

# **Attorney General's Report**

Concerning the Colorado Department of Law  
Insurance Fraud Unit - 2007 Annual Report



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## Colorado Department of Law Insurance Fraud Unit – 2007 Annual Report

The Insurance Fraud Unit (“Unit”) is part of the Department of Law’s Financial Fraud Unit within the criminal justice section of the office. The Unit investigates and prosecutes criminal offenses relating to insurance fraud. For the majority of 2006, the Unit consisted of one attorney, one investigator and a half time administrative assistant. In 2006, Senate Bill 38 provided funding for an additional attorney, three additional investigators and a unit paralegal. As of October 2006 the three investigators were hired and a paralegal was hired in November 2006. The additional attorney was hired and began with the Unit in January 2007. The Unit experienced some turnover during 2007, but is currently fully staffed.

During 2007, the Unit received 272 referrals of potential criminal cases relating to insurance fraud. Referrals were down from 2006, partly due to increased screening by the Division of Insurance as to what cases are referred to the Attorney General’s office for potential criminal cases. As a result, the Unit opened 64 new felony investigations, which is close to twice as many investigations that were opened in 2006.

In December of 2007, the Unit went to trial in Larimer County against Robert Ovigian on charges related to auto theft and insurance fraud. The trial resulted in nine felony convictions for crimes relating to theft and vehicular eluding. In addition to the Ovigian matter, fourteen insurance fraud cases were resolved with convictions by plea agreements.

In 2007, the Unit filed 22 new cases in Colorado courts. The cases were filed in Adams, Arapahoe, Denver, Douglas, Larimer, Pueblo and Rio Grande counties. Fifteen of these cases were initiated by indictments issued by the Colorado Statewide Grand Jury; the remainder were filed by Complaint and Information.

During 2007, the Unit supervised the restitution payments of 40 defendants on probation for insurance fraud related crimes. Over \$88,014.44 of restitution was collected from January through November of 2007. Additionally, the Unit achieved new restitution orders totaling \$180,185.78 in 2007 and the Unit’s investigators were able to recover \$19,531.31 in losses to insurance companies by resolving two complaints without initiating formal criminal cases. The Unit also achieved orders for court costs in the amount of \$6,838.50.