

Goldstein Law: Top three South Florida frauds in 2015

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When it comes to making money, some South Floridians take the fraudulent path. The three top trends for fraudsters in 2015 involved automobiles, medical clinics and disaster mitigation fraud, according to Frank Goldstein, a founding partner at Fort Lauderdale-based Goldstein Law Group.

In the private realm, staged automobile accidents reign supreme.



“At the top of the list in 2015 are staged automobile accidents. The reality is that all of us in Florida are required to have PIP or no-fault insurance,” Goldstein said.

That required coverage means a finite \$10,000 worth of benefits for anyone that gets into an accident, he added. It’s that finite payout that fraudsters are after.

Schemes involving staged accidents typically center on dirty medical clinics, which orchestrate staged accidents and then submit fraudulent claims.

“The fact remains that there are a lot of very good medical clinics, and there are a lot of very dirty ones,” Goldstein said.

Two recent trends with medical clinics and staged accidents involve children and straw owners.

“Parents are putting their kids in the cars. Every person in a car is another \$10,000 to a fraudulent medical clinic,” Goldstein said.

Another trend involving medical clinics are straw owners. Owning or operating a medical clinic is highly regulated and typically left to medical professionals. However, people have taken to paying medical professionals for the use of their names and licenses to open up clinics, Goldstein said.

“I just took a deposition on this very issue,” he said. “There are three guys ... one is an auto mechanic, one is an auto dealer and another has installed cable lines.” None of the trio has more than a high school degree.

The third trend Goldstein expects to continue into 2016 is disaster mitigation fraud, a complex arrangement between disaster mitigation companies, appraisers, plumbers, contractors, lawyers and more that work together to submit higher claims to property insurance companies for damages, work and equipment than is called for.

“That’s monstrous, because homeowners and consumers don’t necessarily see the bill,” Goldstein said.

These three types of fraud don’t even get into the realm of federal cases. Other types of schemes like those involving Medicare or identity theft tax fraud are also hot topics in South Florida, but federal investigators typically handle those cases.

Sadly, when it comes to fraud in South Florida, there are enough schemes to go around.