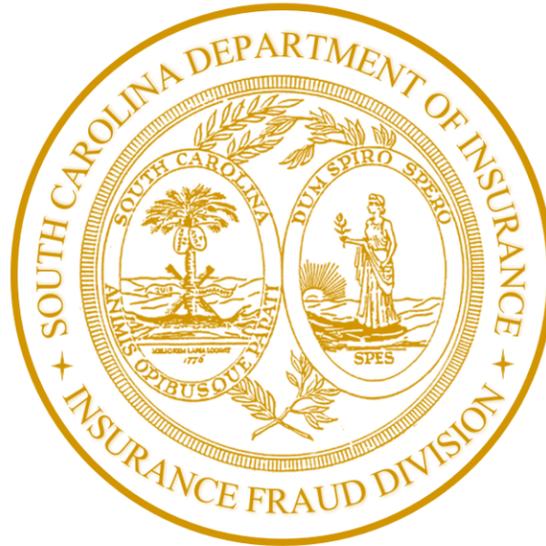


# Annual Report

## 2024

# Annual Report 2024



South Carolina Department of Insurance  
Insurance Fraud Division  
1201 Main Street, Suite 1000  
Columbia, South Carolina 29201  
Telephone: 803-737-6424  
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## Current Insurance Fraud Division Staff:

Joshua R. Underwood  
Special Assistant Attorney General  
Director, Insurance Fraud Division

Moultrie D. Roberts  
Special Assistant Attorney General

Larry G. Wedekind  
Special Assistant Attorney General

Jason M. Allen  
Special Assistant Attorney General

Shayna Thompson  
Program Coordinator

Geraldine Pleasant  
Paralegal

Soraya Purvis  
Paralegal



# South Carolina Department of Insurance

Capitol Center  
1201 Main Street, Suite 1000  
Columbia, South Carolina 29201

HENRY McMASTER  
Governor

MICHAEL WISE  
Director

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Mailing Address:  
P.O. Box 100105, Columbia, S.C. 29202-3105

## MESSAGE FROM THE DIRECTOR OF INSURANCE

I proudly present the 2024 Annual Report of the South Carolina Insurance Fraud Division to the General Assembly. The Insurance Fraud Division joined the Department of Insurance after the execution of a Memorandum of Understanding between the Department of Insurance, the Attorney General's Office, and the South Carolina Law Enforcement Division (SLED). This agreement, combined with funding from the General Assembly, allowed the Department of Insurance to hire its first Director of the Insurance Fraud Division in September 2021. Since that time, the Division has grown to include a total of 8 positions. The Insurance Fraud Division shall continue to operate pursuant to the MOU until legislation makes the change permanent.

This past year revealed that insurance fraud continues to persist and grow in South Carolina. In 2024, the Insurance Fraud Division received a combined total of 4,947 complaints of suspected insurance fraud, a significant increase from the previous year. This represents the largest number of insurance fraud complaints ever received in South Carolina in a single calendar year. These complaints came to the Department of Insurance by way of reports from the National Insurance Crime Bureau (NICB), the National Association of Insurance Commissioners (NAIC), individual insurance companies, and citizens utilizing online complaint forms and the Insurance Fraud Hotline. The complaints from 2024 involve a wide range of insurance products as further explained in this report.

Despite South Carolina ranking 23<sup>rd</sup> in population, NICB reported in 2023 that we ranked 16<sup>th</sup> in the country for questionable insurance claims. More importantly, South Carolina ranked 13<sup>th</sup> in questionable vehicle-related insurance claims. This ranking includes claims involving suspected staged vehicle collisions, for which South Carolina ranked 9<sup>th</sup> in the nation. This type of fraud creates danger to our citizens. The people who commit this fraud stage fake car "accidents" for the purpose of making money from insurance claims. To increase the profit from these claims, the perpetrators pack the vehicles with passengers, sometimes including children, to inflate potential claims for bodily injury. In many cases, everyone involved in the "collision" is a knowing participant in the fraud. Unfortunately, in other cases the perpetrators intentionally cause collisions with innocent and unsuspecting drivers. These schemes take advantage of emergency services and divert these resources from people truly in need of help. Ultimately, this fraud affects the safety of our roads and adds to the cost of premiums paid by every South Carolina driver.

A recent study conducted by the Colorado State University Global White Collar Task Force, in partnership with the Coalition Against Insurance Fraud estimates that the annual cost of insurance fraud in the U.S. is approximately 308 billion dollars. When it is broken down per capita, South Carolina's share of that cost is 4.9 billion dollars. Proportionally, that means that the cost of insurance fraud per adult in South Carolina is estimated to be approximately \$1,184 every year.

For this reason, the Insurance Fraud Division began to prioritize outreach efforts in 2024 to better educate the public, while increasing cooperation with our fraud fighting partners. In 2024, the Insurance Fraud Division focused its prosecution efforts on the worst of the worst insurance fraud criminals, particularly those who orchestrated staged vehicle accidents. By placing emphasis on these offenders in 2024, the Insurance Fraud Division was able to secure orders of restitution totaling more than \$ 1 million, the highest single-year amount in 15 years.

The Department of Insurance recognizes the scope of insurance fraud in South Carolina and the problems caused by these crimes. Insurance fraud diverts resources and increases costs affecting every citizen of this great state. Insurance fraud is not a victimless crime. The Department of Insurance remains dedicated to the cause of fighting insurance fraud and will continue to support the Insurance Fraud Division in the years ahead. The Department looks forward to the further development of the unit, its continued cooperation with SLED, and their successful investigations and prosecutions in the months and years ahead.

Sincerely,

A handwritten signature in black ink that reads "Michael Wise". The signature is written in a cursive, flowing style.

Michael Wise  
Director of Insurance



# South Carolina Department of Insurance

Capitol Center  
1201 Main Street, Suite 1000  
Columbia, South Carolina 29201

**HENRY McMASTER**  
Governor

**MICHAEL WISE**  
Director

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Mailing Address:  
P.O. Box 100105, Columbia, S.C. 29202-3105

## **MESSAGE FROM THE INSURANCE FRAUD DIVISION**

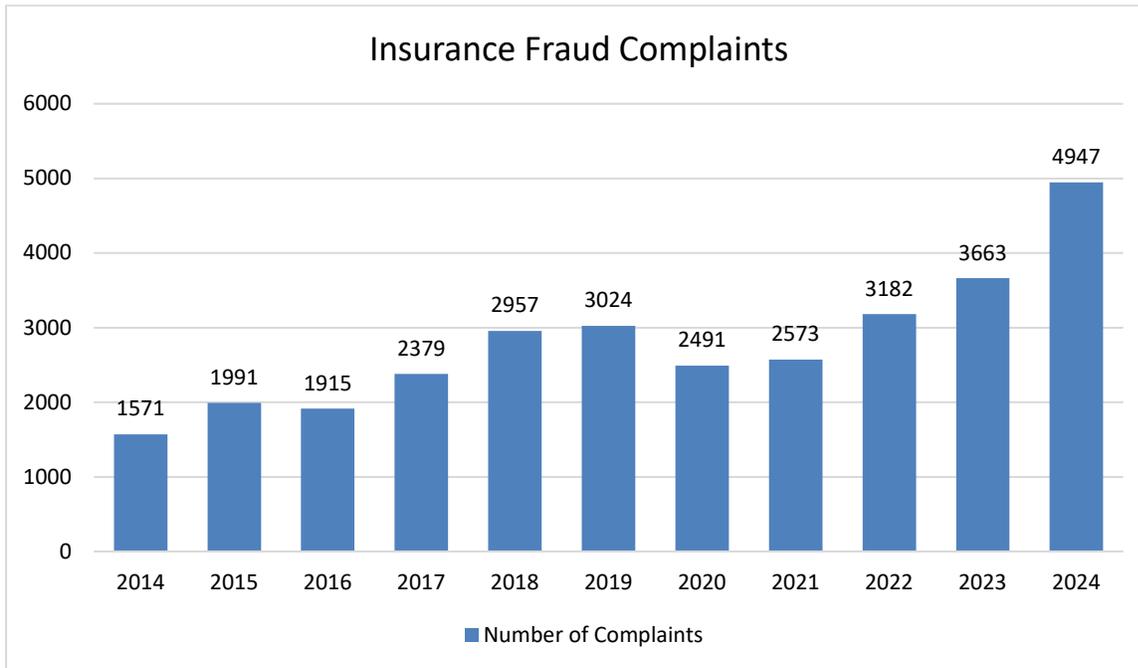
The Insurance Fraud Division was established by the Omnibus Insurance Fraud and Reporting Immunity Act in 1994. This Act created the Division within the Office of the Attorney General to prosecute insurance fraud throughout the State. The Act further requires the South Carolina Law Enforcement Division (SLED) to investigate allegations of insurance fraud. In 2021, the Office of the Attorney General, SLED, and the Department of Insurance executed a Memorandum of Understanding to relocate the Insurance Fraud Division to the Department of Insurance.

Pursuant to this agreement, the Attorney General appoints certain attorneys, hired by the Department of Insurance, as Special Assistant Attorneys General to prosecute insurance fraud related crimes under the general supervision and control of the Attorney General. SLED continues to investigate insurance fraud as a partner with the Insurance Fraud Division. The Department of Insurance employs and houses the staff of the Insurance Fraud Division. The Department of Insurance also provides office space and equipment for SLED's insurance fraud investigators and their supervising lieutenant to facilitate the partnership between the investigators and the prosecutors.

In 2024, the Insurance Fraud Division faced the inevitability of employee turnover. This year, the Division was fortunate to hire two new paralegals, both of whom are proving to be valuable members of the team. However, the Division's efforts to recruit a qualified insurance fraud prosecutor to fill an attorney vacancy which occurred in early 2024 have proven unsuccessful. The Division remains hopeful that a qualified candidate will be found and hired in 2025. Despite this challenge, the Division will continue to identify, investigate, and prosecute the growing number of insurance fraud crimes in the State of South Carolina.

Unfortunately, at the end of 2023 South Carolina, at 9<sup>th</sup>, still ranked in the top ten of states with the highest number of questionable claims related to staged automobile accidents. These cases pose a serious problem for the citizens of South Carolina. Artificial property and injury claims create a higher area of risk for insurance carriers who are forced to pass the cost on to South Carolina's consumers in the form of higher premium payments. More importantly, these staged accidents often involve innocent drivers and passengers who do not know that these criminals are going to intentionally collide with their vehicles. This places both the criminals and victims at serious risk of bodily injury or death. Pursuing cases involving staged automobile accidents, particularly those involving organized ring activity, was a high priority for the Division in 2024. Several examples of these prosecutions will be discussed below.

According to the National Insurance Crime Bureau, South Carolina ranked 16<sup>th</sup> in the nation for the number of questionable claims received in 2023 compared to 19<sup>th</sup> in 2022. In 2023, the Insurance Fraud Division received a record high of 3,663 complaints. Now, 2024 marks the third consecutive record-breaking year with **4,947 complaints** received.



Late in 2023, the Insurance Fraud Division began to receive a growing number of complaints concerning a particular type of fraud by insurance agents. This emerging trend involves allegations of agents attempting to earn undeserved commissions, bonuses, and other benefits by improperly signing up consumers for insurance coverage or changing the consumer’s insurance plans and other data, particularly in connection with the Affordable Care Act Health Insurance Marketplace. These acts are carried out without the permission or knowledge of the consumers and often involve the input of false information and the misuse of personal information. In the context of health coverage, this conduct has the potential to prevent consumers from receiving medical treatment due to unauthorized insurance changes affecting coverage and co-pays. In some situations, this type of fraud can also result in consumers being wrongfully qualified or disqualified for plans or benefits, including Medicaid.

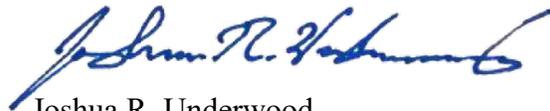
In 2024, the Insurance Fraud Division identified 1,107 complaints related to this rising trend of fraud. Many of these complaints potentially involve insurance brokers or agents who are located outside South Carolina while the affected consumer resides within the state. In other situations, the broker or agent may be in South Carolina and the affected consumer may be living in another state. This creates numerous complications related to determining the appropriate jurisdiction and investigating agency for these cases. After discussions with representatives of insurance fraud bureaus from numerous states, this type of fraud has become an issue nationwide. In 2025, the Insurance Fraud Division will continue to coordinate and collaborate

with SLED, federal authorities, other South Carolina state agencies, and our counterparts in other states to develop and implement a plan to investigate, and where appropriate, prosecute these cases to hold accountable those who are responsible.

Together, the Department of Insurance, SLED, and the Attorney General's Office all recognize that insurance fraud is not a victimless crime. Every citizen who must pay higher insurance premiums to recoup the money lost to fraud is a victim. Every innocent driver and passenger who gets caught up in a staged collision is a victim. Every person or business that must absorb the cost of a loss when no insurance exists because a contractor presents a false certificate of insurance is a victim. The Insurance Fraud Division remains dedicated to fighting insurance fraud throughout this state.

We would like to thank the private citizens, insurance professionals, and members of law enforcement who reported cases of suspected insurance fraud in 2024. We also thank the investigators and other insurance professionals who investigate these cases. Without their work and assistance, the fight against insurance fraud would be nearly impossible. We also thank the National Insurance Crime Bureau (NICB), the Coalition Against Insurance Fraud, the South Carolina chapter of the International Association of Special Investigative Units (IASIU), the South Carolina Insurance Association, and the Independent Insurance Agents & Brokers of South Carolina for partnering with our office and for their work in raising the awareness of insurance fraud.

Respectfully,



Joshua R. Underwood  
Special Assistant Attorney General  
Director, Insurance Fraud Division

## PUBLIC OUTREACH

The Department of Insurance, including the Insurance Fraud Division, prioritized increasing public outreach in 2024. It is well-established that one of the most efficient ways to spread information is through the internet and social media. Therefore, the Department of Insurance is utilizing these tools to foster awareness and provide information resources to South Carolinians. This year, the Insurance Fraud Division improved its webpage to include more than just contact information such as our email address and the number for the Insurance Fraud Hotline. The webpage now includes information sections where online visitors can learn about different types of fraud and how to avoid common schemes, notable cases prosecuted by the Insurance Fraud Division, additional online resources, upcoming events, and other insurance fraud related news. The improved webpage also includes instructions and links to report insurance fraud online, including anonymous referrals. The Insurance Fraud Division plans to continue making additional improvements to the website in 2025, such as adding infographics and short videos to aid in educating the public about insurance fraud. The Department of Insurance is also utilizing social media to communicate with the public by regularly posting messages and infographics on social media applications such as LinkedIn and X (formerly known as Twitter). The Department is using social media to educate and inform our citizens about insurance related topics and news, including the subject of insurance fraud.

Automobile insurance has historically been the line of insurance subject to the most reports of insurance fraud in our state. Despite the modern convenience of being able to accomplish many tasks online, South Carolina drivers must still go to their local branch of the Department of Motor Vehicles to complete requirements for titling and registering vehicles or to



obtain and renew their driver's licenses. Often, these individuals will need to wait in the lobby for some time before they can complete their business. In recognition of these facts, the Department has taken advantage of an opportunity to reach people who are already thinking about vehicles, and often insurance, by presenting short information spots on the television screens in DMV lobbies across the state. One of these regular spots relates to the topic of insurance fraud and includes contact information for the Insurance Fraud Division.

Image from SCDOI's anti-fraud message playing at SCDMV offices.

Although online resources and social media are efficient methods of communication, person to person contact remains an important way to reach people. In-person conversations often prove to be the most effective way to communicate because these interactions allow for people to ask questions and give feedback. In 2024, the Insurance Fraud Division partnered with the Department of Insurance Office of Consumer Services to attend live events to meet with members of the public to talk about the Department of Insurance, especially the Insurance Fraud Division, and share information about how the business of insurance works and how consumers can report and avoid insurance fraud.

These public events have provided the opportunity to inform the public about what they can do to prepare and protect themselves and their property from potential disasters such as floods and storms while simultaneously educating them about how to avoid additional harm from possible insurance scams involving contractor fraud and how to report these scams. Some examples of these events include meeting with the crowd at the Grits ‘n Grass Festival in Pickens County, talking with service members, their families, and other residents of Berkeley and Charleston Counties at the Joint Base Charleston Preparedness Fair, attending a preparedness event at a home improvement store in Charleston County, and partnering with the Office on Aging for an event at a pharmacy in Colleton County.



**Joshua Underwood, Director of the Insurance Fraud Division, speaks to the crowd at the 2024 Grits ‘n Grass festival in Pickens County.**



**Joshua Underwood distributes water and discusses insurance fraud with victims of Hurricane Helene in Greenville County.**

The Insurance Fraud Division was part of the SCDOI response to the communities affected by Hurricane Helene. The SCDOI coordinated and attended insurance claim villages to assist the victims of Helene with gathering information about what to do in the aftermath of the storm, educate the victims on warning signs of contractors who may take advantage of the situation to commit insurance fraud, and to facilitate the victims with making in-person claims to their insurance carriers and FEMA because many of those affected were without electricity for an extended period of time. The Insurance Fraud Division arranged for NICB and SLED

to also attend these events to discuss insurance fraud-related issues with those attending the events. These claim villages were held in Greenville, Aiken, and Spartanburg Counties. The Division also represented the SCDOI at the state agency events known as Team SC County Days to assist hurricane victims in Greenwood, Aiken, and Allendale.



**Director of Insurance Michael Wise and Shayna Thompson from the Insurance Fraud Division speak with a consumer in Spartanburg County after Hurricane Helene.**

## **PARTNER OUTREACH**

In addition to reaching out to members of the public to raise awareness of insurance fraud, the Division also directed its outreach efforts to our partners in the fight against insurance fraud. The Insurance Fraud Division cannot effectively fulfill its mission to investigate and prosecute insurance fraud crimes without the diligence and cooperation of the insurance industry. To continue fostering effective working relationships with the investigators from the various insurance companies, the Insurance Fraud Division hosted its first Insurance Fraud Forum in March 2024. This forum created an opportunity for the prosecutors and staff of the Division to meet with our partners from SLED, NICB, and insurance company investigators to meet together in one room and discuss insurance fraud trends, the status and actions of the Division, the general state of investigations and practices in the insurance industry, and have a dialogue to continually improve how all parties can better work together in preventing, identifying, and responding to insurance fraud in South Carolina. In a post-Covid world, it was important for this meeting to be an in-person event to aid in building collegial and professional working relationships. Based on the success of this Forum, a second was held in November 2024. Those in attendance provided very positive feedback about the effectiveness of both meetings. Therefore, the Insurance Fraud Division plans to continue holding in-person Insurance Fraud Forums in the spring and fall each year moving forward. In 2025, the Division plans to also hold a virtual Insurance Fraud Forum in the summer to allow an opportunity for insurance representatives located in other states to participate as well.



**Members of the Insurance Fraud Division, SLED agents, representatives from NICB, and insurance investigators meet at the SCDOI for the Insurance Fraud Forum in March 2024.**

Following the Insurance Fraud Forums, the Insurance Fraud Division hosted a roundtable discussion in December 2024 with representatives from SLED, the Workers Compensation Commission, the State Accident Fund, the Department of Consumer Affairs, The Department of Disabilities and Special Needs, and Medicaid prosecutors from the SC Attorney General's Office. This informal meeting provided an opportunity for these agencies to discuss common goals, overlapping interests, and ways to cooperate to better prevent, identify, and address fraud. After a productive discussion, the group unanimously agreed to meet again in the first half of 2025. Several additional agencies are expected to attend the next meeting.

The Insurance Fraud Division values its long-running partnership with NICB. The agents from NICB often serve as liaisons between insurance investigators, prosecutors, and local law enforcement. In 2024, the Division approached NICB with a request and proposal to work together in increasing efforts to build insurance fraud awareness in the law enforcement community, in addition to the SLED agents who are assigned to investigate insurance fraud. This led to an invitation for the Director of the Insurance Fraud



**The Director of the Insurance Fraud Division, Joshua Underwood, speaks to arson investigators on October 21, 2024 in Myrtle Beach.**

Division to address a joint meeting of the North Carolina and South Carolina chapters of the International Association of Arson Investigators (IAAI) in Myrtle Beach in October 2024. Mr. Underwood spoke with these investigators about conducting investigations with criminal trials in mind and he provided information to assist them in preparing for future court proceedings with prosecutors. In addition to this meeting, the Division has partnered with NICB to create a law enforcement course focused on insurance fraud. The target audience for this course will be troopers from the highway patrol, local patrol officers, and local law enforcement agency investigators assigned to property and fraud crimes. This course is expected to be accredited by the SC Criminal Justice Academy in the first quarter of 2025 so that law enforcement officers will be eligible to earn continuing education credit while learning about the detection and investigation of insurance fraud crimes. This course will be a vehicle to increase the size of our fraud fighting network across the state.

## **NOTABLE CASES FROM 2024**

### ***State v. Cornelius Jones***

On November 4, 2024, Cornelius Jones pled guilty to one count of Presenting False Claims for Payment in Florence County. Jones was involved in a prolonged scheme where he targeted elderly drivers in business parking lots. He intentionally drove or walked into the back of the victims' cars while they were backing out of parking spaces. Jones then pretended to be injured to receive an undeserved insurance payout or to directly extort cash from the victims. Between 2020 and 2022, Jones caused fifteen incidents, collecting \$14,210 in fraudulent payments and causing an additional \$1,773 damage to the victims' cars. He was sentenced to 18 months in prison to be followed by 3½ years of probation and payment of \$15,983.04 in restitution.

### ***State v. Quanshae Abram & Quautell McDaniel-Abrams***

In Sumter County, Quanshae Abram pled guilty to two counts of Presenting a False Claim for Payment valued between \$2,000 and \$10,000, as well as one count of Presenting a False Claim for Payment greater than \$10,000 on April 9, 2024. Quautell McDaniel-Abrams pled guilty on May 16, 2024, to one count of Presenting False Claim for Payment greater than \$2,000 but less than \$10,000.

These convictions mark the conclusion of an investigation that commenced in September of 2022 when the Sumter police department responded to a disturbance at Palmetto Cash Express involving two women. During the altercation, Abram disclosed that the dispute arose from a disagreement over the division of proceeds from a fraudulent insurance claim. The SLED investigation revealed three instances where Abram either falsely claimed involvement in accidents or exaggerated damages to secure undeserved payments. In August of 2022, Abram submitted medical bills for payment in an attempt to gain undeserved economic benefits. In October of the same year, Abram submitted medical bills on behalf of her child for injuries the child did not sustain. In fact, Abram's child was not in the vehicle at all. Quautell McDaniel-Abrams claimed that she was involved in one of these traffic accidents in Sumter County even though she was not in the car at the time. Abram was sentenced to five years of probation and ordered to pay \$13,289.75 in restitution. Quautell McDaniel-Abrams was sentenced to three years of probation and ordered to pay \$5,902.75 in restitution.

### ***State v. Marcus Blair***

On June 28<sup>th</sup>, 2024, Marcus Blair pled guilty in Florence County to seven indictments: two counts of Presenting a False Claim for Payment over \$10,000, one count of Financial Identity Fraud, one count of Presenting False Claims for Payment less than \$2,000, one count of Presenting False Claims for Payment more than \$2,000 but less than \$10,000, and two counts of Obtaining Goods Under False Pretenses over \$10,000. Marcus Blair had a prior criminal record and was serving an active sentence in the Department of Corrections when he became of interest

to the investigation team. During the investigation it was discovered that he was using a contraband cell phone to commit new frauds from his cell in prison.

Upon his release from prison, Blair continued his fraudulent activities. Active surveillance by SLED Agents and Florence County Deputies resulted in a search warrant for his residence. Hundreds of documents, fake checks, false ID cards, cell phone records, computers and emails were seized. After arrest, it was confirmed that Blair had attempted to fraudulently obtain a total of \$574,531 and was successful in collecting \$139,126.98 in money and goods. One of Blair's most prolific insurance fraud schemes involved using addresses and photographs from the internet to make false property damage claims for homes he did not own, many of which were located in other states. The Court sentenced him to ten years of incarceration. Blair is also required to pay restitution of \$139,126.98 to the victims whom he successfully defrauded.

### ***State v. Donovan Brantley***

On May 6, 2024, Donovan Brantley pled guilty to one count of Presenting False Claims for Payment greater than \$10,000 in Horry County. Brantley repeatedly made multiple claims for the same damage to his vehicle without ever conducting repairs. He continued this conduct even after he no longer owned or possessed the vehicle. He was sentenced to probation as a youthful offender and was required to pay \$22,119.59 in restitution at the time of the plea.

### ***State v. Tyburious Heyward***

On April 23, 2024, Tyburious Heyward pled guilty to three counts of Presenting False Claims for Payment valued at \$10,000 or more and two counts of Obtaining Signature or Property by False Pretenses valued at \$10,000 or more in the Sumter County Court of General Sessions. Heyward orchestrated a staged-accident insurance fraud ring and recruited dozens of individuals to participate as drivers and passengers in intentional automobile collisions to collect insurance payouts for nonexistent injuries from multiple insurance companies. Heyward directed his co-conspirators to seek unnecessary medical treatment for specific, subjective injuries and symptoms. Heyward also provided and directed the use of false medical, residency, identity, and lost wages documents throughout the claims processes. In addition to providing co-conspirators with scripts of what to say during medical visits and when dealing with insurance company representatives, Heyward would often impersonate other individuals.

These staged accidents took place in various parts of South Carolina including Florence, Charleston, Lexington, Columbia, and Sumter. Regardless of where the collisions occurred, the insurance claim activity primarily took place in Sumter County. Often these staged accidents occurred with both drivers of two vehicles being involved in the scheme to intentionally collide with each other. However, in some incidents one driver who was involved in the conspiracy would intentionally collide with an unsuspecting driver's vehicle. Fortunately, no innocent drivers or passengers in this case were seriously injured.

Heyward previously served time in prison for similar conduct. In fact, while incarcerated in the South Carolina Department of Corrections, Heyward used a contraband cellphone to recruit others to conduct staged accidents at his direction in this recent case. While still in prison, he also used a contraband cellphone to impersonate multiple participants in at least one

staged accident. After being released from prison in the Spring of 2021, Heyward began to take more active roles in staged accidents and would often be present at the scene even if he was not in either vehicle at the time of the collision. After being arrested in this case, Heyward even made a phone call, on a recorded line, from the detention center to impersonate another individual as part of an injury claim from a staged accident.

Heyward was sentenced to 8 years of active time in prison to be followed by an additional 10 years which will be suspended upon the service of probation and payment of approximately \$436,000.00 in restitution.

### ***Hemang Bhavsar & Hardwick Patel d/b/a Priku LLC***

On February 13, 2024, Hemang Bhavsar and Hardwick Patel each pled guilty to one count of Presenting a False Claim for Payment valued at \$2,000 or less in Aiken County.

While operating a convenience store doing business as Priku LLC, Bhavsar and Patel made a claim for stolen and damaged property. Bhavsar and Patel conspired together to forge an invoice for a Point-of-Sale machine and claimed 40 cartons of cigarettes were stolen. However, the SLED investigation determined no cartons of cigarettes were stolen. Bhavsar and Patel were each ordered to pay \$6,000 in fines and civil penalties.

### ***State v. Kristan Poston***

On January 22, 2024, Kristan Poston pled guilty to one count of Forgery in Lexington County. Poston made two claims for stolen and damaged property and submitted forged police reports as verification. She attempted to fraudulently obtain over \$40,000 and was successful in collecting \$10,207.81. She paid \$10,207.81 in restitution and was sentenced to probation.

### ***State v. Marquipa Lawton***

On July 30, 2024, Marquipa Nicole Lawton entered a guilty plea to the charges of Filing a False Police Report of a Felony Violation and Presenting a False Claim for Insurance Payment in Fairfield County. An investigation by the Fairfield County Sheriff's Office revealed that Lawton falsely reported to police that her vehicle had been stolen after she knowingly sold the vehicle. She later falsely reported to her insurance company that the car had been stolen. In that false claim, she was paid over \$3,000.

At the plea hearing, Lawton was placed on probation and ordered to pay restitution to the insurance company in the amount of benefits paid because of the false claim. The Fairfield County Sheriff's Office investigated the fraud complaint, and the Insurance Fraud Division of the S.C. Department of Insurance prosecuted the charges with the assistance of the local authorities.

### ***State v. Gregory Vaughn***

On August 14, 2024, Gregory Vaughn pled guilty to nine indictments related to a staged-accident insurance fraud ring operating in Sumter County in 2021 and 2022. Vaughn pled to six counts of presenting false claims for payment and three counts related to identity fraud. Like Tyburious Heyward, Gregory Vaughn has also previously been incarcerated for insurance fraud crimes.

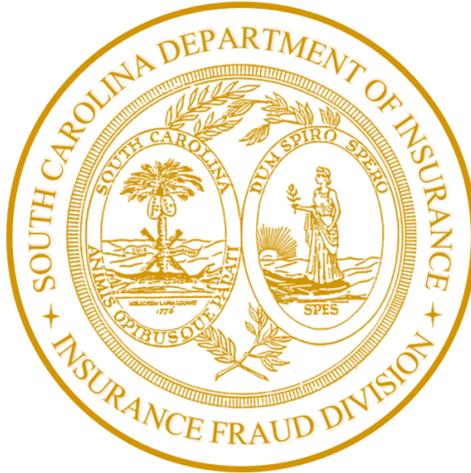
After an investigation by SLED, it was determined that Vaughn was the leader of a staged-accident ring in which Vaughn and his associates would intentionally damage vehicles at a residence in Sumter County. Then, they would drive to another location, pull off the highway and report hit and run accidents to the police. However, the accidents did not occur. Finally, after reporting the fictitious collisions, Vaughn and his associates would file auto insurance claims for property damage and bodily injuries that did not occur in the fake collisions. In all, Vaughn and others stole over \$200,000 from several auto insurance companies, which was ordered to be paid back as restitution.

Vaughn was sentenced to two seven-year terms of imprisonment. The second term will be suspended to five years of probation. Vaughn was also ordered to pay restitution in the amount of \$215,888.22.

### ***State v. Maurice Kendall Kollock, et. al.***

In 2024, the Insurance Fraud Division (IFD) teamed with SLED to investigate and prosecute several individuals in Marlboro County for fraudulent claims presented for accident insurance benefits. The cases began with fraud complaints from AFLAC and MetLife insurance companies. After an IFD prosecutor reviewed the complaints, they were referred to SLED for further investigation. The investigation determined that the claimants in the fraudulent claims shared medical records and billing statements that were altered or forged and submitted to the insurance companies, and that the accidents claimed had not occurred and the medical services claimed were not rendered by the medical providers.

In all, eleven individuals were charged with presenting false claims or making misrepresentations in the claims. As of the end of 2024, ten of the individuals - Maurice Kendall Kollock, Ra Kem Dal Von Townsend, Laquasia Dontay Hepburn, Wyllette Cook, Andra York, Shikeem Purcell, Carneshia Lawson, Jenna James, Shywana Miles, Jamesha Sturdivant, - had been successfully prosecuted, having entered guilty pleas in the Marlboro County Court of General Sessions, with the final case involving Diante Adams having been resolved by guilty plea on January 6, 2025. In all, the individuals presented over 200 fraudulent claims and were ordered to pay over \$200,000 in restitution to AFLAC and MetLife.



## SUMMARY

### Status of Cases – 2024

#### Complaints Received

	2023	2024
Complaints received	3,663	4,947
Complaints referred to SLED for investigation	184	250
Complaints resolved by consent agreement (MOU)	9	45
Complaints referred to other agencies	99	67
Complaints declined for prosecution (includes complaints from prior years)	3,321	3,944
Complaints Related to Healthcare Market Place Unauthorized Transfers*	n/a	1,107
Complaints pending at end of year	1,673	1,207

\*These complaints have been initially reviewed. Due to the large scale and nature of these complaints, the Insurance Fraud Division is coordinating with SLED, Federal, and other authorities to determine the appropriate jurisdiction(s) and investigative resources to address this growing problem. Although these complaints are still pending, they are categorized separately due to the temporary status of the complaints.

**Other Actions by the Insurance Fraud Division**

	2023	2024
Requests for Information (RFI)	741	672
Target Letters Sent	21	174
Outreach Events	n/a	16

**Matters Related to SLED**

	2023	2024
Complaints Referred to SLED for Investigation	184	291
Cases Opened by SLED	157	152
Cases Closed by SLED	43	103
Arrests by SLED in 2024	43	71
Cases Under Investigation by SLED as of December 31 <sup>st</sup> **	78	142

\*\*SLED may consolidate multiple complaints into single investigations when appropriate on a case by case basis. Multiple arrests can also originate from a single investigation.

**Insurance Fraud Division Case Files**

	2023	2024
Arrests by SLED in 2024	43	71
Arrests by Other Law Enforcement Agencies	2	5
Defendants Resolved by MOU	9	1
Defendants Convicted in General Sessions Court	11	34
Defendants Convicted in Magistrate/Municipal Court	n/a	1
Cases Dismissed by Prosecutor	2	3
Total Cases Closed	22	39
Cases Pending as of December 31 <sup>st</sup>	76	113

**Civil and Criminal Fines Ordered and/or Collected**

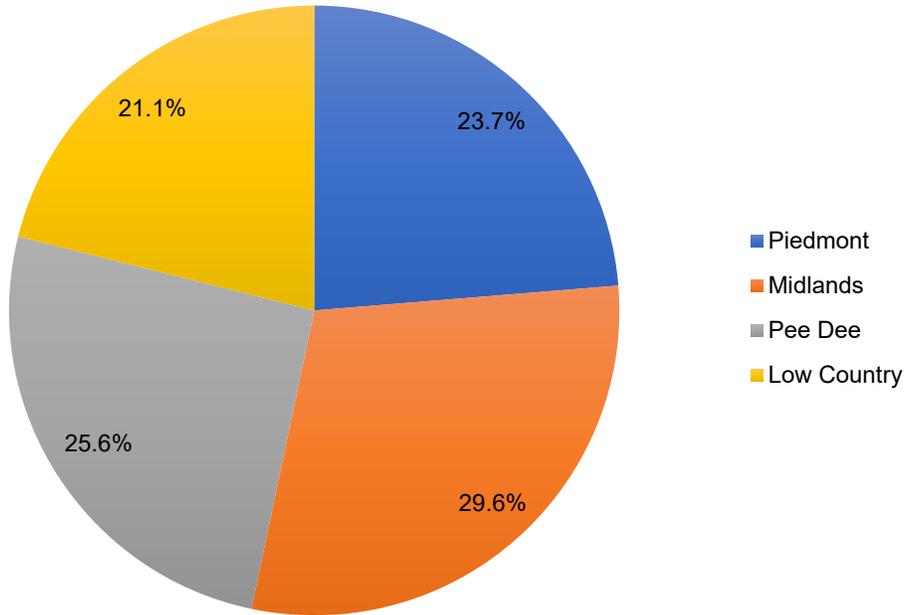
<b>Source of Fines</b>	<b>2023 Amount</b>	<b>2024 Amount</b>
Civil Fines Collected by Consent (MOU)	\$6,250	\$40,700
Civil Fines Collected Pursuant to Court Order	\$6,000	\$18,000
<b>Total Civil Fines Collected</b>	<b>\$12,250</b>	<b>\$60,700</b>
<b>Total Court Ordered Criminal Fines</b>	<b>\$5,250</b>	<b>\$2,000</b>
<b>Total Civil &amp; Criminal Fines</b>	<b>\$17,500</b>	<b>\$62,700</b>

**Restitution Ordered or Collected**

<b>Restitution</b>	<b>Amount</b>	<b>Amount</b>
Restitution Ordered by Court	\$82,500.00	\$1,025,964.92
Restitution Paid Outside of Court	\$78,344.16	\$32,477.40
<b>Total Restitution</b>	<b>\$160,844.16</b>	<b>\$1,058,442.32</b>

## 2024 CASES OPENED BY SLED BY REGION

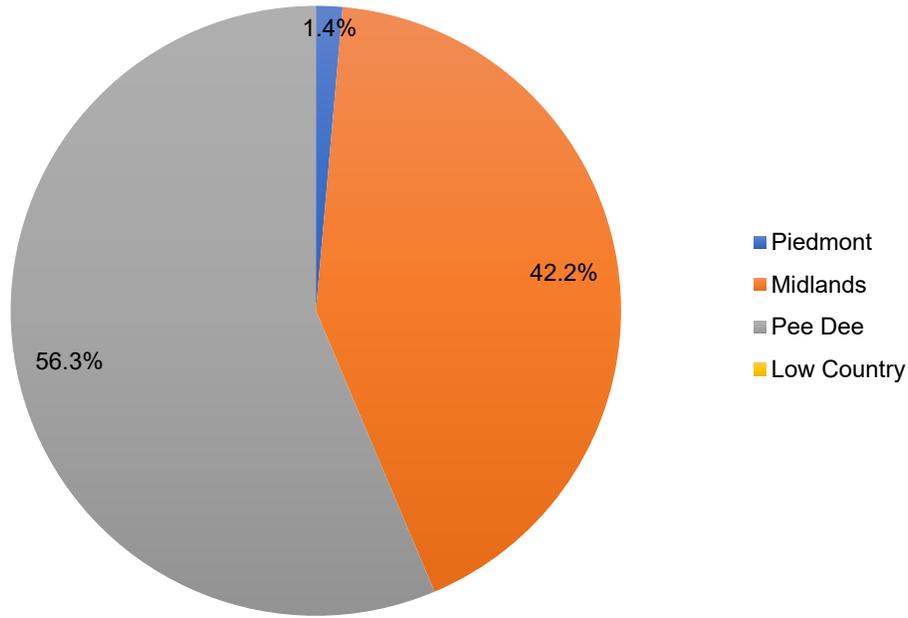
Referrals are sent to the South Carolina Law Enforcement Division (SLED) in order to decide if a complaint meets the elements of an insurance fraud crime. During 2024, SLED opened 152 cases deeming them necessary for further investigation. As the chart below indicates, these cases were received from all areas of the state:



Region	Number of Cases	Percent of Total
Piedmont	36	23.7%
Midlands	45	29.6%
Pee Dee	39	25.6%
Low Country	32	21.1%
<b>Total</b>	<b>152</b>	

## 2024 SLED ARRESTS BY REGION

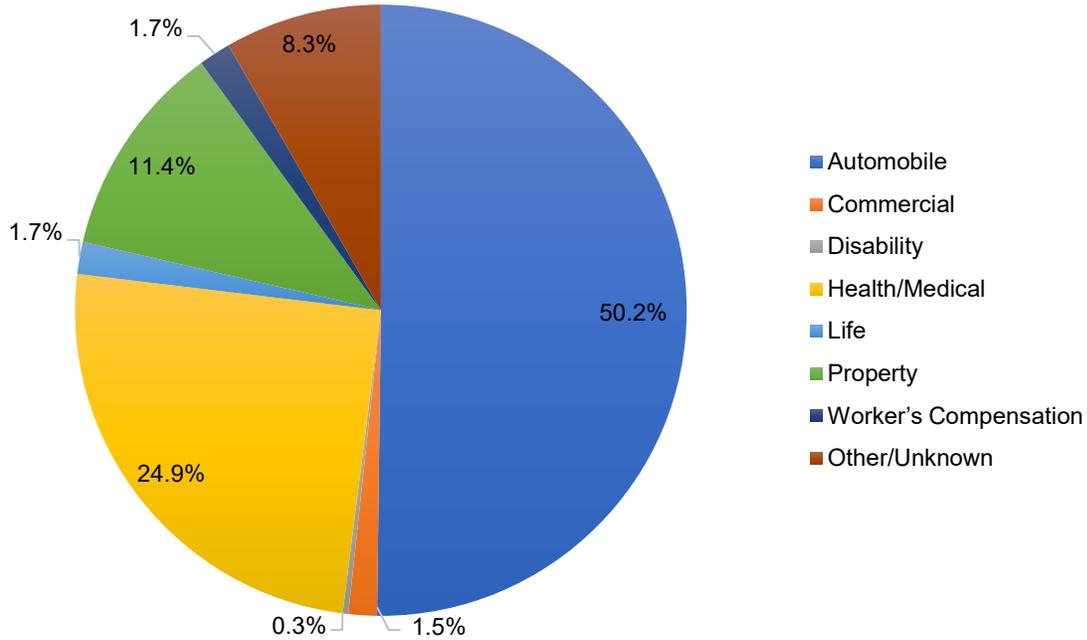
During 2024, the South Carolina Law Enforcement Division (SLED) had 71 arrests related to insurance fraud. As the chart below indicates, these arrests were made in all areas of the state:



<b>Region</b>	<b>Number of Arrests</b>	<b>Percent of Total</b>
Piedmont	1	1.4%
Midlands	30	42.2%
Pee Dee	40	56.3%
Low Country	0	0%
<b>Total</b>	<b>71</b>	

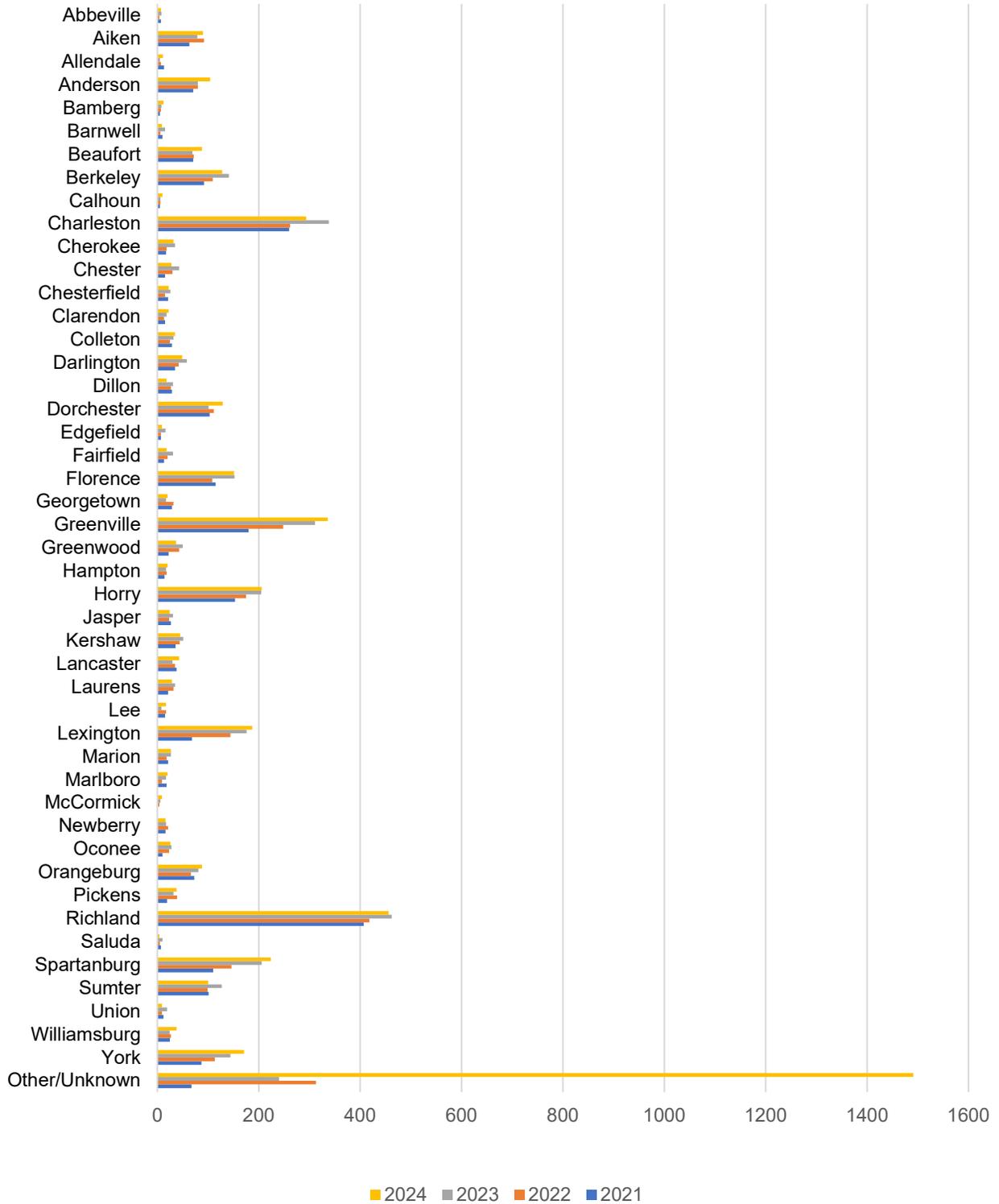
## 2024 COMPLAINTS RECEIVED BY TYPE OF FRAUD

The fraud complaints received during 2024 by the Insurance Fraud Division consisted of the following types of fraud:

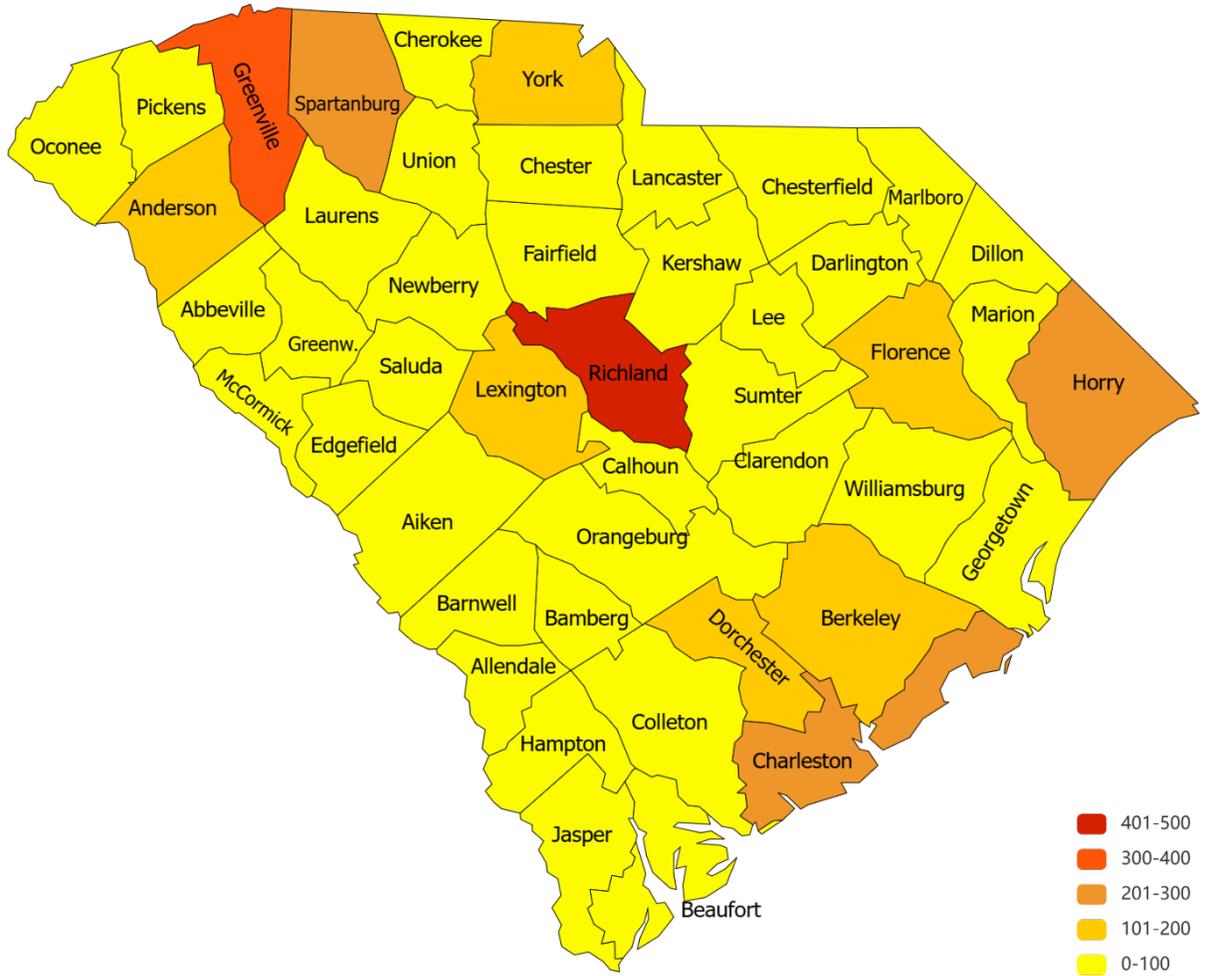


Type of Fraud	Number of Complaints	Percent of Total
Automobile	2,484	50.2%
Commercial	72	1.5%
Disability	15	0.3%
Health/Medical	1,233	24.9%
Life	83	1.7%
Property	562	11.4%
Worker's Compensation	85	1.7%
Other/Unknown	413	8.3%
<b>Total</b>	<b>4,947</b>	

## COUNTY COMPARISON BETWEEN 2021, 2022, 2023 AND 2024



# COMPLAINTS BY COUNTY



## 2024 COMPLAINTS BY COUNTY

County	Automobile	Commercial	Disability	Health/Medical	Life Insurance	Property	Workers' Compensation	Other/Unknown	Total
Abbeville	5	0	0	0	0	2	0	0	7
Aiken	55	0	1	5	2	22	1	4	90
Allendale	8	2	0	0	0	1	0	0	11
Anderson	64	3	0	4	3	22	2	6	104
Bamberg	7	0	0	2	1	2	0	0	12
Barnwell	6	0	0	1	0	2	0	0	9
Beaufort	67	1	1	2	2	10	1	4	88
Berkeley	89	1	0	5	4	15	8	6	128
Calhoun	9	0	0	0	0	1	0	0	10
Charleston	223	5	2	7	4	19	7	27	294
Cherokee	22	1	0	1	0	6	0	2	32
Chester	25	0	0	0	1	2	0	0	28
Chesterfield	18	0	0	1	0	1	2	0	22
Clarendon	15	2	0	1	0	3	0	1	22
Colleton	22	0	0	1	1	9	2	0	35
Darlington	39	1	1	2	1	4	1	0	49
Dillon	17	0	0	0	0	1	0	0	18
Dorchester	64	4	0	15	1	32	2	11	129
Edgefield	7	0	0	0	0	1	1	0	9
Fairfield	15	0	0	0	1	2	0	0	18
Florence	102	2	1	6	2	19	6	13	151
Georgetown	16	0	0	0	1	2	0	1	20
Greenville	200	6	0	16	4	89	8	13	336
Greenwood	25	0	1	1	1	7	1	1	37
Hampton	12	1	0	0	0	5	1	1	20
Horry	142	7	2	9	4	23	4	15	206
Jasper	17	1	0	1	3	0	1	1	24
Kershaw	31	0	0	3	0	6	0	5	45
Lancaster	35	2	0	0	0	4	1	1	43
Laurens	19	0	1	1	1	5	0	2	29
Lee	15	0	0	1	0	1	0	0	17
Lexington	108	4	0	8	4	41	7	15	187
Marion	16	1	0	1	0	6	1	2	27
Marlboro	16	2	0	1	1	0	0	0	20
McCormick	4	1	0	0	1	3	0	0	9
Newberry	14	0	0	0	0	2	0	0	16
Oconee	19	1	0	1	0	4	0	1	26
Orangeburg	72	1	0	1	1	3	1	9	88
Pickens	26	0	0	1	1	8	1	1	38
Richland	308	6	1	15	6	94	4	22	456
Saluda	4	0	0	0	0	0	0	0	4
Spartanburg	142	7	1	6	5	32	11	20	224
Sumter	71	1	0	3	1	15	1	8	100
Union	8	1	0	0	0	0	0	0	9
Unknown	101	0	1	1107	20	1	5	4	1239
Williamsburg	31	0	1	2	1	0	1	2	38
York	124	5	1	1	4	30	3	3	171
Other/Out of State	29	3	0	1	1	5	1	212	252
<b>Total</b>	<b>2484</b>	<b>72</b>	<b>15</b>	<b>1233</b>	<b>83</b>	<b>562</b>	<b>85</b>	<b>413</b>	<b>4947</b>