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Florida Attorney General's Office News Release

10 Suspects Arrested in Multimillion Dollar Health Insurance Scheme



TALLAHASSEE, Fla.—Attorney General Ashley Moody and Chief Financial Officer Jimmy Patronis today announced the arrests of 10 suspects in a multimillion dollar insurance fraud operation, spanning multiple counties in Florida. According to a two-year investigation by the Florida Attorney General's Office of Statewide Prosecution and the Department of Financial Services, the suspects participated in an organized crime ring that established fake medical clinics by renting small office spaces. The suspects then billed insurance companies using the personal information of several doctors and insurance subscribers. The fraudulent clinics were located in Hillsborough, Lee, Miami-Dade and Palm Beach counties. The suspects allegedly submitted 23,708 claims worth more than $40 million.

Attorney General Ashley Moody said, "This organized crime scheme cost health insurance companies millions and stretched from Hillsborough to Miami-Dade County. Insurance fraud is a serious crime that forces higher premiums on all ratepayers, and as Attorney General, I will continue to work with our great law enforcement partners to investigate and bring to justice any criminal organization exploiting Florida's insurance market."

Chief Financial Officer Jimmy Patronis said, "Insurance fraud is not a victimless crime and fraud like this drives up insurance costs for every Floridian. Stolen identities, fake clinics, and stealing $42 million–this was an elaborate fraud scheme and ultimately consumers are on the losing end. Let me be clear: If you commit insurance fraud in Florida, my office will catch you and you will go to jail."

The suspects in this case all appeared to be living in Miami-Dade and Broward counties. The 10 individuals taken into custody are Xiomara Baullosa, Maylene Cruz, Enrique Galera-Risco,

Sandra Hidalgo, Anais Jorge, Jorge Leyva, Luis Machado, Nivardo Parra, Nestor Rodriguez and Nestor Damian Rodriguez. Pending warrants are still out for Gonzalo Rodriguez, Arnaldo Valido, Jorge Valido and Minerva Valido.

According to statements from more than 30 doctors and subscribers, victims of identity theft related to the scheme never shared personal information. The victims, including both doctors and subscribers, never provided or received the treatment procedures billed—in fact the subscribers never saw the doctors purported to have provided them with treatments.

Insurance company United Healthcare suffered the greatest loss because of the fraudulent activity, paying out more than $10 million in fraudulent claims. Florida Blue and several other insurers also paid out fraudulent claims.

The following suspects all face multiple felony charges in connection to this case:

· Xiomara Baullosa, 59—charged with one count of racketeering; two counts of fraudulent insurance claim; one count of scheme to defraud; one count of money laundering; one count of fraudulent use of personal identification information;
· Maylene Cruz, 51—charged with one count of racketeering; 12 counts of fraudulent insurance claim; one count of scheme to defraud; one count of money laundering; one count of fraudulent use of personal identification information;
· Enrique Galera-Risco, 61—charged with one count of racketeering; two counts of fraudulent insurance claim; one count of scheme to defraud; one count of money laundering; one count of fraudulent use of personal identification information;
· Sandra Nadal Hidalgo, 58—charged with one count of racketeering; one count of fraudulent insurance claim; one count of scheme to defraud; one count of money laundering; one count of fraudulent use of personal identification information;
· Anais Hernandez Jorge, 39—charged with one count of racketeering; two counts of fraudulent insurance claim; one count of scheme to defraud; one count of money laundering; one count of fraudulent use of personal identification information;
· Jorge Valido Leyva, 42—charged with one count of racketeering; one count of fraudulent insurance claim; one count of scheme to defraud; one count of money laundering; one count of fraudulent use of personal identification information;
· Luis Eslen Machado, 27—charged with one count of racketeering; one count of fraudulent insurance claim; one count of scheme to defraud; one count of money laundering; one count of fraudulent use of personal identification information;
· Nivardo R. Parra, 52—charged with one count of racketeering; two counts of fraudulent insurance claim; one count of scheme to defraud; one count of money laundering; one count of fraudulent use of personal identification information;
· Gonzalo Rodriguez, 50—charged with one count of racketeering; four counts of fraudulent insurance claim; one count of scheme to defraud; one count of money laundering; one count of fraudulent use of personal identification information;
· Nestor Rodriguez, 60—charged with one count of racketeering; two counts of fraudulent insurance claim; one count of scheme to defraud; one count of money laundering; one count of fraudulent use of personal identification information;
· Nestor Damian Rodriguez, 28—charged with one count of racketeering; two counts of fraudulent insurance claim; one count of scheme to defraud; one count of money laundering; one

count of fraudulent use of personal identification information;
· Arnaldo Valido, 30—charged with one count of racketeering; seven counts of fraudulent insurance claim; one count of scheme to defraud; one count of money laundering; one count of fraudulent use of personal identification information;
· Jorge Arnaldo Valido, 61—charged with one count of racketeering; 16 counts of fraudulent insurance claim; one count of scheme to defraud; one count of money laundering; and one count of fraudulent use of personal identification information; and
· Minerva Valido, 57—charged with one count of racketeering; four counts of fraudulent insurance claim; one count of scheme to defraud; one count of money laundering; one count of fraudulent use of personal identification information.

The National Insurance Crime Bureau assisted in the investigation. Florida Attorney General's Assistant Statewide Prosecutor Carrie Pollock Gil will handle the case.