



PRESS RELEASE

Colorado Department of Law
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COLORADO ATTORNEY GENERAL PROSECUTES INSURANCE FRAUD RING

DENVER – Based on a joint investigation with the [National Insurance Crime Bureau](#), the [Colorado Attorney General's Office Insurance Fraud Unit](#) today announced that Chiniece Carter (D.O.B. 11/24/86) pled guilty to stealing hundreds of thousands of dollars from numerous insurance companies by filing fraudulent claims. She will be sentenced in Denver District Court on August 1, 2014 for violating the Colorado Organized Crime Control Act (COCCA) as well as committing forgery and theft and faces a 16-year sentence in the Department of Corrections. The case against her husband, Timothy Carter (D.O.B. 04/11/83) for similar charges is pending. Three other co-defendants pled guilty and accepted deferred sentences last year, in exchange for their ongoing cooperation with the Attorney General's Office.

“The ring would submit doctored medical bills to insurance companies, claiming injuries from motor vehicle accidents and a ‘slip and fall,’” explained Attorney General John Suthers. “Ms. Carter would then claim her children were badly injured, based on the forged medical bills, which caused the insurance companies to pay these false claims with wildly inflated dollar amounts.”

Between 2007 and 2012, the organization submitted forged documents to seven different insurance companies however, not all were approved for payment. Of those approved:

- Allstate Insurance paid one claim totaling \$17,780
- Farmers Insurance paid four claims totaling \$64,094
- Fireman's Insurance Fund paid two claims totaling \$40,002
- Hartford Insurance paid once claim totaling \$22,000
- Permanent General Insurance paid one claim totaling \$13,515
- Progressive Insurance paid two claims totaling \$30,097
- Sedgwick Insurance paid one claim totaling \$5,000

“According to FBI statistics, in Colorado and nationally insurance fraud is not a victimless crime and costs families \$400 to \$700 in annual premium increases,” said Suthers.

During 2013, the Insurance Fraud Unit received 1,717 referrals of potential criminal insurance fraud cases primarily from the Colorado Division of Insurance and National Insurance Crime Bureau. In 2012 there were 1,385 referrals. In response to this growing problem, this past legislative session, the Colorado General Assembly passed and the governor signed S.B.92, The Insurance Fraud Crime Bill. This bill now gives prosecutors more tools to prevent and prosecute similar cases like Chinese Carter’s. Moving forward, the new law makes it a crime to file false or fraudulent claims, stage car accidents, claim preexisting damage with an intent to defraud, and file false information as part of the claims process among other things.

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