

**THE REPORT OF THE**

**STATE OF SOUTH CAROLINA  
OFFICE OF THE ATTORNEY GENERAL**

**ALAN WILSON**

**INSURANCE FRAUD DIVISION**

**2011 ANNUAL REPORT**



**January 2012**

**CUMULATIVE STATISTICS OF THE  
INSURANCE FRAUD DIVISION  
1995 - 2011**

TOTAL COMPLAINTS RECEIVED	11,448
TOTAL FILES OPENED	6,494
CRIMINAL CONVICTIONS	1,308
CIVIL REMEDIES	753

<b>Type of Fraud</b>	<b>Amount Reported</b>
Personal/Commercial Property	\$21,282,893.27
Life Insurance	\$18,100,726.38
Automobile Insurance	\$12,682,647.99
Health/Medical	\$9,895,290.72
Premium	\$9,335,292.15
Workers' Compensation	\$8,807,095.81
Disability	\$7,166,394.00
Other	\$6,760,193.94
Unemployment	\$1,007,294.00
<b>TOTAL</b>	<b><u>\$96,045,122.26</u></b>

<b>Types of Monies Collected</b>	<b>Amount Ordered</b>
Criminal Restitution	\$4,848,692.94
Civil Penalties	\$1,564,943.21
Civil Restitution	\$1,141,720.22
Criminal Fines	\$361,103.73
<b>Total</b>	<b><u>\$7,916,460.10</u></b>

**SUMMARY**  
*Status of Cases – 2011*

**Complaints**

Complaints Carried Forward from 2010	189
Complaints Received in 2011	1096
Information Only Referrals in 2011	739
Complaints Referred to other Agencies	58
Complaints Unfounded or Declined	684
Files Opened 2011	80
Complaints Carried Forward to 2012	247

**Open Files**

Files Opened in 2011	80
Open Files Disposed of 2011	305
Open Files on December 31, 2011	545
Open Files awaiting investigation as of 12/31/11	486

**Disposition**

2011 Convictions	33
2011 Civil Remedies	25

**On the Docket**

Indicted Cases as of December 31, 2011	83
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## **MONIES ORDERED AND/OR COLLECTED IN 2011**

*Criminal Penalties, Civil Penalties, Fines and Restitution*

The following tables indicate the amounts of fines, penalties, restitution and attorneys' fees that have been ordered paid by the Courts or by a Memorandum of Understanding.

### **Monies Ordered and/or Collected Pursuant to Court Order**

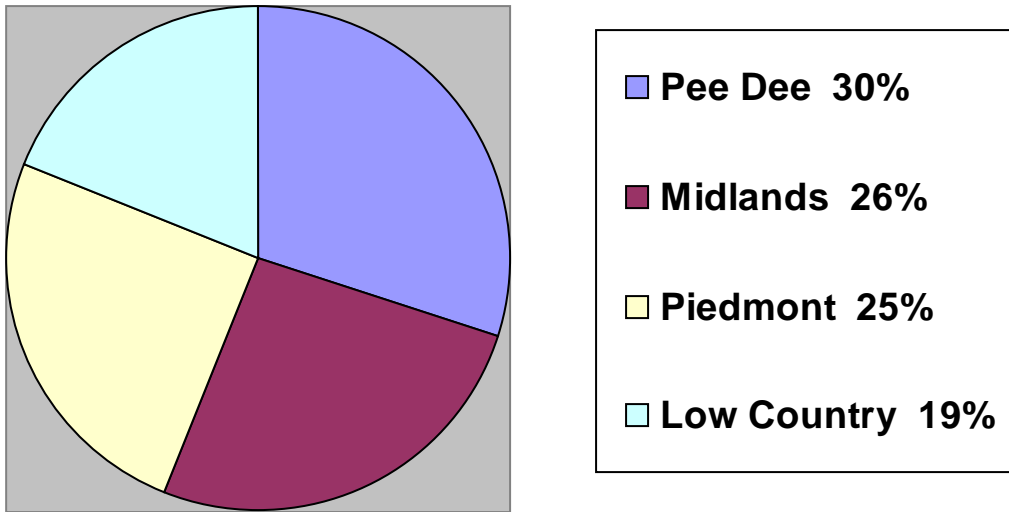
<b>CRIMINAL</b>	<b>AMOUNT</b>
Court Ordered Fines	\$1,000.00
Restitution Ordered	\$30,422.70
<b>TOTAL</b>	<b><u>\$31,422.70</u></b>

### **Monies Ordered and/or Collected Pursuant to Civil Disposition**

<b>CIVIL</b>	<b>AMOUNT</b>
Fines Ordered	\$44,075.79
Fines Collected	\$44,075.59
Restitution Ordered	\$5,628.56
Restitution Collected	\$5,628.56
<b>TOTAL ORDERED</b>	<b><u>\$49,704.35</u></b>
<b>TOTAL COLLECTED</b>	<b><u>\$49,704.35</u></b>

## BREAKDOWN OF CASES BY REGION

During 2011, the Insurance Fraud Division of the Attorney General's office opened 80 cases. As the chart below indicates, these cases were received from all areas of the state:



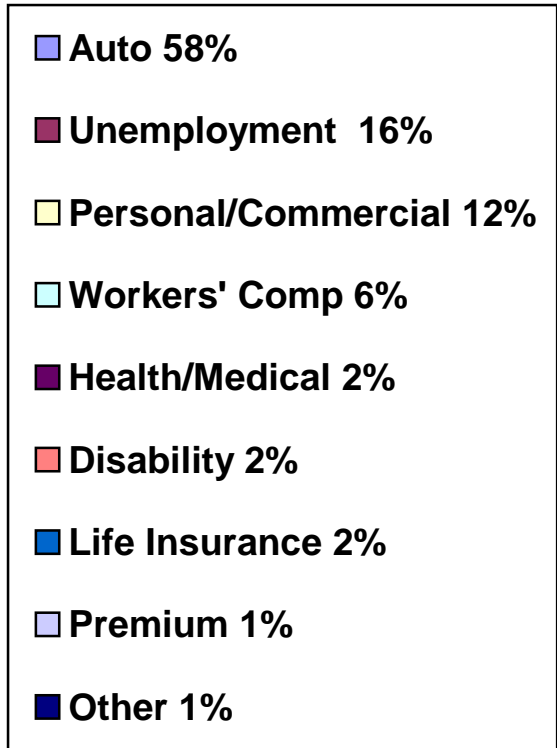
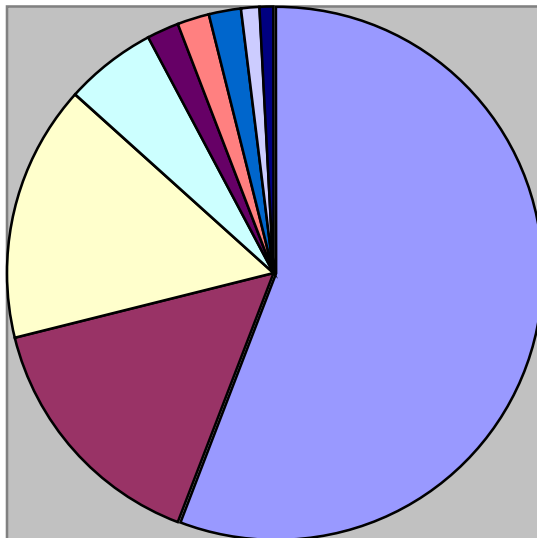
REGION	NUMBER OF CASES	PERCENT OF TOTAL
Pee Dee	24	30%
Midlands	21	26%
Piedmont	20	25%
Low Country	15	19%
TOTAL	80	100%

## BREAKDOWN OF COMPLAINTS RECEIVED BY TYPE

The fraud complaints received during 2011 by the Insurance Fraud Division consisted of the following types of fraud:

Type of Fraud	Number of Complaints	Percentage of Total	Amount Reported
Automobile	632	58%	\$544,077.86
Unemployment	176	16%	\$1,007,294.00
Personal/Commercial Property	136	12%	\$1,615,346.41
Workers' Compensation	67	6%	\$35,585.14
Health/Medical	27	2%	\$168,685.00
Disability	22	2%	\$262,687.56
Life Insurance	20	2%	\$2,527,272.94
Premium	13	1%	\$863,743.31
Other	3	1%	\$0
<b>TOTAL</b>	<b>1096</b>	<b>100%</b>	<b>\$7,024,692.22</b>

Breakdown of Complaints by Type of Fraud – 2011



## BREAKDOWN OF COMPLAINTS BY COUNTY

*Note: Tables may show cases reported with no corresponding dollar amounts. In these cases, no dollar amount could be determined at the time the complaint was received, or the claim had been withdrawn or denied.*

### ABBEVILLE COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	1	0	0
Workers' Comp	1	0	0
<b>TOTAL</b>	<b>2</b>	<b>0</b>	<b>0</b>

### AIKEN COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	17	\$19,108.96	3
Disability	1	0	0
Life Insurance	1	\$4,100.00	0
Personal/Commercial Property	7	\$60,000.00	2
Unemployment	1	0	1
Workers' Comp	3	\$3,500.00	0
<b>TOTAL</b>	<b>30</b>	<b>\$86,708.96</b>	<b>6</b>

### ALLENDALE COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	10	\$12,486.85	2
<b>TOTAL</b>	<b>10</b>	<b>\$12,486.85</b>	<b>2</b>

## ANDERSON COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	18	\$8,627.58	2
Life Insurance	2	\$20,000.00	0
Personal/Commercial Property	3	\$20,500.00	2
Unemployment	2	\$24,165.00	1
<b>TOTAL</b>	<b>25</b>	<b>\$73,292.58</b>	<b>5</b>

## BAMBERG COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	8	\$12,116.60	1
Personal/Commercial Property	1	\$12,560.00	0
Workers' Comp	2	0	1
<b>TOTAL</b>	<b>11</b>	<b>\$24,676.60</b>	<b>2</b>

## BARNWELL COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	1	0	0
Personal/Commercial Property	2	0	0
Unemployment	1	\$13,137.00	1
<b>TOTAL</b>	<b>4</b>	<b>\$13,137.00</b>	<b>1</b>



## BEAUFORT COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	6	0	0
Life Insurance	1	\$72,057.94	0
Personal/Commercial Property	2	0	0
Unemployment	3	\$24,495.00	1
<b>TOTAL</b>	<b>12</b>	<b>\$96,552.94</b>	<b>1</b>

## BERKELEY COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	13	\$11,209.08	2
Life Insurance	1	\$50,000.00	0
Personal/Commercial Property	3	\$365.57	0
Premium Fraud	1	\$5,278.00	1
Unemployment	7	\$37,986.00	4
Workers' Comp	1	0	0
<b>TOTAL</b>	<b>26</b>	<b>\$104,838.65</b>	<b>7</b>

## CALHOUN COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>

## CHARLESTON COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	50	\$71,869.51	1
Disability	4	\$112,800.00	0
Health/Medical	5	0	0
Life Insurance	1	0	0
Other	1	0	0
Personal/Commercial Property	7	\$4,500.00	2
Premium Fraud	1	0	0
Unemployment	9	\$28,288.00	8
Workers' Comp	5	0	0
<b>TOTAL</b>	<b>83</b>	<b>\$217,457.51</b>	<b>11</b>

## CHEROKEE COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	6	0	2
Premium Fraud	2	\$306,197.18	2
Unemployment	1	\$16,674.00	0
<b>TOTAL</b>	<b>9</b>	<b>\$322,871.18</b>	<b>4</b>

## CHESTER COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	6	0	1
Health/Medical	4	\$9,000.00	2
Life Insurance	1	\$30,000.00	0
Personal/Commercial Property	2	\$900.00	0
Unemployment	6	0	6
<b>TOTAL</b>	<b>19</b>	<b>\$39,900.00</b>	<b>9</b>

## CHESTERFIELD COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	4	0	0
Personal/Commercial Property	3	0	1
Unemployment	1	0	1
Workers' Comp	1	0	0
<b>TOTAL</b>	<b>9</b>	<b>0</b>	<b>2</b>

## CLARENDON COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	5	0	0
Disability	1	\$1,320.00	0
<b>TOTAL</b>	<b>6</b>	<b>\$1,320.00</b>	<b>0</b>

## COLLETON COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	8	\$5,717.77	0
Personal/Commercial Property	1	0	0
Workers' Comp	2	0	0
<b>TOTAL</b>	<b>11</b>	<b>\$5,717.77</b>	<b>0</b>

## DARLINGTON COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	11	\$1,514.00	0
Life Insurance	1	\$3,500.00	0
Personal/Commercial Property	6	\$503,500.00	0
Unemployment	3	\$34,485.00	2
<b>TOTAL</b>	<b>21</b>	<b>\$542,999.00</b>	<b>2</b>

## DILLON COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	6	\$50,000.00	0
Personal/Commercial Property	2	0	0
Unemployment	2	0	2
<b>TOTAL</b>	<b>10</b>	<b>\$50,000.00</b>	<b>2</b>

## DORCHESTER COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	23	\$15,441.32	8
Health/Medical	1	0	0
Personal/Commercial Property	2	0	0
Unemployment	2	\$12,750.00	1
Workers' Comp	1	0	0
<b>TOTAL</b>	<b>29</b>	<b>\$28,191.32</b>	<b>9</b>

## EDGEFIELD COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	2	\$6,715.00	1
<b>TOTAL</b>	<b>2</b>	<b>\$6,715.00</b>	<b>1</b>

## FAIRFIELD COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	13	0	1
Health/Medical	1	\$150.00	0
Premium Fraud	2	\$65,578.00	2
Unemployment	1	\$11,533.00	0
Workers' Comp	1	0	0
<b>TOTAL</b>	<b>18</b>	<b>\$77,261.00</b>	<b>3</b>

## FLORENCE COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	24	\$2,987.43	3
Disability	3	\$45,000.00	0
Health/Medical	2	\$60,735.00	0
Personal/Commercial Property	5	0	1
Premium Fraud	1	\$450,000.00	1
Unemployment	3	\$17,079.00	2
Workers' Comp	2	\$1,268.42	0
<b>TOTAL</b>	<b>40</b>	<b>\$577,069.85</b>	<b>7</b>

## GEORGETOWN COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	5	\$4,900.00	1
Unemployment	4	\$22,466.00	4
<b>TOTAL</b>	<b>9</b>	<b>\$27,366.00</b>	<b>5</b>

## GREENVILLE COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	50	\$35,988.15	2
Disability	2	0	1
Life Insurance	1	\$134,304.90	0
Personal/Commercial Property	14	\$70,638.00	1
Unemployment	16	\$90,915.00	8
Workers' Comp	8	0	2
<b>TOTAL</b>	<b>91</b>	<b>\$331,846.05</b>	<b>14</b>

## GREENWOOD COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	12	\$68,214.00	3
Personal/Commercial Property	1	0	0
Unemployment	8	\$32,972.00	6
Workers' Comp	1	0	0
<b>TOTAL</b>	<b>22</b>	<b>\$101,186.00</b>	<b>9</b>

## HAMPTON COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	8	0	2
Life Insurance	1	\$75,000.00	0
Unemployment	1	0	1
Workers' Comp	1	0	0
<b>TOTAL</b>	<b>11</b>	<b>\$75,000.00</b>	<b>3</b>

## HORRY COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	29	\$69,799.38	3
Disability	2	0	0
Health/Medical	2	\$982.00	0
Life Insurance	1	0	0
Personal/Commercial Property	12	\$316,614.75	1
Unemployment	20	\$137,323.00	12
Workers' Comp	4	0	1
<b>TOTAL</b>	<b>70</b>	<b>\$524,719.13</b>	<b>17</b>

## JASPER COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	5	\$6,926.43	0
Personal/Commercial Property	2	0	0
Unemployment	2	0	2
Workers' Comp	1	0	0
<b>TOTAL</b>	<b>10</b>	<b>\$6,926.43</b>	<b>2</b>

## KERSHAW COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	3	\$1,486.99	0
Health/Medical	1	0	0
Personal/Commercial Property	2	\$8,600.00	2
Unemployment	3	\$14,822.00	2
<b>TOTAL</b>	<b>9</b>	<b>\$24,908.99</b>	<b>4</b>

## LANCASTER COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	9	\$25,401.75	0
Health/Medical	1	\$30,000.00	0
Personal/Commercial Property	3	\$8,000.00	1
Premium Fraud	1	\$36,690.13	0
Unemployment	2	\$10,967.00	2
<b>TOTAL</b>	<b>16</b>	<b>\$111,058.88</b>	<b>3</b>

## LAURENS COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	8	\$1,496.00	0
Disability	1	\$60,000.00	1
Other	1	0	0
Unemployment	7	\$48,025.00	4
Workers' Comp	2	0	0
<b>TOTAL</b>	<b>19</b>	<b>\$109,521.00</b>	<b>5</b>



## LEE COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	7	\$504.60	1
<b>TOTAL</b>	<b>7</b>	<b>\$504.60</b>	<b>1</b>

## LEXINGTON COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	24	\$9,550.47	3
Life Insurance	2	0	1
Personal/Commercial Property	7	\$34,570.00	1
Unemployment	2	0	2
Workers' Comp	7	0	1
<b>TOTAL</b>	<b>42</b>	<b>\$44,120.47</b>	<b>8</b>

## MARION COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	12	\$2,121.12	1
Personal/Commercial Property	1	\$93,737.00	1
Unemployment	3	\$12,413.00	3
Workers' Comp	2	\$3,401.42	1
<b>TOTAL</b>	<b>18</b>	<b>\$111,672.54</b>	<b>6</b>

## MARLBORO COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	2	\$1,950.00	0
Disability	1	\$4,665.00	1
Unemployment	1	\$18,077.00	0
Workers' Comp	1	0	0
<b>TOTAL</b>	<b>5</b>	<b>\$24,692.00</b>	<b>1</b>

## MCCORMICK COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Unemployment	1	\$11,764.00	0
<b>TOTAL</b>	<b>1</b>	<b>\$11,764.00</b>	<b>0</b>

## NEWBERRY COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	3	0	0
Health/Medical	1	0	1
<b>TOTAL</b>	<b>4</b>	<b>0</b>	<b>1</b>

## OCONEE COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	2	0	1
Unemployment	1	0	1
<b>TOTAL</b>	<b>3</b>	<b>0</b>	<b>2</b>

## ORANGEBURG COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	13	\$3,569.60	2
Health/Medical	1	0	0
Life Insurance	2	\$59,816.19	1
Other	1	0	1
Unemployment	12	\$62,048.00	7
Workers' Comp	1	0	0
<b>TOTAL</b>	<b>30</b>	<b>\$125,433.79</b>	<b>11</b>

## PICKENS COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	7	0	0
Personal/Commercial Property	1	0	0
Premium Fraud	2	0	1
Unemployment	1	0	1
<b>TOTAL</b>	<b>11</b>	<b>0</b>	<b>2</b>

## RICHLAND COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	72	\$40,691.07	8
Disability	2	\$37,274.00	0
Health/Medical	3	0	0
Life Insurance	1	\$2,000,000.00	0
Personal/Commercial Property	24	\$356,145.70	5
Premium Fraud	1	0	0
Unemployment	13	\$81,924.00	9
Workers' Comp	5	\$24,564.36	1
<b>TOTAL</b>	<b>121</b>	<b>\$2,540,599.13</b>	<b>23</b>

## SALUDA COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	4	0	0
Unemployment	1	\$12,887.00	1
<b>TOTAL</b>	<b>5</b>	<b>\$12,887.00</b>	<b>1</b>

## SPARTANBURG COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	30	\$11,908.41	5
Disability	1	0	1
Personal/Commercial Property	8	\$62,259.61	2
Unemployment	14	\$115,060.00	9
Workers' Comp	2	0	0
<b>TOTAL</b>	<b>55</b>	<b>\$189,228.02</b>	<b>17</b>

## SUMTER COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	52	\$36,177.31	10
Disability	2	0	0
Health/Medical	1	\$39,811.00	0
Life Insurance	1	0	0
Personal/Commercial Property	3	\$39,681.95	1
Unemployment	2	\$22,314.00	1
Workers' Comp	2	0	1
<b>TOTAL</b>	<b>63</b>	<b>\$137,984.26</b>	<b>13</b>

## UNION COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	4	\$4,168.48	0
Disability	1	\$1,628.56	0
Health/Medical	1	0	0
Personal/Commercial Property	2	\$13,290.00	0
<b>TOTAL</b>	<b>8</b>	<b>\$19,087.04</b>	<b>0</b>

## WILLIAMSBURG COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	14	0	3
Health/Medical	1	0	0
Personal/Commercial Property	1	0	0
Unemployment	6	\$23,142.00	5
<b>TOTAL</b>	<b>22</b>	<b>\$23,142.00</b>	<b>8</b>

## YORK COUNTY

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	18	\$1,430.00	2
Disability	1	0	0
Health/Medical	1	\$3,007.00	0
Life Insurance	1	\$6,893.91	0
Personal/Commercial Property	9	\$9,483.83	0
Premium Fraud	1	0	0
Unemployment	4	\$22,395.00	3
Workers' Comp	5	\$2,850.94	0
<b>TOTAL</b>	<b>40</b>	<b>\$46,060.68</b>	<b>5</b>

## UNKNOWN/OTHER/OUT OF STATE

Type of Fraud	Number of Complaints	Total Amount Reported	2011 Complaints Pending
Automobile	7	0	1
Health/Medical	1	\$25,000.00	0
Life Insurance	2	\$71,600.00	0
Premium	1	0	1
Unemployment	10	\$47,188.00	8
Workers' Comp	6	0	1
<b>TOTAL</b>	<b>27</b>	<b>\$143,788.00</b>	<b>11</b>

# SELECTED STATUTES FROM THE SOUTH CAROLINA CODE OF LAWS PERTAINING TO THE INVESTIGATION AND PROSECUTION OF INSURANCE FRAUD and GLASS COUPONING

## § 38-55-530. Definitions.

As used in this article:

(A) "Authorized agency" means any duly constituted criminal investigative department or agency of the United States or of this State; the Department of Insurance; the Department of Revenue; the Department of Public Safety; the Workers' Compensation Commission; the State Accident Fund; the Second Injury Fund; the Employment Security Commission; the Department of Consumer Affairs; the Human Affairs Commission; the Department of Health and Environmental Control; the Department of Social Services; the Department of Health and Human Services; the Department of Labor, Licensing and Regulation; all other state boards, commissions, and agencies; the Office of the Attorney General of South Carolina; or the prosecuting attorney of any judicial circuit, county, municipality, or political subdivision of this State or of the United States, and their respective employees or personnel acting in their official capacity.

(B) "Insurer" shall have the meaning set forth in Section 38-1-20(25) and includes any authorized insurer, self-insurer, reinsurer, broker, producer, or any agent thereof.

(C) "Person" means any natural person, company, corporation, unincorporated association, partnership, professional corporation, or other legal entity and includes any applicant, policyholder, claimant, medical providers, vocational rehabilitation provider, attorney, agent, insurer, fund, or advisory organization.

(D) "False statement and misrepresentation" means a statement or representation made by a person that is false, material, made with the person's knowledge of the falsity of the statement, and made with the intent of obtaining or causing another to obtain or attempting to obtain or causing another to obtain an undeserved economic advantage or benefit or made with the intent to deny or cause another to deny any benefit or payment in connection with an insurance transaction and such shall constitute fraud.

**§ 38-55-540. Criminal penalties for making false statement or misrepresentation, or assisting, abetting, soliciting or conspiring to do so; restitution to victims.**

(A) A person who knowingly makes a false statement or misrepresentation, and any other person knowingly, with an intent to injure, defraud, or deceive, or who assists, abets, solicits, or conspires with a person to make a false statement or misrepresentation, is guilty of a:

(1) misdemeanor, for a first offense violation, if the amount of the economic advantage or benefit received is less than one thousand dollars. Upon conviction, the person must be fined not less than one hundred nor more than five hundred dollars or imprisoned not more than thirty days;

(2) misdemeanor, for a first offense violation, if the amount of the economic advantage or benefit received is one thousand dollars or more but less than ten thousand dollars. Upon conviction, the person must be fined not less than two thousand nor more than ten thousand dollars or imprisoned not more than three years, or both;

(3) felony, for a first offense violation, if the amount of the economic advantage or benefit received is ten thousand dollars or more but less than fifty thousand dollars. Upon conviction, the person must be fined not less than ten thousand nor more than fifty thousand dollars or imprisoned not more than five years, or both;

(4) felony, for a first offense violation, if the amount of the economic advantage or benefit received is fifty thousand dollars or more. Upon conviction, the person must be fined not less than twenty thousand nor more than one hundred thousand dollars or imprisoned not more than ten years, or both;

(5) felony, for a second or subsequent violation, regardless of the amount of the economic advantage or benefit received. Upon conviction, the person must be fined not less than twenty thousand nor more than one hundred thousand dollars or imprisoned not more than ten years, or both.

(B) In addition to the criminal penalties set forth in subsection (A), a person convicted pursuant to the provisions of this section must be ordered by the court to make full restitution to a victim for any economic advantage or benefit which has been obtained by the person as a result of that violation, and to pay the difference between any taxes owed and any taxes the person paid, if applicable."



**SECTION 38-55-170.** Presenting false claims for payment.

A person who knowingly causes to be presented a false claim for payment to an insurer transacting business in this State, to a health maintenance organization transacting business in this State, or to any person, including the State of South Carolina, providing benefits for health care in this State, whether these benefits are administered directly or through a third person, or who knowingly assists, solicits, or conspires with another to present a false claim for payment as described above, is guilty of a:

- (1) felony if the amount of the claim is ten thousand dollars or more. Upon conviction, the person must be imprisoned not more than ten years or fined not more than five thousand dollars, or both;
- (2) felony if the amount of the claim is more than two thousand dollars but less than ten thousand dollars. Upon conviction, the person must be fined in the discretion of the court or imprisoned not more than five years, or both;
- (3) misdemeanor triable in magistrates court or municipal court, notwithstanding the provisions of Sections 22-3-540, 22-3-545, 22-3-550, and 14-25-65, if the amount of the claim is two thousand dollars or less. Upon conviction, the person must be fined not more than one thousand dollars, or imprisoned not more than thirty days, or both.

**§ 38-55-550. Civil penalties for violations of article; costs; payment; use of revenues; Attorney General to assist Insurance Fraud Division; consent agreements.**

(A) In addition to any criminal liability, any person who is found by a court of competent jurisdiction to have violated any provision of this article, including Section 38-55-170, is subject to a civil penalty for each violation as follows:

- (1) for a first offense, a fine not to exceed five thousand dollars;
- (2) for a second offense, a fine of not less than five thousand dollars but not to exceed ten thousand dollars;
- (3) for a third and subsequent offense, a fine of not less than ten thousand dollars but not to exceed fifteen thousand dollars.

(B) The civil penalty must be paid to the director of the Insurance Fraud Division to be used in accordance with subsection (D) of this section. The court may also award court costs and reasonable attorneys' fees to the director. When requested by the director, the Attorney General may assign one or more deputies attorneys general to assist the bureau in any civil court proceedings against the person.

(C) Nothing in subsections (A) and (B) shall be construed to prohibit the director of the Insurance Fraud Division and the person alleged to be guilty of a violation of this article from entering into a written agreement in which the person does not admit or deny the charges but consents to payment of the civil penalty. A consent agreement may not be used in a subsequent civil or criminal proceeding relating to any violation of this article.

(D) All revenues from the civil penalties imposed pursuant to this section must be used to provide funds for the costs of enforcing and administering the provisions of this article.

### **§ 39-5-170. Vehicle glass repair business; unlawful practices.**

It is an unfair trade practice and unlawful for a person who is acting on behalf of or engaged in a vehicle glass repair business to offer or make a payment or transfer money or other consideration to:

- (1) a third person for the third person's referral of an insurance claimant to the vehicle glass repair business for the repair or replacement of vehicle safety glass;
- (2) an insurance claimant in connection with the repair or replacement of vehicle safety glass; or
- (3) waive, rebate, give, or pay all or part of an insurance claimant's casualty or property insurance deductible as consideration for selecting the vehicle glass repair business.

### **§ 38-55-173. Unlawful vehicle glass repair business practices; penalties.**

(A) A person who is acting on behalf of or engaged in a vehicle glass repair business is guilty of a misdemeanor if the person offers or makes a payment or transfer of money or other consideration to:

- (1) a third person for the third person's referral of an insurance claimant to the vehicle glass repair business for the repair or replacement of vehicle safety glass;
- (2) an insurance claimant in connection with the repair or replacement of vehicle safety glass; or
- (3) waive, rebate, give, or pay all or part of an insurance claimant's casualty or property insurance deductible as consideration for selecting the vehicle glass repair business.

(B) If the amount of the payment or transfer of subsection (A) has a value of:

- (1) one thousand dollars or more, the person, upon conviction, must be fined in the discretion of the court or imprisoned for not more than three years, or both, per violation; or
- (2) less than one thousand dollars, the person, upon conviction, must be fined not more than five hundred dollars or imprisoned for not more than thirty days, or both, per violation.

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