CONSUMER PROTECTION REPORT:
February 2016

This newsletter is a monthly circulation that describes consumer protection activity announced by state attorneys general. This information was gathered solely from attorney general press releases. It makes no effort to prioritize or analyze the impact of any of these cases and initiatives.

The following press releases are organized by state and multistate activity. In addition, certain Medicaid fraud cases that touch on consumer protection and advocacy initiatives have been included.

If an office would like their activity to be included in subsequent newsletters, please notify attorneygeneral@law.columbia.edu.

To sign up for the monthly consumer protection report, please click on the link below and enter your contact information.

Newsletter sign up: http://stateag.us4.list-manage.com/subscribe?u=9c3bb47bb6aba00473adb0c58&id=fdba3bae7b

The National State Attorneys General Program at Columbia Law School is a legal research, education, and policy center that examines the implications of the jurisprudence of state attorneys general. Working closely with attorneys general, academics, and other members of the legal community, the program is active in the development and dissemination of legal information used by state prosecutors in carrying out their civil and criminal responsibilities.

For more information about the National State Attorneys General Program and resources, please visit our website www.stateag.org.
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CONSUMER PROTECTION CASES, SETTLEMENTS AND ADVOCACY STATEMENTS

ARIZONA
February 26, 2016

Attorney General Mark Brnovich Files Lawsuit Against Tucson Business Accused of Scamming Homeowners Facing Foreclosure

Arizona Attorney General Mark Brnovich filed a Consumer Fraud Lawsuit against Sonia Hodgin and Hodgin & Co, LLC (“Defendants”). Defendants are accused of violating the Arizona Consumer Fraud Act by charging struggling homeowners thousands of dollars for foreclosure assistance services and failing to provide those services.

The Consumer Fraud Lawsuit alleges Defendants misrepresented the nature of fees charged for their services. In at least one instance, Defendants claimed they could help a homeowner avoid foreclosure and entered into a contract in which Defendants agreed to assume the homeowner’s mortgage loan obligation. Defendants falsely told the homeowner they would take over the monthly payments on the existing mortgage loan in exchange for a deed to the property. Defendants later represented that they would pay the homeowner directly so that the homeowner could pay the mortgage loan obligation. Defendants failed to remove the homeowner from the mortgage loan obligation and failed to assume the mortgage loan obligation as agreed. Defendants failed to pay the mortgage loan servicer or homeowner, resulting in the servicer foreclosing on the property.


February 9, 2016

Attorney General Mark Brnovich Announces $30,612 Judgment Obtained Against “Notario Publico” Accused of Consumer Fraud

The Office of Arizona Attorney General Mark Brnovich obtained a $30,612 Judgment against a Tucson woman who offered fraudulent legal services to the Spanish-speaking community. Ofelia Olivas Lizarraga, owner of Multiservicios Olivas, LLC, falsely represented that she was qualified and authorized to provide legal advice and prepare legal documents in immigration, divorce, and other legal matters.
The default judgment issued against Lizarraga and Multiservicios Olivas prohibits Lizarraga and her company from engaging in any activity related to advertising or providing legal advice, legal document preparation, or any services in an immigration or nationality matter, unless they possess all required licenses, certifications and authorizations to do so. Lizarraga is also prohibited from representing to consumers that she is a “notario publico” unless she becomes licensed by the State Bar of Arizona to practice law in Arizona.


**ARKANSAS**
February 2, 2016

**Attorney General Leslie Rutledge Files Lawsuit Against Automatic Auto Finance**

Arkansas Attorney General Leslie Rutledge today filed a consumer-protection lawsuit in Pulaski County Circuit Court against Automatic Auto Finance Inc. (AAF), Jorja Trading Company Inc., CashFish Motor Pawn Inc. and their officers and owners. The AAF/Jorja companies are a group of buy-here-pay-here automobile dealerships with several locations in northwest Arkansas. The lawsuit alleges that the AAF/Jorja companies are engaging in deceptive practices by selling and financing used vehicles then using prohibited collection methods against Arkansas consumers.

A buy-here-pay-here dealership is one that offers vehicles for sale along with in-house financing. Many consumers who are unable to obtain traditional financing from banks or credit unions are often forced to consider the credit options of a buy-here-pay-here dealership because of limited financial resources and poor credit ratings.

According to the complaint, the defendants’ primary business is selling and financing low-value vehicles at inflated prices to consumers who the AAF/Jorja companies know are likely to default on the financing contract; reselling repossessed vehicles in a commercially unreasonable sale to create a significant deficiency balance; using prohibited collection practices to collect on that deficiency balance; and reselling vehicles to other consumers to repeat the scheme. To date, the Attorney General’s office has identified 2,252 cases of prohibited collection practices by the defendants since 2010.
COLORADO  
February 3, 2016  

Colorado Attorney General Cynthia H. Coffman Receives Court Order Prohibiting Deceptive Repair Company from Preying on Coloradans  

Colorado Attorney General Cynthia H. Coffman wins a court order prohibiting AAAA Television Electronics Vacuum and Appliance (“AAAA TEVA,) its owner Muhammed Murib, and sales manager Omar Murib, from conducting any further repair business, including the advertising of any repair services, pending a trial on the Attorney General’s November 2015 Complaint against these Defendants.  

In his ruling, Arapahoe County District Court Judge Christopher C. Cross stated that it was in the “public interest” to shut down AAAA TEVA until trial. According to the Court, the Attorney General’s Office has shown a “reasonable probability of success” in its allegation that Defendants routinely charged for repairs they had not actually performed.

FLORIDA  
February 26, 2016  

Attorney General Pam Bondi Announces Pinellas-Based Business Banned from Selling Alumni Directories  

Attorney General Pam Bondi today announced the entry of a consent judgment against Alumni Research, Inc. and its CEO Robert Laping for violations of the Florida Deceptive and Unfair Trade Practices Act and the Florida Telemarketing Act. Alumni Research solicited payments over the phone for the purchase of high school and college alumni directory books for dozens of schools nationwide. According to the investigation, the defendants either failed to publish the directories or failed to produce the directories within the time promised.
According to the investigation, the defendants’ business practices harmed more than 26,000 consumers nationwide. Attorney General Bondi’s Office received more than 800 complaints from consumers that prepaid Alumni Research for a directory and never received the promised product. Many of the victims are senior citizens that each paid approximately $70 to preorder a directory for their alma mater.

http://www.myfloridalegal.com/newsrel.nsf/newsreleases/B5E45C76B769D5C885257F65005A1469

February 25, 2016

**Attorney General Pam Bondi Announces Multimillion Dollar Settlement Reached With Talent Company**

Attorney General Pam Bondi today announced a multimillion dollar settlement with entities doing business as InterFACE Talent and the entities’ president and CEO, Roman Vintfeld. The Attorney General’s Office obtained a stipulated permanent injunction and a final consent judgment against the defendants, resolving allegations of unfair and deceptive business practices in selling talent marketing services to Florida consumers.

InterFACE, a New Jersey-based talent company, allegedly falsely promised to help Florida consumers get modeling and acting jobs, but instead took large up-front fees for nothing more than photo shoots and introductions to industry professionals.


February 12, 2016

**Attorney General Pam Bondi Announces Floridians Receiving Final Compensation in Military Targeted Lending Scheme**

Attorney General Pam Bondi today announced that 166 Floridians received more $180,000 as a final result of a global settlement against Rome Finance Company and related entities. In 2014, Attorney General Bondi, 12 other state attorneys general and the Consumer Financial Protection Bureau reached a settlement with Rome Finance that liquidated the company and its successor corporations, and provided close to $92 million in debt relief to United States
service members worldwide. A related victim fund recently issued $3.7 million in final partial compensation to more than 3,000 consumers, including the Florida recipients.

http://www.myfloridalegal.com/newsrel.nsf/newsreleases/80EA43937F95F9E285257F570067D064

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**ILLINOIS**
February 1, 2016

**Attorney General Lisa Madigan Sues Chicago Tax Preparer For Fraud**

*Attorney General Alerts Illinois Consumers to Illegal Tax Preparation Fees Tied to Costly Refund Anticipation Products*

Attorney General Lisa Madigan filed a lawsuit today to shut down a Chicago tax preparer for defrauding consumers out of an estimated $200,000 in outlawed fees.

Madigan filed the lawsuit and a motion for a temporary restraining order earlier today in Cook County Circuit Court to shut down Individual Income Tax Service (IITS) and its operators: Dawit Gebre, Meles Tesfamarime, Frewoini Gebre, and Dwayne Brown.

The lawsuit alleges IITS misled consumers by telling them they could only pay for tax preparation filing fees using a refund anticipation check, which forces consumers to pay for their tax preparation fees out of their refund. Madigan alleges the company also charged higher fees and prohibited fees to those customers – both of which are violations of Illinois’ Tax Refund Anticipation Loan Reform Act and the Consumer Fraud and Deceptive Business Practices Act.

http://www.illinoisattorneygeneral.gov/pressroom/2016_02/20160201.html
INDIANA

February 23, 2016

**Attorney General Greg Zoeller Files Lawsuit Against Chesterton Travel Company Accused Of Selling Bogus Vacation Packages**

Indiana Attorney General Greg Zoeller filed a lawsuit today against a Chesterton travel company, Sunbound Travels, LLC and owner Nicole Scott, for allegedly selling bogus vacation packages to unsuspecting customers.

According to the Attorney General’s lawsuit filed in Porter County court today, the defendants sold vacation packages to at least 36 customers in late 2014 and 2015, and then failed to properly book the trips. The defendants took payment for vacation packages up-front and then either never booked the trip or cancelled it without the customer’s knowledge. When customers would call the airlines or hotels to confirm their travel, they discovered their reservation did not exist.

Customers listed in the Attorney General’s lawsuit paid nearly $60,000 in total to the defendants for undelivered trips. Zoeller said thankfully a majority of these payments were made using credit cards, and the credit card companies have refunded all but two of the victims. The AG’s Office is assisting the two remaining victims to secure their refunds.


February 2, 2016

**Attorney General Greg Zoeller Files Lawsuit Against Out-Of-State Companies Accused Of Orchestrating Tax Sale Scheme, Swindling Hoosiers Out Of Millions**

Indiana Attorney General Greg Zoeller filed a lawsuit today against three out-of-state companies and their owners for allegedly working in concert to perpetrate a tax sale scheme in attempt to swindle struggling property owners in Allen, Johnson, Lake and Marion counties out of potentially millions of dollars.
The defendants in the lawsuit include FLRC, LLC, Coastal Title, Inc. and Oak Tree Title, LLC, as well as Diana Castro, Craig Talkington and David Fuqua. These companies and individuals are based in Florida, Oklahoma and Nevada.

According to the complaint filed in Marion County court, the defendants perpetrated a complicated scheme that took advantage of vulnerable Hoosiers who had fallen behind in their real-estate taxes and who did not understand the tax sale process. It is suspected these defendants conducted the scheme in several other states as well.


KANSAS
February 25, 2016

Attorney General Derek Schmidt Announces Topeka Lawn Care Company Required To Pay Refunds To Consumers

A Topeka company has been ordered to refund more than $78,000 to Kansas consumers for violating the Kansas Consumer Protection Act, Kansas Attorney General Derek Schmidt announced today.

Travis D. Kaiser, d/b/a T’s Lawn Service, agreed to a consent judgment ordering a refund of more than $78,000 to five Topeka senior-citizen consumers. The judgment was approved this week by Judge Rebecca W. Crotty in Shawnee County District Court. In addition, T's Lawn Service was enjoined from further violations of the Kansas Consumer Protection Act and ordered to pay the attorney general's investigation cost and a civil penalty.

KANSAS CONT’D

February 9, 2016

Attorney General Derek Schmidt Announces California Company Fined For Telemarketing Violations

A California company will pay $110,000 in penalties and fees for violating the No-Call Act and Kansas Consumer Protection Act, Kansas Attorney General Derek Schmidt announced today.

Judson Enterprises, Inc. d/b/a K-Designers of Gold River, Calif., agreed to a consent judgment ordering the company to pay $110,000 in fees and civil penalties. The judgment was approved yesterday by Judge Larry D. Hendricks in Shawnee County District Court. In addition, K-Designers was enjoined from further violations of the Kansas No-Call Act and the Kansas Consumer Protection Act as well as required to adopt policies and train its employees to ensure compliance with Kansas law and make regular reports to the attorney general.


MAINE

February 29, 2016

Attorney General Janet T. Mills Announces Consumers Notified of Festiva Settlement With the State of Maine

Maine Attorney General Janet T. Mills announced that over 800 consumers who were customers of Festiva Development Group have been notified of the relief that Festiva is providing pursuant to a settlement reached by the parties through court-ordered mediation. The settlement resolves an action the Maine Attorney General’s Office brought in November 2013 against six related Festiva companies based in North Carolina, their principals and the Festiva Adventure Club Members’ Association. The Attorney General’s Office alleged that the companies engaged in unfair and deceptive practices in marketing and selling Festiva’s points-based vacation club memberships in Maine.

Festiva sold consumers points for memberships in its vacation club at high pressure sales presentations held at the Rangeley Lake Resort and at its sales office on Riverside Drive in Portland. Festiva told consumers they could use
points to take vacations any time at various resorts in Florida, the Carolinas, Missouri, and at Rangeley Lake. However, many consumers discovered after they signed Festiva’s 40-year contract that membership in its vacation club was not what they thought.


MARYLAND
February 17, 2016

**Attorney General Brian E. Frosh Shut Down Charity Which Claimed To Help Veterans But Allegedly Misled Donors**

Attorney General Brian E. Frosh and Secretary of State John C. Wobensmith announced today that the Office of the Secretary of State has shut down a purported charity for veterans which allegedly falsified marketing materials and other documents and has not accounted for donations.

The Secretary of State issued a cease-and-desist order against the Southern Maryland Veterans Association, along with principal Dan Brashear, and alleged former associate Norman Randolph McDonald.

In response to multiple complaints, an investigation by the Secretary of State's Charities and Legal Services Division, aided by the Office of the Attorney General, showed that the organization was allegedly not assisting the housing needs of veterans as claimed in marketing materials. The charity was also not registered with the Secretary of State.

https://www.oag.state.md.us/Press/2016/021716.htm

MASSACHUSETTS
February 24, 2016

**Attorney General Maura Healey Sues Unlicensed For-Profit School for Deceiving Students Seeking Nursing Careers**

*AG Healey Alleges Hosanna College of Health Targeted Haitian Community and Charged Thousands of Dollars For Programs that Failed to Lead to Nursing Jobs*

Attorney General Maura Healey has sued a for-profit school operating in the Boston area over allegations that it operated without a license and
misrepresented its training programs, leaving dozens of students in Massachusetts without promised careers in nursing.

The complaint, filed today in Suffolk Superior Court, alleges that since 2013, Hosanna College of Health and its two founding executives, Jackson Augustin and Michelle Desarmes, actively recruited students from the Boston area’s Haitian community to take nursing classes in Massachusetts. They also falsely promised that the education would allow them to easily pass the mandatory national board exam in nursing, become licensed nurses in Massachusetts, and obtain full-time, well-paid nursing jobs.


February 17, 2016

**Attorney General Maura Healey Announces Settlement Reached with Tufts Associated Health Plans over Restricting Access to Treatment for Autism Spectrum Disorder**

*Agrees to Reimburse Members and Providers, Revise Policies to Ensure Access to Autism Services*  

In her continued efforts to ensure access to behavioral health services, Attorney General Maura Healey today announced a settlement with Tufts Associated Health Plans, Inc. (Tufts) to resolve allegations that it inhibited member access to coverage of Autism Spectrum Disorder treatments.

The AG’s Office alleges that Tufts violated the state’s autism insurance, mental health parity and consumer protection laws when it inhibited member access to treatment for Autism Spectrum Disorder, specifically Applied Behavioral Analysis (ABA) therapy. Tufts allegedly violated these laws by implementing policies that required parental presence at every ABA appointment to obtain coverage and prohibiting coverage for ABA therapy provided in daycare or preschool settings.

restricting-access-to-treatment-for-autism-spectrum-disorder.html

MINNESOTA
February 22, 2016

Attorney General Swanson Sues Company That Used Deceptive Practices to Sell Unnecessary Vehicle Service Contracts

Warns Public About Car Warranty Scams

Attorney General Lori Swanson today filed a lawsuit against United Auto Defense, LLC, a company based in Missouri, that used deceptive business practices to sell costly and unnecessary vehicle service contracts in Minnesota. She also warned the public to be on guard against companies that pose as vehicle manufacturers to sell warranties.

UAD sent postcards to consumers suggesting their vehicles needed repairs or that their vehicle’s manufacturer warranty was about to expire. The postcards looked like they were from a vehicle manufacturer or dealership and contained the vehicle’s make and year. UAD was not affiliated with any dealer or manufacturer.

http://www.ag.state.mn.us/Office/PressRelease/20160222CarWarranty.asp

February 5, 2016

Attorney General Swanson Permanently Bans Officials of Florida Locksmith Company that Deceived Minnesotans from Operating in State

The officials of a Florida company that deceived Minnesotans through a locksmith marketing scheme were permanently banned from doing business of any kind in Minnesota under a settlement obtained by Minnesota Attorney General Lori Swanson. The officials—Alon Gorlovetzky, Sr. and Yotam Hay, Sr. —were president and vice president, respectively, of Fuson Solutions, Inc., a Florida company.

Fuson used Internet advertisements and webpages for locksmiths that appeared to be homegrown Minnesota businesses. The ads and webpages promoted local sounding companies—“Burnsville Locksmith” or “Minneapolis Locksmith Service,” for example—with local phone numbers and addresses.
Individuals who dialed the phone number in the ads were led to believe they were calling a local locksmith. In reality, Fuson employees in a Florida call center answered the phone.

http://www.ag.state.mn.us/Office/PressRelease/20160205FloridaLocksmith.asp

MISSOURI
February 19, 2016

Attorney General Chris Koster Announces Cole County Man Indicted For Defrauding Consumers

Kenneth Jinson failed to complete construction jobs after receiving payment

Attorney General Chris Koster announced today a Cole County Grand Jury indicted Kenneth Scott Jinson for multiple counts of stealing by deceit and deceptive business practices. Koster has joined with Cole County Prosecuting Attorney Mark Richardson in prosecuting Jinson for defrauding Cole County consumers.

Koster alleges that Jinson made false promises to do construction and remodeling work for consumers. Jinson required part or full payment in advance for materials and labor but then would not provide materials or perform the work as promised.

Jinson also advertised his services on social media by representing that he would build custom campers for consumers. Again, he would require payment up front and then fail to produce the camper.

The total loss is over $22,000 from four consumers.


February 3, 2016

Attorney General Chris Koster Sues Delaware Telemarketers For No-Call And Telemarketing Violations In Missouri

Attorney General Chris Koster today announced his office has filed suit against Delaware-based TRG Holdings, LLC, d/b/a TRG Philippines, Inc., and its COO Mohammed Khaisghi, as well as its subsidiary IBEX Global Solutions, d/b/a
E-Telequote of Missouri, Inc., and its president and director Anthony Solazzo. The suit is in response to more than 30 complaints from Missourians on the Missouri No-Call List about unwanted solicitation calls from the company, which was trying to sell health insurance.

The lawsuit was filed in St. Charles County Circuit Court. In addition to No-Call violations, the lawsuit alleges that the companies continued to call Missouri residents after they requested not be contacted and called consumers at various hours of the day, even after 9 p.m. at night.


NEVADA
February 3, 2016

Attorney General Laxalt Announces Sentencing for Mortgage Assistance Scam

Nevada Attorney General Adam Paul Laxalt announced that Emily Suzanne Vasquez, 47, of Inglewood, CA, was sentenced to one count of attempted theft, a category “C” felony. Vasquez was sentenced as a result of a local, state and federal investigation of a complex mortgage fraud scheme.

Vasquez and other defendants operated a scheme to defraud five homeowners struggling to pay their mortgages and in danger of losing their homes. The victims were lead to believe that Vasquez’ alleged company, California Sky, would perform one or more services, including preventing the foreclosure of their homes, lowering their mortgage payments and refinancing their mortgages and reduce the payment and principal. Vasquez failed to perform any of these services, and all five of her victims lost their homes after paying Vasquez and California Sky more than $50,000.

http://ag.nv.gov/News/PR/2016/Attorney_General_Laxalt_Announces_Sentencing_for_Mortgage_Assistance_Scam/
NEW JERSEY
February 26, 2016

Acting Attorney General John J. Hoffman Announces New Jersey Division of Consumer Affairs Distributes $525,000 in Restitution to Consumers Who Paid for but Did Not Receive Travel Packages Purchased from Crown Travel Service, Inc.

The Office of the Attorney General and the New Jersey Division of Consumer Affairs announce that customers who paid for but did not receive all or part of the all-inclusive travel packages they purchased from Crown Travel Service, Inc., of Bloomfield will receive a total of $525,000 in restitution.

The Division of Consumer Affairs this week mailed restitution checks to 227 customers in New Jersey and 18 other states, who were defrauded by Crown Travel Service, also known as “Club ABC Tours,” and an affiliated company ABC Destinations, LLC. The companies and their principals, brothers Robert S. Paris and Thomas H. Paris, paid the state $525,000, under terms of the September 2015 Final Consent Judgment which resolved an action filed on behalf of these customers. The Division has applied the entire settlement payment to consumer restitution.

http://www.nj.gov/oag/newsreleases16/pr20160226a.html

February 22, 2016

Acting Attorney General John J. Hoffman Announces New Jersey Consumer Affairs Cites 40 Home Improvement Contractors for Nearly $500,000 in Consumer Restitution and Civil Penalties in Fourth Quarter of 2015

The New Jersey Division of Consumer Affairs today announced that during the fourth quarter of 2015, it issued Notices of Violation to 40 home improvement contractors, seeking $481,477 in consumer restitution and civil penalties. During all of 2015, the Division’s crackdown on noncompliant contractors resulted in violation notices against a total of 223 contractors, seeking more than $2.56 million in consumer restitution and penalties.

The 40 contractors cited today have been directed to pay a total of $321,477 in restitution to consumers in amounts ranging from $360 to $50,000, for
NEW JERSEY CONT’D

allegedly performing shoddy work, failing to complete work that consumers had paid for in advance, failing to refund deposits, or other issues.

http://www.nj.gov/oag/newsreleases16/pr20160222a.html

February 8, 2016

Acting Attorney General John J. Hoffman Announces Atlantic County Woman Pleads Guilty In Scheme In Which Millions Of Dollars Were Stolen From Elderly Clients Of Senior Care Company

*Investigation charged lawyer and sisters who ran senior care service*

Acting Attorney General John J. Hoffman announced that a woman pleaded guilty today to participating in a scheme with her sister and a lawyer to steal millions of dollars from elderly clients of an in-home senior care company in Atlantic County. The company was owned by the sister.

Sondra Steen, 60, of Linwood, pleaded guilty today to first-degree money laundering before Superior Court Judge Bernard E. DeLury Jr. in Atlantic County. Under the plea agreement, the state will recommend that Steen be sentenced to 10 years in state prison, including 4 ½ years of parole ineligibility. She will be jointly and severally liable for full restitution in an amount to be determined. Judge DeLury scheduled sentencing for Steen for March 4.

Steen was charged in an investigation by the New Jersey State Police and the Division of Criminal Justice. Deputy Attorney General Yvonne G. Maher is prosecuting the defendants and took the guilty plea for the Division of Criminal Justice Specialized Crimes Bureau. Detective Richard Wheeler led the investigation for the New Jersey State Police Financial Crimes Unit.

http://www.nj.gov/oag/newsreleases16/pr20160208b.html

February 4, 2016

Acting Attorney General John J. Hoffman Announces New Jersey Division of Consumer Affairs Cites 21 Unlicensed Public Movers Following Undercover “Sting”

The New Jersey Division of Consumer Affairs has cited 21 public movers for unlicensed operation following an undercover investigation, during which
NEW JERSEY CONT’D

Division investigators posed as consumers who needed items moved within the state.

The Notice of Violation issued to each public mover carries a civil penalty of $2,500 for violations of the Public Movers & Warehousemen Licensing Act, N.J.S.A. 45:14D-1 et seq. and the Regulations Governing Public Movers and Warehousemen, N.J.A.C. 13:44D-1 et seq. The public movers have the opportunity to become licensed with the Division within 30 days and have the civil penalties reduced by 50%.

The Division conducted the undercover sting in November 2015, with the moving companies responding to a moving job at a location in Pequannock Township, Morris County. Agencies assisting with the operation included the New Jersey State Police Mobile Safety Freight Unit; Pequannock Township Police Department; Morris County Sheriff’s Office; U.S. Department of Transportation Federal Motor Carrier Safety Unit; and U.S. Immigration and Customs Enforcement. The Mobile Safety Freight Unit of the New Jersey State Police found 95 violations during mechanical inspections of the moving vans and trucks, with one truck impounded. Five individuals were arrested on outstanding warrants.

http://www.nj.gov/oag/newsreleases16/pr20160204a.html
NEW YORK
February 29, 2016

A.G. Schneiderman Announces Settlement With Buffalo Area Contractor For Allegedly Defrauding Consumers

Joseph Lloyd Barred From Participation In Any Home Improvement, Landscaping, Or Snow Plowing Business In New York State

Lloyd Ordered Pay $40,000 In Restitution To Victims, Additional $15,000 In Civil Penalties

Attorney General Eric T. Schneiderman today announced that a lawsuit his office filed against Joseph Lloyd, who holds himself out as a home improvement contractor, has resulted in a settlement. Mr. Lloyd was accused of defrauding Western New Yorkers by taking advance payments for snow removal services while failing to plow their driveways. In some cases, customers allegedly prepaid Lloyd more than $275 for snow removal services that they did not receive following several winter snowfalls. The Attorney General also found that Lloyd allegedly failed to provide home improvement services, even after receiving payment from consumers.


February 29, 2016

A.G. Schneiderman Secures Agreement with Westbury Union Free School District to Ensure Equal Educational Opportunities for Students Regardless of Immigration Status

Agreement Removes Barriers Impacting Unaccompanied Minors And Other Undocumented Youth Seeking To Enroll In The District

Agreement Prevents The Diversion of Immigrant Students Into Non-Degree Bearing Programs

District Will Be Required To Appoint A Special Monitor And Provide Academic Services To Students Denied or Delayed Enrollment, or Diverted into Non-Degree Programs
NEW YORK CONT’D

Attorney General Eric T. Schneiderman today announced an agreement with the Westbury Union Free School District to ensure educational access for students regardless of their immigration status, and to prevent the diversion of immigrant students into non-degree bearing programs. Among other things, the district agreed to retain an ombudsman who will provide new internal oversight over enrollment and academic placement policies within the district, to retain an independent monitor to ensure that the district enrolls and places students in compliance with the law, and to offer compensatory educational services to students who experienced enrollment delays or academic diversion in the three years between 2012 and 2015.


February 18, 2016

A.G. Schneiderman Reaches Agreement With Buffalo Biodiesel Over Lawsuits Targeting Small Businesses

Company Filed Over 600 Lawsuits Against Businesses Claiming Breach Of Contract

Attorney General Eric T. Schneiderman today announced an agreement with Buffalo Biodiesel, a company that collects cooking oil waste and converts it into biodiesel, over claims that the company filed lawsuits against hundreds of small businesses across Western New York and several surrounding states. The over 600 lawsuits, most of which were filed in Buffalo City Court, made various breach of contract claims against small businesses that had entered into a contract with the company. Buffalo Biodiesel sought thousands of dollars, sometimes as much as tens of thousands of dollars, in damages from ‘mom and pop’ restaurants.

The agreement announced today requires Buffalo Biodiesel to withdraw all applications it made for default judgments, to vacate default judgments it has taken against unrepresented businesses, and return any money it might have collected on judgments. Buffalo Biodiesel has also agreed that, before it files any new court actions, the company will provide notice to businesses of its intent to sue in order to give the businesses the opportunity to resolve matters without a lawsuit.
A.G. Schneiderman Announces Judgment Obtained Against Fraudulent Home Improvement Contractors, Urges Potential Victims To File Complaints

Douglas And Nicholas Cooper Of N. Cooper Paving Harassed And Scammed Customers; Cannot Operate Until $100K Performance Bond And $30K In Penalties And Restitution Are Filed

A.G. Schneiderman Offers Tips To Avoid Being Scammed, Urges Potential Victims To File Complaint By April 11, 2016

Attorney General Eric Schneiderman today announced that his office has obtained a judgment against home improvement contractors who repeatedly and persistently ripped of customers in the Southern Tier and Central New York by going door-to-door seeking to pave or repair driveways and perform roof repairs, and quoting prices that were significantly inflated after the customers agreed to the work. They would harass and intimidate consumers into allowing them to do the work, which was thereafter incomplete and shoddy.

A.G. Schneiderman Announces Settlement with Machinima and Three Other Companies for False Endorsement

Machinima Agrees To Pay $50,000 For Failure To Require Disclosure Of Payments To Gaming Experts Endorsing Microsoft’s Xbox On Youtube

Three Other Companies To Also Pay A Penalty And Agree To Stop Posting Fake Reviews In Separate Investigations

Attorney General Eric T. Schneiderman today announced settlements with Machinima, Inc. and three other companies in separate investigations, regarding each company’s role in posting fraudulent content on the
NEW YORK CONT’D

Internet. Each settlement requires the company to be honest and transparent in its online reviews and endorsements, and pay penalties ranging from $20,000 to $50,000.


February 8, 2016

A.G. Schneiderman Announces Arrest Of Peekskill Home Health Care Agency Owner Charged With Failing To Pay Wages To Workers

Defendants Accused Of Repeatedly Failing To Pay Home Health Aides And Others
Employer Owes Over $110K In Back Wages To 52 Employees
Defendants Allegedly Created False Tax Documents, Such As W-2 Forms Reporting Wages That Were Never Actually Paid To Workers

Attorney General Eric T. Schneiderman today announced the arrest and arraignment of Arthur Anyah, owner of Peekskill-based Mical Home Health Care, Inc. (“Mical”). Anyah and Mical have been indicted on felony charges relating to their alleged failure to pay home health care aides for all the hours that they had worked, as required by New York State Law. If convicted, Anyah faces up to four years in prison.


February 2, 2016

A.G. Schneiderman Announces Convictions Of Orange County Man For Stealing Hundreds Of Thousands In Investment Scheme

William Vogt Posed As Wealthy Fashion Designer “Bill Bolland” To Steal Over $400,000 From His Victims
Vogt Convicted On Felony Charges In Both Ulster County And New York County; Faces Up To 12 Years In Prison
NEW YORK CONT'D

Attorney General Eric T. Schneiderman today announced the convictions of William Vogt, a resident of Orange County, on felony charges in both Ulster County and New York County, for posing as internationally renowned fashion designer “Bill Bolland” to lure victims into making more than $400,000 in investments. Instead, Vogt stole the monies and used them for personal expenses. Today, Vogt pleaded guilty in New York County Supreme Court to Grand Larceny in the Second Degree, a Class “C” felony. In December, Vogt previously pleaded guilty to Grand Larceny in the Third Degree, a Class “D” felony, in Ulster County Court. Vogt faces up to 12 years in prison on both cases.


February 2, 2016

A.G. Schneiderman Announces Lawsuit Against Buffalo Area Contractor For Allegedly Defrauding Consumers

A.G. Takes Action To Protect Consumers Who Allegedly Prepaid Joseph Lloyd To Have Their Driveway Plowed; A.G. Also Seeks To Bar Lloyd From The Home Improvement Business

Attorney General Eric T. Schneiderman today announced a lawsuit against Joseph Lloyd, who holds himself out as a home improvement contractor, for allegedly defrauding Western New Yorkers by taking advance payments for snow removal services while failing to plow their driveways. In some cases, it is charged that customers allegedly prepaid Lloyd more than $275 for snow removal services that they did not receive following several recent snowfalls. The Attorney General also charges that Lloyd failed to provide home improvement services, even after receiving payment from consumers.

The lawsuit, filed in New York Supreme Court in Erie County, seeks restitution for consumers, injunctive relief, and penalties. Attorney General Schneiderman also obtained an order prohibiting Lloyd from disposing of any of his assets, including his bank accounts. Lloyd is also prohibited from accepting advance payments from consumers.
NORTH CAROLINA
February 17, 2016

Attorney General Roy Cooper Announces North Carolina Military Consumers to Get $259,000 in Refunds

231 NC consumers received cash relief through AG’s settlement with Rome Finance

231 North Carolina military servicemembers who were caught in an electronics financing scam with Rome Finance have gotten $259,000 of their money back, Attorney General Roy Cooper said today.

Refund checks worth approximately $1,120 each were mailed to 231 eligible consumers in North Carolina on December 15, 2015 as part of a 2014 settlement that Cooper’s office reached with Rome Finance, which also operated as Colfax Capital Corporation and Culver Capital, LLC. The cash refunds are in addition to approximately $6.8 million in debt forgiveness for more than 1,300 North Carolina servicemembers.

The companies financed debts for military consumers who purchased computers, gaming systems and other electronics, including those sold by SmartBuy, an electronics retailer that charged thousands of military personnel inflated prices. SmartBuy operated a chain of retail stores in shopping malls near military bases around the country, including locations near Fort Bragg and Camp Lejeune.

**PENNSYLVANIA**
February 25, 2016

**Attorney General Kathleen G. Kane's Office Announces $10.8 Million Penalty Imposed On Ohio Men Accused Of Deceptively Collecting Charitable Donations**

Pennsylvania Attorney General Kathleen G. Kane's office today announced a recent Commonwealth Court ruling imposed a civil penalty of $10.8 million on two individuals who will be barred from soliciting charitable donations in Pennsylvania until the penalty is paid in full. The two men were previously sued by the Office of Attorney General following allegations they deceptively collected charitable donations for fundraisers organized by firefighters unions in the western part of the state.

The court's ruling concerns defendants Phillip Howells and Martin Vernello, as well as their corporations, Phil's Productions, LLC and MVP Productions, LLC. The $10.8 million penalty includes restitution for consumers, civil penalties and legal costs.

[https://www.attorneygeneral.gov/Media_and_Resources/Press_Releases/Press_Release/?pid=2316](https://www.attorneygeneral.gov/Media_and_Resources/Press_Releases/Press_Release/?pid=2316)

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**TENNESSEE**
February 24, 2016

**Attorney General Herbert H. Slattery III Announces $3 Million Settlement with Timeshare Company**

*Tennessee consumers eligible for refunds and loan forgiveness*

Tennessee Attorney General Herbert H. Slattery III today announced a $3 million settlement with Festiva, a network of vacation and timeshare companies, for alleged violations of the federal Telemarketing Act, federal Telemarketing Sales Rule, and the Tennessee Consumer Protection Act.

Under the terms of the settlement, Festiva has agreed to provide $1,250,000 in cash restitution and up to $1,000,000 in loan forgiveness for eligible Tennesseans, and make a $750,000 payment to the State of Tennessee. In addition, Festiva has agreed to specific guidelines prohibiting unfair, deceptive,
or misleading acts or practices in connection with their telemarketing and face-to-face sales of vacation or timeshare products.

Certain consumers who purchased vacation or timeshare products from Festiva companies, including Festiva Adventure Club and Etourandtravel, will be eligible to have their Festiva contracts cancelled and receive partial refunds of the money they have paid to date. In addition, some consumers who financed their Festiva purchases will be eligible to have the entire balance of their Festiva loans forgiven.


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**TEXAS**

February 2, 2016

**Attorney General Ken Paxton Shuts Down Unauthorized Immigration Consultant Operating from San Antonio**

Texas Attorney General Ken Paxton today announced an agreed final judgment and permanent injunction filed in Bexar County district court, banning Hector Alfonso Sanchez from providing unauthorized legal services in Texas and ordering him to stop promoting them on the Internet. As part of the injunction, he will have to pay restitution to affected consumers, civil penalties and attorney's fees.

The final judgment, filed February 1, stems from a state lawsuit filed in December 2014 against Sanchez and attorney Cheryl Boone-Delgado, charging them with violating the Texas Deceptive Trade Practices Act (DTPA). According to the lawsuit, Sanchez promoted himself as an attorney, when in reality he is not authorized to practice law in the United States. Furthermore, Sanchez represented on numerous websites that he was a partner of a large international Colombian law firm with offices in Texas and Minnesota and offered a wide array of legal services.


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**VIRGINIA**

February 15, 2016

**Attorney General Herring Issues Restitution Checks To Consumers Harmed By Door-To-Door Sales Operation**
~ KLMN Readers Services, Inc. was found to have engaged in illegal business practices during the door-to-door sale of magazines ~

Attorney General Mark R. Herring announced today that his office has mailed restitution checks totaling more than $20,000.00 to 265 consumers as part of a judgment in a lawsuit filed against KLMN Readers Services, Inc., a Florida door-to-door magazine sales company that based its Virginia operation out of Chesapeake. The lawsuit alleged that the company sold magazine subscriptions with no intention of providing the magazines, failed to honor certain terms of its agreements, lied about subscriptions that would be donated to charities and soldiers overseas, and failed to issue refunds as required by law. The suit was filed in Chesapeake City Circuit Court and the Commonwealth won judgments against the company in September 2014 and March 2015.

WASHINGTON
February 16, 2016

Attorney General Bob Ferguson Wins Summary Judgment Against Company Scamming Homeowners

Lawsuit target duped homeowners into unnecessary $89 payments for deeds

Attorney General Bob Ferguson prevailed today in his lawsuit against a California company that scammed new property owners into buying overpriced deeds.

Thurston County Superior Court Judge Mary Sue Wilson granted summary judgment today against Bellflower, Calif.-based LA Investors, LLC, which conducts business as “Local Records Office.” The court found the company violated the state Consumer Protection Act at least 215,000 times by sending at least that many mailers.

Judge Wilson will issue a separate decision on restitution and penalties by March 16.


WEST VIRGINIA
February 24, 2016

Attorney General Morrisey Announces Settlement with Cashland to Change Business Practices

Attorney General Patrick Morrisey today announced a $150,000 settlement with Ohio payday lender Cashland to resolve allegations that its business practices violated the state’s Consumer Credit and Protection Act.

The settlement, entered into Feb. 1, requires Cashland to pay $150,000 and ensure its practices comply with state law. It stemmed from an investigation into whether Cashland engaged in unlawful debt collection.

MULTISTATE CASES AND SETTLEMENTS

February 11, 2016

**Iowa Attorney General Joins 49 State in Settlement with MoneyGram**

Agreement addresses nationwide money transfer fraud complaints by requiring improved anti-fraud efforts and restitution for some consumers.

Dallas-based MoneyGram Payment Systems Inc. will improve its efforts to combat money transfer fraud and pay restitution to some consumers through a $13 million agreement with attorneys general in 49 states, including Iowa, and the District of Columbia.

The settlement, through an assurance of voluntary compliance, resolves a multistate investigation that focused on complaints from consumers who used MoneyGram's money transfer service to send funds to third parties involved in schemes to defraud consumers.


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February 5, 2016

**Attorney General Tom Miller and 49 State Attorneys General Reaches $470 Million Joint State-Federal Settlement with HSBC Over Mortgage Loan Origination, Servicing, and Foreclosure Abuses**

*Agreement to provide certain Iowa borrowers with loan modifications; foreclosed HSBC loans may be eligible for payments for past abuse*

Attorney General Tom Miller today announced a $470 million joint state-federal settlement with mortgage lender and servicer HSBC Bank USA NA and its affiliates to address mortgage origination, servicing, and foreclosure abuses.

The settlement provides direct payments to Iowa borrowers for past foreclosure abuses, loan modifications and other relief for borrowers in need of assistance, rigorous mortgage servicing standards, and grants oversight authority to an independent monitor.
The settlement includes 49 states plus the District of Columbia, the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Consumer Financial Protection Bureau.

MEDICAID FRAUD CASES AND SETTLEMENTS

ALABAMA
February 3, 2016

Attorney General Luther Strange Announces Second Conviction In Medicaid Fraud, Identity Theft Scheme

Attorney General Luther Strange announced that Gill Reynolds- Pridgett, 23, of Cleveland, Ohio, pleaded guilty today in Montgomery County Circuit Court to defrauding the Alabama Medicaid Agency.

Reynolds-Pridgett was indicted for his role in the filing of numerous false claims for payment to the Alabama Medicaid Agency, through a scheme involving his possession of the identifying information of approximately 25 Alabama residents. He has been held at the Montgomery County Detention Facility since November 8, 2015.

http://www.ago.state.al.us/News-767

ARKANSAS

February 23, 2016

Attorney General Leslie Rutledge Announces Fraud Conviction of Little Rock Woman for Billing Medicaid Program for Services That Were not Rendered

Arkansas Attorney General Leslie Rutledge today announced the conviction of a Pulaski County woman for Medicaid fraud. Quashonna Evans pleaded guilty in Pulaski County Circuit Court. Evans will serve one year probation and pay a fine of $1,000.

Evans, 27, of Little Rock pleaded guilty to Medicaid fraud, a Class A misdemeanor. Evans billed the Arkansas Medicaid Program for services that were not rendered.

Arkansas Cont’d

February 8, 2016

Attorney General Leslie Rutledge Announces Medicaid Fraud Convictions

Arkansas Attorney General Leslie Rutledge today announced the convictions of a Pulaski County man and a Dallas County, Texas, man for Medicaid fraud. The two men pleaded guilty in unrelated cases in the Pulaski County District Court. Each will serve one year probation and pay restitution and fines totaling over $3,000. Additionally, the Medicaid fraud convictions will be reported to federal authorities and may result in the defendants being excluded from participation as providers in the Medicaid and Medicare program for a period of up to 10 years.


Kentucky

February 29, 2016

Attorney General Andy Beshear Announces Former Operator of Bluegrass Autism in Danville Indicted on Medicaid Fraud

Clinic operator had unqualified staff provide services to adult, children patients

Attorney General Andy Beshear today announced the former operator of Bluegrass Autism in Danville has been indicted on two counts of Kentucky Medical Assistance Program Fraud over $10,000, a Class C felony, and one count of Kentucky Medical Assistance Program Fraud under $10,000, a Class D felony.

The case was handled by Beshear’s Office of Medicaid Fraud and Abuse Control.

The indictment alleges Edward Parker, 40, as a health services provider caused Medicaid providers who contracted with him to bill Medicaid for false claims. Because many of those services were false or were provided by his unqualified staff to adult and children patients, Parker caused fraudulent claims to be submitted to Medicaid.

http://kentucky.gov/Pages/Activity-stream.aspx?n=AttorneyGeneral&prId=43
MASSACHUSETTS
February 18, 2016

Attorney General Maura Healey Announces Multiple Personal Caretakers Charged with Allegedly Defrauding State Medicaid System more than $230,000

Allegations Include Billing for Services Not Rendered, Double Billing, and Other False Billing Schemes

A personal care attendant (PCA) and four PCA surrogates have been charged with allegedly defrauding the state’s Medicaid program of more than $230,000 by falsely billing for services not rendered and double billing in a number of different cases, Attorney General Maura Healey announced today.

A total of 18 indictments were returned by Plymouth, Berkshire, Essex, and Worcester County Grand Juries and are the result of criminal investigations conducted by AG Healey’s Medicaid Fraud Division. A criminal complaint, including charges of neglecting a disabled person, has also been issued against a PCA who will be arraigned in Boston Municipal Court on March 2.


MISSISSIPPI
February 16, 2016

Attorney General Jim Hood Announces Louisville Resident Going to Prison for Medicaid Fraud

Labeatris Estes, 31, of Louisville, is going to prison for Medicaid Fraud, announced Attorney General Jim Hood today.

Estes pleaded guilty today to two counts of Medicaid Fraud before Rankin County Circuit Court Judge William E. Chapman, III. As a result, Estes was sentenced to five years in the custody of the Mississippi Department of Corrections with one year to serve, four years suspended and five years of supervised probation on each count to run concurrently. Estes was also ordered to pay $10,920 in restitution, $32,760 for damages, $1,431.50 in court costs and $500 to the Victims Compensation Fund.
The Attorney General’s investigation showed that Estes claimed to be providing services to a Medicaid beneficiary; however, those services were not provided. She submitted more than $10,000 in claims for home and community services to Southern Healthcare for work never performed. As a result, claims were submitted to Medicaid for payment.

http://www.ago.state.ms.us/releases/louisville-resident-going-to-prison-for-medicaid-fraud/

MISSOURI
February 23, 2016

Attorney General Chris Koster Files Criminal Charges In Jackson County Medicaid Fraud Cases

Attorney General Chris Koster announced today that two Kansas City residents, Charles Lindsey, 41, and Marita Jordan, 27, have been charged with felony counts of Medicaid fraud and stealing by deceit for billing Medicaid for personal care attendant services that were never provided. The Attorney General’s Medicaid Fraud Control Unit is assisting Jackson County Prosecuting Attorney Jean Peters Baker in the prosecution.

Koster said his Medicaid Fraud Control Unit led the investigation after the case was referred by the Missouri Medicaid Audit and Compliance Unit of the Department of Social Services. The investigation revealed that Lindsey and Jordan fraudulently billed Medicaid $715.86 for services during the time the recipient was incarcerated.

NEW YORK
February 4, 2015

A.G. Schneiderman Announces Guilty Plea & Sentencing Of Medicaid Recipient To Six Months In Jail For Collaborating With His Personal Care Aide In Kickback Scheme Orchestrated From His Jail Cell

David Epps And His Personal Care Aide Billed Medicaid For Over $5K Of Services Never Provided To Incarcerated Medicaid Recipient

Attorney General Eric T. Schneiderman today announced the guilty plea and sentencing of Medicaid recipient David Epps to six months in jail for engaging in a kickback scheme with his personal care aide. The facts are substantially as follows: over the course of approximately six weeks last summer, Epps’ personal care aide submitted time sheets to her employer and ultimately Medicaid, indicating that she had provided personal care services to him, when in fact she had not since Epps was incarcerated during that time. Epps had an agreement with his aide that she would falsify the time sheets indicating that she had provided him services when in fact she had not. Once the aide was paid by her employer, she kicked back approximately $100 per pay check for the phony services. The theft resulted in over $5,000 worth of false billings to Medicaid.


February 2, 2016

A.G. Schneiderman Announces Jail Time For Capital Region No-Show Personal Care Aide Who Bilked Medicaid

Robert Van Horne Submitted False Records To CDPHP, Causing Over $1,000 In Theft To Medicaid; Will Serve 2 Years In Albany County Jail And Pay Restitution

Attorney General Eric T. Schneiderman today announced the sentencing of personal care aide, Robert Van Horne, 29, of Schenectady, for submitting false time sheets to Capital District Physicians Health Plan (CDPHP), causing over $1,000 in losses to Medicaid. The defendant submitted false claims for providing care to a Medicaid recipient that never occurred. Van Horne was sentenced yesterday in Albany County Court by the Honorable Peter Lynch to 2 years in the Albany County Jail.
VERMONT

February 9, 2016

Attorney General’s Office Agrees To Settlement And Corporate Integrity Agreement With Keene Medical Products On Medicaid Fraud Investigation

The State of Vermont and Keene Medical Products, Inc. have reached an agreement settling a multi-year investigation by the Medicaid Fraud and Residential Abuse Unit of the Attorney General’s Office and the Program Integrity Unit of the Department of Vermont Health Access regarding whether Keene submitted false claims or received overpayments from the Vermont Medicaid Program. Keene will pay in excess of $460,000 to settle potential claims, under the Vermont False Claims Act and Vermont Medicaid Fraud Statute, that Keene received improper payments from the Vermont Medicaid Program.

ATTORNEY GENERAL KAMALA D. HARRIS AND 7 STATES SIGN LETTER TO SECRETARY OF VETERANS AFFAIRS URGING GREATER PROTECTIONS FOR VETERANS AFFECTED BY PREDATORY SCHOOL PRACTICES

Attorney General Kamala D. Harris today, along with seven states, sent a letter to the U.S. Department of Veterans Affairs (“VA”), urging the Secretary to use his authority to restore educational and vocational rehabilitation benefits to thousands of veterans victimized by predatory practices carried out by for-profit schools such as Corinthian Colleges, Inc. (“Corinthian”). The letter also asks VA Secretary Robert McDonald to take steps to ensure that veterans are given full and accurate information about the risks associated with using their benefits at certain schools.


ATTORNEY GENERAL KAMALA D. HARRIS CALLS ON THE DEPARTMENT OF EDUCATION TO REVISE REGULATIONS TO PROTECT STUDENTS DEFRAuded BY CORINTHIAN COLLEGES

Attorney General Kamala D. Harris today issued the following statement calling on the United States Department of Education (ED) to do more to protect students defrauded by Corinthian Colleges and other for-profit colleges. Last week, ED held the second of three negotiated rulemaking sessions to determine how student borrowers can get relief from federal student loans when these loans were used at a school that abused and deceived the students. Attorney General Harris’s office participated in the session as one of two representatives for state attorneys general and called repeatedly for greater protections for students.

February 16, 2016

Attorney General Kamala D. Harris Releases Data Breach Report; Over 49 Million Records of Californians’ Personal Information Put at Risk in Last Four Years

Attorney General Kamala D. Harris today addressed the Stanford Cyber Initiative to release a comprehensive report detailing the nature of data breaches reported to her office over the past four years. The report found that between 2012 and 2015, there were 657 data breaches, which compromised over 49 million records of Californians’ personal information.

The report is accompanied by recommendations from the Attorney General for organizations, businesses and lawmakers on how to protect against data breaches, and points to a specific set of actions that companies and organizations should start with to meet the state and federal mandates of reasonable security.

Last year, 178 breaches placed 24 million records of Californians at risk. This means that as many as three in five Californians may have been victims of a data breach in 2015 alone.


February 16, 2016

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COLORADO
February 12, 2016

Attorney General Cynthia H. Coffman Warns Consumers About Valentine Villains

Attorney General Cynthia H. Coffman releases a consumer alert on “Valentine Villains and Sweetheart Swindles.” In today’s fast-paced world of instant communication and social media, many adults have turned to online dating sites to find love, especially around Valentine’s Day. Unfortunately, not everyone is looking for romance. Thousands of people have been victimized by Valentine Villains using online romance scams.

http://coag.gov/press-room/press-releases/02-12-16

February 1, 2016

Attorney General Cynthia H. Coffman Warns Consumers about Tech Support Scams

Colorado Attorney General Cynthia H. Coffman is alerting Colorado consumers about an increase in scams involving unsolicited phone calls or pop-up computer messages warning that their computer has been infected by a virus. In these swindles, consumers can be charged thousands of dollars to have their computers “diagnosed” and imaginary virus removed.

Legitimate computer or software businesses – including companies that provide valid security and anti-virus software – will never contact consumers directly and attempt to sell diagnostic or computer repair services in this manner. Coloradans are encouraged to hang up on these phony telemarketers or to immediately delete any pop-up messages touting these services.

DELAWARE
February 2, 2016

Attorney General Matt Denn Warns Delawareans About Fraudulent Fundraising Calls to Support “Delaware Firefighters Foundation”

Attorney General Matt Denn warns Delawareans to be wary of potentially unauthorized telephone solicitations involving the “Delaware Firefighters Foundation” supposedly on behalf of local fire companies and firefighters.

The calls display a local (302) area code, and the callers request donations for the “Delaware Firefighters Foundation,” or they claim to be soliciting funds for “your local fire company” or “injured firefighters in your area,” without actually identifying the fire company or firefighters by name. There is no known charitable organization registered under “Delaware Firefighters Foundation” in Delaware or with the IRS Exempt Organization Division.


HAWAII
February 2, 2016

Attorney General Doug Chin And Office Of Consumer Protection Warn Residents About Recent ‘Government Imposter’ Scams

Attorney General Doug Chin and Executive Director of the Office of Consumer Protection Stephen Levins are warning the public about two recent attempts by scammers to obtain personal data from Hawaii residents by posing as representatives of state government.

In one scam the Hawaii Public Housing Authority (“HPHA”) received multiple complaints from people trying to apply online for Section 8 housing vouchers. In so doing applicants found themselves on a website that asked for credit card and social security number information. The ‘government imposter’ site mentions the HPHA and seems to perform a credit check. The suspected website is not the HPHA’s and is in no way affiliated with the HPHA.

Attorney General Lisa Madigan Calls On Veterans Affairs To Restore Benefits To Veterans Defrauded By For-Profit Schools

Attorney General Lisa Madigan today called on the U.S. Department of Veterans Affairs (VA) to immediately restore federal military educational benefits for student veterans who attended deceptive for-profit schools, including Corinthian Colleges Inc. which operated Everest College campuses in Illinois.

Madigan joined with attorneys general in California, Connecticut, Kentucky, Massachusetts, New Mexico, Oregon, and Washington to send a letter to U.S. Secretary of Veterans Affairs Robert A. McDonald, calling on the Department to restore these benefits for student veterans under the G.I. Bill and the Vocational Rehabilitation and Employment program. In Illinois, Corinthian operated six Everest College campuses until it was forced to close by regulators in 2014.

http://www.illinoisattorneygeneral.gov/pressroom/2016_02/20160229.html


Phone Scammers Posing as IRS Officials Attempt to Con Illinois Residents Into Sending Money

In response to a recent increase in consumer complaints, Attorney General Lisa Madigan today alerted Illinois residents to a renewed phone scam in which callers pose as Internal Revenue Service (IRS) officials in an attempt to scare people into sending money to pay for allegedly unpaid taxes.

Madigan’s office is seeing an increase in these complaints to her office from residents throughout the state, in particular from older people. Consumers report being contacted by scammers pretending to be IRS officials who leave threatening messages that include a number for consumers to call in order to avoid lawsuits or prosecution.

http://www.illinoisattorneygeneral.gov/pressroom/2016_02/20160225.html
KENTUCKY
February 17, 2016

Attorney General Beshear and Sheriffs Partner to Warn Kentuckians of Scams

The number of con artists claiming to be sheriff’s deputies on the rise

Kentuckians are being targeted over the phone by scam artists claiming to be sheriff’s deputies who can help residents resolve a federal warrant that has been issued against them – but for a price.

Attorney General Andy Beshear and a group of Kentucky sheriffs in and around Jefferson County joined forces today to raise awareness on the issue and to confirm that law enforcement does not contact Kentuckians over the phone concerning federal warrants and would never ask for money.

http://kentucky.gov/Pages/Activity-stream.aspx?n=AttorneyGeneral&prId=37

February 2, 2016

Attorney General Beshear Warns Kentuckians to Avoid ‘IRS Scam’ During Tax Season

IRS officials will not contact taxpayers over the phone or email

During tax season, Attorney General Andy Beshear is asking consumers to be on alert for IRS scams targeting Kentuckians, especially seniors, through unsolicited phone calls and emails.

As part of the scam, Kentuckians might be told they owe taxes by con artists claiming to be IRS officials who are using fake names and IRS identification numbers. The con artists demand victims make tax payments by using credit or debit cards over the phone or a by sending the scammers a prepaid debit card. If victims refuse, the scammers often threaten that law enforcement will be contacting them for possible prosecution, arrest or deportation.

http://kentucky.gov/Pages/Activity-stream.aspx?n=AttorneyGeneral&prId=23
MASSACHUSETTS
February 10, 2016

Attorney General Maura Healey Urges U.S. Senate to Pass Bill Banning Debt-Collection Robocalls

HANGUP Act Would Repeal Amendment Allowing Debt-Collection Robocalls

Today, Attorney General Maura Healey urged the U.S. Senate Committee on Commerce, Science, and Transportation to pass legislation that would ban debt-collection robocalls to consumers’ cellphones by repealing a recent amendment to the Telephone Consumer Protection Act (TCPA).

AG Healey was joined by letter co-sponsors Missouri Attorney General Chris Koster and Indiana Attorney General Greg Zoeller, and 22 other state attorneys general, in asking the committee to pass the Help Americans Never Get Unwanted Phone calls Act of 2015 or “HANGUP” Act, which is sponsored by Senator Edward Markey.


MICHIGAN
February 17, 2016

Attorney General Bill Schuette Offers Tips to Michigan Consumers on How to Avoid Tax Scams

Michigan Attorney General Bill Schuette today issued an updated consumer alert for tax season with tips on how to avoid the latest tax and IRS related scams. Tax season is typically a time the Attorney General’s Consumer Protection Team sees an uptick in complaints relating to tax-related scams.

Schuette noted that the IRS will never contact you asking for personal information by phone or email. Schuette encourages any residents who believes they have received fraudulent calls or emails to contact the IRS directly.

http://www.michigan.gov/ag/0,4534,7-164-46849_47203-376930--,00.html
OHIO
February 29, 2016

Attorney General DeWine Warns of Top Tax Scams Reported to AG’s Office

Ohio Attorney General Mike DeWine today warned Ohioans about two of the most common tax-related scams reported to the Ohio Attorney General’s Office – the “IRS” phone scam and tax identity theft.

The IRS phone scam generally begins with a call claiming the recipient is in trouble with the IRS and must call a certain phone number to avoid arrest or legal action. Eventually, the person is asked to send money or personal information to resolve the supposed problem.

Since Jan. 1, the Ohio Attorney General’s Office has received more than 1,400 reports about IRS scams. Most people who report the scam haven’t lost money, but nationally, since October 2013, more than 5,000 victims collectively have paid over $26.5 million as a result of the scam, according to the U.S. Treasury Inspector General for Tax Administration.


February 12, 2016

Attorney General DeWine Warns of Online Dating Scams

As Valentine’s Day approaches, Ohio Attorney General Mike DeWine is warning consumers that some online daters are con artists in disguise.

Some scammers create phony profiles on dating websites and social media platforms to attract victims, establish relationships with them, and then trick them into sending money.

In 2015, the Ohio Attorney General’s Office received about 40 complaints involving so-called “sweetheart” scams. The average reported loss was about $7,300, but some consumers have lost much more.

PENNSYLVANIA
February 10, 2016

Attorney General Kathleen G. Kane’s Office Warns Consumers of ‘IRS Scam’

Pennsylvania Attorney General Kathleen G. Kane’s office today warned of a new variation of a pervasive telephone scam that aims to defraud taxpayers. The well-known “IRS scam” has reemerged recently, but this time fraudsters are posing as U.S. Treasury agents.

The Attorney General’s Bureau of Consumer Protection in recent weeks has received several complaints regarding the scam. The Bureau urges consumers to be alert for unwanted calls that seem legitimate but make consumers feel pressured to act without validating information.

https://www.attorneygeneral.gov/Media_and_Resources/Press_Releases/Press_Release/?pid=2301

February 4, 2016

Attorney General Kathleen G. Kane’s Warns of New 'Phishing' Email Scam

Pennsylvania Attorney General Kathleen G. Kane’s office today warned Pennsylvanians of a new "phishing" email scam in which scammers have misrepresented themselves as being affiliated with the Social Security Administration (SSA).

The Federal Trade Commission recently reported these emails are allegedly sent with the subject line “Get Protected.” When opened, the emails state the SSA is offering new features to help taxpayers protect their personal identification with a link to an outside website. Recipients who click this link are then vulnerable to viruses and spyware, according to the FTC.

The link may also take consumers to a website designed to look like the one managed by the SSA. Scammers may ask for bank account numbers, Social Security numbers and other personally identifiable information. At this time, the SSA is not offering such a program.

https://www.attorneygeneral.gov/Media_and_Resources/Press_Releases/Press_Release/?pid=2299
RHODE ISLAND

February 17, 2016

Attorney General Kilmartin Warns IRS Scam on the Rise During Tax Season

As we head into the height of tax season, Attorney General Peter F. Kilmartin is reminding consumers to be aware of the signs of the pervasive "IRS scam," which continues to target law abiding citizens in Rhode Island and across the nation. Attorney General Kilmartin noted that his office has recently noticed an increase in calls from Rhode Islanders who had been contacted by the scammers posing as IRS agents. The caller typically threatens an individual with arrest for nonpayment of taxes and demands immediate payment over the phone.

According to a recent report, the Treasury Inspector General for Tax Administration (TIGTA), has "received reports of roughly 896,000 contacts since October 2013 and has become aware of over 5,000 victims who have collectively paid over $26.5 million as a result of the scam."

http://www.ri.gov/press/view/26869

TENNESSEE

February 22, 2016

Attorney General Herbert H. Slatery III Reminds Consumer of Deadline on February 27, 2016 regarding Consumer Restitution

Attorney General Announces Settlement with Global Credit Card Transaction Processor

On November 4, 2015, Attorney General Herbert H. Slatery III and the Tennessee Division of Consumer Affairs announced a settlement with Elavon, Inc., a global company specializing in products and services that enable retailers to process credit card transactions.

The State’s settlement resolved allegations that Elavon and its subsidiary, Ladco Financial Group, LLC, violated the Tennessee Consumer Protection Act by misrepresenting: (1) the cancellation policy of its credit card processing
equipment leases; (2) the duration of credit card processing equipment leases; and (3) the compatibility of credit card processing equipment.

http://attorneygeneral.tn.gov/press/2016/pr16-03.html

VERMONT
February 10, 2016

Attorney General Bill Sorrell Issues Advisory On Current Scams Directed At Vermont Businesses

The Vermont Attorney General’s Consumer Assistance Program (CAP) is warning of several scams currently targeted at Vermont businesses. If your firm has experienced any of these scams, please report them to the Consumer Assistance Program online at www.uvm.edu/consumer or by calling 800-649-2424.


WASHINGTON
February 29 2016

Attorney General Bob Ferguson Calls On VA Secretary To Restore GI Bill Benefits To Victims Of Predatory Colleges

Attorney General Bob Ferguson joined seven attorneys general today in calling on U.S. Department of Veterans Affairs Secretary Robert McDonald to restore education benefits to veterans who were victims of predatory institutions, such as Corinthian Colleges, Inc.

The attorneys general sent a letter to McDonald, asking him to use his authority to restore affected veterans’ benefits and eligibility, as well as to take steps to ensure veterans have full and accurate information about their educational options.


February 12, 2016
Attorney General Bob Ferguson Soon To Announce Claims Process For LCD $63 Million Recovery

Cautions outside agent charges one-third of claims recovery for a process consumer can do easily themselves for free

The Washington State Attorney General’s Office (AGO) will soon launch a website for consumers to file claims for their share of the $63 million LCD recovery. In the meantime, the AGO cautions consumers that a third-party agent has set up a website to file claims on behalf of consumers, but will charge one-third of the recovery money to do so. When the AGO claims website goes live, consumers can file their own claims for free.


WEST VIRGINIA
February 16, 2016

Attorney General Morrisey Warns of Bogus Government Scam

Attorney General Patrick Morrisey today urged caution regarding a phone scam that targets consumers alleging various governmental entities will be filing criminal charges against them.

The scam typically starts with a phone message indicating the government entity will arrest the consumer if they don’t follow instructions. Those making such calls generally claim to represent the U.S. Treasury Department, Internal Revenue Service or legal affairs among other groups.

The consumer, upon returning the fraudster’s call, typically learns the matter is urgent in that he or she owes immediate payment. Threats of imminent arrest often follow whenever the consumer refuses to cooperate or questions the caller’s legitimacy.

February 1, 2016

Attorney General Patrick Morrisey Warns Consumers of Credit Card Scams

Attorney General Patrick Morrisey today warns consumers about a scam in which callers contact consumers with the offer of lower credit card interest rates.

The office received numerous calls over the past week from consumers who allege scammers use Caller ID spoofing to show a 304 area code. This manipulates the consumers’ Caller ID to make it appear as though the number is coming from a legitimate source.

The scammer preys upon that comfort and trust to take the consumers’ personal information.