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## 2023 FRAUDSTER HALL OF SHAME

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# THE DIRTY DOZEN: 2023 FRAUD HALL OF SHAME

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**T**here never seems to be a lack of individuals every year who believe they can get away with insurance fraud. Luckily for us, the creative ways these pathetic schemes play out and get caught in the end never cease to amaze us. The 2023 Hall of Shame stands as a beacon, illuminating a persistent and destructive crime wave that siphons off a staggering \$308.6 billion annually, according to the Coalition Against Insurance Fraud's study. This scourge not only drives up premiums for countless honest, diligent Americans, but it also inflicts physical harm, tragedy and emotional despair upon those who fall prey to the deceit of fraudsters they once trusted. By bringing the Shamers' cases to the forefront, we shine a national spotlight on these wrongdoers.

This serves as a powerful tool in galvanizing public opinion against insurance fraud. The narratives of these cases serve as a stark reminder of the real-life consequences of fraudulent activities, fostering a collective determination to combat this pervasive problem. The extreme schemers featured in the 2023 Coalition Hall of Shame have all faced the consequences of their actions. Their stories send a resounding message that fraud investigators and prosecutors are unwavering in their pursuit of justice. This is a stark warning to potential wrongdoers that the quest for greed leads to a cold jail cell, not to riches. In reading about these crimes detailed within the Coalition Hall of Shame, we face a sobering reality. Yet, within this stark narrative lies the strength and determination of those who tirelessly work to combat fraud, protect honest citizens and secure justice. Let us remember the Shamers, for their stories, serve as both a warning and a testament to the relentless pursuit of truth and justice. Together, we can stand against fraud, and ensure a more equitable and secure future for all.

## THESE FRAUDSTERS SLIP AND FALL THEIR WAY TO PRISON

What do you get when you take two unscrupulous lawyers and a greedy doctor and add them together? You get a \$31 million fraudulent trip-and-fall scheme that aims to hurt local businesses and their insurance companies. If this sounds like a plan destined to fail, you'd be more than right! Two personal injury lawyers, Marc Elefant and George Constantine, had a genius plan (or so they thought) to make some quick cash. Surely, these two upstanding citizens had an idea to help others get justice, right? WRONG! The dastardly duo worked together with a surgeon, Andrew Dowd, to recruit the most vulnerable members of our society and force them to injure themselves so their lawyers could make a quick buck, over 31 million quick bucks, in fact. Instead of doing their sworn duty to uphold the court of law, they went on an unlawful spree. Filing hundreds of fraudulent lawsuits, all so they could steal from small businesses and insurance companies. Meanwhile, Dowd, a doctor who had promised to "do no harm," was performing hundreds of medically unnecessary surgeries to easily earn thousands of dollars for each one, an act that can best be described as "motivated by pure greed."

At first, the terrible trio was just telling their victims to lie about being injured, but as the con went on, they started to make them actually engage in real accidents and injure themselves for real. Real swell, guys, don't you think? The three of them completely slipped up and will now be getting what they deserve. Constantine and Dowd face over eight years in prison, and Elefant faces two years. Of course, they will have to pay back all the money they stole as well. In addition to their prison terms, Constantine, Dowd, and Elefant were each sentenced to three years of supervised release. In addition to their prison sentences, Constantine





Medical Prescription Form  
Patient's Information  
Date of Issue

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was further ordered to pay over \$4.7M, Dowd almost \$3M, and Elefant nearly \$1M. We can thank the United States Attorney for the Southern District of New York for having them slip and fall directly into jail.

### PILL-PUSHING DOCTOR IS PRESCRIBED PUNISHMENT

This doctor appeared to love the spotlight and living larger than life by paying to appear in national TV shows, sponsoring boxers, cage fights, and even the Ultimate Fighting Championship World Champions and Hall of Famers. By all accounts, this alligator-wrestling doctor was en route to becoming a sensation with his new diet book. Of course, it was all a significant act to launder his appearance and money to seem like he was a legitimate doctor. Fransico Patino was not the man he portrayed himself to be, and the glamorous appearance he had been working on was just as fraudulent as his work. Patino was no hotshot doctor; instead, he took advantage of vulnerable people by offering them opioids if he could bill them through Medicare and Medicaid for unnecessary and sometimes painful or dangerous injections. It seems he cared more about his stardom than his patients, using his addicted and vulnerable patients to pay for his expensive lifestyle. Patino spent funds he derived from these various schemes on a luxury life filled with jewelry, cars, and international vacations.

Patino owned multiple medical practices and clinical laboratories in Michigan and played a critical role in developing and implementing a “shots-for-pills” protocol at several pain clinics, whereby patients were required to receive unnecessary back injections in exchange for prescriptions of dangerous and high doses of medically unnecessary and addictive opioids. Throughout the scam, believe it or not, he prescribed over 6 million doses of opioids. Patino was aware that he was violating the law and even wrote emails brazenly acknowledging that such practic-

es constituted a “violation of the Stark and Anti-Kickback laws.” For all his crimes, Patino faces 16.5 years in prison. Many other defendants have been sentenced or plead guilty in Patino’s ring, including an impressive 12 other physicians who were trained in Patino’s protocols, along with many non-physician defendants who participated in the conspiracy.

### DOCTOR BRACES FOR JAIL AFTER FAKING ORDERS OF BACK BRACES

Christopher Margait was ordering an unusually large amount of Durable Medical Equipment (DME) such as back, knee, and wrist braces. The strangest thing is that they never seemed to get any actual equipment. Margait, along with his partner in crime, Matthew Witkowski, would generate fake orders for DMEs using a call center in the Dominican Republic. They would bill Medicare and Medicaid for those fake orders before selling them to suppliers to help counterfeit prescriptions. The pair of fraudsters were responsible for at least \$7 million in fraudulent charges to Medicare and received at least \$3.8 million of that money directly. How did they do it? By stealing actual Medicare users’ names and private medical information without their knowledge. What is a bit of extra identity theft when you are committing insurance fraud?

Margait, 45, of West Palm Beach, Florida, pled guilty to a single count of conspiracy to commit healthcare fraud and was sentenced to three years of supervised release and ordered to pay forfeiture of \$3.8 million and restitution of \$7 million to the Medicare program. Witkowski, 38, a U.S. citizen who resided in the Dominican Republic since he was in college, was sentenced to 60 months in prison and three years of supervised release. He was also ordered to pay forfeiture of just over \$4 million and restitution of about \$8 million to the Medicare program.

### ‘SWEETIE PIE’S’ STAR TURNS OUT NOT TO BE SUCH A SWEETIE PIE AFTER ALL

The former star of the St. Louis-based television reality show *Welcome to Sweetie Pie’s* James Norton was a well-loved member of his community. Everyone thought he was a sweetie pie, but underneath the crust of this pie was something far more sinister. Norman took out a \$450,000 life insurance policy on his nephew, Andre Montgomery Jr., who was subsequently lured into an alleyway and shot to death only months later.

On his social media, Norton said, “I did not do those insurance policies.” While Andre’s mother called the police daily to avoid her son’s case becoming cold, Norton spent over seven years hiding what had happened to his family.

This half-baked scheme has left his family divided. The victim’s mother, Michelle Griggs, said, “I wanted him to know that I know that he did it from the beginning” and that “Greed brought this; he wanted power and wealth.”

Meanwhile, Norton’s mother, Robbie Montgomery, stated, “I don’t know whether Tim did what he was accused and convicted of.” She was also the victim’s grandmother. “He is still the baby I bore, and I love him as every mother involved loves their child.”



It's a lovely sentiment and all, but that doesn't change what happened. This Sweetie Pie was really sour, willing to sacrifice his own family for an insurance payout. He now faces life in prison for his crimes.

### **MYRLE MILLER MILKED MONEY MALICIOUSLY MURDERING HER MAN**

John Nichols believed he had over \$250,000 in his personal accounts, but his family suspected something was happening with his wife. Myrle Miller, who had married Nichols in 2012, had been running a years-long con against him, slowly draining his funds before his untimely death in 2013. Turns out? All along, Miller had only married Nichols for his money. She was a con artist who, soon after Nichols' death, married her fourth husband. It turns out this was her modus operandi. In 1986, Miller was accused of attempting to kill her first husband by poisoning his cocktails, though she had been acquitted of that case.

Miller was caught by some of Nichols' family, who hired a private investigator to look into their accounts. It was found Miller had stolen all of his money and drugged her husband to death. What had seemed initially like a simple heart attack was revealed to be much more sinister after an autopsy. Nichols had various drugs in his system when he died, among them a fatal amount of Verapamil – a blood pressure medication that had not been prescribed to him but which, instead, was prescribed to his wife. Three months before his death, she had obtained two 90-day pharmaceutical supplies. Stealing his money when he was alive wasn't enough for her, it seemed, as she was taking out loans against his life insurance policies, stealing \$19,000 aimed at aiding his family.

“Your soul is just too dark to feel anything.” Nichols' daughter, Lori Hedding, reportedly said at Miller's sentencing. “I believe, Myrle, you are the true definition of evil.”

### **ARSON WASN'T ENOUGH FOR THIS FRAUDSTER, ADDING ON ATTEMPTED MURDER**

What would you do when your business has been facing trouble after trouble? Reach out for help or reinvest? Or, would you just burn it all down, trying to get an insurance payout in the process? That's what our next fraudster, Zef Gjurashaj, did.

Knowing that his business, Andiamo's Restaurant, was in dire straits in 2017, he decided to set his restaurant on fire to collect an insurance payout. Simple enough scam, and sadly, it's all too common. However, this fraudster had more irons in the fire than his scam would show. Marina Gjurashaj, his nephew's wife, had been recruited as part of the scheme by Zef after exploiting her immigration status. Marina started the fire, causing a propane leak to make it burn even brighter. Authorities said the fire was of such ferocity that in addition to decimating the building, it put the first responding firefighters and Zef Gjurashaj's wife, who was present at the time of the fire, at grave risk of death. Turns out, that was all part of the plan. Zef had purposefully ensured his wife was at the location when the fire started, attempting to trick Marina into killing both his business and his wife.



Before the trial, Gjurashaj's co-defendant and his nephew's wife, Marina Gjurashaj, 38, of Yonkers, pleaded guilty to third-degree arson and fourth-degree conspiracy for her role in setting the fire. As part of her plea agreement, Marina Gjurashaj testified against Zef Gjurashaj.

It turns out prosecutors had a transcript of a phone conversation between Zef and his wife, where he purposefully made sure she would be present when the fire was set. Not just a fraudster but an attempted murderer. Zef Gjurashaj was sentenced to 20 years to life in prison for the arson charge. He was also sentenced to concurrent terms of imprisonment for conspiracy, insurance fraud, tax fraud and one of the reckless endangerment charges.

### **THIS JANITORIAL WORKERS' COMP FRAUDSTER WAS SWEEPED AWAY TO PRISON**

Workers' comp fraud can be tricky to investigate; when business owners are faking and hiding their information from the government and insurers, it can be hard to find the truth. For our next fraudster, Assistant District Attorney Alex Feigen Fasteau said cases like this one are often complex, and this one especially so. This case involved the execution of three search warrants, the search of nine locations and the seizure of more than two terabytes of evidence.

Gina Gregori had been a master at cooking the books and forging her business documents, but the weight of all that fraud had finally caught up to her. Over six years, she grossly underreported payroll to the State Compensation Insurance Fund and private insurers.

Not only did she keep separate records for payroll to submit to the state and private organizations, but she would constantly change the name of her business in the state's records and change the owner to a family member so she could claim to be a new business and have cheaper premiums. All the while, she was





underpaying her workers, many of whom were undocumented immigrants and had no idea they were being taken advantage of. Gregori's crimes threatened not just insurers and the government but endangered her workers and cost both residents and taxpayers. Holding her and others like her accountable is critical to protecting vulnerable workers and other law-abiding businesses. She's now being forced to pay back over \$8 million and faces six years of jail time.

### **AN INSURANCE BROKER SELLS NOTHING BUT SCHEMES AND LIES**

It's a sad state of affairs when many people believe insurance salespeople are peddling nothing but schemes. However, it's good to see men like Bruce Ford, who fit that stereotype, facing proper punishment. Ford had been nothing more than a simple Ponzi scheme salesperson for five years between 2013 and 2018. He would promote investment services to current and former insurance clients and others despite the fact that he had yet to register himself or his company with the Indiana Securities Division, as required by law. Convincing his insurance clients to invest, many of whom were elderly retirees, Ford falsely held himself out to be a financial advisor and promised clients through false and misleading claims and omissions that he could provide higher returns on their investments than they would otherwise yield from their traditional and long-term investment products such as Individual Retirement Accounts and 401ks.

Of course, as the saying goes, if it sounds too good to be true, it usually is, and these investments were way too good to be true. Swiftly swindling his trusting investors and 'paying them back' with other investors' money, he redirected \$1.2 million for himself. Ford used the stolen money for his own purposes, including to pay his personal credit cards, and to purchase goods, services, a mobile home, land and a recreational vehicle. He managed to

keep this scheme going for years, but justice always has a way of catching up to people who commit insurance fraud. Now, the only scheme Ford will be having is how to spend his sentence of four years in prison.

### **MAN PARALYZED BY GREED BOUNCES BACK TO PLAY BASKETBALL**

Those who are injured or killed in the line of duty should always be honored. Josephine Perez-Gorda claimed that her husband had been 'paralyzed from the belly down' after a horrific accident while on active duty in the Army. The couple contacted Veterans Affairs and Social Security and applied for and received funding for a specially equipped vehicle, a specially adapted home and additional compensation based on his disability rating. The only problem? Mr. Perez-Gorda couldn't seem to sit still to continue the charade of being paralyzed but instead could actually walk, run and even jump.

When committing such a blatant fraud like this, they must have been cautious to keep it a secret. It makes us wonder how they were caught. A secret tip from someone close to them? An insurance investigator catching them in the act? Surprisingly, no! They were caught after a San Antonio news station, KENS 5, aired a story titled, "Homes for Our Troops Questions Veteran's Paralysis after Video." Turns out, Mr. Perez-Gorda had been caught on video playing basketball. This wasn't a respectable game of wheelchair basketball either; he was caught running down the basketball court like it was nothing. Hardly paralyzed, the couple was caught in broad daylight!

The now-late husband had helped his wife fill out all the paperwork to lie and receive all sorts of payments. Now, she faces her sentence alone. She was found guilty on Sept. 22, 2022, of 11 counts of wire fraud, one count of mail fraud, one count of healthcare fraud, three counts of false statements related to



a healthcare matter, one count of conspiracy to commit health-care fraud; and one count of theft of government funds. She faces 23 to 46 months in prison and was ordered to pay \$501,000 in restitution for defrauding the Department of Veterans Affairs and the Social Security Administration of more than \$500,000. In addition to the sentencing and restitution, Perez-Gorda is responsible for a \$100 special assessment on each of the 18 counts and \$100,000 for trial expenses. The game was up, and it was a slam-dunk for justice.

### HIT AND RUN UNDER THE CALIFORNIA SUN

A hit-and-run in a car accident is already bad enough, but when Mellissa Brewer hit a motorcyclist with her car, she tried to profit from it. Attempting to merge onto the highway, the motorcyclist was recklessly by a white Hyundai Veloster that sped away. Five days later, Brewer filed an insurance claim indicating her white Hyundai Veloster had been in a single-vehicle, no passenger, no injury collision in which she drove off the road and into a guardrail. She also claimed to her insurance company that she was receiving medical attention related to the collision.

The CHP's Multidisciplinary Accident Investigation Team (MAIT) determined the Veloster's damage was consistent with a multiple-vehicle collision, not a guardrail, and concluded a collision with the motorcycle caused the specific damage to the Veloster. Great investigative work led to a quick check via the county's vehicle registry for cars that matched the description of the recent motorcycle crash and found the perfect match with Brewer's car. With overwhelming evidence, District Attorney Dan Dow found Brewer guilty of a felony hit and run causing injury to a motorcyclist. Brewer was also convicted of four felony counts of insurance fraud and one misdemeanor count of reckless driving. It seems Brewer couldn't hit and run her way out of this crime.

### YOU THINK A FALSE INSURANCE CLAIM IS BAD? TRY 300.

John Paul Reis was no ordinary fraudster. Most people try to cash in once and keep their ill-gotten gains under wraps, but Reis tried it nearly 300 times. As the owner of the Chalfont Collision Center, Reis made hundreds of insurance claims on behalf of his business. When you get to numbers that high, you are either the unluckiest business owner in the world or one of the most avid fraudsters. This time, it was the latter. Reis had concocted a seemingly perfect scheme where he would wipe a compound onto the body of several vehicles and sometimes strike them with a hammer, making it appear as if the vehicles were involved in an accident so he could bill insurance companies for more money.

His business was a direct repair center for multiple insurance companies, meaning that they were verified by the insurers and authorized to write estimates, complete the repairs and submit the estimate/billing documents for payment, speeding up repair time for customers. It turns out this was too tempting and too much power for Reis to pass up, and he proceeded to steal thousands of dollars over several years. After being caught, Reis en-



tered an open guilty plea in March to insurance fraud, deceptive business practices, forgery and theft by deception, all third-degree felonies. He was sentenced to probation and ordered to pay more than \$435,000, and his repair credentials have been suspended. It'll take a lot of work for Reis to repair that damage.

### HOLY CROP FRAUD, BATMAN!

A whole crop of crop fraud has been found in this case, with multiple defendants found guilty and admitting to their crimes. James Clayton Wolf has pleaded guilty to fraud stemming from a scheme to falsely sell \$46 million in non-GMO corn and soybeans as organic. Wolf had been forging copies of his National Organics Program certifications, receiving more than \$46 million in payments from buyers. However, his certification was revoked in 2020, and he lied about growing his crop without GMOs or chemicals. Organic crops are grown without the use of GMOs or chemicals, and farmers are required to follow strict protocols when it comes to the crops labeled as organic. Wolf seemed to think these restrictions were too costly, so he decided that lying was easier. Of course, we can see how that ended for him.

However, this crime wasn't committed alone. While Wolf was hocking bad crops he got someone to lie for him to ensure that his produce could be insured at a better rate. Adam Clifford Olson, owner and operator of Olson Seed LLC in Windom, Minnesota, has had the indictment against him dropped as part of the agreement with prosecutors. According to Olson's plea agreement, he admits that he misrepresented the extent of his involvement in Wolf's farming operation when Olson applied for crop insurance in April 2020 for organic crops farmed by Wolf. As a result of this application, the Federal Crop Insurance Corp. awarded over \$69,000 in total subsidies and reimbursements to Wolf's operation for 2020. For these crimes, Wolf faces up to 14 months in jail, as well as fines and penalties that have yet to be determined. 🍅