



NEWS RELEASE

OFFICE OF ATTORNEY GENERAL HENRY McMASTER
STATE OF SOUTH CAROLINA

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Contact: Mark Plowden
803-734-3670
mplowden@ag.state.sc.us

Insurance Fraud: Indictments, Convictions and Restitution Rise With New Funding

Columbia, S.C. –Attorney General Henry McMaster today announced that in less than one year, a \$400,000 increase in state funds for the office’s insurance fraud division has resulted in a sixty percent (60%) increase in the number of fraud indictments, a thirty-nine percent (39%) increase in convictions and a forty-seven percent (47%) increase in victim restitution.

Last year, State Senator David Thomas of Greenville was successful in providing the additional \$400,000 in budget funding, which allowed Attorney General McMaster to add an additional four (4) fraud prosecutors and two (2) legal support staffers after years of budget cuts had shrunk the number down to just one (1) prosecutor and one (1) legal support staff member.

Today’s announcement coincided with the release of an insurance fraud status report to the General Assembly as required by the FY 2005-06 budget provisions.

“This is the type of progress taxpayers should expect and shows positive strides in the growing fight against insurance fraud in the state,” said McMaster.

In less than a year, complaints of insurance fraud rose 14% to a total of six hundred thirty-five (635). Of the complaints received, four hundred five (405) were forwarded to SLED for investigation – an increase of 33%. Unfortunately, SLED has not had a comparable budget increase, and the backlog of cases increased 5%, to a total of seven hundred twenty (720).

The number of criminal indictments obtained for charges of insurance fraud rose 60%, to a total of one hundred nine (109) over the previous year. The total number of convictions also rose by 39%. The insurance fraud division resolved sixty (60) cases in civil court, another increase over the previous year of 68%.

Court ordered restitution to the victims of insurance fraud increased by \$192,209.35 to \$299,139.05, an increase of 64%. The total restitution collected on the civil side decreased \$19,423.81 to \$65,653.6. (In years past, this figure was higher because a lack of prosecutorial manpower required some bigger cases be settled civilly, and not in criminal court.) In all, the total amount of restitution secured for the victims of insurance fraud in the state rose 47% to a total of \$364,792.65.

The FY 2005-06 report to the General Assembly can be found online by clicking [here](#).

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