



U.S. Department of Justice

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February 19, 2010

**CHIROPRACTOR, LAWYER, AND 15 OTHERS
CHARGED IN PHONY ACCIDENT SCHEME**

PHILADELPHIA - A chiropractor and an attorney are among the 17 people charged by indictment¹ with mail fraud in connection with a scheme to defraud insurance companies by staging phony automobile accidents, announced United States Attorney Michael L. Levy, Philadelphia District Attorney Seth Williams, and FBI Special Agent-in-Charge Janice Fedarczyk.

According to the indictment, the defendants willingly filed false accident reports in order to receive free medical care and in an attempt to receive civil settlement payments. The accident "victims" allegedly would file fraudulent insurance claims after staging phony accidents or falsely representing that an automobile accident occurred when it had not. The indictment further alleges that certain defendants obtained false police reports from a then-active Philadelphia police officer, recruited participants to be named drivers and passengers in these fictitious accidents, referred alleged accident "victims" to a chiropractor and attorneys, and demanded kickbacks from civil settlement awards. These defendants also allegedly provided a false story for the accident "victims" to tell the chiropractor, lawyer, and insurance company. In some cases, it is alleged that, in order to make the vehicles look like they had been in a real accident, the cars or trucks were intentionally damaged at an auto body shop or by driving them into a wall.

"This entire group presents a sorry picture of people who forgot the basic principle that lying to get money is stealing," said Levy. "In the case of the attorney and the chiropractor, they are members of professions that demand honesty of their practitioners. Nevertheless, they were comfortable making up facts to make a buck."

Dr. Stephen Rios, a Philadelphia chiropractor, is charged with 23 counts of mail fraud for his alleged role in falsifying patient treatment records and billing for fictitious services, purportedly provided to alleged accident victims, in order to obtain more money for himself, and in order to obtain higher civil settlements for the alleged accident victims. The indictment also charges attorney Glori A. Kasner with mail fraud related to two of these schemes, alleging that she helped to fraudulently obtain civil settlement payments in those cases for people who had not

¹An Indictment or Information is an accusation. A defendant is presumed innocent unless and until proven guilty.

been in accidents.

“This indictment comes from the hard work and joint effort between the U.S. Attorney's Office, the FBI and District Attorney's office,” said District Attorney Seth Williams. “And I am extremely proud of the results.”

“Insurance fraud is an insidious crime that victimizes not only the companies that pay out fraudulently-obtained settlements, but also victimizes each and every American who pays their insurance premiums every month,” said Special Agent-in-Charge Janice K. Fedarczyk, of the Philadelphia Division of the FBI. “The FBI places a high priority on investigating these types of insurance schemes, particularly when we uncover alleged schemes as complex and far-reaching as we have seen in this continuing investigation, and in these indictments announced today.”

Insurance companies allegedly victimized by these schemes include MetLife, Cambridge, State Farm, Allstate, Safe Auto, AIG, Liberty Mutual, Progressive, Rutgers, Nationwide, Erie, Proformance, and USAA. It is alleged that loss amounts paid out by insurance companies for property damage, medical expenses, and civil settlements for these fictitious accidents was over \$634,000. The specific loss charged in this indictment is over \$167,000.

INFORMATION REGARDING THE DEFENDANTS

NAME	ADDRESS	AGE OR YEAR OF BIRTH
Stephen Rios	Philadelphia PA	45
Wallace Morris	Philadelphia PA	43
Jermaine Blassengale	Philadelphia, PA	32
Glen Britton	Sewell, NJ	47
Walter Burnett	Philadelphia, PA	33
Fabian Fisher	Philadelphia, PA	40
Byron Gooden	Philadelphia, PA	42
Earl Haines	Philadelphia, PA	36
Glori Kasner	Huntington Valley, PA	36
Mark Miller	Philadelphia, PA	41
Lisa Outlaw	Philadelphia PA	41

NAME	ADDRESS	AGE OR YEAR OF BIRTH
Anthony Pollitt	Magnolia, NJ	41
Larry Richardson	Philadelphia, PA	40
Tommy Rippy	Philadelphia, PA	50
Michael Sealey	Philadelphia, PA	24
Reynaldo Rivera	Croydon, PA	39
Patrick Watson	Bellmawr NJ	52

This indictment is the latest charging document arising out of a long-term joint investigation conducted by the Philadelphia District Attorney's Office Insurance Fraud Unit and the Federal Bureau of Investigation. To this point, 58 defendants connected with the case have pleaded guilty in state court, with two others awaiting trial. An additional eight defendants have been convicted or have pleaded guilty in federal court, including three defendants prominently mentioned in this indictment: former Philadelphia police officer Drexel Reid, Daniel Cupaiuolo, and Jerry Blassengale. Reid and Cupaiuolo await sentencing. Blassengale received an 87 month sentence for numerous counts of mail fraud, and after a conviction for assaulting the investigators in this case when they tried to arrest him.

If convicted, the maximum possible sentence for each mail fraud count is 20 years imprisonment, 3 years of supervised release, mandatory restitution, a \$250,000 fine, and a \$100 special assessment.

The case is being prosecuted by Assistant United States Attorney Anthony Wzorek.

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