

PRESS RELEASE

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Insurance Company Ex-Employee Sentenced in \$142,000.00 Insurance Scam

Phoenix – An Arizona Department of Insurance Fraud Unit investigation lead to the conviction of 45 year old Lora McKeever-Martin, an insurance company support supervisor employed by the GE Global insurance group (subsequently purchased by American International Group) for sixteen years.

Her employer referred evidence of her suspicious activities to the Department, whose resulting investigation revealed that between October 1999 and January 2003 McKeever-Martin wrote 39 fraudulent claims checks, payable to herself, or her husband, for a total of \$142,848.75. A long-time, trusted employee, McKeever-Martin was responsible for distributing packets of blank claim checks to claims representatives. She would withhold blank checks from these packets, then issue the fraudulent checks (under actual claims) in cases where the claimant had a similar last name. She cashed one of the checks and deposited 38 checks in her personal bank accounts.

On January 13, 2005, McKeever-Martin entered a plea agreement in the Maricopa County Superior Court and pled guilty to one count of Fraudulent Schemes and one count of Forgery. On April 22, 2005, the Court sentenced Lora McKeever-Martin to 21 months incarceration, 7 years probation and \$142,848.75 restitution.

About the Fraud Unit

The Fraud Unit was established in the Department of Insurance in 1994 to deter, investigate and facilitate convictions of insurance fraud. The Fraud Unit's efforts to deter fraudulent activity reduces the inflationary impact of fraud that insurers necessarily pass on to consumers through higher costs of insurance products. Since its inception, the Fraud Unit has investigated and referred over 500 cases for successful prosecution.

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