



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 2023

| <u>Fraud Statistics</u> | <u>Month/January</u> | <u>YTD</u> |
|--|-----------------------------|-------------------|
| Total Referrals Received..... | 188 | 188 |
| Closed Referrals..... | 180 | 180 |
| Open Cases (Investigations – includes prior years)..... | | 187 |
| Assigned Cases (Investigations)..... | 6 | 6 |
| Closed Cases (Investigations)..... | 19 | 19 |
| Closed Cases (Investigations) Exceptionally Cleared – Declined by Prosecutor..... | | |
| Charges (3 felony, 0 misdemeanor) | 3 | 3 |
| Convictions (12 felony, 0 misdemeanor) | 12 | 12 |
| Restitution Ordered..... | \$ 741,505.07 | 741,505.07 |
| Restitution Agreed..... | \$.00 | .00 |
| Restitution Total..... | \$ 741,505.07 | 741,505.07 |
| Investigation Expenses to Division | | |
| Awarded..... | \$.00 | .00 |
| Collected..... | \$ 14.81 | 14.81 |
| DOI Fines..... | \$ 400.00 | 400.00 |
| Administrative Subpoenas Issued..... | 1 | 1 |
| Non-Licensed Individuals..... | 1 | 1 |
| Licensed (active/inactive individuals)..... | | |
| Subpoenas Received..... | 1 | 1 |
| Compliance Received..... | 80 | 80 |
| Anti-Fraud Plan..... | 15 | 15 |
| SIU Contacts Form..... | 29 | 29 |
| Compliance Report..... | 36 | 36 |

Convictions Activity

Jones, Diane Marie – A case was opened as an assist to the Lexington Fire Department. The information provided lead to a guilty plea on two felony counts (1 count Arson, 2nd Degree and 1 count Burning Personal Property to Defraud Insurer) against Diane Marie Jones and two codefendants, Mark Jones, and Harry Holiman, for a total of six felony convictions. Each defendant has been sentenced to 10 years probated to two years' probation. Restitution was ordered on each defendant in the amount of \$209.94 for a total to be paid of \$629.82 to GEICO.

Christopher Nelson – Mr. Nelson pleaded guilty on 4 felony counts in the United States District Court, Western District of Kentucky, Louisville Division. He has been sentenced to two years' probation and shall pay restitution to the following: Centers for Medicare and Medicaid Svc. Medicare, \$604,503.90 and to Kentucky Medicaid Program, \$121,068.20 for a total of \$725,572.10.

Stephen D. Keen – Mr. Keen took an "Alford" plea to Criminal Possession of a Forged Instrument and Fraudulent Insurance acts with Henderson Circuit Court. The Court granted a Pretrial Diversion for a period of two years and restitution to be paid to Henderson Circuit Court Clerk's Office in the amount of \$15,303.15.