



DIVISION OF INSURANCE FRAUD INVESTIGATION
Kentucky Department of Insurance
500 Mero St, P. O. Box 4050, Frankfort, KY 40604-4050
Phone 502-564-1461 – FAX 502-564-1464
Fraud Statistics/Convictions Activity
January 2024

| <u>Fraud Statistics</u> | <u>Month/January</u> | <u>YTD</u> |
|--|-----------------------------|-------------------|
| Total Referrals Received..... | 193 | 193 |
| Closed Referrals..... | 174 | 174 |
| Open Cases (Investigations – includes prior years)..... | | 171 |
| Assigned Cases (Investigations)..... | 13 | 13 |
| Closed Cases (Investigations)..... | 9 | 9 |
| Closed Cases (Investigations) Exceptionally Cleared – Declined by Prosecutor..... | 2 | 2 |
| Charges (5 felony, 3 misdemeanor) | 8 | 8 |
| Convictions (6 felony, 2 misdemeanor) | 8 | 8 |
| Restitution Ordered..... | \$ 7,077,947.47 | 7,077,947.47 |
| Restitution Agreed..... | \$.00 | .00 |
| Restitution Total..... | \$ 7,077,947.47 | 7,077,947.47 |
| Investigation Expenses to Division | | |
| Awarded..... | \$ 18,361.30 | 18,361.30 |
| Collected..... | \$ 2,595.24 | 2,595.24 |
| DOI Fines..... | \$.00 | .00 |
| Administrative Subpoenas Issued..... | 1 | 1 |
| Non-Licensed Individuals..... | 1 | 1 |
| Licensed (active/inactive individuals)..... | | |
| Subpoenas Received..... | 1 | 1 |
| Compliance Received..... | 171 | 171 |
| Anti-Fraud Plan..... | 50 | 50 |
| SIU Contacts Form..... | 69 | 69 |
| Compliance Report..... | 52 | 52 |

Convictions Activity

Coburn, Ronald – Mr. Coburn was found guilty on two felony counts in the United States District Court, Eastern District of Kentucky, Central Division at Lexington. Mr. Coburn has been sentenced to the Federal Bureau of Prisons for a total term of 46 months. He was ordered to pay restitution to Kentucky Medicaid \$1,845,721.00, Medicare \$18,708.00, and the IRS \$3,566,645.00 for a total of \$5,431,074.00.

Baker, Erica – Ms. Baker was found guilty on one felony count in the United States District Court, Eastern District of Kentucky, Central Division at Lexington. Ms. Baker has been sentenced to the Federal Bureau of Prisons for a total term of 12 months and one day. She was ordered to pay restitution to Kentucky Medicaid \$1,516,277.00 and Medicare \$105,605.00 for a total of \$1,621,882.00.

Brantley, Bobby Lee – Mr. Brantley took a plea deal to avoid a trial and felony conviction. He settled for a misdemeanor and paid restitution, in full, to Aflac in the amount of \$10,020.47 and \$2,500 in Investigative Expenses to the Kentucky Department of Insurance, Division of Fraud Investigations. He also agrees that he cannot work in the insurance industry in the State of Kentucky.

Smith, Dwain – An investigation led to a guilty plea of one felony conviction and one conviction reduced to a misdemeanor. Mr. Smith has been set up on a Pretrial Conversion for 5 years on the felony count and 1 year probation on the misdemeanor. He was ordered to pay \$3,261.30 to the Kentucky Department of Insurance, Division of Fraud Investigations.

Mills, William Chad – An investigation led to a charge of Fraudulent Insurance Acts, Over \$500.00. To avoid a trial and conviction (Deferment), Mr. Mills agreed to a restitution amount of \$7,061.85 to be paid in full to KEMI by 6/24/24. This was done in open court. Charges will be dismissed if agreement is met.

Baker, Michael W. dba Cardinal Chiropractic – An investigation led to an Order Granting Pretrial Diversion of a Class D Felony, two counts. The diversion is for five years, and Mr. Baker is ordered to pay restitution in the amount of \$7,909.15 to Liberty Mutual and \$12,600.00, for investigative expenses, to the KY Department of Insurance, Division of Insurance Fraud Investigations.