findings, Progressive forwarded the case to LSP for a criminal investigative follow-up in April 2022. In November 2022, LSP commenced an investigation into Progressive's allegation and concluded Brewer knowingly stole the identity of Lance Franklin of Colorado. Brewer used Franklin's identity multiple times, violating LA.R.S. 14:67.16 in Orleans and Jefferson Parishes. Brewer utilized a fraudulently-obtained identity of Franklin, and by unknown means, came into possession of a very convincing, yet fake, Colorado driver's license, violating LA R.S. 14:70.7. Brewer initially insured a Honda Accord by

All persons are presumed innocent until proven guilty.

Insurance Fraud / Auto Theft Unit

Region 1 Investigative Highlights

Identity Theft / Auto Theft (continued)

securing a Progressive Insurance policy, again using Franklin's identity, violating LRS 14:72.1.1. It is presumed he purchased the Progressive policy while at his Metairie residence. Brewer then used his fraudulent driver's license and insurance policy to purchase a 2016 Lexus from Premier Chrysler-Jeep-Dodge in New Orleans East. On September 9, 2021, Brewer was involved in a vehicle crash with a NOPD unit. During the crash investigation, Brewer was captured on bodycam video advising NOPD Officers he was "**Lance Franklin**" and he just purchased the Lexus. While at the scene, Brewer provided officers Progressive insurance information and a fake Colorado driver's license, both in Franklin's name. On September 16, 2021, Brewer was involved in a second crash while operating the Lexus. This crash, which occurred in Kenner, LA (Jefferson Parish), totaled the vehicle. Brewer was arrested on charges related to the crash and booked in jail under the name of "Franklin". Several days after his release, Brewer filed a claim with Progressive for a payout for the 2016 Lexus. Later, on September 30, 2021, Brewer returned to the Premier Chrysler-Jeep-Dodge Dealership and purchase yet another vehicle, a 2014 Jaguar, while using the identity of Franklin. In the days after acquiring the vehicle, Brewer removed the 2016 Lexus from his insurance policy and replaced it with the 2014 Jaguar. Brewer was involved in yet another crash the following month, while driving the 2014 Jaguar in New Orleans. He subsequently filed another claim with Progressive Insurance, again posing as Franklin. Eventually, the real Lance Franklin became aware of the fraud and contacted Progressive and the Premier Car Dealership about the identity theft. In February 2023, LSP detectives procured arrest warrants for Brewer in Orleans and Jefferson Parishes, based on the evidence obtained for a multitude of charges, to include insurance fraud, identity theft, auto theft, forgery, filing false public records, etc. On November 17, 2023, Brewer was arrested on an unrelated attempted murder charge and was subsequently booked by detectives on his active arrest warrants related to the aforementioned investigation.

Property Fraud

(East Baton Rouge) - In January 2021, the LA Dept of Insurance forwarded a criminal referral to the LA State Police Insurance Fraud/Auto Theft Unit. According to the referral, American Bankers Insurance alleged Denitria Honore and Trey Francis committed Insurance Fraud beginning on or about February of 2020. Between February of 2020 and June of 2021, Honore and Francis filed at

least 43 separate insurance claims, in relation to 17 different smartphones, to American Bankers Insurance for lost or damaged cellphones. The phones, which were claimed lost or damaged, were claimed multiple times and possibly still being used during and after claims were made. The LSP investigation revealed Honore and Francis purchased cell phone insurance policies from American Bankers Insurance when the cellular accounts were opened. Because the insurance policy followed the line, or phone account, and transferred to the devices in use on the account, Honore and Francis were able to perpetrate a scheme to fraudulently claim damaged or lost/stolen cell phones. The scheme included at least 43 claims over the course of more than one year. A total of 11 claims were paid, valued at \$11,104.17. A total of 32 claims were attempted but denied and/or closed, with reserve value set at \$500.00 each. These denied claims had a total value of \$16,000.00. The combined value of paid and attempted claims was \$27,104.17. On February 1, 2023, warrants were secured for Honore and Francis. Both were later arrested on February 3, and February 6, 2023, respectively for violating LRS 22:1924 (Insurance Fraud), and booked into the East Baton Rouge Parish Jail.

Auto Claims Fraud / Forgery of Insurance Certificate

(East Baton Rouge) - In April 2023, the LA State Police Insurance Fraud / Auto Theft Unit received a criminal complaint from GoAuto Insurance, and a local attorney, in relation to Terica Johnson. According to the complaint, Johnson represented herself as qualified to sell insurance and issued fraudulent GoAuto Insurance cards to an individual for \$40.00. This individual was then involved in a crash and presented the insurance card as proof of insurance, only to learn it was not a valid policy. The LSP investigation determined Johnson was producing the fraudulent cards and was distributing them via her email account to multiple individuals who contacted her through social media. In June 2023, the LSP Insurance Fraud / Auto Theft Unit received a separate criminal complaint from GoAuto Insurance alleging Johnson had committed insurance fraud. The LSP investigation determined Johnson was involved in a crash and subsequently made a claim with GoAuto. Further investigation revealed Johnson provided material misrepresentations to the auto insurer in

All persons are presumed innocent until proven guilty.

Insurance Fraud / Auto Theft Unit

Region 2 Investigative Highlights

support of her claim, more specifically by fabricating the date the crash occurred. Johnson then attempted to conspire with the other driver to cover up her misrepresentation. By doing so, Johnson attempted to defraud GoAuto out of approximately \$1,615.90, to which she was not entitled. On September 13, 2023 Johnson was arrested and booked in East Baton Rouge Parish for violation of L.R.S. 22:1925 Insurance Fraud - Auto Policies and L.R.S. 14:72.1.1 Forgery of a Certificate of Insurance.

Tax Evasion, Forgery & Filing False Public Records

(Statewide) - In January 2022, the LA Office of Motor Vehicles notified the LSP Insurance Fraud / Auto Theft Unit (LSP-IFAT) of disparities related to the titling of numerous vehicles in Louisiana. The disparities were specifically link to transactions processed at various Public Tag Agents (PTAs) and Auto Title Companies (ATCs) in Louisiana. The PTAs and ATCs were authorized by the state to title, register, issue license plates, and collect sales/use tax associated with the transactions. The bulk of the transactions took place at offices located in or around the Lake Charles, LA area. The case, coined "Operation Dirty Deeds" was assigned to the LSP-IFAT's Breaux Bridge Field Office. During the investigation, 33 suspects were identified and were found to have collectively transacted 180 vehicles, valued at \$9,916,970.00. An audit of Louisiana Office of Motor Vehicle records revealed these suspects applied for expedited Louisiana titles using fraudulent out of state vehicle titles, manufacturer certificates of origins (MCO), manufacturer statement of origins (MSO) and other suspicious documents. As the investigation unfolded it was learned many of these vehicles were acquired through a variety of ways, including but not limited to "Lien Fraud" where in an individual produced a fake identity at the time of a vehicle purchase, removes the lien holder information from the paperwork, and sells the vehicle to an unsuspecting victim. These fictitious documents were ultimately used to obtain genuine Louisiana titles, registrations, and license plates. After obtaining seeming legitimate paperwork for these vehicle, they were immediately sold to used car dealerships, retitled in other states, or shipped out of the country. During each transaction, the suspects grossly undervalued the vehicles which resulted in a lower sales tax being assessed. Collectively these individuals deprived the State of Louisiana of \$306,485.05 in sales tax revenue. As a result of the investigation, troopers obtained full extradition arrest warrants for 33 members of the criminal enterprise for multiple counts including forgery, filing or maintaining false public records and tax evasion. To date, more than half of these suspects have been arrested and extradited back to Louisiana for prosecution. This includes the

suspected ringleader, Cameron Standhart. Following the issuance of an international RED NOTICE by Texas and LSP-IFAT law enforcement, Standhart was apprehended overseas in the Republic of Georgia and deported back to Houston (Harris County, TX). Subsequent to answering to unrelated charges in Texas, Standhart will be extradited back to Louisiana for prosecution. Looking back on this massive undertaking, the success of "Operation Dirty Deeds" would not have been possible without the collaboration between, the LSP-IFAT, the LA Office of Motor Vehicles, the Louisiana Department of Revenue, the National Insurance Crime Bureau, our partners in the insurance industry, and the guidance offered by the Louisiana Office of the Attorney General's Insurance Fraud Support Unit.

Producer Fraud

(Terrebonne) In June 2021, the Louisiana State Police Insurance Fraud and Auto Theft Unit (LSP-IFAT) received a criminal complaint from the Louisiana Department of Insurance (LDI). According to the complainant, Joel Martinsen, a licensed insurance producer, submitted seven (7) falsified Liberty Mutual Insurance Company declaration pages to Progressive Insurance to obtain lower premiums on commercial insurances. At the time the complaint was received, LDI had served Martinsen with a Cease and Desist Order. The Order indicated Martinsen's producer's license (#294410) was suspended effective immediately. During the criminal investigation, LSP-IFAT detectives determined there was sufficient evidence to support the allegation that Martinsen, acting in his capacity as licensed Louisiana insurance producer and employed by Terrebonne Insurance Agency, falsified and submitted the seven (7) fraudulent commercial insurance policies in the name of Liberty Mutual to Progressive Insurance in Terrebonne Parish. Martinsen's actions directly violated Louisiana Revised Statute Title 22:1562 - Prohibited Acts (Unfair Trade Practices /Insurance Producer). At the conclusion of the investigation, detectives secured an arrest warrant for Martinsen. On July 12, 2023, Martinsen surrendered to LSP detectives and was booked in the Terrebonne Parish Correctional Center without incident. The potential fraud amount related to Martinsen's actions was \$3,272.00.

Medical Fraud

(Terrebonne) In May 2021, the LSP - Insurance Fraud and Auto Theft Unit received a criminal complaint from Melinda Baron, a fraud investigator for

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Insurance Fraud / Auto Theft Unit

Region 3 Investigative Highlights

AFLAC Insurance Company. According to the complaint, AFLAC's investigation revealed a ring of 17 suspects sharing the same manufactured documents in order to obtain financial benefits / payments from AFLAC. Following subsequent investigations of the complaint, LSP-IFAT detectives determined AFLAC representatives mailed certified letters to all 17 policyholders indicating an investigation was ongoing in relation to the previous claims submitted under their individual policies. After AFLAC received no responses, they mailed certified restitution letters to the policyholders indicating fraudulent claims were found and payments were paid to them in error. AFLAC thereafter requested those paid in error to submit repayments, in full, in the form of a cashier's check or money order. AFLAC received restitution payments from three of the 17 suspects. After completing the criminal investigation, IFAT detectives secured arrest warrants for 13 suspects for a violation of LRS: 22:1924, General Medical Insurance Fraud and LRS: 14:67 Felony Theft. Additionally, arrest warrants were secured on three other suspects for a violation of LRS: 22:1924 General Medical Insurance Fraud. The cumulative potential fraud related to this investigation was approximately \$87,680.00.

Insurance Fraud

(Lincoln) - In October 2022, the LSP - Insurance Fraud & Auto Theft Unit (LSP-IFAT) received two separate complaints of insurance fraud from the LA Department of Insurance (LDI). The complaint involved the Prescription Shoppe Pharmacy (PSP) in Ruston, LA., and the Pharmacist in Charge (PIC) Joshua Miller. The complaint stemmed from an investigation by Express Scripts, an independent company that serves as the pharmacy benefit manager for Blue Cross Blue Shield of Louisiana (BCBSLA). According to complaint, PSP and/or PIC fraudulently billed BCBSLA for 703 prescriptions. The LSP-IFAT investigation revealed that during the timeframe of November 2017 through March 2022, Miller filled fraudulent prescriptions for his family members and using the DEA# of a Physician's Assistant (PA), in West Monroe, as the prescriber. According to the PA, she had no knowledge of Miller's actions until she was contacted by Express Scripts. Approximately 229 fraudulent prescriptions were identified to be filled under the PA's DEA# by Miller. On November 7, 2022, Miller surrendered his pharmacist license. On November 16, 2023, Miller was arrested at the Lincoln Parish Sheriff's Office and booked for 229 counts of Insurance Fraud in relation to the LSP-IFAT investigation. The potential fraud amount related to this

investigation was \$136,530.95.

Insurance Fraud / Theft of a Motor Vehicle, & Identity Theft

(Rapides) - In May 2023, the LSP - Insurance Fraud & Auto Theft Unit (LSP-IFAT) was notified by Hixson Ford in Alexandria, LA, of a possible theft of a motor vehicle and identity theft. LSP-IFAT initiated an investigation and learned that on May 06, 2023, a subject using a stolen identity from Ohio, purchased a 2023 Ford Mustang from the Hixson Ford dealership. The subject was also able to obtain insurance from Progressive Direct Auto on the vehicle using the stolen identity. Subsequent to reviewing the sales file and investigative follow-up, detectives learned the true identity of the suspect was Truth Ulschak, from Roseland, LA. Law enforcement was able to successfully recover the Ford Mustang from Ulschak's residence. Subsequently, detectives secured an arrest warrant for Ulschak. On July 18, 2023, Ulschak was arrested at the Rapides Parish Sheriff's Office, at which time he was booked on the charges of Insurance Fraud, Theft of a Motor Vehicle, Forgery, and Identity Theft. The potential fraud related to this investigation was \$54,385.00.

Producer Fraud

(Caddo) - In April 2023, the LSP - Insurance Fraud & Auto Theft Unit (LSP-IFAT) received a criminal referral from the LA Department of Insurance (LDI). According to the referral, New York Life Insurance Company alleged their former employee, William Tyler Rodriguez (Producer), committed forgery and fraud in relation to insurance policies from July 2020 – April 2022. The complaint alleged Rodriguez forged numerous client's signatures to policies, and therefore created fraudulent policies in their name, without their knowledge or consent, in order to collect additional insurance commissions. In August 2023, following the conclusion of the LSP investigation, an arrest warrant was obtained for Rodriguez for violations of LRS 22:1562 D (2); Unfair Trade Practices (5 counts) and LRS 14:72; Forgery (8 counts). On August 14, 2023, Rodriguez voluntarily surrendered at the Caddo Correctional

All persons are presumed innocent until proven guilty.

Insurance Fraud / Auto Theft Unit

Region 3 Investigative Highlights (continued)

Center on the aforementioned charges at which time he was arrested and booked accordingly. The potential fraud amount was approximately \$7,964.00.

Bodily Injury – Altered Medical Records

(Bossier) - In June 2023, the Louisiana Department of Insurance forwarded a criminal referral to the LSP -IFAT Unit. According to the referral, USAA Insurance Company alleged Craylon McGhee committed Insurance Fraud on or about January 22, 2023, in Bossier Parish. The LSP-IFAT investigation revealed McGhee was involved in a two-vehicle accident in Bossier City. At the time of the accident, there were no reported injuries. Several weeks later, McGhee contacted USAA and stated he had suffered injuries as a result of the crash. McGhee provided USAA medical records showing he received treatment at Willis Knighton Hospital in Bossier City; however, it was determined the documents he submitted were altered and belonged to his girlfriend, Kedra Blalock. The investigation also revealed Blalock spoke to the insurance company on McGhee's behalf and stated he had received medical treatment. At the time of her conversation with USAA, Blalock identified herself as McGhee's mother. Following the completion of the LSP investigation, detectives secured arrest warrants for McGhee and Blalock through the 26th JDC of Bossier Parish, for violations of LRS 22:1924; Insurance Fraud. On October 29, 2023, and November 1, 2023, respectively, Blalock and McGhee surrendered at the Bossier Parish Jail. Following their surrender, they were arrested and booked accordingly. The potential fraud amount, had their scheme been successful, would have been \$22,026.00.

Insurance Fraud

(Franklin) - On December 5, 2022, Louisiana State Police, Insurance Fraud/Auto Theft Unit, received a criminal referral from Louisiana Department of Wildlife and Fisheries in reference to a possible insurance fraud violation involving an alleged stolen ATV from Franklin Parish. Facts of the case confirmed that in December of 2020, Frederick W. Fudickar Sr. reported to State Farm Insurance Company that his 2016 Polaris ATV was stolen from his residence. State Farm paid \$15,904.78 for the total loss of the Polaris ATV; accounting for a \$500.00 deductible, \$5,661.53 to Citizen's Progressive finance lien, and \$9,743.25 to Fudickar Sr. During LSP IFAT's investigation, it was revealed Fudickar Sr. fraudulently reported to State Farm that his ATV was stolen, when in fact, he conspired with his son, Frederick W Fudickar Jr, with the intent to receive an

insurance settlement. As a result, arrest warrants were obtained from the 5th JDC charging both Fudickar Sr. and Fudickar Jr. for violating the provisions of LRS 22:1924, Felony Insurance Fraud. On March 7, 2023, Fudickar Jr was arrested and booked on the aforementioned charge. Later, on March 30, 2023, Fudickar Sr. was arrested at Franklin Parish Detention Center where he was booked without incident.

All persons are presumed innocent until proven guilty.

Insurance Fraud / Auto Theft Unit

Law Enforcement Training

One of the critical roles of the LSP-IFAT Unit is to teach Louisiana law enforcement officers the proper method of performing a physical inspection of a motor vehicle and how to complete the Affidavit of Physical Inspection form. To accomplish this task, IFAT detectives frequently provide auto theft related training to officers at various law enforcement agencies and Louisiana P.O.S.T. academies throughout the state. During the training, detectives emphasize to attendees the significance of conducting detailed physical examinations of vehicles and answering questions attendees have about accurately filling out the affidavit of physical inspection form. During the same training block, detectives briefly educate attendees on the various types of auto theft commonly committed by criminals.

2023 Training Sessions Conducted by IFAT	
Number officers trained	468
Number of sessions conducted	27



Throughout the course of the year, members of the LSP-IFAT Unit attended and participated in numerous training events across the country to stay abreast of the best practices as it relates to combating insurance fraud. The various training and educational events provided members of LSP-IFAT with necessary information to assist in the collaborative efforts with industry stakeholders to effectively fight fraud while ensuring legal compliance. Members of the Louisiana Insurance Fraud Task Force will consistently promote public awareness, foster industry cooperation, and continuously adapt strategies to counter emerging fraud schemes, thereby safeguarding the integrity of insurance processes in the state.

Conferences



LSP-IFAT members Darren Foil, Morgan Todd, and Dale Latham attend the 2023 International Association of SIUs conference in Dallas, TX.



Inv. Jason Gagliano of the LSP-IFAT New Orleans Field Office gives a presentation on vehicle theft trends during the LA Department of Insurance Fraud Conference in March 2023.



In December 2023, members of the LA Insurance Fraud Task Force attended the Coalition Against Insurance Fraud's end of the year meeting in Washington DC. Attendees (L-R) included Sgt. Rodney Owens (LSP-IFAT-Alexandria), Nathan Strebeck (LA Dept of Insurance-Office of Insurance Fraud), Sgt. David Jernigan (LSP-IFAT-Bossier City).



Sgt. Leander Journee (IFAT-New Orleans) poses for a picture while attending the Coalition Against Insurance Fraud's mid year membership meeting in Orlando, FL, in June 2023.

Insurance Fraud / Auto Theft Unit

CERTIFICATIONS

Per LRS 40:1422, all members of the Louisiana State Police Insurance Fraud / Auto Theft Unit are required to obtain the certification of Fraud Claim Law Specialist (FCLS) within two years of their assignment to the unit. The training and certification is obtained by taking a correspondence-type course with the American Educational Institute, commonly referred to as AEI.

The FCLS designation is recognized throughout the industry as the mark of professional achievement. Through the AEI's "Law of Claims Fraud and Investigation Defense Program" detectives receive coursework in the following six key areas: Recognizing Fraud, Special Investigation, Proving Fraud, Handling Suspicious Claims, Avoiding Bad Faith & Civil Liability in Handling Suspicious Claims, Advanced Legal Issues in Fraud Investigation and Defense, and Auto Insurance Fraud.

Upon successfully completing the core courses, detectives receive their FCLS designation and certification.

In 2023, the following Louisiana State Police detectives assigned to the Insurance Fraud / Auto Theft Unit received their FCLS designation and certification through AEI:

SGT Justin Morris (Monroe); SGT Rodney Owens, Trooper First Class Mary Neal and Inv. Ronald Besson (Alexandria); Trooper First Class Lucas Burge and Inv. Daryle Graham (Baton Rouge); Trooper First Class Ryan Beard (Breaux Bridge); and Trooper Malachi Hull (New Orleans).



(aeiclaimsaw.com)

AWARDS

In December 2023, the Louisiana State Troopers Association, Troop F Affiliate, selected Criminal Investigator Morgan Todd as the 2023 Investigator of the Year for the LSP-BOI. (Picture: Inv. Morgan and Sgt Justin Morris of the LSP-IFAT Monroe Field Office.)

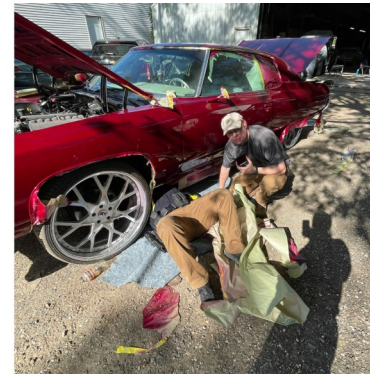


Insurance Fraud / Auto Theft Unit

The Louisiana State Police - Insurance Fraud Auto Theft (LSP-IFAT) Unit plays a pivotal role in combating auto thefts across the state. In addition to our role in fighting insurance fraud, members are also dedicated to investigating and preventing vehicle thefts. The unit consistently engages in the industry's best practices by utilizing the latest resources to track down and apprehend criminals involved in auto theft and auto theft related activities. During 2023, unit personnel recovered 270 vehicles across the state, with a cumulative value of approximately \$6.1M. Often times, while investigating auto theft crimes, detectives uncover the spoils of other criminal activity such as illegal possession of CDS, illegal possession of a firearm, etc.

On an ongoing basis, the LSP-IFAT Unit collaborates with the National Insurance Crime Bureau (NICB), the Louisiana Department of Insurance - Louisiana Auto Theft and Insurance Fraud Prevention Authority (LATIFPA), along with numerous law enforcement agencies, insurance companies, and other stakeholders to develop comprehensive strategies to keep the public informed and take a proactive approach to tackle this criminal activity. Through relentless efforts and a commitment to excellence, the unit will continually strive to safeguard the community from the impact of auto thefts across the state.

Vehicle Thefts & Recoveries



2023 Vehicle Theft Recoveries by members of LSP-IFAT	
Stolen Vehicles Recovered	270
Cumulative value of vehicles recovered	\$6,095,423.54



Insurance Fraud / Auto Theft Unit

Retirements, Promotions, and Transfers

Retirements

February 2023

Master Trooper Kevin Dies (IFAT-Houma) retired with 28 years of dedicated service.

Helena Graham (IFAT-Administrative Coordinator 3) retired with over 16 years of dedicated service.

LSP-IFAT extends its best wishes for a fulfilling retirement, expressing gratitude for their dedicated service to both LSP and the residents of Louisiana.

Promotions

April 2023

Senior Trooper Leander Journee of IFAT-New Orleans was promoted to Sergeant in the Insurance Fraud / Auto Theft Unit's New Orleans Field Office.

August 2023

Trooper First Class Malachi Hull of IFAT-New Orleans was promoted to Sergeant in the Crisis Response Unit.

Transfers

March 2023

Sgt. Nicole Barbe transferred from IFAT-New Orleans to the Professional Standards and Compliance Unit.

August 2023

Trooper First Class Jacob Pucheu transferred from Troop B in New Orleans, to the IFAT New Orleans Field Office.

Master Trooper Keith Bergeron transferred from IFAT New Orleans Field Office to Troop B in Kenner.

Team Member Spotlights

(IFAT-Alexandria) - Investigator Ronnie Besson was born and raised in Central Louisiana. In 1984, Inv. Besson joined the Alexandria Police Department (APD) after graduating first in his class from the Alexandria Police Regional Training Academy. During his career with the APD, Inv. Besson was assigned to the Criminal Investigations Division and Crime Scene Unit. Additionally, he attended the National Training Center for Polygraph Science and was certified as Polygraph Examiner. In 2011, Inv. Besson retired from the APD with 27 years of service. He has been employed as a Criminal Investigator with the Alexandria Field Office of LSP since 2014. Inv. Besson has been married to his wife and best friend, Mary, for 36 years. According to Inv. Besson, he knew since a young boy in 4th grade that he wanted to be a police officer. Today, he's still living his dream!

(IFAT-Breaux Bridge) - Master Trooper Trent Hanks has been employed with the Louisiana State Police for nearly 19 years. In December 2016, he transferred from Troop I in Lafayette to the Insurance Fraud / Auto Theft Unit's Breaux Bridge Field Office. Before joining the Louisiana State Police, Master Trooper Hanks was a United States Marine for 5 years, where he served during Operations Iraqi and Enduring Freedom. He is married and has 2 children. In his spare time, MT Hanks enjoys spending time with his family, exploring the great outdoors, and traveling.

(IFAT-Baton Rouge) - Investigator Jeff Cagle has been assigned to the Insurance Fraud and Auto Theft Unit (IFAT) in Baton Rouge since 2018. Before joining the IFAT unit, Inv. Cagle was a patrolman with the LA Dept of Public Safety. Inv. Cagle began his 27 year law enforcement career as a dispatcher at Louisiana State Police Headquarters in 1996. His service in Louisiana included Louisiana State University (LSU) Police, LA DPS-Police and as a Louisiana State Police Investigator - Capitol Detail. Additionally, he served several years as a detective with the New Hampton Police Department in New Hampshire before returning to the Louisiana State Police in 2017. Since joining the IFAT Unit, Inv. Cagle has investigated a wide variety of insurance fraud and auto theft cases. His investigations have resulted in the recovery of numerous stolen vehicles and criminal convictions for insurance fraud and auto theft related crimes. Inv. Cagle is an active member of the United States Secret Service Cyber Fraud Task Force, which allows him to stay on the cutting edge of technological training and advancements. He is the recipient of multiple Professional Excellence and Unit Citation awards. Inv. Cagle is married to his wife of 22 years and has three exceptional children. He enjoys long distance backpacking and wilderness survival training.

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**LOUISIANA ATTORNEY GENERAL
JEFF LANDRY'S CRIMINAL DIVISION**



**INSURANCE FRAUD SUPPORT UNIT
2023 ANNUAL REPORT**

Insurance Fraud Support Unit

Louisiana Attorney General Jeff Landry is proud of the efforts of his Insurance Fraud Support Unit (the Unit). Through criminal prosecutions and the recovery of restitution from insurance fraud offenders, the unit is a valuable asset in the fight against criminals who defraud the State and its taxpayers. The Unit operates as part of a tri-agency task force created by the Legislature and dedicated solely to fighting insurance fraud in Louisiana.

The Unit fulfills three primary responsibilities: providing legal advice and consultation in insurance fraud matters to the other two task force agencies – the Louisiana State Police (LSP) and the Louisiana Department of Insurance (LADOI); prosecuting individuals statewide charged with insurance fraud; and presenting insurance fraud information and training to the insurance industry along with state and federal agencies.

The primary objective of the Unit is to provide superior legal representation to the LADOI and LSP in insurance fraud investigations and prosecutions. Assistant Attorneys General assigned to the Unit prosecute violations of Louisiana's criminal laws under Titles 14, 22, 23, and 47 by conducting – or assisting in – criminal prosecutions upon the recusal or assistance request of local district attorneys and by providing legal support to law enforcement agencies investigating criminal insurance fraud.

The Unit may handle insurance fraud cases that begin with a complaint made directly to the Attorney General's Office. Additionally, the Unit may consult with – and provide legal support to – all local and state law enforcement agencies regarding insurance fraud matters and questions. This includes, but is not limited to, reviewing drafts of arrest and search warrants; conducting legal research; and evaluating cases from a prosecutor's perspective (i.e., whether there is sufficient evidence to satisfy legal burdens of proof). Due to the complex nature of some of the cases handled – the local district attorney may be consulted while the investigation is still ongoing to obtain the necessary authority to offer a plea agreement, immunity to a target of the investigation to secure his cooperation concerning other targets, or request to prosecute the case outright.

The Unit's attorneys attend regularly scheduled intelligence-sharing meetings hosted by LSP in Baton Rouge. These meetings are attended by members of special investigative units from many insurance companies that do business in Louisiana. Under a statutory grant of immunity from civil liability, these personnel share information with law enforcement regarding fraud trends and specific active investigations. This level of information sharing allows all participants in the

Louisiana Insurance Fraud Task force to stay abreast of the constantly evolving methods that offenders employ to commit fraud, and has resulted in the successful prosecutions of several staged accident rings, producer fraud cases, health care provider fraud cases, and theft of equipment and automobiles.

The Unit's section chief has given presentations on insurance fraud prosecution issues before organizations such as the National White Collar Crime Center, the Louisiana Association of Self Insured Employers, the Orleans Parish District Attorney's Economic Crimes Unit, the Insurance Security Association, the American Council of Life Insurers, the National Insurance Crime Bureau (NICB), the Louisiana District Attorneys' Association, the LADOI, and the Louisiana Claims Association. All of the Unit's attorneys attend continuing legal education training from various sources, including the National Association of Insurance Commissioners (NAIC) and other NICB or NAIC sponsored training. Moreover, the Unit is connected with the Homeland Security Information Network – enabling attorneys to track insurance fraud cases from start to finish. This network allows everyone involved with the cases to have access to relevant information at all times. The Unit's section chief also serves on the board of the Louisiana Auto Theft and Insurance Fraud Prevention Authority (LATIFPA).

The Unit continues its work of protecting consumers and insurers in Louisiana by actively working with its partners in the State Insurance Fraud Task Force, and by fostering relationships with insurers to ensure that their interests in deterring and prosecuting fraud are fully represented in the criminal justice system.

Insurance Fraud Support Unit

BASIC INFORMATION ABOUT THE UNIT

Statutory Authority for Operations

La. Const. Art. IV, Section 8 provides, in pertinent part:

As necessary for the assertion or protection of any right or interest of the state, the attorney general shall have authority

.....

(2) upon the written request of a district attorney, to advise and assist in the prosecution of any criminal case; and

(3) for cause, when authorized by the court which would have original jurisdiction and subject to judicial review, (a) to institute, prosecute, or intervene in any criminal action or proceedings, or (b) to supersede any attorney representing the state in any civil or criminal action.

La. Code of Criminal Procedure Article 682 provides, in pertinent part:

When a district attorney is recused...it shall be the duty of the Attorney General to appoint a member of his staff...to act in the place of the recused district attorney.

La. R. S. 36:702(E) provides:

There shall be within the Department of Justice a criminal division. It shall be responsible for criminal appeals, amicus curiae briefs in criminal prosecutions, habeas corpus defense, assistance to district attorneys in criminal cases, criminal prosecution, public corruption, institutional and insurance fraud cases, and extraditions, in accordance with Article IV, Section 8 of the Constitution of Louisiana.

Additional Statutory Authority for Insurance Fraud Support Unit Operations

La. R. S. 40:1421 et seq.

Primary Purpose

To provide superior legal representation to LADOI and LSP in insurance fraud investigations and prosecutions.

To participate in LADOI and LSP meetings to screen insurance fraud referrals.

To assist local District Attorneys in prosecuting insurance fraud.

BUDGET FOR THE UNIT

Insurance Fraud Expenditures January 2023 to December 2023	
Salaries	\$319,628
Other Compensation	\$40,006
Related Benefits	\$163,499
Operating Services	\$20,924
Travel	\$140
IAT Charges	\$22,333
TOTAL	\$566,530

Insurance Fraud Support Unit

STATISTICAL INFORMATION FOR THE UNIT

A strategic objective for the Unit is to provide legal support to law enforcement agencies investigating criminal insurance fraud referrals by responding to requests for legal consultation within two working days and by attending 90% of intelligence-sharing meetings hosted by the LSP Insurance Fraud Unit. In 2023, the Unit's attorneys attended all six of the intelligence sharing meetings with the LADOI and the LSP fraud units.

During the 2023 calendar year, the Unit not only reached the standard of 95% percent of requests for legal consultation responded to within 2 working days; but exceeded this goal by handling 100% of all requests for legal consultation within two working days.

The Unit meets the State goal for Crime and Safety Reform of bringing security to all Louisiana citizens by protecting our taxpayers from insurance related fraud. LADOI estimates that there are over \$500 million dollars lost annually in Louisiana to insurance fraud, as it pertains to casualty and property claims. This does not include healthcare fraud which is estimated to be about \$1.5 billion in Louisiana alone. The typical Louisiana household pays almost \$1,000 a year in fraud-related charges passed on to them as consumers.

OTHER 2023 ACCOMPLISHMENTS

Active Prosecutions (as of Dec 31, 2023)	68
New Prosecutions 2023	42
Felony Convictions 2023	6
Misdemeanor Convictions 2023	0
Restitution Ordered	\$255,556.92

During the 2018 calendar year, the Unit entered into a prosecution assistance agreement with the 19th Judicial District Attorney's Office – allowing Assistant Attorneys General to prosecute all insurance fraud cases occurring in East Baton Rouge Parish (or where East Baton Rouge Parish is a proper jurisdiction). This agreement has resulted in 32 active pending prosecutions of Task Force cases as of December 31, 2022. Nine different Assistant Attorneys General are currently prosecuting Task Force cases in various jurisdictions throughout the State of Louisiana, allowing the development of experience and expertise in insurance fraud cases on a broader level in the Criminal Division of the Attorney General's Office.

In 2023, the Unit instituted 42 new prosecutions of Insurance Fraud Task Force cases. The Unit also resolved six Task Force cases by way of felony guilty pleas in 2023. Included in that number is the conviction of Trampus Wagoner for Felony Insurance Fraud (La RS 22:1924). He was ordered to pay \$248,909.16 in restitution to sixteen different victims. Wagoner was also sentenced to five years DOC and three years of probation. Due to the efforts our Task Force partners, the Attorney General's office secured this restitution at the same time as the conviction and the funds have been distributed to the victims.

The Unit continues to strive to increase its role in active prosecution of Task Force cases statewide to ensure that taxpayers and insurers in Louisiana are protected from fraud. In their role as prosecutors, Assistant Attorneys General work to see justice done in each individual case, and to highlight the important work done by its partners in combatting insurance fraud.

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Office of Insurance Fraud



Office of Insurance Fraud

Claims Fraud

The LDI Office of Insurance Fraud received 2,789 reports of suspected fraudulent claims during 2023. The majority were from insurance companies in accordance with La. R.S. 22:1926. Since its inception in 2007, the Office of Insurance Fraud database has accumulated 48,603 entries of suspected fraudulent claims.

During 2023, the Office of Insurance Fraud referred 2,239 claim fraud investigations to Louisiana State Police. There were 98 arrests resulting in 203 charges for numerous crimes as a result of criminal referrals related to suspected fraudulent insurance claims.

Charges Against Claimants or Licensees Resulting from Referrals by Category

Category	Number of Charges*	Percent of Crimes
Insurance Fraud	106	52.2%
Automobile Insurance Fraud	42	20.6%
Theft	20	9.9%
Forgery	12	5.9
Prohibited Actions and Sanctions—Insurance Producers	12	5.9%
Unfair Trade Practices	5	2.5
Identity Theft	2	1.0%
Criminal Conspiracy	1	.5%
Criminal Mischief	1	.5%
Filing False Public Documents	1	.5%
Obstruction of Justice	1	.5%

***An arrest may include multiple charges.**

Office of Insurance Fraud

2023 Producer, Adjuster and Company Fraud Actions...

Action	Number
Number of Investigations Opened	293
Fines and Monetary Penalties	112
Consent Orders	4
License Revocations	53
License Suspensions	52
Cease and Desist Orders Served	39
Criminal Referrals to Law Enforcement	41
Arrests Made as a Result of Criminal Referrals	3

Background Investigations...

The Office of Insurance Fraud investigates the backgrounds of companies, officers, directors, utilization review organizations, claims adjusters and other entities applying to conduct the business of insurance in Louisiana. This includes changes of officers and directors of domestic companies currently authorized to do business in the state.

Action	Number
Company Applications Received	100
Company Applications Approved	96
Company Biographical Affidavits Received	797
Company Biographical Affidavits Approved	818

Louisiana Automobile Theft and Insurance Fraud Prevention Authority...

La. R.S. 22:2131 established the Louisiana Automobile Theft and Insurance Fraud Prevention Authority (“LATIFPA”) for the purpose of combating motor vehicle insurance fraud, including fraud by theft and other criminal acts, property insurance fraud, workers’ compensation fraud, health insurance and healthcare fraud, and other forms of fraud affecting the business of insurance. La. R.S. 40:1428 authorizes the Commissioner of Insurance to withhold \$187,000 each fiscal year from the insurance fraud assessment to provide funding for LATIFPA. This allocation is used to achieve the purposes and objectives of LATIFPA. During Calendar Year 2023, LATIFPA expended \$193,754.54 to accomplish its mission.

For more information on the Office of Insurance Fraud and LATIFPA, please refer to the 2022-2023 Louisiana Department of Insurance Annual Report.

Office of Insurance Fraud

Calendar Year 2023 Expenditures

EXPENDITURE CATEGORY	EXPENDITURES
Salaries-Class - Regular	730,878.48
Salaries-Unclass- Regular	144,122.10
Wages	31,008.25
Retire Contrib - State Employee	324,558.23
Post Retirement Benefits	11,448.47
Medicare Tax	12,125.78
TOTAL PERSONAL SERVICES	\$1,356,396.26
In-State Travel - Admin	0.00
In-State Travel - Conf/Conv	4,065.42
Out-of-State Travel - Conf/Conv	9,076.36
TOTAL TRAVEL	\$13,141.78
Rent - Real Estate	1,298.23
Serv - Dues & Other	3,763.50
Serv - Dues & Other - Bar	870.00
Util - Mail/Del/Post	15,425.64
Util - Mailbox Rental	332.00
Operating Services - Misc.	938.45
TOTAL OPERATING SERVICES	\$36,384.74
Office Supplies	259.06
Operating Supplies - Computer	592.59
Sup - Other	180.44
TOTAL SUPPLIES	\$1,032.09
Prof Serv-Other Professional Services	103,367.20
TOTAL PROFESSIONAL SERVICES	\$103,367.20
IAT - Printing	1,149.74
IAT - Postage	183.68
TOTAL IAT	\$1,333.42
TOTAL DIVISION OF INSURANCE FRAUD EXPENDITURES	\$1,511,655.49

OFFICE OF INSURANCE FRAUD	
Total Expenditures	\$1,511,655.49
Means of Financing:	
Insurance Fraud Investigation Fund	\$742,556.01
LDI Self-Generated Funds	\$769,099.48
Means of Financing Total	\$1,511,655.49

LA AUTOMOBILE THEFT & INSURANCE FRAUD PREVENTION AUTHORITY	
Amount expended of the \$227,000 Appropriation	
Automobile Theft & Insurance Fraud Prevention Authority Fund	\$193,754.54

Office of Insurance Fraud

***Report Insurance Fraud to the
Louisiana Department of Insurance***

Insurance Fraud is ANY intentional misrepresentation
to profit from an insurance entity.

Report Fraud Online:

<http://www.ldi.la.gov/consumers/insurance-fraud/report-insurance-fraud>

By Phone:

(225) 342-4956 or (800) 259-5300

By Mail:

P.O. Box 3096, Baton Rouge, LA 70821

Physical Address:

1702 N. Third Street, Baton Rouge, LA 70802

LOUISIANA STATE POLICE
Insurance Fraud & Auto Theft Unit
7919 Independence Blvd., A-19, Baton Rouge, LA 70806
(225) 925-3536
www.lsp.org

LOUISIANA OFFICE OF THE ATTORNEY GENERAL
Insurance Fraud Support Unit
1885 N. Third Street, Baton Rouge, LA 70802
(225) 326-6000
www.ag.state.la.us

LOUISIANA DEPARTMENT OF INSURANCE
Office of Insurance Fraud
Louisiana Auto Theft and Insurance Fraud Prevention Authority
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(225) 342-4956
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HELP LOUISIANA BOOT OUT FRAUD!



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