

How to Know if Your Chiropractor or Lawyer May Be Getting a Knock on the Door from the FBI soon

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Recently, a chiropractor, a lawyer and two to other individuals pleaded guilty to mail fraud involving fraudulent car accident injury claims. The investigation of these particular individuals began after a former patient at Inova Fairfax Hospital complained about being contacted by an individual who knew the patient had been treated for injuries sustained in an accident.

The FBI then planted a phony accident report which was picked up by the 'bait' and it was 'game on.' The lawyer had hired a "runner" whose job it was to convince accident victims to sign up with that lawyer and then to go a particular chiropractor, who job it was to falsify medical records and inflate the claim.

You can read the FBI affidavits and some of the plea agreements here. It reads as good as any Grisham novel.

You might say to yourself, "well, that's not me, I wouldn't even think of participating in fraud."

Problem was, even an innocent car accident victim could be harmed in this scheme if he didn't know that his lawyer and/or chiropractor were 'dirty' because the insurance companies keep track of things like how many clients of a particular lawyer end up getting treated by a particular doctor or chiropractor.

So, we thought it would be useful to list the "clues" that something might be "fishy."

This list will be useful both for the accident victim and for the chiropractor who may be wondering if the lawyer who is referring him cases is on the up and up.

This list is obviously not perfect. Not every 'clue' listed below means the FBI is on your case. But the list should provoke you to ask some questions.

Here's the list. (Make sure to read the attached documents as well.)

1. Your lawyer makes a referral to a specific chiropractor. (Ask the question: "how many clients do you refer to this chiropractor in a year?")
2. You are approached by someone you don't know after an accident who tells you that he can get you "free" medical care.
3. You are approached after an accident by someone who tells you that they are here on behalf of the hospital to "arrange" your communication with a lawyer.
4. Your lawyer tells you that you need to attend a specific number of visits from the chiropractor. (A lawyer is not a doctor).
5. You have health insurance and the doctor participates with your health insurance plan but insists on not putting your bills into the insurance company, instead volunteering to wait until the end of the case to be paid. (This can be extremely costly to you. You or your employer have paid an insurance premium and one of the benefits of that insurance plan is *discounted* medical care.)

6. You review the records generated by the doctor and find that the report of the car accident has been exaggerated. (The insurance company has photos, a minor rear ender should not be described as a massive collision in the medical records.
7. Your lawyer or doctor refuses to let you see the medical records.
8. You have actually seen the doctor before but the doctor insists on starting a *new* medical record for you, thus potentially keeping your prior treatment records *secret* from any insurance company that asks for the records.
9. Your lawyer does not provide you with a full, written settlement evaluation, detailing the medical records and accident report, BEFORE sending the demand letter to the insurance company.

Ben Glass

Ben Glass, Fairfax, VA

Benjamin W. Glass, III is a nationally recognized board certified personal injury, medical malpractice and disability insurance attorney in Fairfax, Virginia.

He is a much sought after speaker and author and has been featured in TRIAL magazine, Wall Street Journal Online and The Washington Post, among others. Ben is the author of twelve books including **The Truth About Lawyer Advertising** (available on Amazon.com).

Books by Ben Glass

Robbery Without A Gun –Why Your Employer’s Long-Term Disability Policy May be a Sham (www.RobberyWithoutAGun.com)

Five Deadly Sins That Can Wreck Your Injury Claim
(www.TheAccidentBook.com)

Why Most Medical Malpractice Victims Never Recover a Dime
(www.TheMalpracticeBook.com)

Don’t Gamble With Your Social Security Disability Benefits: What Every Virginia Resident Needs to Know To Win Their Social Security Disability Case (www.TheSocialSecurityBook.com)

The Truth About Lawyer Advertising
(www.TheTruthAboutLawyerAdvertising.com)

The Ultimate Success Secret (www.Ultimate-Success-Secret.com)

Carry Your Own Leash: The Entrepreneurs Guide to Autonomy and Success (www.CarryYourOwnLeash.com)

In addition to the above websites, you can find Ben Glass at the following websites:

www.BenGlassLaw.com

www.FairfaxAccidentAttorney.com

www.VirginiaMalpracticeNews.com

IN THE UNITED STATES DISTRICT COURT FOR THE
EASTERN DISTRICT OF VIRGINIA

Alexandria Division

UNITED STATES OF AMERICA)
)
 v.)
)
 AMIR RYAN LAHUTI,)
 a/k/a Ryan A. Lahuti,)
)
 Defendant.)

Case No: 1:11mj 190

AFFIDAVIT IN SUPPORT OF CRIMINAL COMPLAINTS AND ARREST WARRANTS

I, Robert L. Werner, being duly sworn, depose and state as follows:

INTRODUCTION

1. I am employed as a Special Agent of the Federal Bureau of Investigation (FBI), and have been so employed since June 1997. I am assigned to a white collar crime squad at the Northern Virginia Resident Agency of the Washington Field Office, and have been so assigned since October 1997.

2. By virtue of my training and experience as a Special Agent assigned to investigate white collar crimes, I am familiar with investigations involving individuals who have devised or intended to devise schemes and/or artifices to defraud, or obtain money or property by means of false or fraudulent pretenses, representations, or promises.

3. This affidavit does not contain every detail of every aspect of this investigation, but rather sets forth those facts that I believe are necessary to demonstrate probable cause to believe that, within the Eastern District of Virginia and elsewhere, AMIR RYAN LAHUTI, a/k/a Ryan A. Lahuti ("LAHUTI") knowingly conspired with others to commit mail fraud, in violation

of Title 18, United States Code, Section 1349.

4. I have personally participated in the investigation of matters referred to in this affidavit. Based on my personal knowledge of and participation in the case and upon review of documents provided by the National Insurance Crime Bureau (“NICB”) and GEICO Insurance Company (“GEICO”), I am familiar with the facts and circumstances of this investigation. Since this affidavit is submitted for the limited purpose of establishing probable cause, I have not set forth each and every fact known regarding this investigation.

STATEMENT OF FACTS SUPPORTING PROBABLE CAUSE

5. I am investigating a widespread and long-running conspiracy in the Eastern District of Virginia and elsewhere to defraud private automobile insurance companies by filing false and exaggerated claims of bodily injury. This conspiracy involves individuals known as “runners,” which is street vernacular for persons who, in return for payment, solicit and recruit auto accident victims on behalf of law firms and medical providers. Runners often represent that they are employed by a particular law firm. They are financially compensated by the law firms and chiropractic clinics to which they refer clients. During the course of this investigation, I have learned that one particular runner, Kenneth Carlton Williams, is working with a network of other runners to illegally solicit auto accident victims. Williams and his co-conspirators are coaching their “clients” to fake or exaggerate injuries, referring these clients to collusive chiropractic clinics in Virginia and Maryland for treatment, and referring the same clients to collusive attorneys for legal representation. The chiropractic clinics and attorneys’ offices are also knowingly submitting false or exaggerated claim information and documents, via mail and wire communications, to victim insurance companies. Individuals involved in the scheme include attorney LAHUTI.

6. As part of this investigation, I routinely reviewed insurance company claim files involving insurance claimants treated by chiropractor J.C. and represented by LAHUTI. During the course of this review, I learned that LAHUTI himself was an insurance claimant who reportedly received chiropractic treatment from J.C. I requested that the NICB obtain and forward from GEICO a copy of the claim file documenting LAHUTI's bodily injury claim. Based on my review of the claim file, I determined the following.

7. On or about May 19, 2009, LAHUTI was reportedly knocked off his bicycle by a GEICO-insured vehicle. LAHUTI claimed to GEICO that he missed 2.3 weeks of work because of the injuries he suffered in the accident.

8. On or about May 20, 2009, J.C., working with Silver Spring Therapy, LLC, wrote a report summarizing his initial evaluation of LAHUTI. J.C. stated in his report that LAHUTI was riding his bicycle on May 19, 2009 when he was struck on his left side by a vehicle. J.C. further reported that LAHUTI sought care at J.C.'s office because of continuing pain in his neck, back, left knee, left ankle, and left foot. J.C. described LAHUTI's pain as constant, moderate-to-severe pain in the lower back, left knee, neck, mid-back, left ankle, and left foot.

9. On or about May 22, 2009, a letter (postmarked May 26, 2009) was mailed from the Law Offices of Ryan A. Lahuti, P.C. in Silver Spring, Maryland, to GEICO, in Fredericksburg, Virginia. The letter was in reference to LAHUTI's claim number 0030615820101268, with a date of loss of May 19, 2009. The letter stated that LAHUTI's law office had been retained by LAHUTI in connection with injuries he sustained in the accident. I believe that the May 22, 2009 mailing was in furtherance of the scheme and artifice to defraud, and was delivered from the Law Offices of Ryan A. Lahuti, P.C., in Silver Spring, Maryland, to GEICO, in Fredericksburg, Virginia, in the Eastern District of Virginia via interstate mail carrier.

10. On or about June 3, 2009, a letter was faxed from Isabella Lahuti, Attorney and Counselor at Law, in Silver Spring, Maryland, to GEICO, in Fredericksburg, Virginia. I believe that Isabella Lahuti is LAHUTI's wife. The letter, in reference to LAHUTI's claim, advises that Isabella Lahuti's law firm has been retained by LAHUTI "in connection with injuries sustained when struck by" the GEICO insured party.

11. On or about November 19, 2009, LAHUTI mailed a letter from the Law Offices of Ryan A. Lahuti, P.C., in Silver Spring, Maryland to GEICO, in Fredericksburg, Virginia. In the letter, LAHUTI stated, "I have now received the maximum benefit of medical treatment for the injuries I sustained when the vehicle owned by your insured strike (sic) me while riding my road bike." LAHUTI enclosed medical records documenting \$7,101 in costs for his treatment at J.C.'s clinic, as well as a lost wage demand of \$21,216. LAHUTI claimed that he suffered injuries including sprains and strains to his neck, lower back and left knee, and suffered pain in these areas for a "significant period of time." LAHUTI further stated in his letter that based on this information, he concluded that his case should settle for \$140,000. In addition to the letter, LAHUTI enclosed the following documentation:

- a. Medical billing records documenting that, between May 20, 2009 and August 28, 2009, J.C. treated LAHUTI at J.C.'s Silver Spring, Maryland office on thirty-two (32) separate days, resulting in \$7,101 in services billed by J.C. Included are records, signed by both J.C. and LAHUTI, indicating that J.C. treated LAHUTI on each of the days noted in the billing records.
- b. A Wage and Salary Verification form, claiming that LAHUTI was absent from work from May 19, 2009 to June 3, 2009 following the accident, and was not paid a salary during his absence.

- c. A Silver Spring Therapy, Authorizations (sic) Certification of Care, signed by J.C. and LAHUTI, certifying that LAHUTI was totally incapacitated and off work between May 19, 2009 and June 3, 2009.

I believe that the November 19, 2009 mailing was in furtherance of the scheme and artifice to defraud, and was delivered from the Law Offices of Ryan A. Lahuti, P.C., in Silver Spring, Maryland, to GEICO, in Fredericksburg, Virginia, in the Eastern District of Virginia via interstate mail carrier.

12. On or about July 29, 2010, LAHUTI filed a Civil Complaint in the District Court of Maryland, against defendant, A.B., who was reportedly driving the vehicle which struck LAHUTI on May 19, 2009. LAHUTI alleged in the complaint that as a result of being struck by the defendant's vehicle, he "sustained serious bodily injuries which required medical care and resulted in medical expenses." LAHUTI also claimed that he experienced "great pain, suffering, and discomfort" and demanded judgment against A.B. in the amount of \$30,000.

13. On or about September 28, 2010, GEICO, in Fredericksburg, Virginia, mailed to Isabella Lahuti, in Silver Spring, Maryland, a letter in which GEICO agreed to settle the claim of her client, LAHUTI, for \$11,000. Enclosed with the letter was a check for \$11,000. Isabella Lahuti was directed to have LAHUTI execute and return a Release in Full of All Claims ("Release"), which was also enclosed with the cover letter.

14. On or about October 7, 2010, LAHUTI signed the Release to settle his claim with GEICO for the sum of \$11,000, and mailed, or caused to be mailed, the Release to GEICO, located in Fredericksburg, Virginia.

15. As part of this investigation, I queried a law enforcement database containing computerized data produced by, among other entities, United States Customs and Border

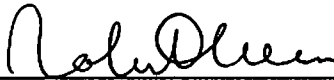
Protection for the period during which LAHUTI claimed he was treated by J.C. in Silver Spring, Maryland. The records I reviewed indicate that LAHUTI and Isabella Lahuti were outside the United States for a total of 42 days between May 19, 2009 and August 28, 2009, including days spent traveling to and from the United States. These records indicate that on twelve of the thirty-two days on which LAHUTI claimed he was treated by J.C., LAHUTI and his wife, Isabella Lahuti, were outside the United States. Specifically, LAHUTI and Isabella Lahuti were outside the United States during the following time periods:

- a. Between May 22 and May 31, 2009, during which period LAHUTI reportedly visited J.C. for treatment on May 22, 25, 26, and 28;
- b. Between June 12 and June 21, 2009, during which period LAHUTI reportedly visited J.C. for treatment on June 12, 16, 17, and 18;
- c. Between July 2 and July 12, 2009, during which period LAHUTI reportedly visited J.C. for treatment on July 2, 3, and 10; and
- d. Between August 13 and August 23, 2009, during which period LAHUTI reportedly visited J.C. for treatment on August 13.

Additionally, LAHUTI's travel outside the United States between May 22 and May 31, 2009, falls within the period during which LAHUTI claimed he was totally incapacitated (May 19 to June 3, 2009).


CONCLUSION

16. Based on the foregoing, there is probable cause to believe that in the Eastern District of Virginia and elsewhere, AMIR RYAN LAHUTI, also known as RYAN A. LAHUTI, knowingly conspired with others to commit mail fraud, in violation of 18 U.S.C. § 1349.



Special Agent Robert L. Werner
Federal Bureau of Investigation

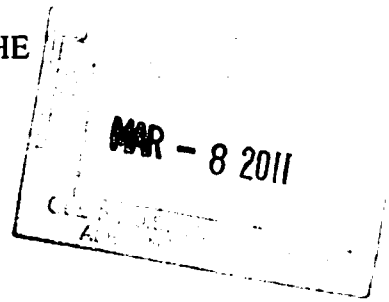
Sworn to and subscribed
Before me on this 8th day of March, 2011



Theresa Carroll Buchanan
United States Magistrate Judge
The Honorable Theresa C. Buchanan
United States Magistrate Judge

IN THE UNITED STATES DISTRICT COURT FOR THE
EASTERN DISTRICT OF VIRGINIA

Alexandria Division



UNITED STATES OF AMERICA)
)
 v.)
)
 KENNETH CARLTON WILLIAMS,)
)
 Defendant.)

Case No: 1:11mj 192

AFFIDAVIT IN SUPPORT OF CRIMINAL COMPLAINTS AND ARREST WARRANTS

I, Robert L. Werner, being duly sworn, depose and state as follows:

INTRODUCTION

1. I am employed as a Special Agent of the Federal Bureau of Investigation (FBI), and have been so employed since June 1997. I am assigned to a white collar crime squad at the Northern Virginia Resident Agency of the Washington Field Office, and have been so assigned since October 1997.

2. By virtue of my training and experience as a Special Agent assigned to investigate white collar crimes, I am familiar with investigations involving individuals who have devised or intended to devise schemes and/or artifices to defraud, or obtain money or property by means of false or fraudulent pretenses, representations, or promises.

3. This affidavit does not contain every detail of every aspect of this investigation, but rather sets forth those facts that I believe are necessary to demonstrate probable cause to believe that, within the Eastern District of Virginia and elsewhere, KENNETH CARLTON WILLIAMS knowingly conspired with others to commit mail fraud, wire fraud and health care fraud, in violation of Title 18, United States Code, Section 1349.

4. I have personally participated in the investigation of matters referred to in this affidavit. Based on my personal knowledge of and participation in the case, and upon review of documents provided by Allstate Insurance Company (hereinafter "Allstate"), I am familiar with the facts and circumstances of this investigation. Since this affidavit is submitted for the limited purpose of establishing probable cause, I have not set forth each and every fact known regarding this investigation.

SUMMARY

5. I am investigating a widespread and long-running conspiracy in the Eastern District of Virginia and elsewhere to defraud private automobile insurance companies by filing false and exaggerated claims of bodily injury. This conspiracy involves individuals known as "runners," which is street vernacular for persons who, in return for payment, solicit and recruit auto accident victims on behalf of law firms and medical providers. Runners often represent that they are employed by a particular law firm. They are financially compensated by the law firms and chiropractic clinics to which they refer clients. During the course of this investigation, I have learned that one particular runner, KENNETH CARLTON WILLIAMS, is working with a network of other runners to illegally solicit auto accident victims. WILLIAMS and his co-conspirators are coaching their "clients" to fake or exaggerate injuries, referring these clients to collusive chiropractic clinics in Virginia and Maryland for treatment, and referring the same clients to collusive attorneys for legal representation. The chiropractic clinics and attorneys' offices are also knowingly submitting false or exaggerated claim information and documents, via mail and wire communications, to victim insurance companies.

6. The District of Columbia has recognized the problem of runners soliciting auto accident victims for financial gain. To address this problem, the District of Columbia amended

the Theft and White Collar Crimes Act of 1982 with the White Collar Insurance Fraud Amendment Act of 2006. This Amendment prohibits the release of Metropolitan Police Department motor vehicle accident reports within 21 days of the accident to persons prohibited from soliciting clients, patients, or customers for the purpose of making insurance claims. Specifically, it became unlawful for a person to solicit for financial gain a client, patient, or customer within 21 days of a motor vehicle accident for the purpose of directing the client, patient, or customer to a practitioner. Doing so is a violation of D.C. Official Code, Section 22-2514. During the course of this investigation, I learned that despite the enactment of the White Collar Crimes Act, WILLIAMS continues to illegally obtain District of Columbia Traffic Crash Reports and uses information in those reports to contact and solicit persons involved in traffic accidents in the District of Columbia. Runners such as WILLIAMS know that automobile insurance companies review claimant data, such as when the claimant first received treatment following an accident and the duration of such treatment. As such, WILLIAMS and other runners know that it is extremely important to acquire police report information as soon as possible, and cannot wait the required 21 days to legitimately obtain the traffic crash reports from the D.C. Metropolitan Police Department.

7. WILLIAMS primarily refers his clients to the Law Offices of Ryan A. Lahuti, based in Silver Spring, Maryland, for legal representation in pursuing bodily injury claims against private automobile insurance companies. Once a chiropractor completes treatment of a recruited client, the chiropractic office delivers medical documentation to Lahuti's office, which uses this information in support of personal injury claims filed by the clients referred to Lahuti by WILLIAMS.

STATEMENT OF FACTS SUPPORTING PROBABLE CAUSE

8. In June 2009, I was contacted by a representative of INOVA Fairfax Hospital, who relayed a complaint received by an attorney representing a former INOVA patient. This patient reported to his attorney that the day following his discharge from INOVA Hospital, he received a call from a Spanish-speaking female, whose phone number appeared on the patient's caller ID as (202) 239-9028. The female caller attempted to convince the patient to hire a specific attorney to represent him in an injury claim. An INOVA representative called (202) 239-9028 in an attempt to find out who called the INOVA patient. The woman who answered the phone would only identify herself as "Maria" and refused to provide a last name. "Maria" sounded nervous and tentative when questioned by the INOVA representative.

9. A Grand Jury in the Eastern District of Virginia subpoenaed toll records for phone number (202) 239-9028. I reviewed those records and determined that the number was subscribed to by Juan Bustamante, and that the individual using this phone number was contacting auto accident victims in the Eastern District of Virginia and elsewhere, including auto accident victims who were treated at INOVA Fairfax Hospital. According to insurance records, many of the accident victims identified to date as having been called by (202) 239-9028 are represented by attorney Ryan Lahuti.

10. FBI Special Agent (SA) Phillip A. Kennedy reviewed call records for (202) 239-9028 and identified a 911 call placed from that number on April 26, 2009. SA Kennedy requested the 911 tape from that call, listened to the tape, and learned that the caller was a female who identified herself as Alba Bustamante. I believe that Alba Bustamante was the woman, Maria, who was telephonically contacting INOVA Fairfax Hospital patients and referring them to Lahuti for legal representation.

11. Between May 2010 and July 2010, the FBI, with the cooperation of the District of Columbia Metropolitan Police Department (MPD), conducted an undercover operation during which a false traffic crash report was inserted into the MPD system. The report stated that on May 12, 2010, a driver was injured when his vehicle was rear-ended by another vehicle in Washington, D.C. The reportedly injured driver in this case was an FBI Agent acting in an undercover capacity (UCA).

12. I reviewed a copy of a traffic crash report request form obtained from MPD and learned that on May 13, 2010, WILLIAMS requested and received a copy of the MPD traffic crash report prepared to document the UCA's May 12, 2010 auto accident. In requesting the traffic crash report, WILLIAMS, in violation of D.C. Official Code, Section 22-2514, falsely affirmed and certified that he was "eligible to obtain a report of a motor vehicle accident under the White Collar Insurance Fraud Amendment Act of 2006."

13. According to pen register and trap and trace device records collected during the course of this investigation, in the morning and early afternoon of May 13, 2010, a cell phone which I know to be subscribed to and used exclusively by WILLIAMS contacted cell phone number (202) 704-4441, which I know through investigation to be subscribed to by Mercedes Esperansa, and to be used exclusively by Alba Mayra Bustamante. Based on the timing of these calls and the events which followed (described below), I believe that the purpose of these calls was for WILLIAMS to provide the UCA's illegally-obtained police report information to Bustamante, and to instruct Bustamante to telephonically contact the UCA in an attempt to recruit the UCA into the scheme.

14. On May 13, 2010, at 1:11pm (approximately 47 minutes after the last contact between WILLIAMS's cell phone and Bustamante's cell phone), the UCA received a call from

Bustamante from cell phone number (202) 704-4441. Bustamante identified herself as “Esperansa” and left a voicemail message for the UCA in Spanish. In the message (as translated by an FBI linguist fluent in Spanish), Bustamante identified the UCA by his name as used in the traffic crash report and indicated that the call was about the UCA’s accident. Bustamante stated that a lawyer was very interested in representing the UCA in order for the UCA to “obtain a substantial reward and to receive medical treatment.” Bustamante stated that the legal representation would not “involve any expense” on the part of the UCA and stated that the UCA would benefit from this. Bustamante asked the UCA to return her call, and left her cell phone number.

15. The UCA returned Bustamante’s call at 4:49 pm on May 14, 2010. The beginning of the conversation was in English, and the remainder in Spanish. During the conversation (as translated by an FBI linguist fluent in Spanish), Bustamante, using the alias of “Esperansa,” stated that she called the UCA because he had been in an accident, that he was not at fault for the accident, and that he was therefore entitled to make a personal injury claim. She also said that she would refer the UCA to an attorney (who I later learned was Lahuti) who specializes in these types of cases, and that the insurance covering the person at fault would pay for everything. She told the UCA that she would recommend a chiropractor who works directly with the lawyer. The UCA told Bustamante that he was not hurt. Bustamante responded “Why not take advantage of the opportunity?” and went on to explain that if the UCA had hit the other driver, the other driver would have “turned inside out to claim that he was more than extremely hurt” and then the UCA’s insurance would have to pay that person. The UCA asked about having to go to the chiropractor since nothing was wrong with him. Bustamante replied that the UCA would not have any problems because the chiropractor works directly with the lawyer.

Bustamante told the UCA that he was going to make money and asked him if he would like to put four or five thousand dollars in his pocket.

16. The UCA arranged to meet Bustamante in person in Alexandria, Virginia on May 18, 2010. Bustamante, who again identified herself as “Esperansa,” arrived at the meeting with WILLIAMS, who drove her to the meeting. I reviewed FBI surveillance photos taken during the meeting, and determined by comparison with a Maryland driver’s license photograph of Alba Bustamante that “Esperansa” was, in fact, Bustamante.

17. WILLIAMS was present during most of the meeting. Bustamante presented the UCA with a business card for WILLIAMS. During the meeting, which was conducted primarily in Spanish, Bustamante had the UCA sign paperwork needed in order for him to retain the legal services of attorney Ryan Lahuti.

18. During the meeting (as translated by an FBI linguist fluent in Spanish) Bustamante told the UCA that the UCA would be represented by Lahuti, and that the UCA’s only job would be to go to the chiropractor. When she gave the UCA WILLIAMS’s business card, she said that WILLIAMS was an investigator who works for the lawyer and that Bustamante was his interpreter. The UCA told Bustamante that he was not hurt and Bustamante replied, “It doesn’t matter” and explained that she was going to write down “what supposedly hurts” and that she was going to tell the UCA “what it is” (that hurts) and that the UCA will then “tell the chiropractor: ‘This hurts and that hurts.’” Bustamante explained that she was going put on the paperwork that that the UCA’s neck and back hurt, and stated to the UCA, “You tell him that. That your neck hurts . . . and your back.” Bustamante also told the UCA that the chiropractor works directly with the attorney, and instructed the UCA to show Lahuti’s business

card to the chiropractor. Bustamante asked the UCA if he could go to the chiropractor “right now” and offered him a ride to the chiropractor’s office.

19. During the meeting, WILLIAMS asked Bustamante which chiropractic office the UCA would be going to, and Bustamante replied that the UCA would be going to the Falls Church, Virginia location. Bustamante told the UCA that WILLIAMS would call the doctor to let him know that the UCA would be coming. She said that there would be no case if the UCA did not go to the chiropractor. WILLIAMS then made a call on his cell phone (which I determined based on my review of pen register and trap and trace data). Bustamante told the UCA that WILLIAMS was calling the doctor to tell him that the UCA was on the way. WILLIAMS, while still on his cell phone, asked Bustamante for the UCA’s name. After the call was finished, WILLIAMS gave the UCA directions to the chiropractor’s office, and said that the chiropractor’s office was waiting for the UCA.

20. On May 18, 2010, following his meeting with Bustamante and WILLIAMS, the UCA, wearing a concealed recording device, visited a chiropractor with an office in Falls Church, Virginia. I listened to the recording made during the UCA’s visit with the chiropractor. During the visit, the chiropractor asked the UCA about the automobile accident. The UCA stated that he felt no pain, no dizziness, no confusion, and did not suffer from any headaches, loss of sleep, or restlessness. The chiropractor examined the UCA and said that his exam indicated that the UCA’s spine was slightly out of alignment, and noted other indicators that the chiropractor admitted the UCA could have had before the automobile accident. The chiropractor recommended to the UCA that the UCA receive treatment to avoid future degenerative problems. The chiropractor stated that he would have made the same recommendation to the UCA even if the UCA had not been involved in an automobile accident. The chiropractor described two

different types of chiropractic treatment, stating, "We have what's known as treatment for accidents and we have what's known as wellness treatment." The chiropractor further explained that "wellness treatment" is when the chiropractor realigns bones for patients who are not in pain.

21. The UCA telephoned the chiropractor on May 19, 2010. I listened to a recording of the call, where the UCA expressed interest in being treated under the wellness program which the chiropractor mentioned, but said that he did not have any way to pay for this type of treatment. The chiropractor responded: "What I was trying to suggest to you is that you should take advantage of the situation and just get treated from the accident; get taken care of because I don't know if [the injuries were] pre-existing or not." The UCA asked, "Will the claim that I have with the attorneys cover that?" The chiropractor responded, "Sure. That's what I mean. Yeah, that's what I mean; they're gonna fix your car; they're gonna fix your back."

22. Allstate provided me with a copy of a May 19, 2010 letter faxed to Allstate from Lahuti's law firm on May 19, 2010. The letter states that Lahuti's firm was retained by the UCA in connection with injuries sustained when the UCA was struck by an Allstate policyholder. The letter goes on to request that Allstate contact Lahuti's assistant, Nancy, at his Silver Spring, Maryland office in reference to the case.

23. On May 21, 2010, the UCA telephoned Nancy at the Law Office of Ryan A. Lahuti. Based on my review of employment records for individuals employed at Lahuti's law office, I believe Nancy is Nancy Yaneth Reyes. During the conversation (as translated by an FBI linguist fluent in Spanish), Reyes introduced herself to the UCA as the assistant who would be working the UCA's case. She instructed the UCA to "just keep going to therapy with the doctor" and further stated, "Remember that we ask for at least twenty-five visits with them." When the

UCA asked Reyes if she required twenty-five visits, Reyes responded, "At least twenty-five visits with the therapist."

24. In a call with Reyes on May 21, 2010 (as translated by an FBI linguist fluent in Spanish), Reyes informed the UCA that the doctor would stop treatment if the UCA said he was no longer in pain after twelve visits (the amount recommended by the chiropractor). Reyes reiterated that is why they advise the client to go to the doctor twenty-five times. Reyes further stated that "this is something confidential between you and the law firm. Don't you be telling the doctor that 'the attorney wants me to go twenty-five times.'" Reyes then explained to the UCA, "You just tell the doctor naturally, 'Look, I am still in pain' and you continue until you finish with twenty-five times. And then, you tell the doctor, 'I already feel well.' And then, ask the doctor to discharge you."

25. Starting on May 21, 2010, and continuing until July 12, 2010, the UCA visited the chiropractor eleven (11) times, and received treatments consisting of moist heat, mechanical massage, and adjustment with a mechanical device called an "activator".

26. Despite the fact that the UCA stated that he had no pain or discomfort, the chiropractor submitted to attorney Ryan Lahuti an itemized statement and summary report for his treatment of the UCA. The statement and report were later submitted by Lahuti's office to Allstate along with a request for settlement. I reviewed the report, which diagnosed the UCA with cervical/dorsal dysfunction; cervical/dorsal sprain/strain; lumbrosacral segmental dysfunction, and lumbosacral sprain/strain, all related to a May 12, 2010 auto accident. The chiropractor's statement included costs for interferential electrical stimulation, Current Procedural Terminology (CPT) code 97014, purportedly preformed on June 18, 2010; June 24, 2010; and July 12, 2010. I researched CPT code 97014 and determined that this is a billing code

for electrical stimulation. I researched the meaning of “interferential” electrical stimulation, and learned that this type of treatment uses paired electrodes, which are attached to a patient’s skin around the affected area. I know from my discussions with the UCA that the UCA received no such electrical stimulation treatment from the chiropractor.

27. The UCA told the chiropractor that the impact to the rear of his vehicle was “light to medium,” yet the chiropractor stated in his report that the UCA was involved in an automobile accident where the UCA’s vehicle was “violently struck on the rear side” by another vehicle, and that this impact caused the UCA to be “whipped forward and backward inside the car.” The report further stated that “During this abrupt and uncontrolled movement, [the UCA’s] head, neck and back slammed into the head rest and seat.” I know from my involvement in this investigation and review of audio recordings made during the UCA’s visit to the chiropractor that the UCA never made any of the above statements to the chiropractor.

28. The chiropractor’s report stated that the patient had “some general stiffness in [his] neck.” I know from my involvement in this investigation that the UCA never told the chiropractor that the UCA had a stiff neck.

29. The chiropractor’s report stated that the UCA indicated that the UCA “felt 90% improved from the injuries sustained in the May 12, 2010 auto accident.” I know from my involvement in this investigation that the UCA never told the chiropractor that he felt “90% improved from the injuries sustained in the May 12, 2010 auto accident.” Rather, the UCA consistently denied feeling any pain or discomfort.

30. Allstate Insurance provided the FBI with copies of documents related to the UCA’s claim. I reviewed these documents, which included a copy of a May 24, 2010 fax from Allstate Insurance to Reyes at the Law Offices of Ryan A. Lahuti, asking that her client, the

UCA, complete the questionnaire about his insurance claim. The questionnaire was written in English, and asked that the UCA complete, sign, and date the form, and have the form notarized before returning the completed form to Lahuti's office. On or about May 26, 2010, the questionnaire was mailed from the Law Offices of Ryan A. Lahuti, in Silver Spring, Maryland, to the UCA in Alexandria, Virginia. S.A. Phillip Kennedy retrieved this mailing on or about June 3, 2010 from an Alexandria, Virginia Post Office Box held in the name of the UCA and addressed to the UCA at the UCA's Alexandria, Virginia address. The envelope reflected a return address of: Law Offices of Ryan A. Lahuti, P.C., 8720 Georgia Ave., Ste 803, Silver Spring, MD 20910. The mailing included a cover letter dated May 26, 2010, addressed to the UCA. Also included in the mailing was the questionnaire prepared by Allstate Insurance and a version of the questionnaire written in Spanish. A representative for Allstate told me that Allstate did not provide the Spanish version of the questionnaire. The Spanish version which was mailed to the UCA did not contain instructions for the UCA to notarize the form before returning it to Reyes. I believe that the May 26, 2010 mailing was in furtherance of the scheme and artifice to defraud, and was delivered to the UCA's address in the Eastern District of Virginia via interstate mail carrier.

31. The UCA completed, in Spanish, the Spanish version of the Allstate questionnaire. I reviewed this questionnaire with the aid of an FBI agent fluent in Spanish. The questionnaire included question number 7, which read: "What were your physical injuries?" The UCA answered that question by writing: "I did not have physical injuries." The UCA signed and dated the form June 9, 2010. The UCA did not have the form notarized. FBI SA Phillip Kennedy mailed the questionnaire back to Reyes on June 10, 2010. This mailing,

originating in the Eastern District of Virginia, was delivered to Lahuti's law office in Silver Spring, Maryland via interstate mail carrier.

32. On June 17, 2010, Reyes faxed to Allstate a copy of what she represented was "a written statement" from the UCA. The document faxed to Allstate was not the same document completed by the UCA and mailed to Reyes. Instead, this form was in English and contained answers in English. The original letter was mailed to Allstate Insurance on July 7, 2010, and I obtained this original document from an Allstate representative. Question number 7, which read "What injuries were you diagnosed with?" was answered, "My back." The UCA's signature was forged on the document. The form was also notarized by a Maryland Notary Public, who backdated her notary to June 9, 2010.

33. Allstate Insurance informed me that after some negotiation, which included an initial \$8,000 settlement demand mailed from Lahuti's office to Allstate on August 5, 2010, Allstate offered, and Lahuti's office accepted (without the knowledge or consent of the UCA), a total of \$2,000 to settle the UCA's claim. Allstate mailed the settlement check and a Release of Claims form to Lahuti's office. On September 10, 2010, the UCA appeared at Lahuti's Silver Spring, Maryland office to sign the required documentation to settle the claim. A representative at Lahuti's office presented the UCA with a check for \$800 as the UCA's share of the settlement proceeds.

34. On October 6, 2010, the UCA telephonically contacted WILLIAMS. I listened to a recording of that call, during which WILLIAMS asked the UCA how much money the UCA received to settle his claim. WILLIAMS expressed surprise that the UCA received only \$800, but when the UCA advised that he went to therapy twelve times (one initial consultation followed by eleven therapy sessions), WILLIAMS stated "that's one of the reasons why you got

a low settlement, because you didn't go as many times as you supposed to go." The UCA asked how many times the UCA was supposed to go, to which WILLIAMS replied, "You're supposed to go at least 26 visits." WILLIAMS reiterated that the UCA was supposed to go to therapy for 26 visits, and later stated that "you supposed to go to at least twenty-two visits, six to eight weeks; that's what I was telling you." WILLIAMS said that the "magic number" for this type of insurance settlement is about \$4,500. He said that he would "guide [the UCA] in a better direction the next time" and encouraged the UCA to stay in touch with him during any subsequent claim processes. WILLIAMS also offered to pay the UCA a referral fee if the UCA referred other clients to WILLIAMS.

35. Based on my knowledge of this case and my investigation of other, similar fraud conspiracies, I know that insurance companies typically settle bodily injury claims based on certain criteria, one of which is the severity of injury to the claimant. For soft tissue injuries, such as neck and back pain, this is in part documented by the number of medical visits the claimant requires to complete treatment for the stated injuries. I also believe that WILLIAMS, as well as employees at Lahuti's law office (in this case, Reyes) know that there is a finite number of treatments for soft tissue injuries, a number above which the victim insurance companies view as excessive and will therefore have no effect on the final settlement. Based on instructions the UCA received from both Reyes and WILLIAMS, I believe that WILLIAMS and other co-conspirators have determined that claimants, even those with little or no injury, should be treated approximately twenty-five (25) times in order to secure the largest financial settlement possible from a particular victim insurance company.

36. Between October 2010 and February 2011, I participated in court-ordered electronic monitoring of communications over two cell phones used by Kenneth Williams.

Following is a summary of several communications intercepted during the course of that monitoring.

37. I reviewed insurance company records and learned that B.W., a resident of the Eastern District of Virginia, was involved in an auto accident on December 7, 2010 in Falls Church, Virginia. On December 8, 2010, at approximately 10:48am, B.W. called Kenneth Williams to advise that she just finished her first appointment, and that the doctor asked her to come back for ten additional visits. B.W. asked Williams if he thought that was too many visits. Williams responded that ten is not enough visits and that he always tells his clients to go for at least twenty visits in order to secure a good settlement. I believe Williams was referring to an insurance settlement, and that Williams, in an attempt to defraud private auto insurance companies out of money paid to settle bodily injury claims such as that filed by B.W., instructs clients such as B.W. to attend a predetermined number of therapy sessions, regardless of the severity or even existence of an injury. This is a process commonly referred to as “inflating” an insurance claim. I believe that there is no reason for Williams to instruct his clients on how many chiropractic or therapy sessions they should attend other than for the purpose of defrauding an insurance company of money.

38. On December 21, 2010 at approximately 8:53am, B.W. called WILLIAMS. She stated that she was seeing the chiropractor for her ninth visit, and that she was going to be re-evaluated to see how she was feeling. WILLIAMS replied “Remember what I told you, you always feel bad until you get (out of therapy).” I believe that in order to fraudulently inflate the claim, secure a larger settlement from the victim insurance company, and to maximize medical billing for a chiropractor who compensates WILLIAMS, WILLIAMS had previously instructed

B.W., and was reminding her during this call, that she should tell the chiropractor that she was still in pain from the accident.

39. On or about December 20, 2010, Bustamante called WILLIAMS, who was at the time meeting with a recruited client and instructing the client, "when you go to the doctor, you tell him, neck and back." WILLIAMS told Bustamante that he was making sure the client knew it was "neck and back." Bustamante offered to speak to the client (in Spanish). WILLIAMS agreed and put the client on the phone with Bustamante. Bustamante explained to the client that when the client goes to the chiropractor and is asked where he has pain, the client needs to tell the chiropractor that he has pain in his neck and back.

40. On December 13, 2010, at approximately 10:21am, WILLIAMS placed a call to J.D. I confirmed with an MPD Detective assigned to an FBI task force that WILLIAMS requested and received a copy of J.D.'s Traffic Crash Report from MPD's Third District Station on December 13, 2010. According to the report, J.D. was involved in an automobile accident in the District of Columbia on December 12, 2010. WILLIAMS told J.D. that he was calling about the hit and run accident in which J.D. was involved, and wanted to let J.D. know what J.D. was entitled to if he wanted to pursue his case and get compensated. WILLIAMS explained that he was "an investigator for a local attorney here in the metropolitan area. But I did look at your accident report and always let clients know what they're entitled to." WILLIAMS went on to explain how uninsured motorists insurance works, and how the insurance company would not treat J.D. fairly. WILLIAMS told J.D. that the accident "wasn't your fault. So you are entitled to get three to fifteen thousand dollars in your pocket." J.D. agreed and said that he would contact his insurance company. WILLIAMS responded, "Yeah, give them a call, but like I said, you know, if they ask you are you injured, tell them yeah, even if you're not, just tell them yeah .

..” WILLIAMS further stated that, “I always tell clients, hey, claim an injury and get you some money. You don’t gotta miss no time from work. Nobody say you’re disabled, you’re just injured from the accident. You’re gonna go to therapy for 30 minutes a visit; less than six months you got three to fifteen in your pocket.” Based on my review of subsequent intercepted calls between WILLIAMS and J.D., I believe that WILLIAMS made the arrangements for treatment at, and transported J.D. to and from, a therapy center in Langley Park, Maryland on December 13, 2010. During the course of subsequent electronic monitoring, I learned that WILLIAMS referred J.D. to Ryan Lahuti to handle J.D.’s bodily injury claim.

41. I reviewed insurance company claim records and learned that on or about November 21, 2010, D.B. was involved in an automobile accident in the District of Columbia. WILLIAMS called D.B. on December 10, 2010 to discuss the accident and D.B.’s insurance claim. During the call WILLIAMS instructed D.B. to tell D.B.’s insurance company that D.B. was injured in the accident, even though D.B. had already made a statement to his insurer that he was not injured. WILLIAMS also told D.B. that the doctor would back-date the medical paperwork to make it appear that D.B. sought treatment soon after the accident. I reviewed insurance company claim information and learned that D.B. is currently represented by Ryan Lahuti. Based on my knowledge and understanding of this investigation, I believe that WILLIAMS recruited D.B. as a client and referred D.B. to attorney Ryan Lahuti for legal representation.


CONCLUSION

42. Based on the foregoing, I respectfully suggest that there is probable cause to believe that in the Eastern District of Virginia and elsewhere, WILLIAMS and others knowingly conspired to commit mail fraud, wire fraud, and health care fraud, in violation of 18 U.S.C. § 1349.



Special Agent Robert L. Werner
Federal Bureau of Investigation

Sworn to and subscribed
Before me on this 8th day of March, 2011

 _____
Theresa Carroll Buchanan
United States Magistrate Judge
The Honorable Theresa C. Buchanan
United States Magistrate Judge



IN THE UNITED STATES DISTRICT COURT FOR THE
EASTERN DISTRICT OF VIRGINIA

Alexandria Division

UNITED STATES OF AMERICA)	
)	
v.)	Case No. 1:11CR179
)	
AMIR RYAN LAHUTI,)	Hon. Anthony J. Trenga
a/k/a Ryan A. Lahuti)	
)	
Defendant.)	

STATEMENT OF FACTS

Neil H. MacBride, United States Attorney for the Eastern District of Virginia, Marla Tusk, Assistant United States Attorney, the defendant, AMIR RYAN LAHUTI, a/k/a Ryan A. Lahuti, and the defendant's counsel, hereby agree that the following facts are true and would have been proven beyond a reasonable doubt had this matter proceeded to trial:

1. Between on or about May 19, 2009 and on or about October 8, 2010, within the Eastern District of Virginia and elsewhere, the defendant, AMIR RYAN LAHUTI, a/k/a Ryan A. Lahuti, knowingly and with intent to defraud, conspired with Jason Carle to commit mail fraud, in violation of Title 18, United States Code, Section 1349.

2. LAHUTI is a personal injury attorney licensed to practice law in Maryland and the District of Columbia. LAHUTI owns and operates the Law Offices of Ryan A. Lahuti, P.C., and has offices in Silver Spring and Langley Park, Maryland and Falls Church, Virginia.

3. From sometime in or about 2006 through in or about March 2011, LAHUTI had an ongoing business relationship with chiropractor Jason Carle, wherein the two would refer clients to one another.

A-J

4. On or about May 19, 2009, LAHUTI was involved in an accident during which he was hit by a vehicle while riding his bicycle.

5. Sometime shortly after the accident, LAHUTI asked Carle to create a file for him to document supposed treatment that he received from Carle for injuries sustained in the accident in order to submit an insurance claim to GEICO.

6. Carle never examined LAHUTI or treated him for any injuries sustained in the accident that occurred on May 19, 2009 or for any injuries or conditions related to the bicycle accident.

7. Carle created a false file for LAHUTI and created several false records to document the treatment he purportedly provided to LAHUTI, including but not limited to:

a. An initial report summarizing his evaluation of LAHUTI's injuries, which claimed that LAHUTI was suffering from pain in his neck, back, left knee, left ankle and left foot;

b. Daily treatment notes for 32 separate dates between May 20, 2009 and August 28, 2009, signed by both Carle and LAHUTI, documenting treatment that was purportedly received by LAHUTI on each of those days;

c. Two forms, entitled "Authorizations Certification of Care," signed by Carle and LAHUTI, certifying that LAHUTI was totally incapacitated and out of work due to injuries sustained during the accident from May 19, 2009 through June 3, 2009;

d. Medical records dated May 20, 2009 through August 28, 2009, which documented treatment to LAHUTI resulting in costs of \$7,010.00;

R. F.

e. A discharge evaluation letter, which summarized the results of the treatment that was purportedly provided to LAHUTI; and

f. A form authorizing the insurance company to make a check payable directly either to Silver Spring Therapy, LLC or to Ryan LAHUTI.

8. On or about November 19, 2009, LAHUTI mailed a demand package via U.S. Postal Service from the Law Offices of Ryan A. Lahuti, P.C., in Silver Spring, Maryland, to GEICO, in Fredericksburg, Virginia, in relation to his insurance claim. The demand package contained a letter requesting a settlement of \$140,000. The demand package also contained the above-mentioned medical records to document \$7,010 in costs for treatment at Carle's clinic and a lost wage demand of \$26,216 for the time he was purportedly incapacitated and out of work. In reality, LAHUTI was not incapacitated and out of work due to the accident.

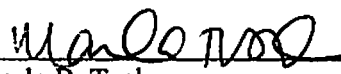
9. On or about October 7, 2010, LAHUTI settled his claim with GEICO for a sum of \$11,000. On that date, LAHUTI signed a "Release in Full of All Claims," which was mailed via U.S. Postal Service on or about October 8, 2010 from the Law Offices of Ryan A. Lahuti, P.C. in Silver Spring, Maryland to GEICO in Fredericksburg, Virginia.

10. In or about April 2010, LAHUTI filed a separate Personal Injury Protection ("PIP") claim with GEICO for injuries sustained in the accident. LAHUTI submitted the same false medical documentation provided by Carle in connection with the PIP claim. On or about May 8, 2010, GEICO sent a check to LAHUTI in the amount of \$6,435.00 as payment for the PIP claim.

11. The actions of the defendant recounted above were in all respects knowing, intentional and deliberate, and were not in any way the product of any accident or mistake of law or fact or other innocent reason.

Respectfully submitted,


Neil H. MacBride
United States Attorney

By: 
Marla B. Tusk
Assistant United States Attorney

n-1

After consulting with my attorney and pursuant to the plea agreement entered into this day between the defendant, Amir Ryan Lahuti, and the United States, I hereby stipulate that the above Statement of Facts is true and accurate, and that had the matter proceeded to trial, the United States would have proved the same beyond a reasonable doubt.


Date: 5/23/11



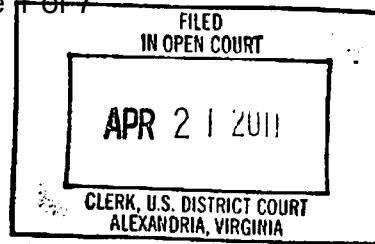
Amir Ryan Lahuti
Defendant

I am Amir Ryan Lahuti's attorney. I have carefully reviewed the above Statement of Facts with him. To my knowledge, his decision to stipulate to these facts is an informed and voluntary one.

Date: 5/23/11



Peter Greenspun, Esq.
Jonathan Shapiro, Esq.
Counsel for Defendant



IN THE UNITED STATES DISTRICT COURT FOR THE
EASTERN DISTRICT OF VIRGINIA

Alexandria Division

UNITED STATES OF AMERICA)	
)	
v.)	Case No. 1:11CR175
)	
KENNETH CARLTON WILLIAMS,)	
)	
Defendant.)	

STATEMENT OF FACTS

Neil H. MacBride, United States Attorney for the Eastern District of Virginia, Marla Tusk, Assistant United States Attorney, the defendant, KENNETH CARLTON WILLIAMS, and the defendant’s counsel, hereby agree that the following facts are true and would have been proven beyond a reasonable doubt had this matter proceeded to trial:

1. Between in or about December 2008 and in or about March 2011, within the Eastern District of Virginia and elsewhere, the defendant, KENNETH CARLTON WILLIAMS, knowingly and with intent to defraud, conspired with others to commit wire fraud, in violation of Title 18, United States Code, Section 1349.

2. For more than 20 years, WILLIAMS worked in the metropolitan D.C. area as a “runner,” which is street vernacular for a person who, in return for payment, solicits and recruits auto accident victims on behalf of law firms and medical providers.

3. WILLIAMS obtained the names and phone numbers of accident victims by collecting accident reports from various police stations in the District of Columbia, and, upon requests from attorneys, from Maryland and Virginia. The White Collar Insurance Fraud Act of 2006 prohibits the release of Washington D.C. Metropolitan Police Department (“MPD”) motor

vehicle accident reports within 21 days of an accident to persons soliciting clients, patients or customers for the purpose of making insurance claims. Despite the enactment of this statute in 2006, WILLIAMS obtained police reports from the MPD's First, Second, Third, Fourth and Fifth District Stations on almost a daily basis. Frequently when WILLIAMS obtained reports, he signed a form falsely certifying that he met the eligibility requirements to obtain the reports, in violation of D.C. Official Code Section 22-2514.

4. WILLIAMS obtained additional names and phone numbers of accident victims from an individual who worked at Holy Cross Hospital in Maryland, in violation of Title 42, United States Code, Section 1320d-6(a). WILLIAMS also obtained hard copies of patient records from Holy Cross Hospital for patients who had been treated for injuries sustained in connection with car accidents. These records contained the patients' names, addresses, dates of birth, phone numbers, employment information, and information about their car accidents. Some of these records also contained the patients' social security numbers.

5. In addition, WILLIAMS received lists of names from an individual in the Eastern District of Virginia. WILLIAMS was told that the names came from a lawyer referral hotline. However, WILLIAMS subsequently learned that many of these individuals had been treated at INOVA hospital.

6. WILLIAMS called the individuals whose names and phone numbers he obtained from the accident reports and/or hospitals to solicit them as clients. WILLIAMS would tell the accident victims that he was an investigator for a local attorney and that he could help them put anywhere from \$3,000 to \$15,000 in their pockets, free of cost, as long as they attended regular therapy sessions with a chiropractor.

7. Often the accident victims whom WILLIAMS called had not been injured in the car accidents, or had only sustained very minor injuries. WILLIAMS coached those individuals to fake or exaggerate injuries for purposes of generating inflated and fraudulent insurance claims. For example, on December 13, 2010, WILLIAMS called accident victim J.D. and told him, “Yeah, give [the insurance company] a call, but like I said, you know, if they ask you are you injured, tell them ‘yeah,’ even if you’re not, just tell them ‘yeah’ because if you do decide to go with me to get this money, the insurance companies, if you tell them no, you’re not injured, they still gonna make you pay a deductible to repair your car, and they still gonna make you pay if you do claim an injury. So, I always tell clients, hey, claim an injury and get you some money.”

8. WILLIAMS also told potential clients that they had to attend therapy between 20 and 25 times to maximize their insurance settlements. For example, on December 8, 2010, WILLIAMS received a phone call on his D.C. cell phone number (area code 202) from client B.W., who was calling from a Virginia phone number (area code 571). B.W. told WILLIAMS that the chiropractor wanted her to attend at least ten sessions, which she thought was too many. WILLIAMS responded that ten times was too little and told B.W. that he always tells clients to go for at least 20 visits with the chiropractor to ensure a good settlement. On December 21, 2010, WILLIAMS spoke to B.W. again about her insurance claim. B.W. told WILLIAMS that the chiropractor was going to re-evaluate her after her ninth visit and WILLIAMS told B.W., “Remember what I told you, you always feel bad until you get [UI]” and then laughed.

9. When WILLIAMS met with potential clients, he brought paperwork — including accident intake sheets and fee agreements — from the law offices of several personal injury

attorneys, including the Law Offices of Ryan Lahuti. WILLIAMS had the clients sign paperwork to retain one of the attorneys to represent them in their insurance claims.

10. WILLIAMS also arranged for the clients to meet with specific chiropractors and encouraged the clients to begin therapy immediately so as not to raise red flags with the insurance companies regarding the extent of their supposed injuries. For example, on December 9, 2010, WILLIAMS made a call from his D.C. cell phone number (area code 202) to a potential client, F.M., at a Virginia phone number (area code 703). WILLIAMS attempted to sign F.M. as a client and told him, "Ok, well don't let too much time get between you, 'cause the insurance companies will look at that and say, well, if you're injured, why did it take you a week, 4 days, 5 days, to get into a doctor's office."

11. WILLIAMS received compensation from the attorneys and chiropractors for his role in soliciting clients. On average, WILLIAMS earned approximately \$1,000 for each client who attended treatment enough times to generate a successful insurance claim.

12. WILLIAMS employed other individuals to help him solicit clients and to help him translate with Spanish-speaking clients. WILLIAMS provided names and phone numbers of Spanish-speaking accident victims to Alba Bustamante and paid Bustamante anywhere between \$100 and \$400 for each client she successfully recruited into the conspiracy.

13. WILLIAMS also arranged "staged" automobile accidents. In or about October 2008, WILLIAMS' step-son was in a car accident while driving his ex-wife's car. WILLIAMS told his ex-wife that the only way the insurance company would pay for the damage would be for his ex-wife to say that she had been driving at the time, because the step-son was not covered under the insurance. WILLIAMS also suggested that they could make money by claiming other

individuals had been in the car at the time of the accident. In addition to recruiting his ex-wife and step-son into this staged accident, WILLIAMS recruited his ex-wife's daughter and her friend to also say that they were in the car at the time of the accident. WILLIAMS provided all of the participants with a description of the supposed accident to provide to the insurance company and had his ex-wife contact the police to file a false police report to document the accident. At the direction of WILLIAMS, all of the participants attended treatment with a chiropractor for the supposed injuries they suffered in the accident and subsequently filed false claims with GEICO. GEICO paid a total of approximately \$40,598 to settle the claims.

14. In or about October 2009, a friend of WILLIAMS' was in an automobile accident while driving on a suspended license. WILLIAMS asked Bustamante to lie to the insurance company and claim that she had been driving the vehicle at the time of the accident, despite the fact that she was never in the car. WILLIAMS also asked Bustamante to recruit additional individuals who would say they were in the car at the time of the accident. Bustamante agreed to participate, recruited three other individuals to say they were also in the car at the time of the accident, and attended treatment with a chiropractor for the supposed injuries she suffered during the accident. Bustamante and the others involved subsequently filed false claims with GEICO and GEICO paid a total of approximately \$47,730 to settle the claims.

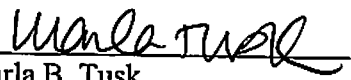
15. WILLIAMS recruited hundreds of auto accident victims between December 2008 and March 2011. Among other things, WILLIAMS encouraged those victims to attend chiropractic sessions regardless of the extent of their injuries or regardless of whether they were injured at all, and false insurance claims were consequently filed on their behalf. The currently known fraud loss resulting from WILLIAMS' direct participation in this scheme is more than

\$400,000 but less than \$1,000,000.

16. The actions of the defendant recounted above were in all respects knowing, intentional and deliberate, and were not in any way the product of any accident or mistake of law or fact or other innocent reason.

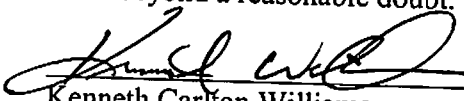
Respectfully submitted,

Neil H. MacBride
United States Attorney

By: 
Marla B. Tusk
Assistant United States Attorney

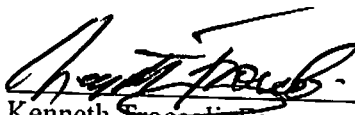
After consulting with my attorney and pursuant to the plea agreement entered into this day between the defendant, Kenneth Williams, and the United States, I hereby stipulate that the above Statement of Facts is true and accurate, and that had the matter proceeded to trial, the United States would have proved the same beyond a reasonable doubt.

Date: 4/7/11


Kenneth Carlton Williams
Defendant

I am Kenneth Williams' attorney. I have carefully reviewed the above Statement of Facts with him. To my knowledge, his decision to stipulate to these facts is an informed and voluntary one.

Date: 4-7-11


Kenneth Troccoli, Esq.
Counsel for Defendant