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Body shop owner and nine relatives and friends charged in insurance fraud scheme

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For the Record Los Angeles Times Saturday July 30, 1988 In a story about a South-Central Los Angeles auto insurance fraud ring in Wednesday's editions of The Times, Dist. Atty. Ira Reiner stated that one of every three dollars that Californians pay in auto insurance premiums--or about \$400 million annually--is siphoned off by insurance fraud scams. In reality, Californians paid about \$10 billion in premiums last year. The estimated 30% of that total, which goes to pay for fraud, includes not only the \$400 million in fraudulent claims but also additional investigative, legal and administrative costs paid by insurance companies, according to the state Department of Insurance.

A South-Central Los Angeles auto body shop owner and nine of his relatives and friends have been charged with staging phony car accidents in an insurance fraud scheme that allegedly netted them more than \$600,000, authorities said Tuesday.

The ring was reportedly led by Curtis H. Connor, 54, of Gardena. Members allegedly purchased damaged vehicles or crashed them themselves and then filed claims with as many as 11 insurance companies per car, authorities said. Medical injury claims were also filed in many of the phony accidents through Connor's daughter, Prescilla Woodard, a chiropractor, authorities said.

Although authorities suspect the ring may have been involved in fraud for as long as 16 years, the charges announced Tuesday were based on cases that span the past five years, according to spokesmen for the California Highway Patrol, which conducted a one-year investigation of the ring.

One reason the ring was able to get away with the alleged fraud for so long, was that "insurance companies don't communicate with each other about claims," CHP Lt. Chuck Shipley said Tuesday at a press conference. Since insurance may be obtained over the phone without even having a vehicle inspected, the fraud ring was able to take out insurance on damaged vehicles, then file and collect insurance from several companies on them, Shipley said.

Claim Checks

Dist. Atty. Ira Reiner, who attended the press conference at CHP headquarters where one wall was covered with about 100 insurance claim checks made out to the suspects, said that one of

every three dollars that Californians pay in insurance premiums--or about \$400 million annually--is siphoned off by such insurance scams.

Reiner placed part of the blame for the widespread fraud on the "careless practices" of insurance companies.

"There is no question that this (fraud) would be substantially reduced by insurance companies taking a closer look at the insurance policy they write," he said.

Connor, who is charged with 22 felony counts, remained at large Tuesday after refusing to turn himself in after a telephone conversation with authorities earlier in the day, Shipley said. Connor is the owner of Best Deal Auto Body Shop, 8311 S. Vermont Ave., and South Western Body, 8024 S. Western Ave..

Arrested Tuesday were: Connor's girlfriend, Lorraine Outlaw; a nephew, Calvin Darnell Conner; a daughter-in-law, Delilah Johnson Conner; a sister, Delores Conner, and a friend of Connor's son, Denise Sander.

Besides Connor, those who police still expect to arrest are: Connor's son, Curtis Conner Jr.; his daughter, Woodard; Carl Davis, who worked as a tow truck driver for Connor, and Anthony Watkins, who also allegedly collected insurance money illegally in the scam.

Multiple Counts

The suspects were charged with multiple counts of insurance fraud, grand theft and perjury. Curtis Connor is charged with 22 felony counts, which carry a maximum nine-year prison term, Reiner said. Bail for Connor was set at \$1 million.

Connor was convicted of insurance fraud in 1975 and served about two years' probation, according to authorities. He and Outlaw were arrested by CHP officers last September on charges involving fraud, but the case was dropped when the district attorney's office determined that there was insufficient evidence, Shipley said.