

Phila. prosecutor recognized for work on \$400,000 insurance fraud scheme

By: IFAwebnews Staff

Dismantling one of the largest insurance-fraud schemes in Philadelphia history earned Linda Montag the 2015 Prosecutor of the Year award from the Coalition Against Insurance Fraud.

In an ongoing trend, pedestrians kept saying they tripped and painfully hurt themselves on the sidewalks of a Philadelphia neighborhood.

Injury claims against the homeowners' policies mounted suspiciously. Tips from concerned neighbors help jumpstart an investigation that revealed a \$400,000 slip-and-fall ring.

"The slip-and-fall ring fell hard under the weight of Linda Montag's carefully built case. Her thoroughness, detail work and commitment to justice are a model of best practices for breaking up complex fraud rings in court," said Dennis Jay, executive director of the Coalition.

Montag's award was presented at the Coalition's annual membership meeting in the Washington, D.C. area. The Pennsylvania Insurance Fraud Prevention Authority nominated Montag, who's a Philadelphia Assistant District Attorney.

"This award is such an honor and I'm humbled, said Montag" "This award is such an honor and I'm humbled. I'm privileged to have worked with an effective team including the Philadelphia District Attorney's Office, detectives and police officers who made the prosecution succeed, and a grand jury that relentlessly worked on the case," said Montag.

The fraud ring was led by attorney Andrew Gaber. He was a sole practitioner who shot himself instead of facing certain conviction.

Gaber hired a small army of recruiters to bring him people he paid to act as phony injury victims. Many were homeless or drug addicts.

The phony victims were coached how to stage a seemingly painful fall, and act injured. The fake victims often pretended to trip on small cracks in neighborhood sidewalks. Gaber's recruiters acted as witnesses and "injured" victims.

Gaber then filed false injury claims against the homeowner policies. The scam lasted seven years and bilked 21 insurance companies.

Montag worked closely with investigators from the Philadelphia District Attorney's insurance-fraud unit to build the case for a grand jury. The investigation took two painstaking years.

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The effort paid off. Some 47 ring members were charged. Gaber, his runners and fake injury victims were included.

Searches of bank transactions and Gaber's files revealed crucial evidence. Secretly recorded conversations by ring members and Gaber were highly incriminating. Insurers and the National Insurance Crime Bureau provided case referrals that proved vital to exposing the fraud ring's inner workings.

Montag assembled more than 350 exhibits for the grand jury. Dozens of witnesses testified. Grants of immunity gave many ring members an incentive to testify against other ring members.

The case was so complete that Gaber committed suicide before his trial began. Most remaining ring members pleaded guilty instead of heading to conviction and longer sentences.

Montag obtained \$250,000 in restitution from Gaber's law practice. Ring members were ordered to pay another \$60,815 plus nearly \$40,000 in penalties.