

REPORT

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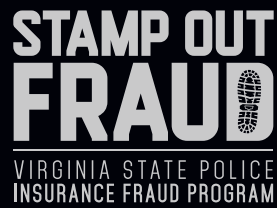
INSURANCE FRAUD PROGRAM | VIRGINIA DEPARTMENT OF STATE POLICE

ANNUAL

24

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03 | REPORT FROM THE SUPERINTENDENT



LIEUTENANT COLONEL
MATTHEW D. HANLEY
Interim Superintendent,
Virginia State Police



FIRST SERGEANT
PETER W. LAZEAR
Insurance Fraud
Program Coordinator

Last year, criminals attempted to steal millions of dollars from hardworking people throughout Virginia. But they did not do it by breaking into homes or robbing banks – they did it by committing insurance fraud.

When people file false insurance claims, they are stealing not only from their insurance companies, but from their friends and neighbors as well. Fraudulent insurance claims ultimately result in higher premium payments for everybody, costing the average Virginia family \$1,000 each year.

This is why the Virginia State Police's Insurance Fraud Program works so hard to stamp out insurance fraud. Since 1999, our special agents and analysts have teamed up with members of the insurance industry, commonwealth attorneys, and law enforcement partners to put an end to these crimes.

And our efforts are working.

In 2024, we helped initiate 335 insurance fraud investigations, successfully returning over \$78,000 in restitution.

But we did not stop there. To improve our program's effectiveness, we performed extensive security audits on our StampOutFraud.com website, streamlined data collection from all of our field offices, and worked to spread the word to the public through a radio interview and advertising campaign. Citizens with knowledge of suspected insurance fraud are encouraged to submit a confidential tip to StampOutFraud.com or (877) 62-FRAUD. Tips that lead to arrests earn rewards of up to \$25,000.

Together, we can continue to stamp out fraud in Virginia!

Sincerely,

Lieutenant Colonel Matthew D. Hanley

04 | 2024 INSURANCE FRAUD FACTS

2,112

Referrals Received

1,490

Referrals Declined

335

Investigations Initiated

54

Arrests

45

Cases Presented to Commonwealth Attorneys

24

Prosecutions

28

Convictions

\$78,093

Restitution Ordered

05 | VA IASIU FRAUD TRAINING SEMINAR



Combatting insurance fraud is easier when everybody works together. That is what the International Association of Special Investigation Units is all about – coordinating fraud-fighting efforts between law enforcement and the insurance industry, so they can better crack down on criminal activity.

The Virginia State Police Insurance Fraud Program is proud to be a longtime supporter of the nonprofit Virginia Chapter of the IASIU. And we continued our partnership this year by sponsoring the 32nd Annual VA IASIU Fraud Training Seminar on April 3–4 at the DoubleTree by Hilton Hotel in Richmond. During this action-packed two-day seminar, hundreds of in-person and online attendees benefitted from new training techniques on a variety of topics critical for today's insurance fraud investigators.



**IFP
CONTRIBUTED
\$50,000
FOR A
REGISTRATION
GRANT AND
PROMOTIONAL
SUPPORT
FOR THE
2024
SEMINAR**

06 | “RED FLAG” TRAINING SEMINAR



They say that with age comes wisdom. Unfortunately for our seniors, it also comes with plenty of people trying to scam them out of their money. To help stop these scammers, the 2024 “Red Flag” Training Seminar focused on this important topic, centered on the theme “Touch of Gray: Elder Financial Abuse & Insurance Fraud.”

Over three days from February 20–22 at The Hotel 24 South in Staunton, prosecutors from Virginia and the National Insurance Crime Bureau, Virginia State Police Special Agents, and special investigators from insurance providers joined local law enforcement and Adult Protective Services investigators to train in a team-based environment for the sole purpose of prosecuting insurance fraud.

Developed by the Virginia State Police Insurance Fraud Program, the Commonwealth’s Attorney’s Services Council, and the Virginia Chapter of the International Association of Special Investigation Units, the “Red Flag” Training Program has led annual education seminars since 2010. This year, the IFP contributed \$118,000 to support the program.

144
PEOPLE ATTENDED
THE 2024 “RED
FLAG” TRAINING
PROGRAM –
ALMOST
THREE
TIMES MORE
THAN PAST
SEMINARS!



While it is true that insurance fraud hurts everyone, not everyone knows about it yet. This is why it is important for the IFP to continue getting our message out to the public. By educating people about the harmful impact of fraud, and informing them about potential rewards available for reporting it, we can grow the citizen support we need to help us achieve our goals.

In 2024, the IFP spent \$150,000 across targeted multimedia advertising campaigns, which included:

- Radio
- TV
- YouTube
- Digital Ads
- Social Media
- StateNets Radio Interviews



When it comes to stamping out insurance fraud, some people's shoeprints are bigger than others. That is why, every year since 2005, the Virginia State Police has honored those who go above and beyond in our battle against fraud – with the Fraud Fighters Awards.

These awards are based on nominees' contributions to Virginia insurance industry anti-fraud efforts, including prevention, investigation, enforcement, interaction with the insurance community, financial recoveries, and restitution.

Congratulations to the well-deserving recipients of this year's Fraud Fighters Awards!

Thomas Kingry
United States Postal Inspector

Jason Trent
Virginia State Police Senior Special Agent

Ronald Graves, Jr
Bureau of Insurance Senior Investigator

09 | 2024 IFP HIGHLIGHTS

20 full-time special agents now assigned to the program

StampOutFraud.com passed extensive security audits

Sponsored the 2024 VA IASIU Annual Training Seminar

3 new honorees at this year's Fraud Fighter Awards

Successful advertising and promotional campaigns

Data collection and reporting accuracy improved

Partnered with the National Fraud Directors Group and the NICB Fraud Directors Working Group

10 | ANNUAL BUDGET SUMMARY

January – December 2024

Balance	January 1, 2024	\$5,806,802.23
Fund Proceeds & Transfers		
	SCC-Rec'd July 2024	\$9,612,420.64
	Interest Earned	\$239,673.78
	Internal Cash Transfers In	-
Proceeds Received		\$9,852,094.42
	Cash Reversions	-
	Transfers to Compensation Board	(\$468,679.61)
	Internal Cash Transfer Out	-
Total Proceeds		\$9,383,414.81
Fund Disbursements		
	Accruals - Accounts Payable	(\$161,253.74)
	Employee Travel Advance	-
	Personnel Services (Salaries & Fringes)	\$3,614,847.47
	Contractual Services (Postage, Telecommunications, Vehicle Repairs, Travel)	\$2,138,344.76
	Supplies & Materials (Apparel, Office Supplies, Gasoline, Law Enforcement Supplies)	\$104,732.71
	Transfer Payments (Reward Payments)	\$20,300.00
	Continuous Charges (Insurances, Office Rent)	\$125,000.00
	Equipment (Computers, Electronic, Vehicles, Office Furniture, Law Enforcement Equipment)	\$2,849,607.53
	Plant and Improvements	-
Total Disbursements		\$8,691,578.73
Balance	December 31, 2024	\$6,498,638.31