



INSURANCE FRAUD BUREAU OF MASSACHUSETTS

August 1, 2025

The Clerk of the House of Representatives
State House
Boston, MA 02130

To the Clerk of the House of Representatives:

Pursuant to Massachusetts St. 1990, c.338; St. 1991, c.398, §99; St. 1996, c.427, §13; and St. 2002, c.279, §5, on behalf of the Insurance Fraud Bureau of Massachusetts (IFB), I hereby submit the IFB Semi-Annual Report to the Clerk of the House of Representatives. Enclosed is a copy of the 2024 IFB Annual Report. The 2024 IFB Annual Report includes court activity resulting from IFB investigation and case referrals to prosecution to fulfill semi-annual statutory reporting requirements.

This report should be forwarded to the Joint Committee on Insurance and the Joint Committee on Labor and Workforce Development. In summary, as of June 30, 2025, the IFB has received 101,656 referrals involving auto fraud, workers' compensation fraud and other insurance fraud since its inception. As a result of these referrals (many of which involve the same suspects), 24,538 case investigations were created and 4,840 cases have been referred to the Attorney General, District Attorney or United States Attorney for prosecution.

In all, 721 individuals have been indicted and complaints have been filed against 4,023 other individuals. Court action has therefore been initiated against 4,744 separate individuals. To date, as a result of IFB investigation, 1,083 people have been convicted of insurance fraud crimes with an additional 1,341 individual's prosecutions continued without a finding. IFB staff have aggressively pursued publicity through both print and electronic media to educate the public regarding Bureau progress.

Cordially,



Anthony M. DiPaolo
Executive Director

c: Attorney General Andrea Campbell
Senate Chair, Joint Committee on Labor & Workforce Development
House Chair, Joint Committee on Labor & Workforce Development
Senate Chair, Committee on Financial Services
House Chair, Committee on Financial Services
Michael Caljouw, Commissioner of Insurance

INSURANCE FRAUD BUREAU
OF MASSACHUSETTS



2024 ANNUAL REPORT

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A WORD FROM THE EXECUTIVE DIRECTOR



This has been an exciting year for the IFB, with continued success in our case activity. Strategic changes, including the integration of accounting and HR departments, have streamlined operations and set the stage for future growth.

A few years ago, we revamped our Liaison/Outreach program. This shift has led to a significant increase in referrals to our agency. In 2024 alone, we received 4,542 referrals—a testament to the ongoing success of this initiative. This upward trend is driven by our comprehensive approach, which includes specialized training for industry personnel on insurance fraud detection and prosecution outcomes.

In collaboration with the Attorney General of Massachusetts, the United States Attorney's Office, and several District Attorneys, we continue to bring a wide range of insurance fraud cases to prosecution. These cases span workers' compensation, automobile, health insurance, and numerous other lines, helping to ensure that perpetrators of fraud are held accountable.

Our dedicated team is proud of the work we do, which helps businesses, consumers, and insurers by providing a strong deterrent against fraud. We are recognized as one of the top criminal insurance fraud organizations in the country.

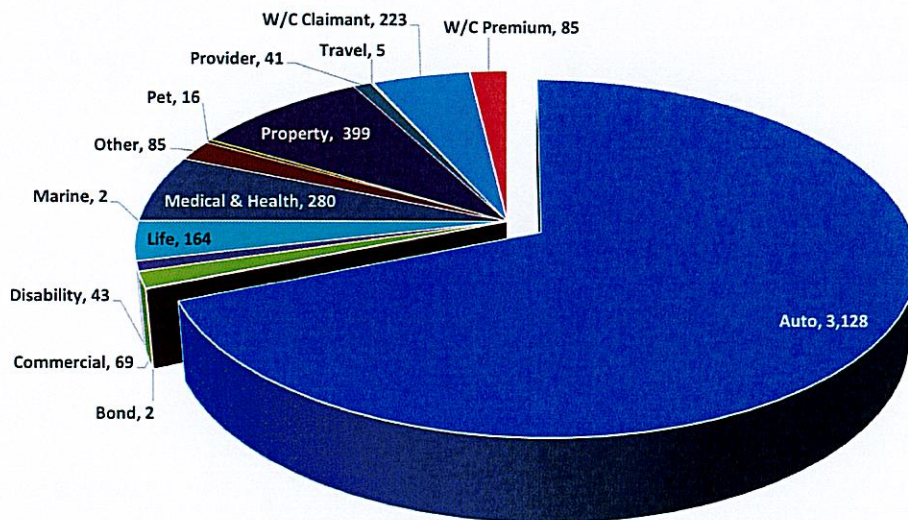


A handwritten signature in blue ink, reading "A. M. DiPaolo".

ANTHONY M. DIPAOLO, CFE
EXECUTIVE DIRECTOR

Referral Summary

Types of Referrals Received in 2024



HOW REFERRALS ARE RECEIVED

The principal sources of referrals were from insurance carriers received either directly or forwarded through NAIC's On-Line Fraud Reporting System (OFRS).

Referrals are also received from state and federal agencies. Private citizens are encouraged to report fraud to the IFB Hotline.

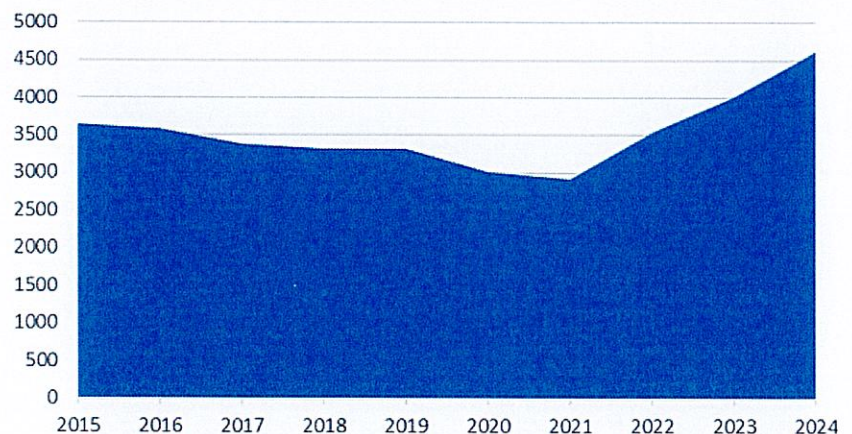
In 2024, the IFB received 4,542 referrals, a notable rise from 3,923 in 2023. This marks a continuous upward trend in referrals since 2022, reversing a previous decline.

Each allegation of insurance fraud received is evaluated. Referrals may be declined due to lack of evidence of criminal insurance fraud or insufficient information provided with the referral.

Referrals may also be forwarded to another agency that has jurisdiction to handle the allegation.

The referrals accepted for investigation are deemed to be the most viable for successful prosecution.

Referrals Received Over The Years

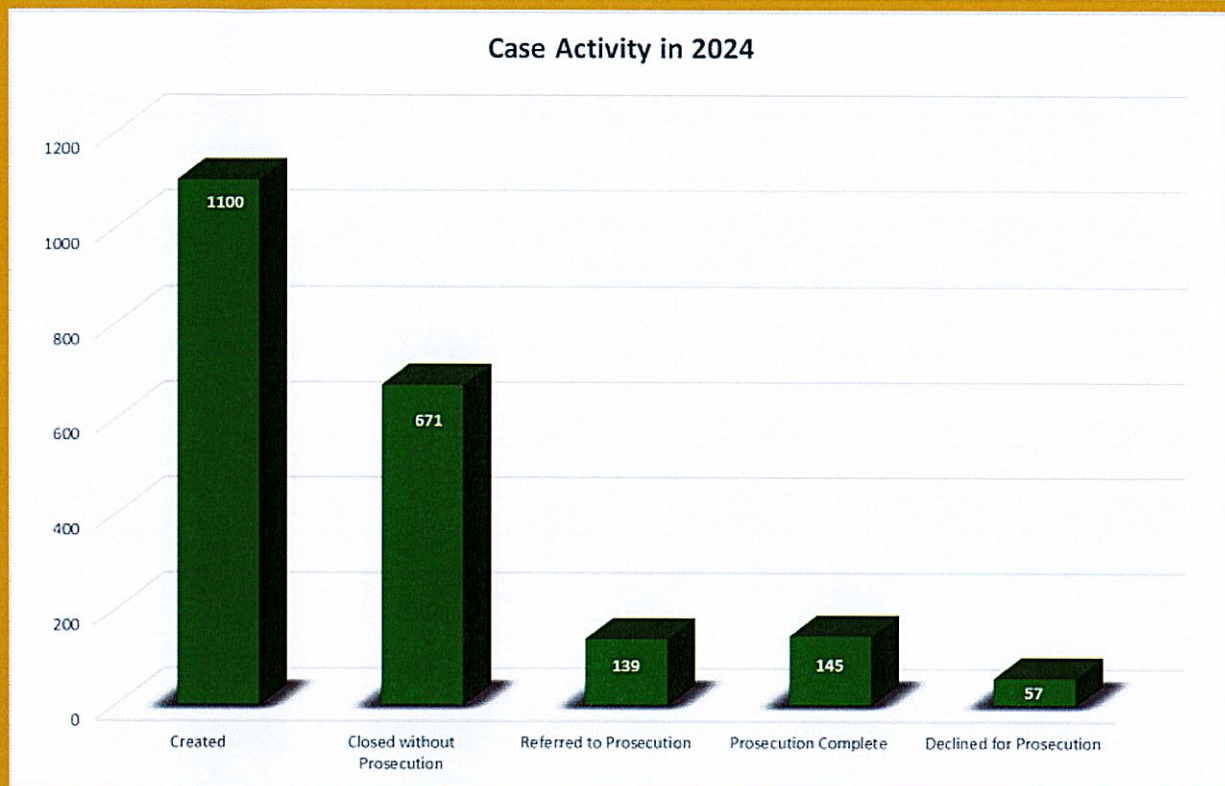


4,542

Referrals received
in 2024

16%

Increase from
2023

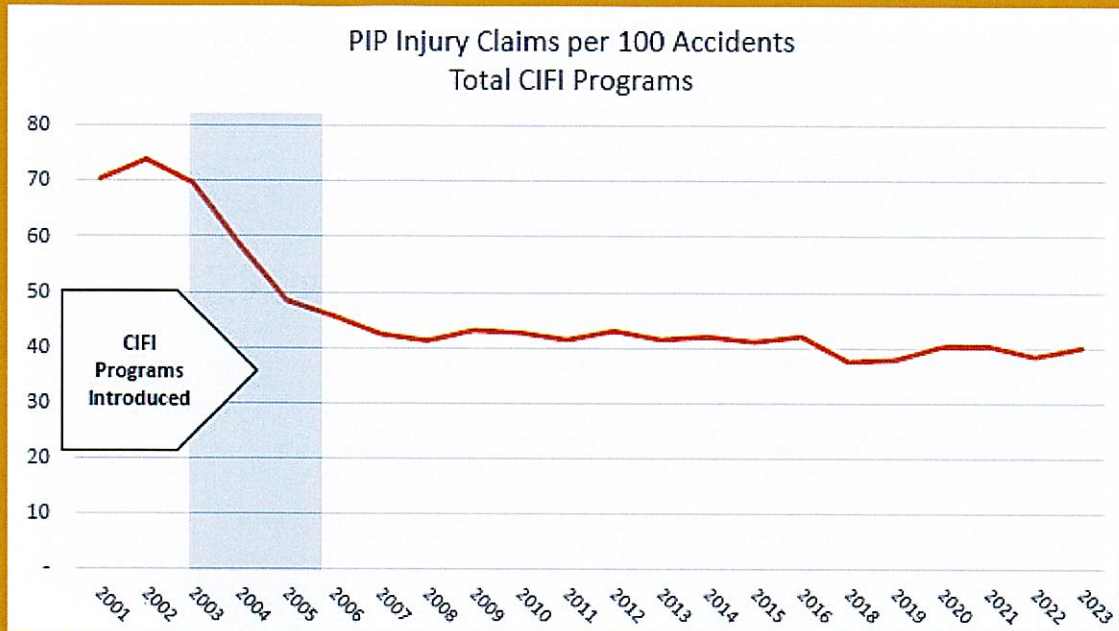


CASE ACTIVITY

The Insurance Fraud Bureau (IFB) manages an average of 600 open and active cases, each involving various types of fraudulent activities such as false claims, staged accidents, and misrepresentations. These fraudulent actions pose substantial risks to both the insurance industry and its consumers.

Open and active cases include those currently under investigation as well as those previously referred for prosecution. Investigators work closely with prosecutors, and their duties often include locating and interviewing witnesses, serving subpoenas, and exploring additional investigative leads to fortify the case. Caseloads are dynamic and can change frequently, as new cases emerge, are assigned for investigation, and are eventually resolved.

More complex cases—such as those involving provider fraud, workers' compensation premium fraud, and other sophisticated forms of insurance fraud—are typically referred to the offices of the Attorney General and the United States Attorney. These cases usually take longer to resolve due to their intricate nature and the extensive financial analysis required for thorough investigation.



COMMUNITY INSURANCE FRAUD INITIATIVES

Community Insurance Fraud Initiatives (CIFI), established in 2003, continue to serve as a critical deterrent against insurance fraud in each of the towns in which they operate. While automobile fraud investigations remain the primary focus within each CIFI town, the program has expanded its reach to surrounding areas as well.

The CIFI program has made a significant impact not only in reducing fraud but also in generating substantial savings for the communities involved. The cumulative effect of these efforts is seen in the automobile insurance industry, with an estimated annual savings of \$77 per vehicle across the state due to deterred losses. These savings represent losses that likely would have occurred without the ongoing efforts of the CIFI program.

Additionally, grant funding is awarded annually to District Attorney's Offices in jurisdictions where CIFIs are active. This grant program, coordinated with the Commissioner of Insurance, ensures the continuation of efforts to combat automobile insurance fraud.

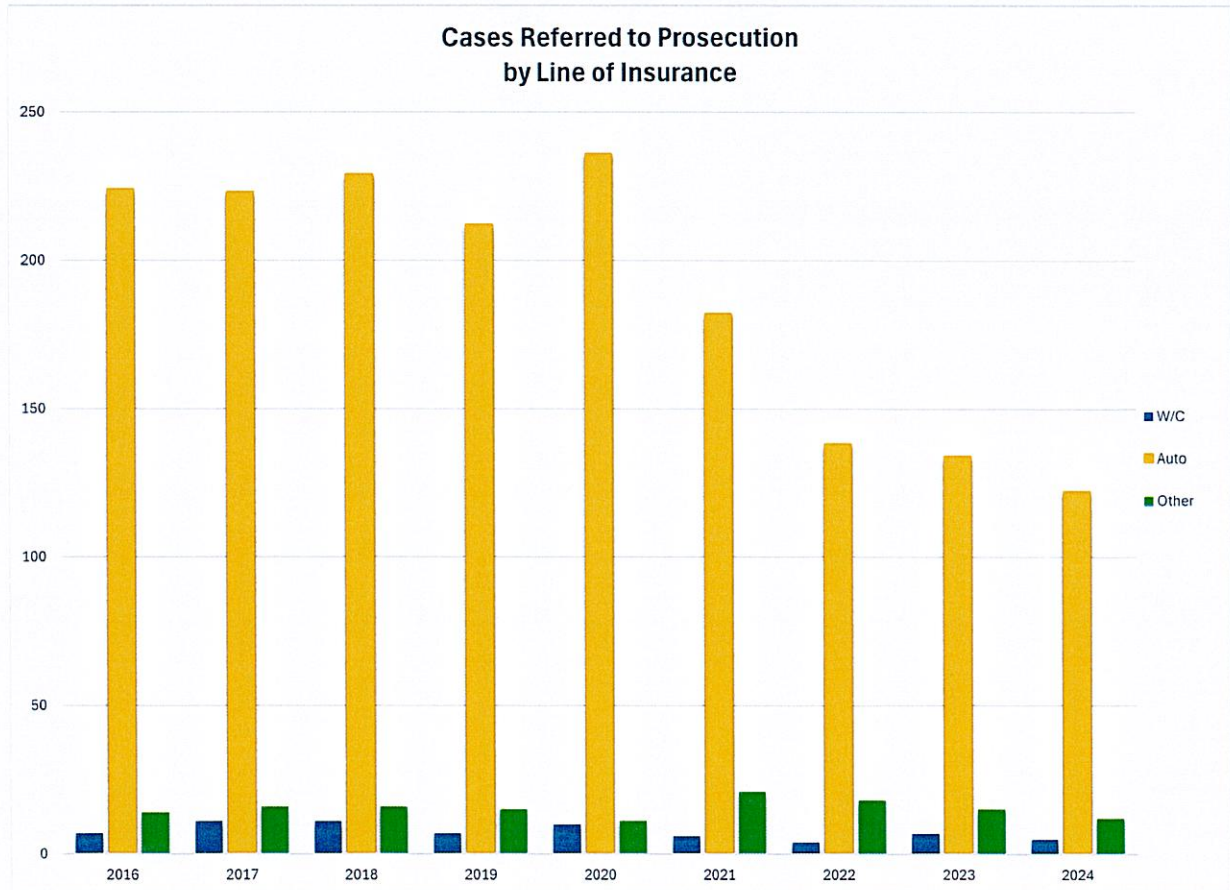
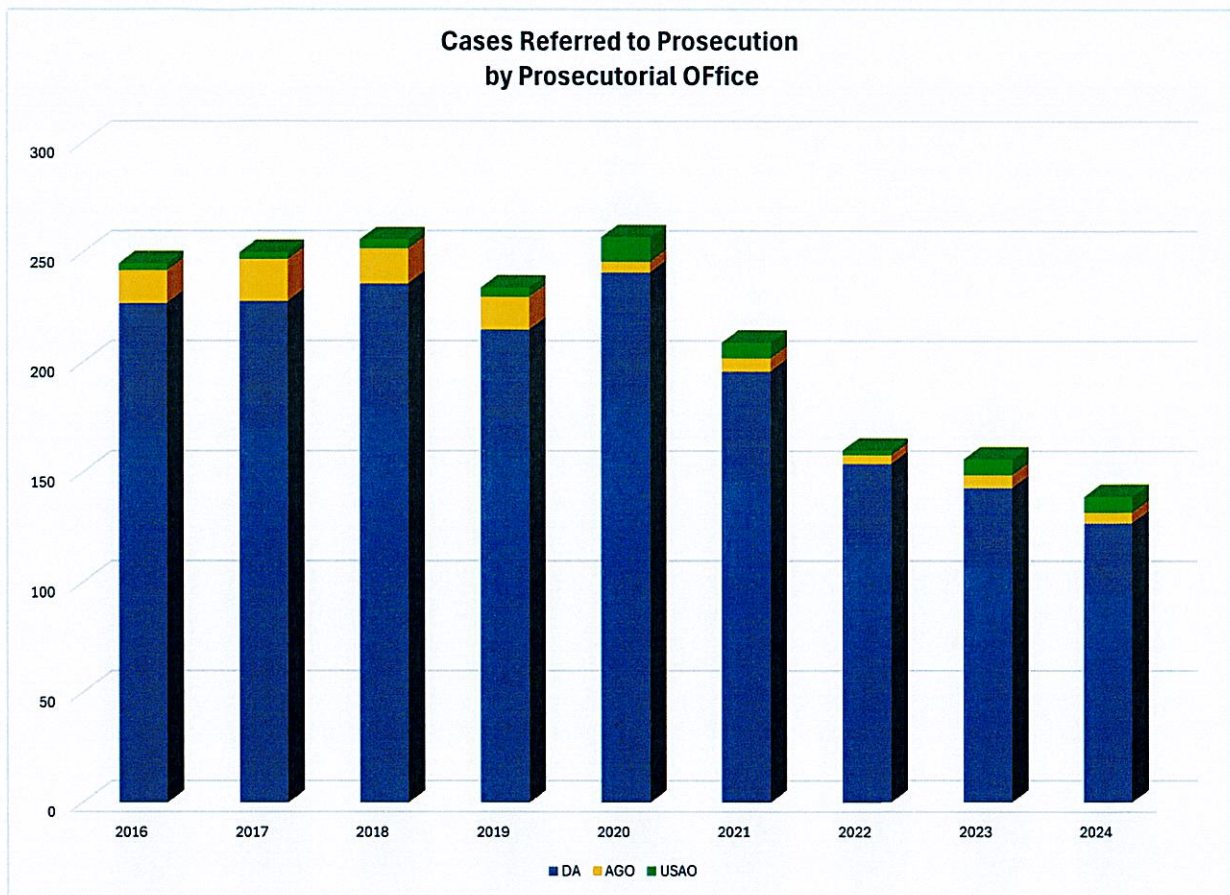
PROSECUTION ACTIVITY

When an IFB case reaches the point where sufficient evidence has been gathered to support criminal prosecution, a referral is made to the appropriate prosecutorial office. Depending on various factors, the case may be referred to a District Attorney, the Office of the Attorney General, or the United States Attorney's Office.

In 2024, the IFB referred 139 cases for prosecution. Of these, 127 were sent to District Attorneys' Offices, 5 to the Office of the Attorney General, and 7 to the United States Attorney's Office.

Among the referred cases, 122 involved automobile claims, 5 were related to workers' compensation fraud, and 15 fell under other lines of insurance fraud.





2024 HIGHLIGHTS

\$231.6 Million

CIFI deterred losses

(According to AIB data)

4,542

referrals received in 2024

1,030

investigations worked in 2024

\$6,794,113

restitution ordered in 2024

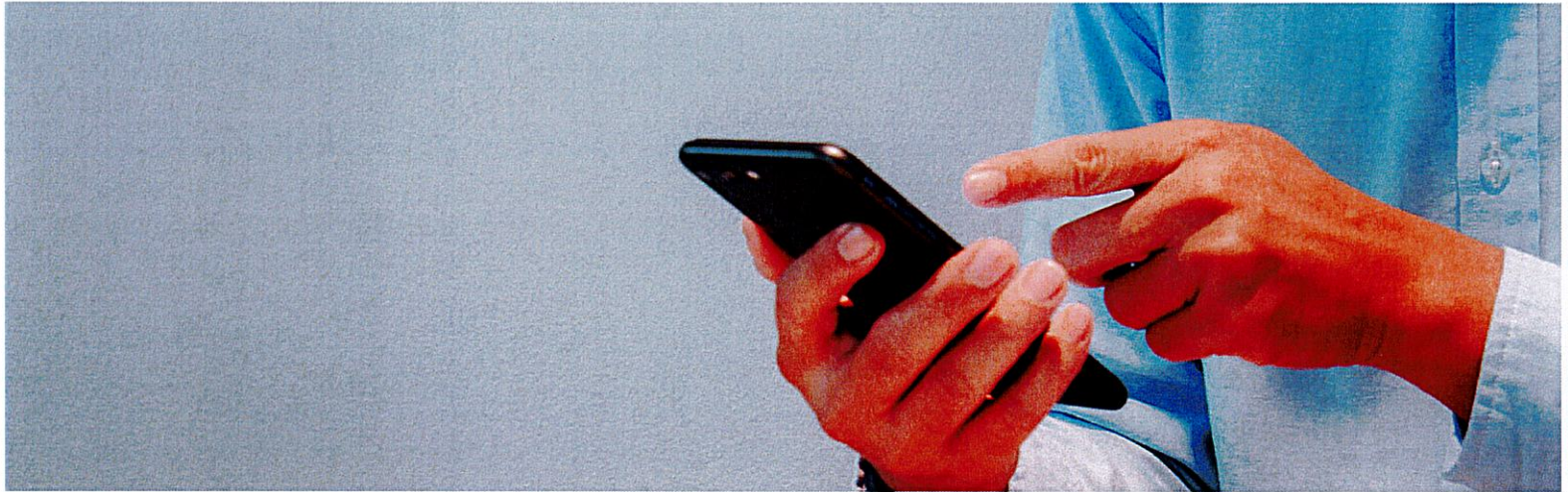
101

individuals charged in 2024

145

cases prosecution completed

2024 CASES



FRAUDULENT MOTOR VEHICLE CLAIM

A Framingham man was placed on pre-trial probation for six months and ordered to pay \$10,710 in restitution after being charged with motor vehicle insurance fraud.

The man allegedly reported that his bicycle was struck by a 2021 Hyundai Kona, causing damage. During the claims process, an individual—who identified himself over the phone as the Hyundai driver's husband—stated that his wife was at fault for the accident.

As a result of the claim, the Framingham man was paid \$10,709.98.

However, an investigation revealed that the Hyundai driver did not have a husband, the accident never occurred, and she never admitted fault. Further findings determined that the Framingham man himself was the caller who falsely claimed to be the driver's husband.

The investigation also uncovered that the woman later recognized the Framingham man as the salesperson who sold her a vehicle at a car dealership. Additionally, she identified him as the individual who assisted in obtaining her motor vehicle insurance policy.

OPERATION UNLUCKY TRAVELER

An investigation has revealed that Henry Ezeonyido orchestrated a scheme to submit fraudulent health insurance claims on his own behalf and for others, including Brendon Ashe, Darline Cobbler, and Ariel Lambert. Akiyla Atherton allegedly played a key role in recruiting participants for the fraud.

Between February 2019 and October 2022, the group submitted false claims for expensive medical treatments supposedly received and paid for out-of-pocket while traveling overseas. Many of the claims involved fabricated traumatic injuries—such as stabbings, gunshot wounds, and hit-and-run accidents—that allegedly required hospitalization abroad.

To support these fraudulent claims, Ezeonyido allegedly submitted fake medical and bank records to multiple health insurance companies. Once payments were issued, Ashe, Cobbler, and Lambert funneled a portion of the proceeds back to Ezeonyido and Atherton.

In total, the scheme sought reimbursements exceeding \$1 million for non-existent medical expenses.

“The Insurance Fraud Bureau of Massachusetts is committed to combating this illegal activity through vigilant investigation and collaboration with our partners. Insurance fraud harms everyone and undermines trust in the insurance system and increases the cost of insurance,” said Anthony M. DiPaolo, Executive Director of the Massachusetts Insurance Fraud Bureau.

Darline Cobbler pleaded guilty to one count of conspiracy to commit health care fraud and was sentenced to two years probation and restitution in the amount of \$73,817.

Brendon Ashe pleaded guilty to one count of conspiracy to commit health care fraud and was sentenced to two years probation and restitution in the amount of \$145,683.

Akiyla Atherton pleaded guilty to one count of conspiracy to commit healthcare fraud and was sentenced to five years probation, with total restitution (joint & several / individual) ordered in the amount of \$472,000.

Ariel Lambert pleaded guilty to one count of conspiracy to commit health care fraud. Sentencing is scheduled for April 17, 2025.

Henry Ezeonyido pleaded guilty to one count of conspiracy to commit healthcare fraud and six counts of healthcare fraud. Sentencing is scheduled for May 21, 2025.

AGENT THEFT

A Gloucester woman pleaded guilty and was sentenced to three years probation on charges of Larceny by Embezzlement Over \$1,200 (8 counts), Forgery (2 counts), and Unlicensed Insurance Practice (1 count).

She was ordered to pay a \$90 victim witness fee, a \$110 DNA fee, and \$19,875 in restitution in connection with an embezzlement scheme that left client companies uninsured.

Her insurance agency pleaded guilty to charges of Larceny by Embezzlement Over \$1,200 (8 counts) and Unlicensed Insurance Practice (1 count).

The Gloucester woman allegedly embezzled more than \$39,000 from customers while working as an insurance producer at her agency between May 2017 and September 2018.

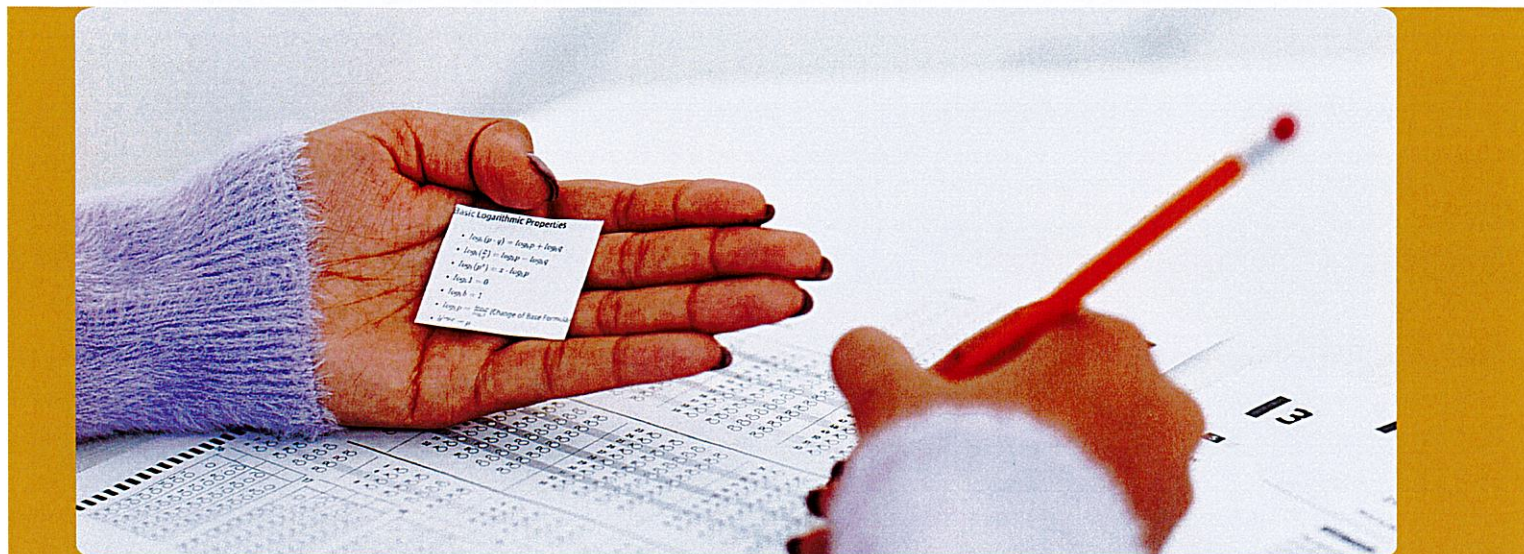
The woman later entered into a Settlement Agreement with the Massachusetts Division of Insurance (DOI), agreeing to immediately surrender her insurance producer license.

Despite the settlement, she informally transferred ownership of her insurance agency to a family member and continued working there for another 14 months.

During that time, she accepted payments from at least eight individuals who believed they were purchasing workers' compensation insurance. She then issued fraudulent certificates of insurance to six of those businesses without securing coverage.

Prosecutors say she forged customer signatures on two separate occasions, binding them to insurance premium financing agreements in an attempt to conceal her previous embezzlement.





PREMIUM FRAUD

Juliano Fernandes pleaded guilty to eleven counts of employment tax fraud, two counts of mail fraud, and two counts of making false statements to a federal agency. On December 18, 2024 he was sentenced to twelve months home confinement and five years' probation. Fernandes was ordered to pay \$1,450,031 in restitution to two workers' compensation insurance carriers. Anderson Dos Santos pleaded guilty to four counts of filing a false tax return and was sentenced in May 2024 to three years' probation.

Fernandes exercised financial control over Force Corporation and AB Construction, two Massachusetts-based construction companies.

Between 2015 and 2017, he willfully failed to account for and pay employment taxes owed to the IRS on behalf of these businesses.

Additionally, from April 2013 through January 2017, Fernandes allegedly defrauded workers' compensation insurance companies by misrepresenting the number of employees at Force Corporation and AB Construction, as well as the wages paid to those employees.

In August 2017, Fernandes also made materially false statements to the U.S. Department of Labor, falsely claiming that he had no control over Force Corporation's payroll and misrepresenting the value of property he owned in Lunenburg, Massachusetts. These statements were made as part of the Department of Labor's efforts to recover funds from Fernandes and his businesses for civil wage violations.

Dos Santos, who worked for AB Construction, also engaged in tax fraud by signing and filing individual tax returns for 2013, 2014, 2016, and 2017, in which he significantly underreported his income.

OUTREACH

The Insurance Fraud Bureau of Massachusetts (IFB) is dedicated to combating insurance fraud by actively engaging with the fraud-fighting community. Through a variety of initiatives—including hosting seminars, speaking at conferences, attending industry events, and collaborating with individual insurance companies—the IFB fosters strong partnerships and stays at the forefront of fraud prevention.

In 2024, the IFB participated in key industry and law enforcement events, including NEIASIU, the National Fraud Directors' Conference, IFB-led Roundtable discussions, the Insurance Fraud Management Conference, IASIU, NHCAA, ACFE, and many others.

Staying ahead of emerging fraud trends is a top priority for the IFB. By actively engaging in these events, IFB investigators gain valuable insights into the latest schemes, tactics, and enforcement strategies. This commitment ensures they remain well-equipped to identify and combat fraudulent activities, ultimately strengthening the integrity of the insurance industry.





FINANCIAL STATEMENT

For the year ended December 31, 2024

	FY'24	FY'23
Revenue	\$11,960,177	\$11,437,677
A. Assessments	A. \$10,856,594	A. \$10,737,614
B. Other Income	B. \$1,103,583	B. \$864,848
Expenses	\$10,201,675	\$10,124,555
A. Personnel Costs	A. \$7,105,980	A. \$6,942,881
B. Facilities Costs	B. \$1,124,323	B. \$1,165,940
C. Administrative Costs	C. \$1,827,846	C. \$1,946,744
D. Professional Services	D. \$143,526	D. \$68,990
A. DA Funding	A. \$530,000	A. \$530,000
B. Other Reserve Fund Uses	B. \$68,563	B. \$10,358
C. Reserve Fund Addition (Use)	C. \$504,659	C. \$323,671
Surplus Funds	\$655,280	\$613,878

Insurance Fraud Bureau of Massachusetts

Anthony DiPaolo
Executive Director

Kate Mulligan
VP, Chief of Investigations

Laura Kessler
VP, General Counsel

Taskforce Operations
Cynthia Ventresca

Marilyn Barrett

Boston CIFI

James Stevens

Steve Fontes
Kyle Gilbreath
Lilianna Majowicz
Mary McDermott
Paul Steriti
Benjamin Vitalini

Lawrence/Lowell CIFI

Kevin Maille

Jeffrey Silva

Lynn CIFI

Michael Gentile

Gregory Materas

Western MA CIFI

James Daniels
Peter Konstantakos
Brendan O'Toole
Matthew Wrinn

Worcester CIFI

Kevin Babineau
Sami Barbosa-Parker
Todd Fernandes

Patrick Moore

Brockton CIFI

Nellie Medeiros

New Bedford CIFI

Michael Barros

Alvin Rodrigues

Randolph CIFI

Julie Munroe

Premium / Provider Fraud

Jeffrey Ambrose

Premium Avoidance

Frank Conway

Ann Ragosta

Laura Saindon

Provider Fraud

Sean Kelly

Kevin Richard

Liaison & Outreach

Theodore Weimer

Trainee Program

Richard Fogerty

Fleet Administration

Victoria Gray

Analytic Investigations

Michaela Bouchard

Mary Joyce

Stephen Adams

Deputy Chief Counsel

Administrative Support

Cassandra Abdulla

Hedda Barnes

Sayoeun Ram

Anna Ryan

Accounting

Stephen Macary

Lucretia DellaGatta

Human Resources

Melissa Welch

Bold Green = Deputy Chief / CIFI Office

Bold Red = Managers / Lead Investigators

Bold Black = Executives

April, 2025

Officers and Board of Governors

Officers

Anthony M. DiPaolo, Executive Director
Laura A. Kessler, Vice President, General Counsel
M. Katherine Mulligan, Vice President, Chief of Investigations

Board of Governors

Representing the AIB Governing Committee

Arbella Insurance Group
MAPFRE USA Corp.
Farmers Insurance Group
Vermont Mutual Insurance Group
The Hanover Insurance Group

Representing the WCRI Board Governing Committee

AFL/CIO
A.I.M. Mutual Insurance Company
Liberty Mutual Insurance Company **
Massachusetts Association of Insurance Agents
The Travelers Insurance Company

Public Members

Director of Department of Industrial Accidents
Commissioner of Insurance
Registrar of Motor Vehicles
Secretary of Labor and Workforce Development
Secretary of Public Safety

** Denotes Board Chairman

Committee	Mission	Members
Audit	Provide oversight on the accounting, financial reporting and auditing practices of the IFB.	Liberty Mutual Insurance Company The Hanover Insurance Group ** The Travelers Insurance Company
Budget	Review and approve prospective budget plans and staff additions	A.I.M. Mutual Insurance Company Commissioner of Insurance Liberty Mutual Insurance Company ** MAPFRE USA Corp. Vermont Mutual Insurance Group
Long Range Planning	Guide long-term direction of IFB activities; designate line of business priorities, geographical orientation and IFB legislative initiatives.	AFL/CIO Arbella Insurance Group Director of Department of Industrial Accidents Farmers Insurance Group ** The Travelers Insurance Company
Personnel	Approve personnel related plans and programs, including salary structures, job grades and ranges and benefit packages	Liberty Mutual Insurance Company Massachusetts Association of Insurance Agents Registrar of Motor Vehicles Secretary of Labor and Workforce Development The Hanover Insurance Group **
Tip Reward	Review and approve reward payments to informants for tips which lead to the prosecution of insurance fraud perpetrators, as part of the approved IFB tip reward program.	Arbella Insurance Group Farmers Insurance Group Liberty Mutual Insurance Company ** MAPFRE USA Corp. Secretary of Public Safety
Communications Subcommittee	Examine and discuss communications between IFB and insurers.	A.I.M. Mutual Insurance Company Arbella Insurance Group Farmers Insurance Group Liberty Mutual Insurance Company MAPFRE USA Corp. ** The Hanover Insurance Group The Travelers Insurance Company Vermont Mutual Insurance Group

** Denotes committee chairman