



INSURANCE FRAUD INVESTIGATION DIVISION
Kentucky Department of Insurance
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Fraud Statistics/Convictions Activity
January 2015

<u>Fraud Statistics</u>	<u>Month/January</u>	<u>YTD</u>
Total Referrals Received.....	137	137
Closed Referrals.....	188	188
Open Cases (Investigations – includes prior years).....		447
Assigned Cases (Investigations).....	44	44
Closed Cases (Investigations).....	4	4
Closed Cases (Investigations) Exceptionally Cleared – Declined by Prosecutor.....	1	1
Charges (33 felony, 1 misdemeanor)	34	34
Convictions (75 felony, 2 misdemeanor)	77	77
Restitution Ordered.....	\$ 60,219.05	60,219.05
Restitution Agreed.....	\$.00	.00
Restitution Total.....	\$ 60,219.05	60,219.05
Investigation Expenses to Division		
Awarded.....	\$ 500.00	500.00
Collected.....	\$ 1,726.91	1,726.91
DOI Fines.....	\$.00	.00
Administrative Subpoenas Issued.....		
Non-Licensed Individuals.....		
Licensed (active/inactive individuals).....		
Subpoenas Received.....	3	3

Convictions Activity

Zeakea Grainger – Grainger collaborated to promote or engage in fraudulent insurance acts. He purchased automobile insurance using fake bank account numbers, accounts with insufficient funds, and/or accounts he was not authorized to access. He and others submitted false, incomplete, and/or misleading auto insurance claims to insurance companies, using the auto policies previously purchased, in order to fraudulently receive claim benefits and /or money.

Grainger was convicted of one count of complicity to commit/engaging in organized crime/criminal syndicate; 26 counts of complicity to commit fraudulent insurance acts over \$500; 12 counts of complicity to commit theft by deception over \$500; one count of forgery second degree; one count of receiving stolen property over \$500, and two counts of theft of identity. Grainger was sentenced to 15 years in prison, shock probated for five years, and ordered to pay restitution of \$36,854.22.

Prince William Gresham - Gresham collaborated to promote or engage in fraudulent insurance acts. He purchased automobile insurance using fake bank account numbers, accounts with insufficient funds, and/or accounts he was not authorized to access. He and others submitted false, incomplete, and/or misleading auto insurance claims to insurance companies, using the auto policies previously purchased, in order to fraudulently receive claim benefits and /or money.

Gresham was convicted on one count of facilitation to criminal syndication; two counts of fraudulent insurance acts over \$500, and two counts theft by deception over \$500. Gresham was granted pretrial diversion for three years and ordered to pay restitution of \$788 to Allstate. The pretrial diversion is three years or until the restitution is paid, whichever is longer.

Ellis Gary Rhodes - Rhodes collaborated to promote or engage in fraudulent insurance acts. He purchased automobile insurance using fake bank account numbers, accounts with insufficient funds, and/or accounts he was not authorized to access. He and others submitted false, incomplete, and/or misleading auto insurance claims to insurance companies, using the auto policies previously purchased, in order to fraudulently receive claim benefits and /or money.

Rhodes was convicted of one count of facilitation to criminal syndication; two counts of fraudulent insurance acts over \$500, and two counts of theft by deception over \$500. Rhodes was sentenced to three years' probation and ordered to pay restitution of \$506.60 to State Farm Insurance Company.

Siobhan E. Smith - Smith collaborated to promote or engage in fraudulent insurance acts. He purchased automobile insurance using fake bank account numbers, accounts with insufficient funds, and/or accounts he was not authorized to access. He and others submitted false, incomplete, and/or misleading auto insurance claims to insurance companies, using the auto policies previously purchased, in order to fraudulently receive claim benefits and /or money.

Smith was convicted of one count of facilitation to criminal syndication and two counts of fraudulent insurance acts over \$500. Smith was granted pretrial diversion for a period of two years. If the provisions of pretrial diversion are not adhered to, the sentence will be one year in jail.

Valorie Morris - Morris collaborated to promote or engage in fraudulent insurance acts. She purchased automobile insurance using fake bank account numbers, accounts with insufficient funds, and/or accounts she was not authorized to access. She and others submitted false, incomplete, and/or misleading auto insurance claims to insurance companies, using the auto policies previously purchased, in order to fraudulently receive claim benefits and /or money.

Morris was convicted of one count of facilitation to criminal syndication; seven counts of fraudulent insurance acts over \$500, and one count of theft by deception over \$500. Morris was placed on probation for five years.

Lareatta D. Blackmon - Blackmon collaborated to promote or engage in fraudulent insurance acts. She purchased automobile insurance using fake bank account numbers, accounts with insufficient funds, and/or accounts she was not authorized to access. She and others submitted false, incomplete, and/or misleading auto insurance claims to insurance companies, using the auto policies previously purchased, in order to fraudulently receive claim benefits and /or money.

Blackmon was convicted of theft by deception under \$500, conditionally discharged for two years, or until restitution is paid in full, whichever is longer. Restitution of \$1,268.09 to Allstate Insurance Company was ordered.

Connie McFarland - McFarland collaborated to promote or engage in fraudulent insurance acts. She purchased automobile insurance using fake bank account numbers, accounts with insufficient funds, and/or accounts she was not authorized to access. She and others submitted false, incomplete, and/or misleading auto insurance claims to insurance companies, using the auto policies previously purchased, in order to fraudulently receive claim benefits and /or money.

McFarland was convicted of one count of facilitation to criminal syndication; nine counts of fraudulent insurance acts over \$500; and one count of theft by deception over \$500. McFarland was sentenced to probation and there is no restitution.

Michelle Dozier – Dozier, a customer service representative with Kentucky Farm Bureau, was manipulating insurance premiums, lowering the total due after the insured had paid the higher amount and keeping the difference for herself.

Dozier was convicted of one count of fraudulent insurance acts under \$500. She was ordered to pay a fine of \$1,000, with \$500 suspended, to the Kentucky Department of Insurance and restitution of \$794.14 to Kentucky Farm Bureau. She was sentenced to 12 months, probated for 12 months.