

2025

ANNUAL REPORT

VIRGINIA

DEPARTMENT

OF

STATE

POLICE

INSURANCE

FRAUD

PROGRAM



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**STAMP OUT
FRAUD**
VIRGINIA STATE POLICE
INSURANCE FRAUD PROGRAM

REPORT FROM THE SUPERINTENDENT



**Colonel
Jeffrey S. Katz**
Superintendent
Virginia State Police



**First Sergeant
Peter W. Lazear**
Statewide Program Coordinator

Across the Commonwealth of Virginia, criminals are quietly attempting to steal millions of dollars from hardworking, law-abiding citizens, often without the victims ever realizing it.

This theft takes the form of insurance fraud: a deliberate and deceptive claim designed to extract money that was never rightfully owed. While insurance fraud often goes unseen, its consequences are felt across the Commonwealth. Fraudulent claims drive up premiums and costs for everyone who relies on insurance, ultimately burdening the average Virginia family by an estimated \$1,000 each year.

At the Virginia State Police Insurance Fraud Program, we believe that cost and burden are unacceptable. Our mission is to detect, deter, and disrupt insurance fraud wherever and whenever it occurs. We protect consumers and the integrity of the insurance system, and we hold offenders accountable.

In 2025, our efforts reached new heights. The Insurance Fraud Program expanded its presence and impact through statewide and regional conference presentations, specialized training seminars, and strengthened partnerships with the insurance industry, Commonwealth's Attorneys, and law enforcement partners. We also conducted extensive audits and security reviews of the StampOutFraud.com website, and increased public outreach through radio interviews, advertising campaigns, and our confidential tip hotline (877) 62-FRAUD, where citizens can report suspected fraud and earn rewards of up to \$25,000.

These combined efforts produced meaningful results. In 2025, the program helped initiate 578 insurance fraud investigations and resulted in more than \$62,910 in ordered restitution.

Thank you for your continued support of this vital work. Together, we can continue to protect Virginians and stamp out insurance fraud across the Commonwealth.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeffrey S. Katz". The signature is stylized and written over a circular scribble.

Colonel Jeffrey S. Katz

2025 INSURANCE FRAUD FACTS

3,159

Referrals Received

2,375

Referrals Declined

206

Inquiries Initiated

578

Investigations Initiated

87

Cases Presented to
Commonwealth's
Attorneys

25

Prosecutions

66

Arrests

27

Convictions

\$62,910

Restitution Ordered

VA IASIU FRAUD TRAINING SEMINAR

When everybody works together to stop insurance fraud, criminals don't stand a chance. Our partners at the International Association of Special Investigation Units know this, so they coordinate fraud-fighting efforts between law enforcement and the insurance industry – allowing us all to better crack down on criminal activity.

IFP CONTRIBUTED \$75,000 FOR A REGISTRATION GRANT AND PROMOTIONAL SUPPORT FOR THE 2025 SEMINAR

The Virginia State Police Insurance Fraud Program is proud to be a longtime supporter of the nonprofit Virginia Chapter of the IASIU. We have continued our partnership this year by sponsoring the 33rd Annual VA IASIU Fraud Training Seminar that was held May 20th and 21st in North Chesterfield.





“RED FLAG” TRAINING SEMINARS

Catching insurance fraud criminals is one thing. Getting them convicted in court is another. Our 2025 “Red Flag” Training Seminars, titled “Money Talks: Financial Literacy and Fraud Investigations,” were dedicated to making sure every fraudster in Virginia is held fully accountable for their actions.

On March 4–6 in Staunton, and again on October 14–16 in Williamsburg, 100 investigators and prosecutors received training on turning money into evidence, presenting in court, and a variety of other topics critical for stopping insurance fraud.

Developed by the Virginia State Police Insurance Fraud Program, the Commonwealth’s Attorneys’ 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 \$90,000 TO
SUPPORT THE PROGRAM**

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ADVERTISING AND PROMOTION

When you're stamping out insurance fraud, the more feet involved, the better. That's why the IFP continuously works to educate the public about the harmful impact of fraud, and the rewards they can earn by reporting it.

In 2025, we launched a brand-new ad campaign dramatizing the extreme ways fraudsters exaggerate claims, along with an explanation of how that behavior costs the rest of us money at thecostoffraud.com.

To make sure our audiences got the message, we ran the new ads as part of a comprehensive, targeted campaign via radio, print, digital, social media and outdoor billboards.



FRAUD FIGHTER AWARDS

We believe that fighting insurance fraud should never feel like thankless work. Every year since 2005, the Virginia State Police has honored those who go above and beyond in our battle against fraud – with the Fraud Fighter 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 Fighter Awards!

- **Gaetano Drago**
Richmond Police Department Detective
- **Chris Hatcher**
National General Insurance Company Special Investigator
- **Thomas Kingry**
Bureau of Insurance Senior Investigator
- **Joseph Wood**
Henrico Police Department Detective
- **Iris Foerster-Gowdy**
Bureau of Insurance Senior Investigative Analyst
- **Nicholas Emmons**
Henrico County Assistant Commonwealth's Attorney



2025 IFP HIGHLIGHTS

Presented at the VAIASIU conference, the VA Chapter of the Virginia Claims Association regional meeting, and the Independent Insurance Agents of Virginia “Young Agent’s Conference”

Conducted two long-form radio interviews

Played an active role in the NICB Southeast Fraud Directors’ Group and the National Fraud Directors’ Group

Improved the IFP website’s security, structure and user experience



ANNUAL BUDGET SUMMARY

January – December 2025

Balance January 1, 2025 \$6,498,638.31

Fund Proceeds & Transfers

SCC – Received July 2025	\$10,590,332.96
Interest Earned	\$286,822.88
Internal Cash Transfers In	–
Proceeds Received	\$10,877,155.84
Cash Reversions	–
Transfers to Compensation Board	(\$475,258.74)
Internal Cash Transfer Out	–

Total Proceeds \$10,401,897.10

Fund Disbursements

Accruals – Accounts Payable	(\$285,811.25)
Employee Travel Advance	–
Personnel Services (Salaries & Fringes)	\$3,273,715.98
Contractual Services (Postage, Telecommunications, Vehicle Repairs, Travel)	\$3,783,936.42
Supplies & Materials (Apparel, Office Supplies, Gasoline, Law Enforcement Supplies)	\$79,066.36
Transfer Payments (Reward Payments)	\$14,210.00
Continuous Charges (Insurances, Office Rent)	\$65,223.63
Equipment (Computers, Electronic, Vehicles, Office Furniture, Law Enforcement Equipment)	\$1,112,771.57
Plant and Improvements	–

Total Disbursements \$8,043,112.71

Balance December 31, 2025 \$8,857,422.70



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