

- 7:15 A.M. REGISTRATION, CONTINENTAL BREAKFAST & NETWORKING**
- 8:00 A.M. WELCOME REMARKS & INTRODUCTIONS**
- 8:15 A.M. SMARTPHONES & BAD APPS (100 MINS)**
JAMES A. DILL, RETIRED DEPUTY CHIEF OF INVESTIGATIVE SERVICES, PA OFFICE OF ATTORNEY GENERAL
PRESIDENT, INNOVATIVE TECHNOLOGY & INVESTIGATIVE SOLUTIONS
- 9:55 A.M. REFRESHMENT BREAK & NETWORKING (15 MINS)**
- 10:10 A.M. IDENTITY FRAUD (50 MINS)**
LARRY BENSON, DIRECTOR OF STRATEGIC ALLIANCES – GOVERNMENT
LEXISNEXIS RISK SOLUTIONS
AUTHOR, *WTF? Where's the Fraud? How to Unmask and Stop Identity Fraud's Drain on Our Government*
- 11:00 A.M. STRETCH BREAK (5 MINS)**
- 11:05 A.M. MANAGING COMPLIANCE IN A CORPORATE SETTING (50 MINS ETHICS)**
LINDA TOTH, VICE PRESIDENT, GLOBAL COMPLIANCE & ETHICS
OFFICE OF THE GENERAL COUNSEL, HARSCO CORPORATION
- 11:55 A.M. LUNCHEON & NETWORKING (55 MINS)**
- 12:50 P.M. FORENSIC DOCUMENT EXAMINATION (100 MINS)**
KATHIE KOPPENHAVER, PRINCIPAL & CERTIFIED DOCUMENT EXAMINER
FORENSIC DOCUMENT EXAMINERS, INC.
- 2:30 P.M. REFRESHMENT BREAK (15 MINS)**
- 2:45 P.M. HEALTH CARE FRAUD (50 MINS)**
SHAWN BROKOS, SUPERVISORY SPECIAL AGENT
FEDERAL BUREAU OF INVESTIGATION, PITTSBURGH DIVISION
- 3:35 P.M. STRETCH BREAK (5 MINS)**
- 3:40 P.M. CASE STUDIES IN CRIMINAL AND NONCRIMINAL MISCONDUCT (50 MINS ETHICS)**
JOHN J. CONTINO, JD
ASSOCIATE PROFESSOR
CRIMINAL JUSTICE, HOMELAND SECURITY MANAGEMENT
CENTRAL PENN COLLEGE
- 4:30 P.M. CLOSING REMARKS**



SMARTPHONES & BAD APPS

ITIS, LLC All Rights Reserved

ITIS, LLC All Rights Reserved

Your Instructor

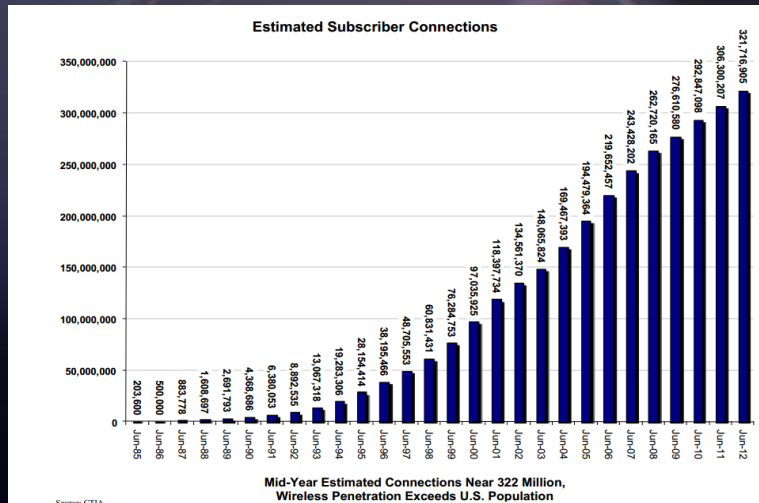
James Dill, Deputy Chief, Retired
PA Office of Attorney General

SME – Alutiq International, LLC
President of ITIS, LLC

jdill@itis-llc.com
717-884-8167

ITIS, LLC All Rights Reserved

Wireless Subscribers



© 2012 CTIA-The Wireless Association®
HHS, LLC All Rights Reserved

Cell Phones & Convergence

- What capabilities does your Smartphone possess?
 1. Make & receive calls
 2. Send & receive text messages
 3. Send & receive e-mail
 4. Surf the web
 5. Take & store photos
 6. Take & store videos
 7. Record & store audio notes
 8. Contact Manager
 9. GPS Device
 10. Calendar
 11. Store Documents
 12. Play music
 13. Video game player
 14. Download & play TV & Movie
 15. A cellular modem for your laptop
 16. Wireless LAN allowing up to 5 devices to use the phone's modem for Internet access
 17. E-Book reader
 18. Alarm monitor & DVR
 19. Credit card replacement
 20. Bluetooth Device
 21. Projector

Plus thousands of iPhone & other phone applications

HHS, LLC All Rights Reserved

SmartPhone Vulnerabilities

- You are carrying a portable computer with all those capabilities!
- What personal or investigative information is on your phone today?
 - CI's or family contact info
 - PINS, passwords, account numbers
 - Work and family addresses, photos
 - Work E-mail & Text Messages
 - Recent Call History

ITIS, LLC All Rights Reserved

Because Your Smartphone IS a computer!

MALWARE PREVENTION APPS

ITIS, LLC All Rights Reserved

Cell Phone Security

PROTECT WITH APPS

15%
USE

ANTIVIRUS APPS

As with a computer, you can install **ANTIVIRUS APPS** that keep malware away from your smart phone.

22%
USE

PHONE LOCATOR

There's software that can locate your **LOST OR STOLEN** smart phone.

8%
USE

REMOTE WIPE

And some apps can **WIPE OUT THE CONTENTS** of your phone if it winds up in the wrong hands.



ITIS, LLC - All Rights Reserved

Cell Phone Security Apps

DEVICE PROTECT

With Device Protect, Android app users are provided added features to protect the privacy of their data.



Locate

Identify the location of your device on a map if it is lost or stolen.



Ring

Misplaced your phone? No problem. You can sound the ringer even if your phone is muted or set to vibrate.



Lock

Lock the screen on your device using a personalized PIN.



Capture

If you think your device is stolen, you can remotely activate the camera to capture a photo of the person using your phone.



Destroy

If your device is ever stolen you can remotely destroy all of your personal data and reset the device to its factory conditions.

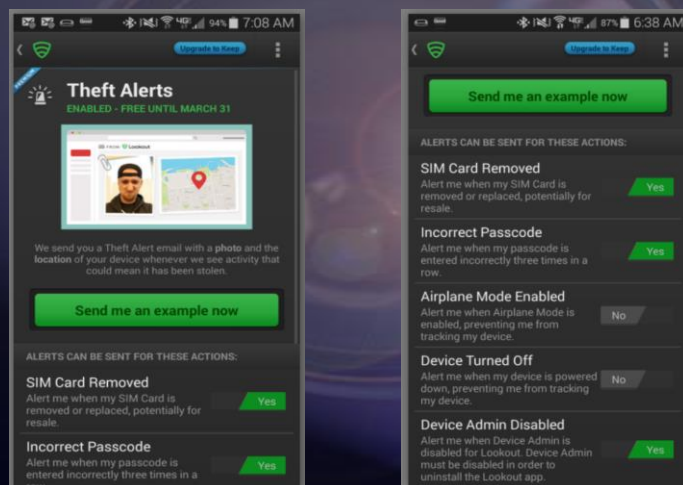
DEMO

Cell Phone Security Tips

- http://www.ctia.org/your-wireless-life/consumer-tips/how-to-deter-smartphone-thefts-and-protect-your-data#anti-theft_apps



Example Lookout "Theft Alert"



ITIS, LLC - All Rights Reserved

Cell Phone Security Tips

- Remember if you can remote wipe and track your phone so can your employee or suspect if you seize their device!!
 - Talk with forensic personnel or IT Department about the best way to handle a seized phone (faraday bag, airplane mode, remove battery...)

ITIS, LLC - All Rights Reserved

What if Suspect's iPhone is Locked?

- Apple can no longer unlock a device.
- However, the device lock protects only the data stored in most of the native iOS applications, such as email and text messaging. Stored photos, podcasts, books, iTunes media.
- Most data stored in third-party applications can still be recovered with forensics tools like those from Cellebrite, Oxygen, AccessData, and Elcomsoft.

ITIS, LLC - All Rights Reserved

What Can You Do????

- Question the owner of the phone.
 - Can you get consent to search: in writing is best?
 - Ask, What is your phone number?
 - What is your pass code?
 - What is your AppleID? What is your AppleID passcode?
 - Can you find the IMEI?
 - What is your iCloud email address?
 - Do you synch your iPhone to the cloud or a computer?
 - What name, address, and DOB used to activate cellphone service?

ITIS, LLC All Rights Reserved

What can you do?

- **Social Engineering**
 - Get the target to make a call (i.e. to let attorney or family member know he is being arrested – then when he unlocks the phone seize it.
- Seize the phone when the target is placing a call.
 - Plan ahead
 - Use a CI to help out
 - React quickly

ITIS, LLC All Rights Reserved

SPY APPS

ITIS, LLC All Rights Reserved

Cell Phone Vulnerabilities

Cell Phone Tapping

[Actual Phone Hijacking](#)

Internet resource on cell phone spy software:

<http://acisni.com/>

ITIS, LLC All Rights Reserved

Woman charged with planting spyware on cop's phone

- by Lisa Vaas on October 22, 2014 – Sophos.com
- California woman has been charged with wiretapping a police officer.
- The DA said Kristin Nyunt eavesdropped on correspondence, including "sensitive law enforcement communications.
- Kristin Nyunt was found in possession of spyware products that included Mobistealth, StealthGenie, and mSpy

ITIS, LLC - All Rights Reserved

Phone Sheriff



phonesheriff
MONITORING AND FILTERING SMARTPHONES

Worried about your child or employee's **mobile phone usage?**

- ✓ Block phone numbers from calls and text messages
- ✓ Set custom **time restrictions** and **block apps** you choose
- ✓ Monitor **text messages** and get custom activity alerts
- ✓ Real time **location tracking** and **lock commands**

NEW VERSION 2.0

GOLD 2013 TOP TEN REVIEWS

ITIS, LLC - All Rights Reserved

PowerOffHijack

- Android malware – discovered by AVG
- **It hijacks the shutdown process of user's mobile phone.**
- User thinks they powered the phone off and it looks powered off, but the phone remains on!
- GPS, camera, microphone continues to function so phone can still be spied on.



ITIS, LLC - All Rights Reserved

Cell Phone Security Tips

- In sensitive meetings ask others to leave their phones outside or remove their battery.

ITIS, LLC - All Rights Reserved

APP TO UNMASK BLOCKED CALLER ID

ITIS, LLC All Rights Reserved

Are there non-Telco Services That Can “Unblock” a Call?

YES!

There are services such as [TrapCall](#) that will reroute your incoming calls through a 800 number service, which will read the ANI and resend the call back to your cell phone.



ITIS, LLC All Rights Reserved

TrapCall Demo

www.trapcall.com

ITIS, LLC All Rights Reserved



CALLER ID SPOOFING APPS

ITIS, LLC All Rights Reserved

Caller ID Spoofing

- Changing the Caller ID info received by the Called Party.
- Most use VoIP
- Good & Bad Uses
- Voice Mail Issues
- How does it work?



ITIS, LLC All Rights Reserved

Caller ID Spoofing Services

Use of a third party to rout your calls and change your Caller ID.

1. You purchase minutes similar to a prepaid phone card.
2. Dial the access number
3. Enter the number PIN number
4. Enter the number you want to call
5. Enter the number you want to display on the Called Parties Caller ID.
6. You can even change your voice & record.

ITIS, LLC All Rights Reserved

Caller ID Spoofing ****Plus****



- Spooferm.com permits:
 - Spoofs Caller ID PLUS
 - Text Messages
 - Email
 - Has an iPhone and a desktop application
 - Can check to see if your number was ever spoofed

ITIS, LLC All Rights Reserved

A screenshot of the SpooferCard website. At the top left is the "SpooferCard" logo with the tagline "BE WHO YOU WANT TO BE". To the right of the logo are navigation links: "HOME", "BUY MINUTES", "PIN LOGIN", and "FAQ". The main content area features a quote: "Sometimes, I just don't want them to know it's me calling.." followed by a testimonial: "...I call someone from my phone, and the person's caller ID displays a number that I intend them to see. My privacy is protected. Simple as that!" attributed to "Marta Storzinska". Below this is a green button that says "BUY MINUTES NOW!". At the bottom left, there is a small icon for "NAB International Spoofing!" and logos for "MasterCard", "VISA", and "PayPal".

www.spoofercard.com

ITIS, LLC All Rights Reserved

Caller ID Spoofing

Demo

ITIS, LLC All Rights Reserved

Through the Carrier or Via an App

TEXT MESSAGING APPS

ITIS, LLC All Rights Reserved

Text Messaging Through the Cellular Provider

- The exchange of brief written messages between mobile phones over cellular networks - AKA: Short Message Service (SMS).
- It is limited to 160 characters/message.
- Use Cellular Control Channel
- MMS - Multimedia Messaging Service includes messages containing image, video, and sound content.
- This is the common platform many use to text and comes with all cell phones.

ITIS, LLC - All Rights Reserved

Text Messaging Impact to LE

- Collecting Text Messages?
 - Does a carrier retain text messages? Content vs. CDR
 - How Long?
 - Can you recover Text Messages stored in a phone?
 - Deleted messages???
- Deciphering Text Messages
 - Abbreviations and acronyms are extensively used in Text & Instant Messaging.
 - Emoticons – symbols used to display feelings

ITIS, LLC - All Rights Reserved

Sample SMS Abbreviations

- @wk ne1 follw u l m ringl8 cul8r
– At work, anyone follow you, I am running late, see you later.
- R v gng 2 go thru ths agn?
– Are we going to go through this again?

ITIS, LLC - All Rights Reserved

Text Messaging & Instant Messaging Lingo

A good source to help decode Text Messaging acronyms
and emoticons:

www.netlingo.com/acronyms.php

<http://www.netlingo.com/smileys.php>

ITIS, LLC - All Rights Reserved

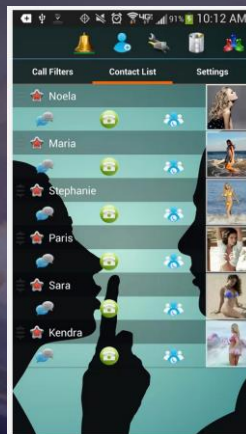
Self Destructing
Hidden
Proprietary

PROPRIETARY MESSAGING APPS

ITIS, LLC All Rights Reserved

App Messaging Services

- WhatsApp
- Jaxtr
- Kik Messenger
- **– Photo Bomb**
- Viber (phone & text)
- Text Plus
- TxtDrop
- Hide My Text
- iMessenger
- Shady SMS
- SMS Calculator
- Many Hidden



Shady SMS – a hidden sexting app that only you can see or open. To open you need to dial a code.

- Apps use a smartphone's data plan or WI-FI to transmit and receive messages, a feature that appeals to individuals looking to avoid text messaging by phone service providers.

Message Content

- With many proprietary messaging apps such as Kik the conversations are ONLY stored on the devices of the users involved in the conversation.
- The app creators do not see or store chat message text or **content in their systems, and don't have access to this information.**

ITIS, LLC - All Rights Reserved

No Phone Number Necessary

- Username identify users not phone numbers.
- This allows users with no cellular data plan to use WiFi to send texts
- Popular with devices such as iPods, iPads, Kindle Fire, etc. that do not have cellular connectivity

ITIS, LLC - All Rights Reserved

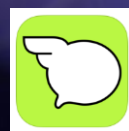
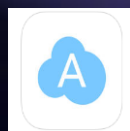
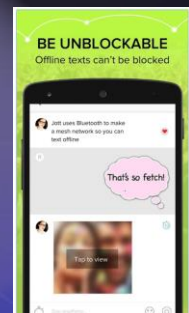
Air Chat & Jott

MESSAGING OFF THE GRID

ITIS, LLC All Rights Reserved

Jott & Air Chat Messaging with No Network Connection

- Jott & Air Chat are Encrypted Bluetooth Chat Messengers
- No cellular network connection or Wi-Fi connectivity is required.
- It utilizes the Bluetooth & Wi-Fi radio on individual cell phones to create a local (mesh) network to communicate.
- **The messages are encrypted, off line & can't be blocked.**



ITIS, LLC All Rights Reserved

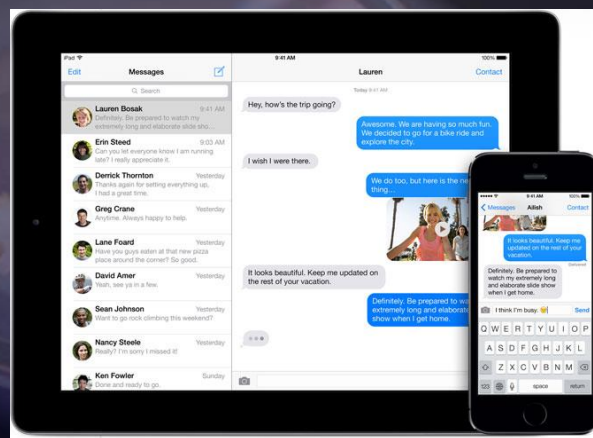
SELF DESTRUCTING OR ENCRYPTING MESSAGING APPS

ITIS, LLC - All Rights Reserved

Encryption in Text Messages

Apple iMessage (and many others) employs E2EE

The New York Times reported, Apple recently told a US court that it couldn't comply with a wiretap order to turn over messages sent via Apple's iMessage system, because they were encrypted. Texts and photos sent via iMessage (and videos sent via FaceTime) aren't decrypted in transit, and can't be accessed at either end without the user's passcode.



ITIS, LLC - All Rights Reserved

Surespot



surespot
encrypted messenger

exceptional encryption for everyone

surespot is a secure mobile messaging app that uses exceptional end-to-end encryption for every text, image and voice message returning your right to privacy.

GET IT ON
 Google play

Download on the
 App Store



100% open source

It is not magic, it is all software code. surespot encrypted messenger put every bit of it's code up on display for the world to review, scrutinize, contribute to and even use. Be assured that surespot does exactly what it says it does.

[click here to learn how surespot works](#)

safe and secure

- ✓ surespot is not associated with your phone number or email
- ✓ send voice messages when your hands or eyes are too busy to text
- ✓ multiple identities on a single device to keep matters separated
- ✓ free messenger with no advertising and 100% open source
- ✓ your identity is portable, transfer your secure conversations to other devices
- ✓ uses 256 bit AES-GCM encryption using keys created with 521 bit ECDH*

* this means only you and the receiver can decrypt surespot messages

private and anonymous

That's right. We don't know or share anything about you and we certainly don't believe in making money by analyzing you. surespot is about taking back your right to privacy and it is made free to provide unrestricted access for everyone. If you enjoy using surespot please show your support by contributing. You can assist with translation, review and add code, tell all of your friends about surespot and donate some cash or bitcoin.

ITIS, LLC All Rights Reserved

Self Destructing Text Messages

- Enables the user to send text messages that will delete after a certain time limit.
- **Sender set the “lifespan” or time limit or “delete on read”**
- Once a message expires it is also purged from the servers where the text messages are stored.
- Available for iPhone, Android, & Blackberry

ITIS, LLC All Rights Reserved

Self Destructing Text Messages

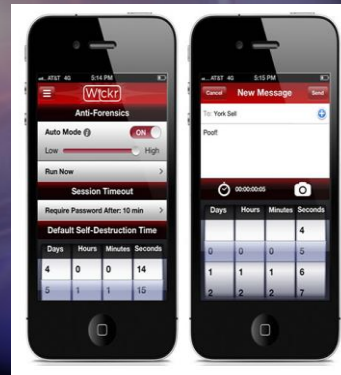
- Tiger Text [CNN Video](#)
- [FBI Intel Report](#)



ITIS, LLC All Rights Reserved

Wickr - The Anti Forensic App

- Military-grade encryption of text, picture, audio and video messages.
- Encrypts, shreds, hashes and rewrites deleted files.
- Sender-based control over who can read messages, where and for how long.
- Wickr deletes all metadata from **your pictures "Leaves No Trace"**.
- Soon computer browser and Email plugins



ITIS, LLC All Rights Reserved

SIMSme Self-Destructing Encrypted Chats

SIMSme – Your secure messenger

[View More by This Developer](#)

By DP IT Brief GmbH

Open iTunes to buy and download apps.



Description

Sending messages with SIMSme is absolutely safe and private — no eavesdropping possible! SIMSme is a free messenger app with real end-to-end encryption — guaranteed by Deutsche Post. Download now!

[SIMSme – Your secure messenger Support](#)

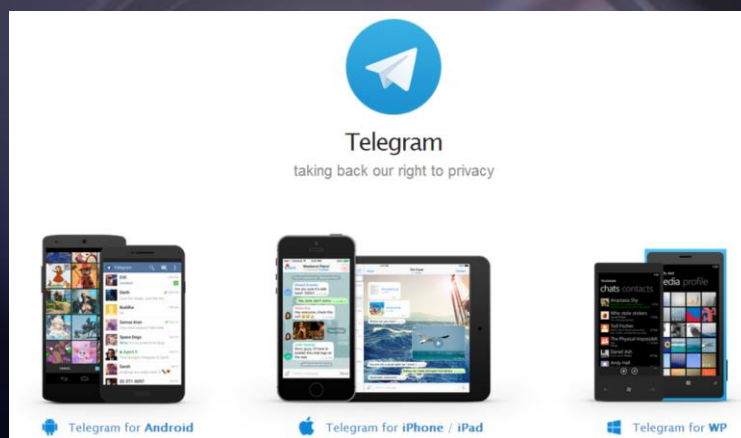
[...More](#)

What's New in Version 1.0.2

The app allows customers to securely send text messages, photos, videos, and contact and location information. All messages are automatically encrypted by the sender and can only be decrypted by the recipient. All data is stored on servers in Germany and messages are deleted from the servers after delivery to the recipient. Paid version allows a self destruct timer.

ITIS, LLC - All Rights Reserved

Telegram Secure Messaging App



ITIS, LLC - All Rights Reserved

Cyber Dust

Every spoken word isn't recorded. Why should your texts

Get Cyber Dust for iPhone

Get Cyber Dust for Android



CYBER DUST



Secure

Cyber Dust sends fully encrypted messages



Self-Destruct

Messages will delete forever after 30 seconds



Free

Cyber Dust is free and always will be



Screen Shot Detection

Be notified if a screenshot is taken. Plus, no proof of who sent or received a message

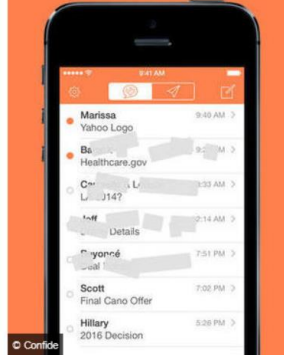
ITIS, LLC - All Rights Reserved

Confide

Swipe-to-reveal prevents screenshots.



Messages disappear after they are read.



The service enables users to send out fleeting messages that appear one line at a time to safeguard the application against screenshot saving.

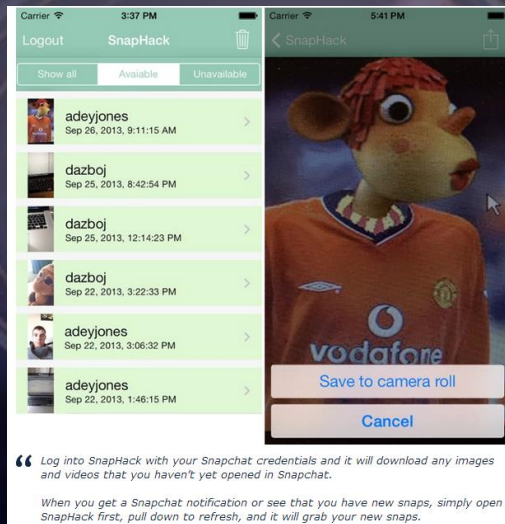
ITIS, LLC - All Rights Reserved

Snapchat



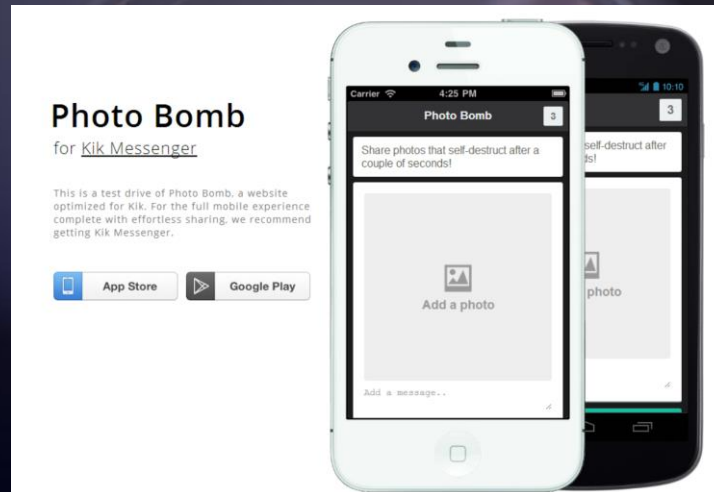
ITIS, LLC - All Rights Reserved

SnapHack App



ITIS, LLC - All Rights Reserved

Kik Messenger – Photo Bomb



ITIS, LLC - All Rights Reserved

iPhone
Blackberry
Droid

OTHER MOBILE APPLICATIONS

ITIS, LLC - All Rights Reserved

Mobile Apps

- There are over 1 million iPhone/iPad and Android Applications that have been created to run on Smartphones
- There are numerous apps that could impede investigations or increase criminal activity.

ITIS, LLC - All Rights Reserved

Because we are using are phones - Protect Yourself!

- When downloading an app be wary about what permissions it requests (e.g. why would a wall paper app need access to the Internet!).
- Some Apps while have been discovered to collect contact, text, and other data from your phone – without your permission.
- "Google dropped 10 smartphone apps from its online Android Market store, after Xuxian Jiang, an assistant professor of computer science at North Carolina State University, found the programs were infected with Plankton, a program that secretly collects information about a user's Web-browsing habits.
- **“OCT 20, 2015 Apple Bans 100s Of iPhone Apps For Stealing Personal Data**

ITIS, LLC - All Rights Reserved

DECEPTIVE OR DANGEROUS APPS

ITIS, LLC - All Rights Reserved

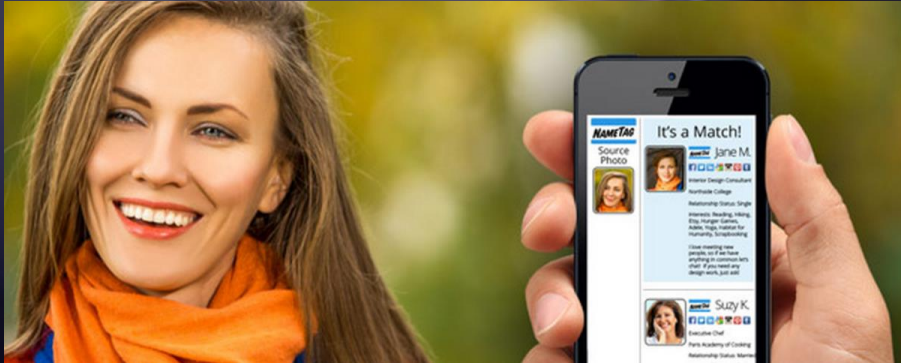
Mobile Apps

The screenshot shows the MobileGPSpy app interface. At the top, it says "MobileGPSpy" and "Available in:" followed by various country flags. Below this is a diagram illustrating the app's functionality: a satellite labeled "GPS" is shown sending signals to a smartphone. The smartphone is connected to a "MobileGPSpy Server" via a cloud icon. Text next to the smartphone says "Install it on your husband's phone" and "Hide your phone in the car, suitcase ...". Below the diagram is a screenshot of a web browser showing a map of America/Chicago with several yellow location pins and a red line connecting them. The URL "http://www.MobileGPSpy.com" is visible above the map. At the bottom of the screenshot, it says "ITIS, LLC - All Rights Reserved".

Turns your phone into a covert GPS Tracking Device

MobileGPSpy runs on android phone hidden in the background






Mobile Apps



Using the NameTag smartphone or Google Glass app, simply snap a pic of someone you want to connect with and see their entire public online presence in one place.

ITIS, LLC - All Rights Reserved

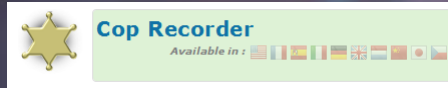
Mobile Apps

				
Call Recording	Call Recorder	TapeACall	CallRec.me	Recorder
\$10/mo	10¢/min+	\$9.99	\$9.99/mo	99¢ + \$1.99/hr

Call Recording Apps

ITIS, LLC - All Rights Reserved

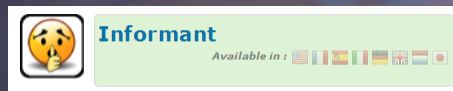
Mobile Apps



- Records audio invisibly in the background and stops recording when the application is reopened.

ITIS, LLC - All Rights Reserved

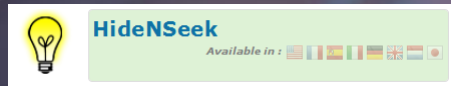
Mobile Apps



- Secret listening device ("bug") for your phone.
- Option to schedule for later (don't get busted "playing with your phone")
- Record with no visible indication

ITIS, LLC - All Rights Reserved

Mobile Apps



- HideNSeek allows you to hide media files (pics, audio, video) from the Pictures, Music and Video Player.
- It is DISGUISED as a FLASHLIGHT app (white screen).
- Run the Flashlight app and press the Menu 3 times to log in.

ITIS, LLC - All Rights Reserved

Mobile Apps

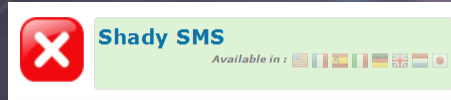


Prank Calls – Pallaudio iPhone

- This app comes pre-loaded with a bunch of different background noises.
- While talking on the phone all you do is pick the background noise you want to use!
- Types of noises: airport noise, traffic on the expressway, dinner noises, restaurant noises, supermarket and many more.

ITIS, LLC - All Rights Reserved

Mobile Apps



- Discreet hidden Texting Program
- Program only opens by calling 123 or 321
 - No Icon
- Hides all text messages

ITIS, LLC - All Rights Reserved

Mobile Apps



- Install this APP to hide any text received on the targeted phone to a secret vault.
- It looks like a calculator and is **activated by typing "123+="**
- Runs discreetly in the background

ITIS, LLC - All Rights Reserved

Vaulty

- Vaulty will not only store photos and videos away from spying eyes, but it also will snap a photo of anyone who tries to access the “vault” with the wrong password.
- Parents who find it on their teens’ phones can conclude just one thing: Your kid is hiding things from you

ITIS, LLC - All Rights Reserved

Mobile Apps

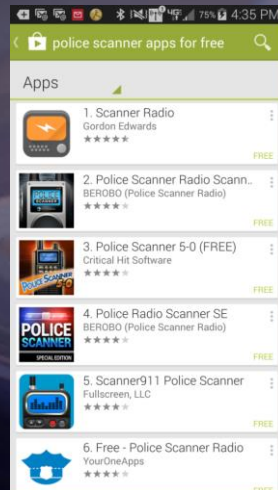


- Turns your phone camera or webcam into a visual motion triggered SpyCam.
- Your phone or webcam will auto-capture (still photo or video) any motion within it's field of vision, and then save to MicroSD or email the image.
- Can also text it to take photo or video.

ITIS, LLC - All Rights Reserved

Mobile Apps – Police Scanners

These apps and similar ones have been reported to provide near real time police radio communications from both analog and digital police radio systems!



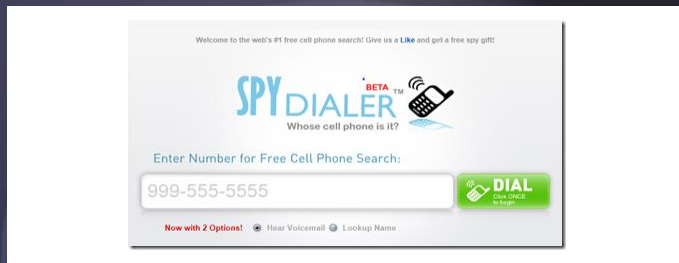
ITIS, LLC - All Rights Reserved

Mobile Apps



- Slydial
 - Dial 267-SLYDIAL (267-759-3425) from any landline or mobile phone.
 - At the voice prompt, enter the U.S. mobile phone number of the person you want to slydial.
 - You will be directly connected to their voicemail. Leave them a voicemail, sit back and relax.

ITIS, LLC - All Rights Reserved



- www.spydialer.com attempts to identify the owner of a number by routing a call directly to voicemail and then recording the greeting.
- **Only for cell phones and doesn't work 100% of the time.**
- **Called party's phone won't ring but they will see a missed call from a 775 area code**

ITIS, LLC All Rights Reserved

Questions



ITIS, LLC All Rights Reserved



Identity Theft and the Impact

The true challenges and ways to combat it

Larry Benson, Author of Fraud of the Day &
Director of Strategic Alliances, LexisNexis Risk Solutions



CONFIDENTIAL

Risk Solutions
Government

Agenda

- Types of identity theft
- Where and how are identities being stolen...
- Who is stealing identities?
- Sought after identities
- Value of identities
- Methods of identity theft
- What enables government fraud
- Great scams



CONFIDENTIAL

© 2015 LexisNexis. All rights reserved. 2

Types of identity theft/fraud

- Theft of a stranger's identity (common)
- Modification of your own identity
- Creation of a "synthetic" identity
- Use of relatives identity – with or without your permission
- Use of other's identities – with their permission (i.e. Prisoners, Homeless)



How many fake employment records?

How many times did this person "employ" his own fake identities and report withholding after stealing a business identity?

Why is your identity valuable?

- Identity = Enablement

- Drive
- Travel
- Passport, birth certificate, SSN Card – Breeder documents
- Open a bank accounts
- Bank loans
- Qualify for student loans/grants
- Credit cards
- Government benefits
- Medical services
- Purchase homes, property, vehicles
- Vehicle rentals

What's the value of your identity?

• Name, SSN, Address, and DOB	\$10 or less.
• Name, SSN, Address, DOB, and Medicare	\$100 - \$300
• Fake License	\$100 - \$400
• DMV Driver's license	\$300 - \$7,500
• SS Card	\$500
• Full info packet and Medicare number	\$1,400
- Fake license	
- Fake SS Card	
- Fake Birth Certificate	
• Full info packet	\$7,500 - \$12,500
- Real license	
- Real SS Card	
- Real Birth Certificate	

Where and how identities have been stolen...

IDENTITIES TAKEN

- 500,000,000
Yahoo breach
- 145,000,000
eBay breach
- 80,000,000
Anthem breach
- 22,000,000 fingerprints
Government breach
- 1,500,000,000+
Record breaches since 2005



IDENTITIES GIVEN

- Doctor's office
- Job applications
- Rental agreements
- Home utilities
- Insurance policies

We can still win the war on identity fraud

Sought after identities

Kids:

- Start with a clean history
- Not usually monitored by parents
- They can be used for years without detection
- Friendly Fraud – Relatives even mom and dad, It's a family Affair.

LexisNexis® RISK SOLUTIONS

CONFIDENTIAL

© 2015 LexisNexis. All rights reserved. **7**

Who presents the largest risk to your identity?

YOU!

LexisNexis® RISK SOLUTIONS

CONFIDENTIAL

© 2015 LexisNexis. All rights reserved. **8**

My Mom - Enabling Identity Theft

FACE SHEET				CareOne at Madison Avenue			
Run Date/Time: 3/26/2013 9:17:02 AM		RESIDENT ID: [REDACTED]		Admission ID: [REDACTED]		Enterprise ID:	
RESIDENT Name		Preferred Name		U.S. Citizen		Marital Status	
Benson, Evelyn H				Y		Married	
Phone#	SSN	Occupation (current or former)	Education Level	Age	Birthdate	Email	
(973) 822-0418	[REDACTED]			84	[REDACTED]		
Primary Residence							
Address		City, State, Zip		County			
1 Aberdeen Rd		Chatham, NJ 07928					
Admit From		Admit Date/Time		Discharge Date		Org Location	
Morristown Memorial Hospital		3/22/2013 2:00:00 PM				B/309/Level 3/MD SNF/MSD/New Jersey/New Jersey/CareOne	
Medicaid No.	Medicare A No.	Medicare B No.	Other Insurance				
None	[REDACTED]	[REDACTED]	[REDACTED]				
Other Relationships							
Name	Party Type	Address		Phone Number	Email		
Benson, Penny	Daughter-in-law			Cell Phone [REDACTED]			
Benson, Craig	Son			Cell Phone [REDACTED]			
Benson, Larry	Son			Cell Phone [REDACTED]			
Benson, Dorben	Daughter			Cell Phone [REDACTED]			
Prior Inpatient Stays				Surgical Procedures			
Facility (Type)	From	Thru	Code	Date	Description		
Morristown Memorial Hospital (Hospital)	3/14/2013	3/22/2013					



CONFIDENTIAL

Synthetic Identities - Who is Ms. Baker?

- | | |
|--------------------------|--------------------------|
| 1. Elizabeth Tammy Baker | 1. Elizabeth Tammy Young |
| 2. Elizabeth T. Baker | 2. Elizabeth T. Young |
| 3. E. Baker | 3. E. Young |
| 4. E.T. Baker | 4. E.T. Young |
| 5. Lizz Baker | 5. Lizz Young |
| 6. Lizz T. Baker | 6. Lizz T. Young |
| 7. Lizz Tammy Baker | 7. Lizz Tammy Young |
| 8. Tammy Baker | 8. Tammy Young |
| 9. Tammie Baker | 9. Tammie Young |
| 10. Beth Baker | 10. Beth Young |
| 11. B. T. Baker | 11. B.T. Young |
| 12. B. Baker | 12. B. Young |
| 13. Beth T. Baker | 13. Beth T. Young |
| 14. Beth Tammy Baker | 14. Beth Tammy Young |



CONFIDENTIAL

Synthetic Identities with Creative SSNs

1. Elizabeth Tammy Baker 137-00-9722
2. Elizabeth T. Baker 139-00-9722
3. E. Baker 187-00-9722
4. E.T. Baker 137-00-7722
5. Lizz Baker 137-00-9902
6. Lizz T. Baker 137-00-9720
7. Lizz Tammy Baker 187-00-3722
8. Tammy Baker 132-00-9722
9. T Baker 133-00-9722
10. Beth Baker 137-00-9722
11. B. T. Baker 137-00-3722
12. B. Baker 137-00-2722
13. Beth T. Baker 137-00-9322
14. Beth Tammy Baker 137-00-9792

The old application process

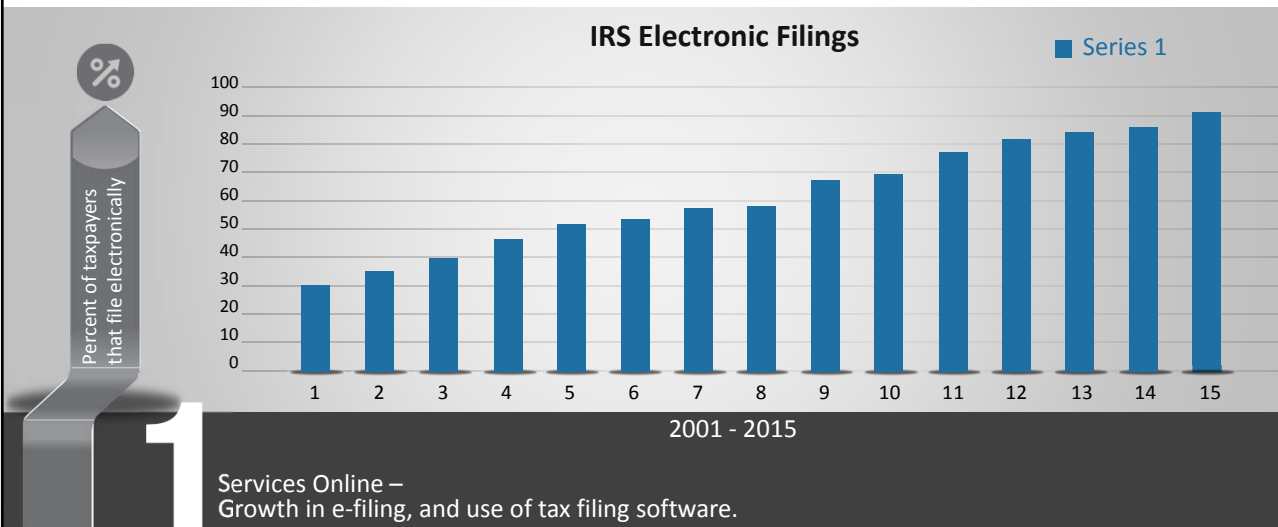
Unemployment, SNAP, WIC, Housing.....



The new application process



Technology enables identity fraud

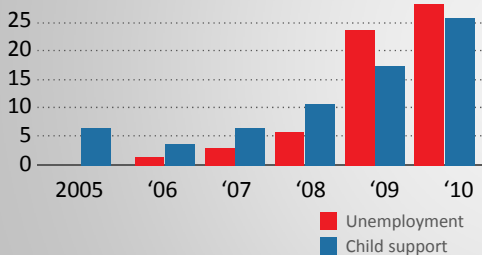


Technology enables identity fraud

Paper or Plastic?

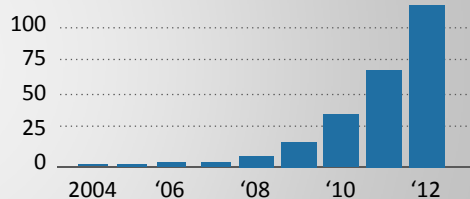
Total amount of unemployment benefits and child-support payments on prepaid debit cards

\$30 billion



Total dollars loaded on prepaid debit cards

\$125 billion



Source for Both Charts: Mercator Advisory Group, Prepaid Card Market Forecast, November 2011.

Shift to Pre-Paid Cards – Moving payments from checks to online payments, specifically debit cards



CONFIDENTIAL

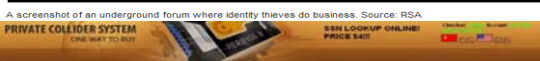
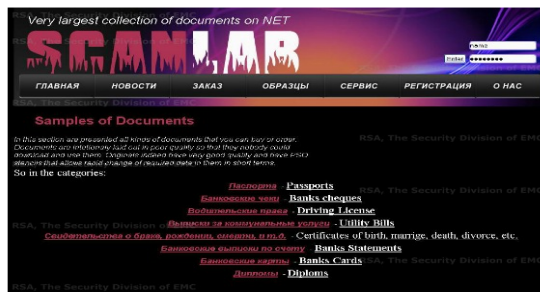
© 2015 LexisNexis. All rights reserved. 15

Selling IDs on the Black Market

A specific person's SSN can reportedly be bought for under \$10.00

In the last five years, SSNs have become so easy to obtain that thieves now usually **bundle the number with extra identifying information** like birth dates and even medical records in order to get the price up.

"Social Security numbers are a commodity in the underground right now."



Category	Item	Price
Prices for credits cards	MasterCard	10.00
	Visa	10.00
	Discover	10.00
	American Express	10.00
	Bank of America	10.00
	Chase	10.00
	Wells Fargo	10.00
	Citi	10.00
	Capital One	10.00
	Bank of New York	10.00
Prices for services	Identity Theft	10.00
	Identity Protection	10.00
	Identity Monitoring	10.00
	Identity Restoration	10.00
	Identity Repair	10.00
Tariffs for credits	MasterCard	10.00
	Visa	10.00
	Discover	10.00
	American Express	10.00
	Bank of America	10.00

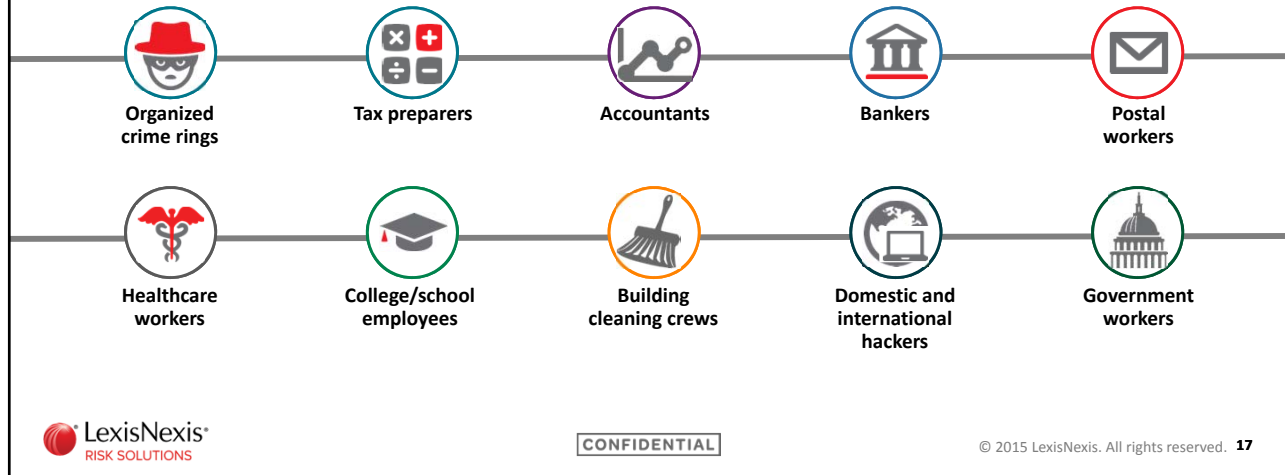


CONFIDENTIAL

LN Risk Solutions - Government 16

Who is stealing your identity?

A crime of opportunity - anyone with access to your personal information.

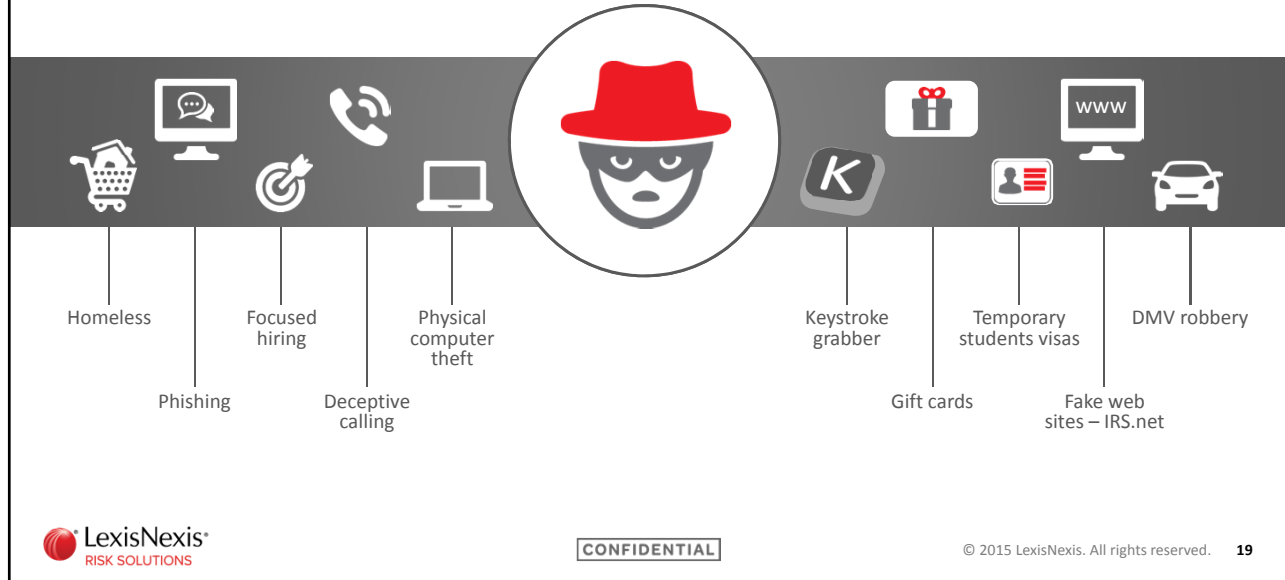


Problem = criminals getting legitimate licenses with stolen identities

- MA - Drug Dealers Running Huge ID Scam in Massachusetts
- NY - \$1M ring that sold crooks legitimate driver's licenses, stole social security numbers busted
- MA - 5 Investigates hunts down heroin dealer awash in false identities



Some methods of identity theft by organized crime



White collar crime used to be for the smart crook

USPIS with millions of dollars of un-cashed debit cards

Identity Theft is now a crime that common thieves can perpetrate in mass and the punishment is less than dealing drugs

LexisNexis® RISK SOLUTIONS

CONFIDENTIAL

© 2015 LexisNexis. All rights reserved. 20

Over \$100 million in prepaid debit cards



You can't detect fraud if you don't know about fraud.

Identity Thieves Filed for \$4 Million in Tax Refunds Using Names of Living and Dead

By Kim Zetter | April 9, 2010 | 7:40 pm | Categories: Crime

A group of sophisticated identity thieves managed to steal millions of dollars by filing bogus tax returns using the names and Social Security numbers of other people, many of them deceased, according to a 74-count indictment unsealed in Arizona Thursday.

The thieves operated their scheme for at least three years from January 2005 to April 2008, allegedly filing more than 1,900 fraudulent tax returns involving about \$4 million in refunds directed to more than 170 bank accounts. The conspirators used numerous fake IDs to open internet and phone accounts, and also used more than 175 different IP addresses around the United States to file the fake returns, which were often filed in bulk as if through an automated process.

According to authorities a Californian, 29-year-old self-described hacker named Daniel David Rigmaiden, aka Steven Travis Bravner, was the ringleader of the group. He conspired with Ransom Marion Carter, III, 43 of Arizona and at least one other conspirator who was arrested in Utah in 2008 but has not been identified in court records.

Rigmaiden has been in custody since May 2008, but Carter is still at large. The two are charged with 35 counts of wire fraud, 35 counts of identity theft, one count of unauthorized computer access and two counts of mail fraud. Authorities are also seeking a monetary judgment in the amount of \$5.5 million.

Rigmaiden is representing himself after firing three attorneys, and could not be reached in prison for comment.



- 2005-2008
- Organized Crime
- 1,900 names and SSNs (many deceased)
- 170 Bank Accounts
- 175 Unique IP Addresses
- Automated Process

Not checking to see if they are alive???

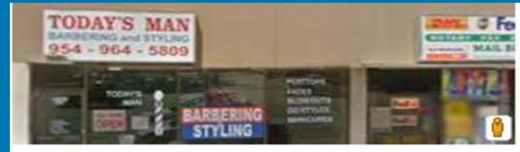
The IRS allows taxpayers to file their returns electronically and obtain their refunds through direct deposit to a bank account or to a pre-paid debit card account, which lets them withdraw the funds from an ATM.

The scam took advantage of the IRS' quick turnaround in processing refunds for electronically filed returns. The IRS typically processes a refund request without verifying the taxpayer's information — such as whether the taxpayer is alive — or confirming that the taxpayer is legitimately owed money. The crooks just needed names and Social Security numbers of victims, which they acquired from various sources, and a company's name and tax-ID number to list as an employer.

New Deceased Fraud Ring

tin	name	address	Refund Amount
154-XX-XXXX	ROLLY F.	121 PERDUE AVE STE 101	-5722
163-XX-XXXX	SHAWN L.	121 PERDUE AVE STE 102	-9776
187-XX-XXXX	MADGE L.	121 PERDUE AVE STE 103	-9004
198-XX-XXXX	DOUG L.	121 PERDUE AVE STE 104	-9004
331-XX-XXXX	ELI E.	121 PERDUE AVE STE 105	-2384
338-XX-XXXX	JOADY D.	121 PERDUE AVE STE 106	-9046
344-XX-XXXX	NATHAN B.	121 PERDUE AVE STE 107	-9004
341-XX-XXXX	GREG D.	121 PERDUE AVE STE 108	-9991
342-XX-XXXX	ROBERTA F.	121 PERDUE AVE STE 109	-8879
654-XX-XXXX	DORIS H.	121 PERDUE AVE STE 110	-9991
658-XX-XXXX	CARLY L.	121 PERDUE AVE STE 111	-9776
668-XX-XXXX	BETTY C.	121 PERDUE AVE STE 112	-8879
779-XX-XXXX	GERRY H.	121 PERDUE AVE STE 113	-5626
779-XX-XXXX	JULIANNA J.	121 PERDUE AVE STE 114	-2690
788-XX-XXXX	PAULIANNA A.	121 PERDUE AVE STE 115	-7533
798-XX-XXXX	BERRY M.	121 PERDUE AVE STE 116	-2382
805-XX-XXXX	HARMONY B.	121 PERDUE AVE STE 117	-9046
812-XX-XXXX	RANDY T.	121 PERDUE AVE STE 118	-9991
818-XX-XXXX	REBA S.	121 PERDUE AVE STE 119	-9004
828-XX-XXXX	DARLA C.	121 PERDUE AVE STE 120	-8879
842-XX-XXXX	IRIS M.	121 PERDUE AVE STE 121	-8879
908-XX-XXXX	EDDIE J.	121 PERDUE AVE STE 122	2800
919-XX-XXXX	LILLIANNA T.	121 PERDUE AVE STE 123	-9776
918-XX-XXXX	LARRY D.	121 PERDUE AVE STE 124	-9776

2,305 people died in the same year at same address for similar refund amounts – highly improbable.



Address is actually a mailbox store

LexisNexis flagged these refunds as newly deceased and not seen at input address and the best address is Out-of-State.

The fraudster made a mailbox store look like an apartment building using one address with different Apt numbers for \$16,674,911 in refunds.

All data has been altered for privacy reasons but is consistent to the actual network of fraud

Understand How to Fraud – Understand How to stop the Fraud

Prisoners getting benefits

County jails, State DOL to crack down on unemployment insurance fraud

MONTICELLO – The State Labor Department and county jails across the state are joining forces to crack down on inmates who fraudulently collect unemployment insurance benefits while behind bars.

The labor department has been doing the same with state prisoners and their friends or relatives who are filing the claims for benefits for them and Commissioner Colleen Gardner said they have begun doing the same on the county level in conjunction with the local sheriffs and the New York State Sheriff's Association.

No longer lived in jurisdiction

Nassau uncovers \$800,000 in welfare fraud

by John Callegari
 Published: March 30, 2011
 Tags: fraud, Long Island, Medicaid, Nassau County, Ronkonkoma



Nassau County Department of Social Services investigators have uncovered three instances of individuals attempting to claim Medicaid funds they were not eligible for, totaling over \$800,000. The most egregious case of Medicaid fraud involved an applicant who was no longer lived in Nassau. The individual's girlfriend submitted paperwork that stated the applicant still lived in Nassau. ...

Prisoners are getting Tax Refunds and Unemployment that Do Not Live in Your State ... and Never Have

SSN	Last_Nam	First_Nam	Midc	Street Address	Apt	City	St	Zip Code	Refund A	Best_SSN	best_address	best_city	best	curr_incar
59528	ST	DANIEL		9421 RC	205	LOWER		706	1296					Y
59168	AL	JEFFREY		9421 RC		LOWER		706	798		160 J	SANTA RC FL		Y
59484	CH	JESSE		9421 RC		LOWER		706	1112	2657	101 CH ST	PANACEA FL		
58911	TAN	DANIEL	A	9421 RC	05	LOWER		706	1238		646 TAY	CARYVILLE FL		Y
55273	FO	EARL		9421 RC	05	LOWER		706	752		1254	SALEM MO		

INMATE PROFILE 015496 DANIEL J

DC Number: 015496
 Name: DANIEL J
 Race: WHITE
 Sex: MALE
 Hair Color: BROWN
 Eye Color: GREEN
 Weight: 172 lbs
 Height: 5'07"
 Birth Date: 06/28/1984
 Initial Receipt Date: 09/18/2008
 Current Facility: SANTA ROSA ANNEK
 Current Custody: MEDIUM
 Current Release Date: 08/18/2012
 Release Date subject to forfeiture, or review, at pending review.

INMATE PROFILE 022094 JEFFREY A

DC Number: 022094
 Name: JEFFREY A
 Race: WHITE
 Sex: MALE
 Hair Color: BLACK
 Eye Color: BROWN
 Weight: 180 lbs
 Height: 5'09"
 Birth Date: 08/20/1984
 Release Facility: HOLMES C.
 Custody: MEDIUM
 Release Date: 11/14/2011

Incarcerated Flag

- Large fraud rings center around prisoners and recently released prisoners.
- This is a micro fraud ring that incorporates prisoners and others who are helping from the outside or are victims of identity theft.



CONFIDENTIAL

Paying Prisoners

tin	name	address	Refund
398-XX-XXXX	WENDELL A.	121 PERDUE AVE APT 319	(6,779)
623-XX-XXXX	BRANDY D.	121 PERDUE AVE APT 319	(1,378)
208-XX-XXXX	FRANKIE R.	121 PERDUE AVE APT 319	(1,356)
571-XX-XXXX	GERALD H.	121 PERDUE AVE APT 319	(1,353)
578-XX-XXXX	DENNY T.	121 PERDUE AVE APT 319	(1,342)
620-XX-XXXX	FREDERICK R.	121 PERDUE AVE	(1,342)
615-XX-XXXX	BEAU K.	121 PERDUE AVE APT 319	(1,339)
617-XX-XXXX	ERNIE L.	121 PERDUE AVE APT 320	(1,312)
620-XX-XXXX	ROBERTA P.	121 PERDUE AVE APT 319	(1,250)
148-XX-XXXX	DEMI R.	121 PERDUE AVE APT 319	(1,063)
617-XX-XXXX	LARRY W.	121 PERDUE AVE APT 105	(1,055)
622-XX-XXXX	BERTIE D.	121 PERDUE AVE APT 319	(1,019)
615-XX-XXXX	MARCUS T.	121 PERDUE AVE APT 319	(1,017)
616-XX-XXXX	ANDREA H.	121 PERDUE AVE APT 319	(1,016)
116-XX-XXXX	NOLA C.	121 PERDUE AVE APT 319	(1,016)
615-XX-XXXX	JEBEDIAH T.	121 PERDUE AVE APT 319	(1,016)
618-XX-XXXX	ADDIE B.	121 PERDUE AVE APT 319	(1,016)
881-XX-XXXX	JOSEPHA H.	121 PERDUE AVE APT 319	(1,016)
621-XX-XXXX	RICHARD G.	121 PERDUE AVE APT 319	(1,016)
616-XX-XXXX	DAMON S.	121 PERDUE AVE APT 319	(1,016)
384-XX-XXXX	BOBBIE F.	121 PERDUE AVE APT 319	(1,016)
619-XX-XXXX	KENNETH T.	121 PERDUE AVE APT 319	(1,016)
622-XX-XXXX	KENDELL C.	121 PERDUE AVE APT 319	(1,015)
621-XX-XXXX	MERRELL T.	121 PERDUE AVE APT 319	(1,014)

Prisoner not seen at address (yellow)

Non-Prisoner not seen at address

30 of the 98 suspicious payment requests for \$106,420 were for prisoners (highlighted in yellow)



All of the 98 suspicious payment requests were to an address that the identities were not associated with – in this case it is a retirement village.

Refund amounts are the same which is statistically improbable

All data has been altered for privacy reasons but is consistent to the actual network of fraud



CONFIDENTIAL

Is the Address Presented Associated with the Identity

118 of the total 158 payment requests coming from this apartment building are suspicious – but which ones?

tin	name	address	Refund	Bad Apartment Number
566-XX-XXXX	HARIETT L.	1921 AVENTURA DRV APT 157A	(\$6,066)	YES
810-XX-XXXX	ONHO R.	1921 AVENTURA DRV APT 313D	(\$5,855)	YES
836-XX-XXXX	GEERY R.	1921 AVENTURA DRV APT 318C	(\$5,926)	YES
839-XX-XXXX	LORLIE L.	1921 AVENTURA DRV APT 426	(\$1,254)	NO
830-XX-XXXX	MICHEAL L.	1921 AVENTURA DRV APT 255	(\$142)	NO
845-XX-XXXX	ROBERT F.	1921 AVENTURA DRV APT 460	(\$4,988)	NO
853-XX-XXXX	CRAIG M.	1921 AVENTURA DRV APT 156B	(\$6,251)	YES
909-XX-XXXX	JOSEPH V.	1921 AVENTURA DRV	(\$6,157)	NO
923-XX-XXXX	ANDREW A.	1921 AVENTURA DRV 139	(\$4,930)	NO
929-XX-XXXX	LOUIS G.	1921 AVENTURA DRV APT 158	(\$6,868)	NO
115-XX-XXXX	DARRELL K.	1921 AVENTURA DRV APT 311	(\$6,541)	YES
546-XX-XXXX	ANNA S.	1921 AVENTURA DRV 423	(\$8,752)	NO
207-XX-XXXX	KRISTY H.	1921 AVENTURA DRV APT 251F	(\$6,534)	YES
349-XX-XXXX	CINDY L.	1921 AVENTURA DRV APT 279H	(\$6,160)	YES
730-XX-XXXX	BENFRED A.	1921 AVENTURA DRV APT 275A	(\$1,875)	YES
789-XX-XXXX	CHRISTY D.	1921 AVENTURA DRV 458	(\$3,055)	NO
820-XX-XXXX	ANDREA M.	1921 AVENTURA DRV APT 156C	(\$6,350)	YES
831-XX-XXXX	MARISIO S.	1921 AVENTURA DRV APT 914	(\$6,224)	YES
847-XX-XXXX	RAMONE T.	1921 AVENTURA DRV APT 280G	(\$6,170)	YES
852-XX-XXXX	GEORGE R.	1921 AVENTURA DRV APT 260E	(\$6,040)	YES
855-XX-XXXX	MARK P.	1921 AVENTURA DRV APT 336E	(\$6,424)	YES
859-XX-XXXX	PEGGY H.	1921 AVENTURA DRV APT 251	(\$6,500)	YES
861-XX-XXXX	MARC L.	1921 AVENTURA DRV APT 275H	(\$6,414)	YES
922-XX-XXXX	TIMOTHY Y.	1921 AVENTURA DRV APT 321G	(\$618)	YES

Address exists but not apartment number

Address and apartment number exist in public records



Apartment Building with good payments and fraudulent payments

Identify the invalid apartment numbers within the valid address.

All data has been altered for privacy reasons but is consistent to the actual network of fraud



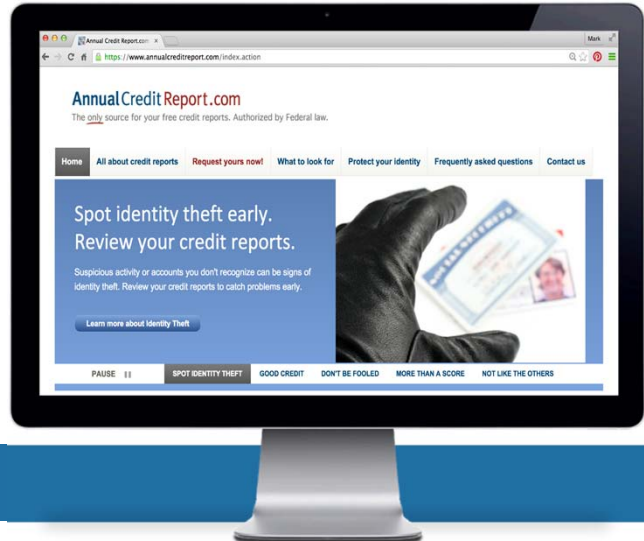
CONFIDENTIAL

Using Government Documents to Combat Fraud

Protect yourself and your family

- Check your credit report regularly.
- Freeze your identity – for yourself, spouse and children
- When your social is requested ask “Why?”
 - Ask if it is required by law.
 - How will it be protected.
 - Never give your social out if you don’t have to.

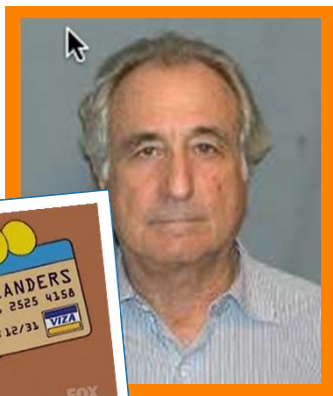
<http://www.annualcreditreport.com>



CONFIDENTIAL

© 2015 LexisNexis. All rights reserved. 28

Identity theft can happen to anyone. Don't be fooled!



LexisNexis®
RISK SOLUTIONS

CONFIDENTIAL

© 2015 LexisNexis. All rights reserved. 29

Thank you

Resources:

- IdentityGov – www.identitygov.com
- Fraud of the Day – www.fraudoftheday.com

Larry Benson,

Author of Fraud of the Day &
Director of Strategic Alliances, LexisNexis Risk Solutions
Phone: 603.489.2226
Lawrence.Benson@Inssi.com

Disclaimer

LexisNexis®
RISK SOLUTIONS

CONFIDENTIAL

© 2015 LexisNexis. All rights reserved. 30



HARSCO
Insight onsite.™

Compliance in a Corporate Environment

Linda Toth, Vice-President
Global Compliance & Ethics

Who Am I?

- In compliance since 2004
- Operations Management by training
- Information Systems and Process Improvement by experience
- Built a global compliance program from the ground up

Company Milestones



Founded in 1853 to produce railway cars

1853



Pioneers in commercial steel grating

1912

HSC LISTED NYSE

Harsco Corporation listed on New York Stock Exchange

1956

Insight onsite.™

Pacesetter innovation and worldwide market leadership

Today

1902

First seamless gas cylinders in the U.S.



1939

First full-scale metal recovery plant in the U.S.



1960s to 2000s

Global expansion and strategic acquisitions



Present Day Harsco

Diversified global engineered products and services company

HARSCO METALS & MINERALS



Revenue: ~\$1.1B

Global market leader in mill services

- Premier provider for resource recovery and environmental solutions
- 140 customer sites in 30+ countries
- Deep operational expertise providing onsite logistics and maintenance

HARSCO INDUSTRIAL



Revenue: ~\$360M

Highly engineered OEM to industrial and energy markets

- AXC: A leader in high quality air-cooled heat exchangers
- IKG: leading producer of industrial metal grating products
- PK: innovative commercial boilers and water heaters

HARSCO RAIL



Revenue: ~\$260M

Customized provider of maintenance services and equipment

- Leader in NA rail maintenance
- Large installed base
- Aftermarket expansion provides recurring revenues and is positioned to grow
- Significant opportunities for international expansion

Why Have A Compliance Program?

- Build and protect the brand
- Attract and retain customers, suppliers, employees
- Advance the business by managing risk

What Is The End Game?

"One day Alice came to a fork in the road and saw a Cheshire cat in a tree.

'Which road do I take?' she asked.

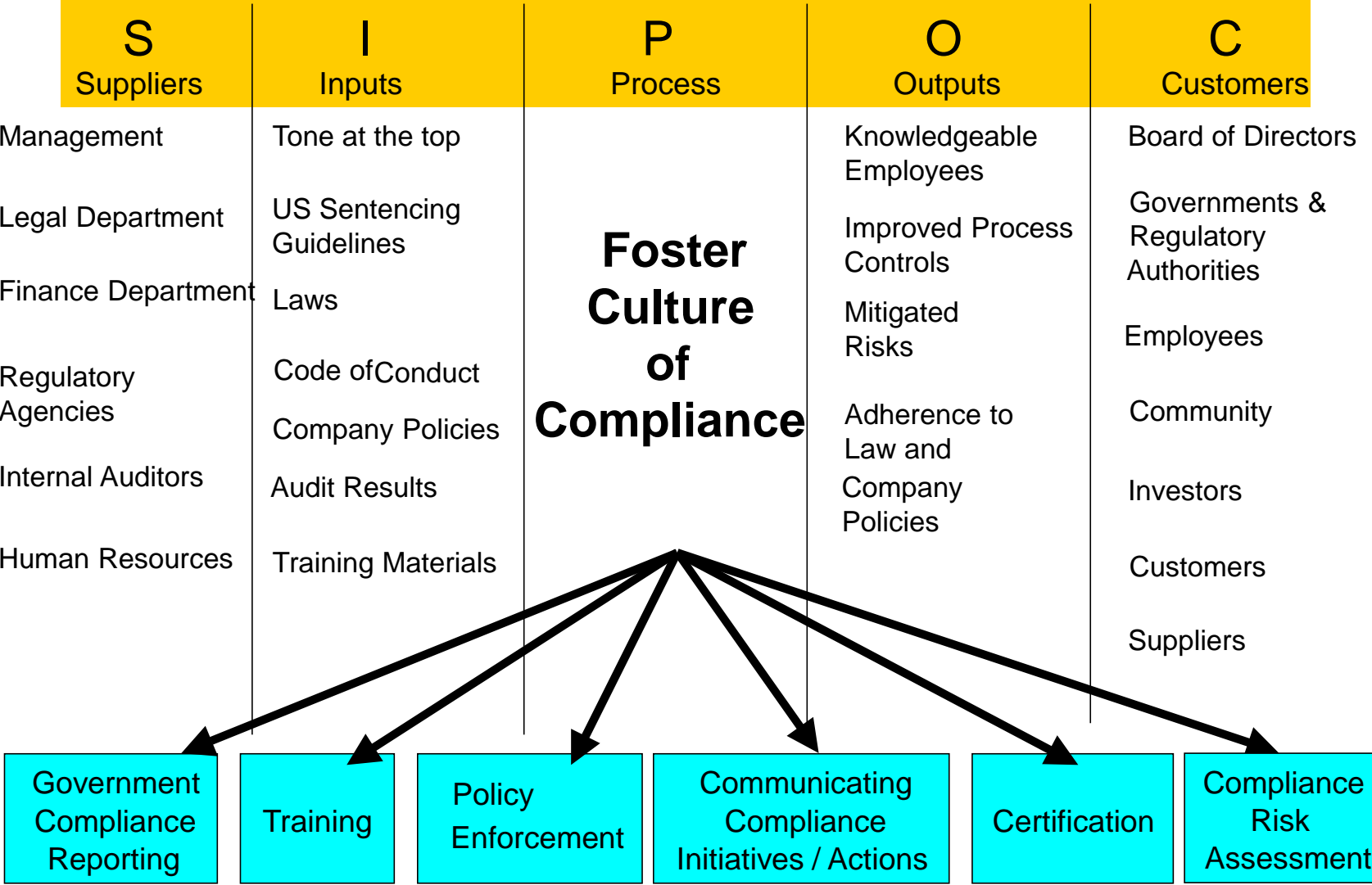
'Where do you want to go?' was his response.

'I don't know', Alice answered.

'Then', said the cat, 'it doesn't matter.'"



Defining Compliance



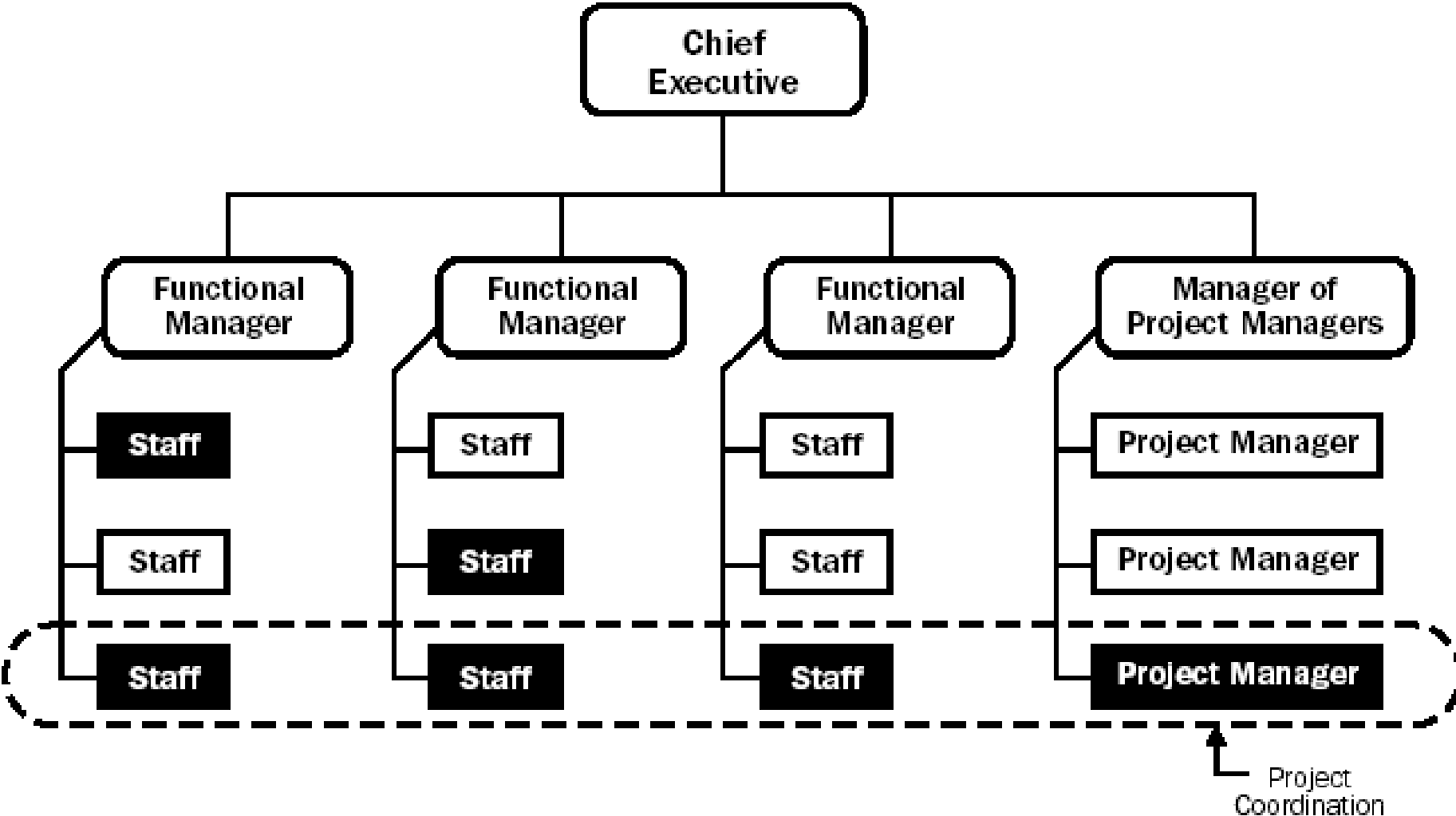
Mission Statement Examples

- Champion the **Code of Conduct and Values**
- Protect **assets and reputational interests**
- Identify potential areas of compliance vulnerability and **provide solutions that support business objectives**
- **Prevent** violations to company policy, applicable laws and regulations
- Foster channels of communication that **eliminate fear of retribution or retaliation**
- Foster a company **culture that embodies high standards of business conduct**

The Corporate Environment



The Impact Of A Matrix Environment



What Is Our Role?



How About...

Listener

Enabler

Champion

Role Model

Marketer

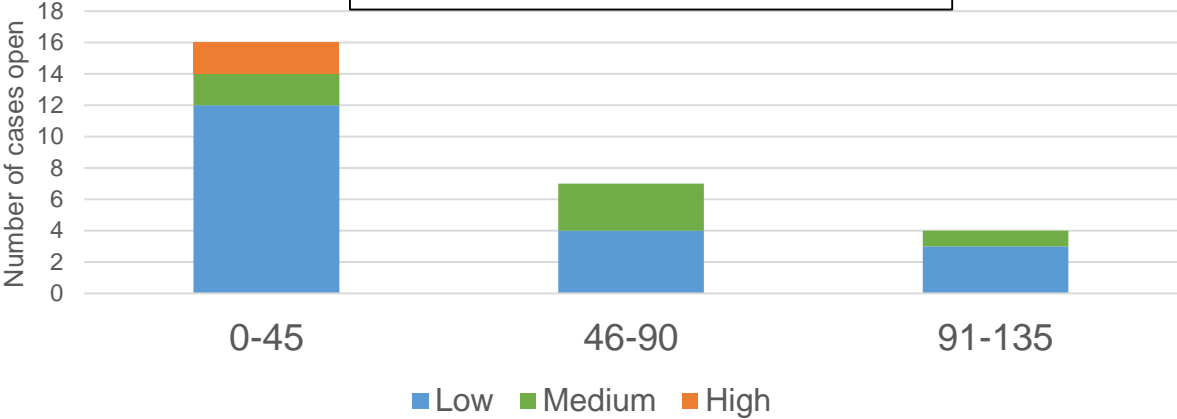
Trainer

Speaking The Language Of The Business



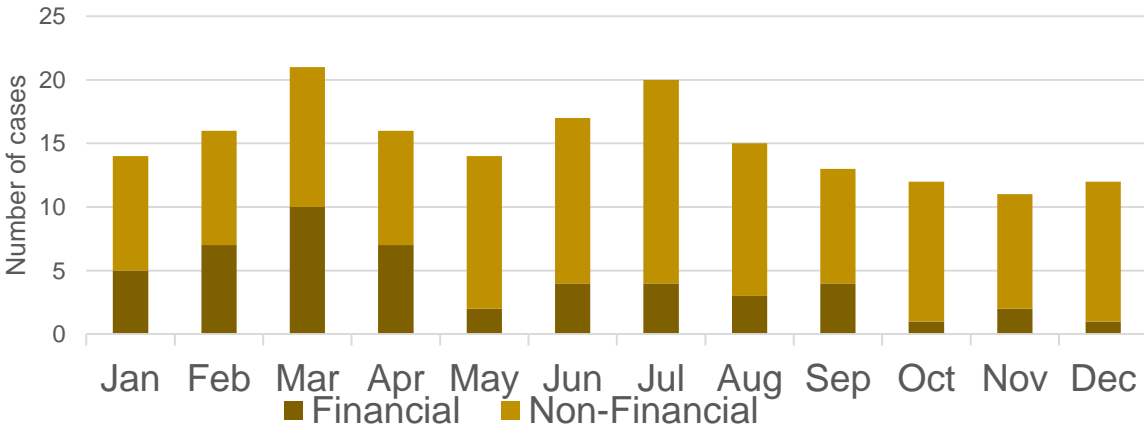
Measurement Examples (Sample Data)

Days Open by Risk Type

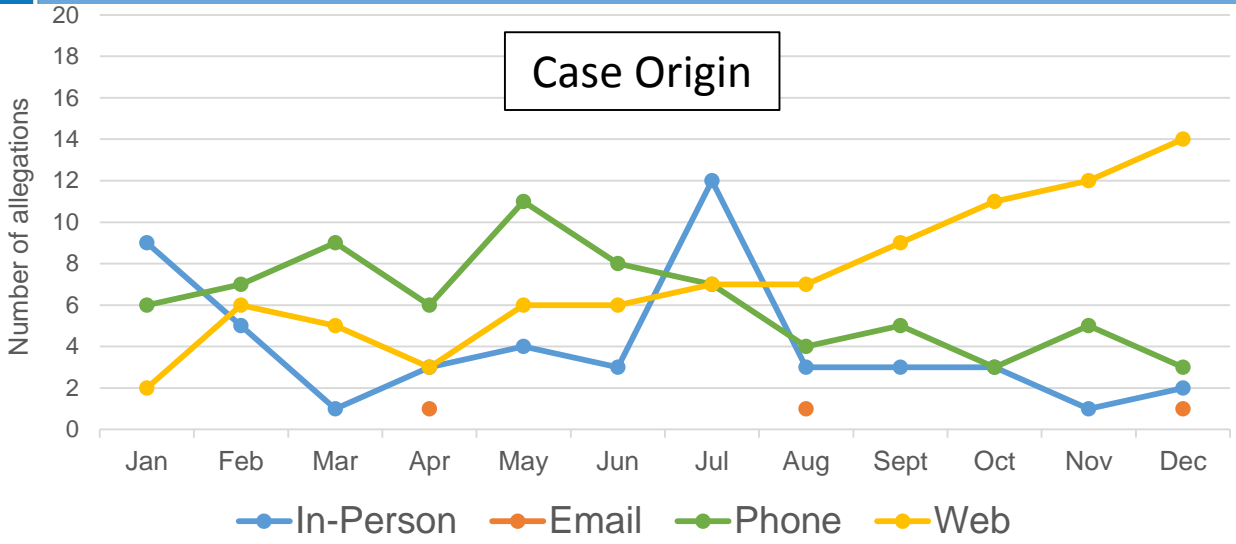


- Does this match our expectations?
- Is something changing?
- What is good news?
- What is bad news ?

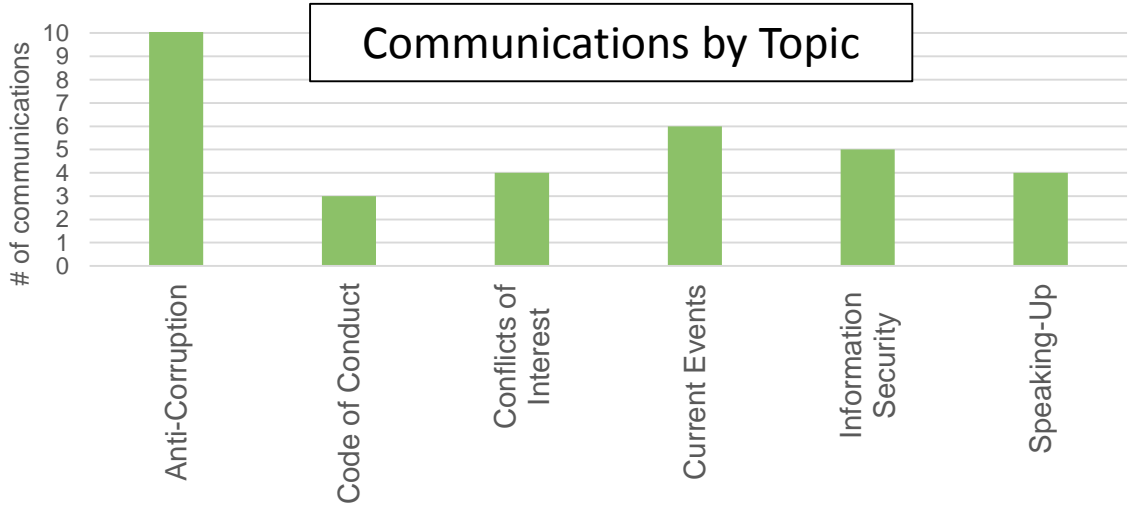
Allegations Summary



Measurement Examples (Sample Data)



- Non-traditional compliance measures can be helpful



- Tracking plans and progress of compliance tasks shows accountability



FBI
Federal Bureau of Investigation


Pittsburgh Division - Squad 5

Health Care Fraud / Economic Crimes

SSA Shawn A. Brokos

412- 432- 4171


Shawn.brokos@ic.fbi.gov



• **“Four out of five (heroin) addicts say they came to the drug from prescription pain killers.”**


M. Calabresi
Time Magazine, June 2015
The Price of Relief, Why America Can't Kick Its Painkiller Problem

Unclassified



Video



- **Kiski Video**



Overview


Topics

- **What is Drug Diversion.**
- **Understanding Pill Mills.**
- **Drug Treatments/Challenges.**
- **What is being done by FBI.**
- **Current trends and cases.**
- **What can law enforcement do?**





Drug Diversion

- **Diversion of pharmaceutical drugs for financial gain.**
 - ▶ Pharmacies, physicians, health professionals
 - ▶ “Script mills” to manufacture fraudulent prescriptions used to obtain pharmaceutical products, both controlled and non-controlled
 - ▶ Pharmacies filling known bogus scripts
 - ▶ Physicians writing prescriptions with no legitimate medical reasons – “writers”
 - ▶ Doctor/ER Shopping – “drug seekers”




Unclassified



Stats from drug seeker case

- **Kari Richards**
 - ▶ Over span of 16 months
 - ▶ 395 documented emergency room visits
 - ▶ 145 different medical facilities
 - ▶ 11 different states
 - ▶ Visited multiple hospitals in multiple states during a 24-hour time period
 - ▶ 255 pharmacy visits in multiple states
 - ▶ Visited multiple pharmacies during a 24-hour time period
 - ▶ Reviewed records indicated she was covered (“days of therapy”) by up to 10 prescriptions in one day

 **Pill Mills**

- **Common Traits**
 - ▶ A doctor who:
 - ▶ Writes an usually high amount of certain prescriptions.
 - ▶ Doesn't ask a lot of questions.
 - ▶ See patients for very short amounts of time (30 seconds).
 - ▶ Accepts cash in exchange for prescriptions.
 - ▶ Is willing to write multiple prescriptions at one visit.
 - ▶ Has patients lined up outside the practice each day.
 - ▶ Has groups of patients showing up in vans.
 - ▶ Provides a variety of seemingly unrelated services.

Unclassified

 **Pill Mills**

This facility could be located in your community.



Unclassified



Drug Rehabilitation Treatments


- **Common Treatments**
 - ▶ Methadone
 - ▶ Suboxone
 - ▶ Subutex

Suboxone

- ▣ Suboxone is a co-formulation of buprenorphine and naloxone, available as a tablet or film; both are administered sublingually.
- ▣ Naloxone reverses overdose by binding to—and blocking—opioid receptors.
 - Sublingual naloxone is poorly absorbed, but when injected, naloxone causes immediate onset of withdrawal symptoms.
 - Naloxone was added to buprenorphine to reduce the risk of diversion; Suboxone is the preferred form of treatment (over buprenorphine monotherapy).
 - Suboxone tablets are orange, hexagonal pills. Suboxone tablets and film contain buprenorphine and naloxone in a 4:1 ratio.







Drug Rehabilitation Treatments

- **Challenges – Doctors committing fraud**
 - ▶ **Methadone**
 - ▶ Extremely inexpensive, not the preferred method for Dr.'s
 - ▶ Rarely provides recovery –maintenance program.
 - ▶ **Suboxone**
 - ▶ Widely available through a variety of doctors.
 - ▶ Loose guidelines on treatment plans
 - ▶ Financial incentive for Dr.'s to maintain patients.
 - ▶ **Subutex**
 - ▶ Popular on the street due to absence of Naloxone.
 - ▶ Less expensive depending on patients insurance.

Unclassified



Some Quick Math to Answer Why

- Limit of 100 Suboxone Patients
- \$40/visit
- Weekly Visits, \$0 Copay
- Annual Income= **\$192,000**

- Prescription are \$300/month, \$1 copay
- $\$299 \times 12 \text{mth} \times 100 \text{patient} = \mathbf{\$358,800}$

- **\$550,800** Annual cost per doctor.
- Significant investment of taxpayer funds.



Why FBI Involvement?

Healthcare Fraud Perspective

- Estimated **\$60 Billion** Annually lost to fraud.
- Prescriptions billed to Medicaid/Medicare/Private insurance providers
 - (forged, fraudulently obtained, medically unnecessary)

Public Safety Issue

- Link to addiction
- Increase in crime



Unclassified



How we do it?

- **Healthcare Fraud Strike Force**

- ▶ Combines personnel and resources from the following agencies to combat the growing healthcare fraud violation:
 - ▶ US Health and Human Services –Office of inspector general
 - ▶ DEA Drug Diversion Investigators
 - ▶ Pennsylvania Attorney Generals Office –Medicaid Fraud Department
 - ▶ Unites States Postal Inspectors
 - ▶ IRS-CID
- ▶ Important because each agency focuses on a different aspect of the violation.

Unclassified




Current cases

Physician Cases:

Pain Management
Chiropractor
OB/GYN
Podiatrist
Psychiatrist
Dentist


Unclassified



New Strategy


- **Surrender DEA registration**
- In Dec. 2015, an Internal Medicine Doctor was approached
 - One of top prescribers in Pittsburgh area
 - Removed from street over 216,000 pills/year
 - Street value over \$6.2m
- In Nov. 2015, a Pittsburgh psychiatrist was approached
 - Removed over 38,000 oxycodones/year
 - Over \$1m street value
- In Nov. 2015, a Mercer County podiatrist was approached
 - Removed 148,000 hydrocodone pills/year
 - Street value ~ \$2,960,000

Unclassified





Dr. Oliver Herndon

- Joint operation with DEA began in 2011
- Internal Medicine specializing in elder care
- West Mifflin, PA then McMurray, Pennsylvania
- Pharmacy complaints
- Source utilization
- UCE utilization



Unclassified



Dr. Oliver Herndon

Age range of patients changed:
Prior to 2011 (70%) 50 and above
Post 2011 (90%) 40 and below

Number of patients changed:
200 patients to 1000 patients
80-120 per day / out of state patients



Prescription writing increased (Opana and Oxycodone)

Diagnosis of patients
young individuals being diagnosed with osteoarthritis

Law Enforcement presence

Cash payments accepted
No Gateway, No UPMC
\$200 first office visit/\$100 each additional

Unclassified



Dr. Oliver Herndon

In 2011 Dr. Herndon wrote 33,942 prescriptions

- 9651 were for Schedule II drugs
- 7693 (Opana and Oxycodone)


Total estimated loss to insurance providers*

\$2,500,000.00

- Assuming all scripts for Opana and Oxycodone written were fraudulent

Increase in street value from \$20-30 a tablet to \$40

Unclassified



Dr. Oliver Herndon

1,536,226 tablets of Oxycodone & Opana (all dosages)

Opana (10mg – 40mg extended release tablets)

- ▶ Total: 194,645 tablets
- ▶ 83% or 161,334 were for Opana 40mg

Oxycodone Tablets (10mg – 40mg tablets)

- ▶ Total: 1,275,129 tablets
- ▶ 87% or 1,112,894 were for Oxycodone 30mg+

Oxycotin Tablets (10mg – 80mg extended release tablets)

- ▶ Total: 20,789 tablets
- ▶ 91% or 18,925 were for Oxycotin 30mg+

Estimated street value ~ \$38,794,590


Unclassified



Current Trends

- **What are we seeing in your communities today?**
 - ▶ Doctors have become more aware of the problem but continue to prescribe medication if patients complains of pain.
 - ▶ Drug dealers and addicts can exploit this obligation.
 - ▶ Addiction among teenagers often start with standard medical procedures such as surgery or injury recovery.
 - ▶ Have seen people use ER's for immediate meds and easy scripts.
 - ▶ Dirty doctors avoid law enforcement scrutiny by carefully adjusting prescribing habits or patient record notes.
 - ▶ Limiting Schedule II amounts, recording services not rendered to justify meds.
 - ▶ Affordable Care Act has offered wider access to narcotics.
 - ▶ No cash out of pocket is an attraction for dealer and addicts alike.

Unclassified




What can the public do?

- Be our eyes and ears on the street
- Report pill mills
- Report questionable doctors
- Where are these drugs coming from?
- Pay attention to scripts, drugs, prescribing doctors, and pharmacies who filled

Shawn.brokos@ic.fbi.gov
Samuel.bott@ic.fbi.gov

Unclassified



Questions

Unclassified