

BDB:CBS:nl

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA

v.

BRENDA LEE HILTON,

Defendant.

) CRIM. NO. 1:17-CR-66-

)

)

) (Lane, J.)

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)

)

INDICTMENT

THE GRAND JURY CHARGES THAT:

At all times relevant to this Indictment:

FILED
HARRISBURG, PA

MAR 22 2017

INTRODUCTION

1. Insurance "Company Z" is a Swiss company which operates worldwide and provides commercial property-casualty insurance to companies throughout North America.

2. The defendant, BRENDA LEE HILTON, was employed by Company Z, at the Owing Mills, Maryland, office, as a claims specialist responsible for managing and authorizing payments relating to workers' compensation claims.

THE SCHEME TO DEFRAUD

3. From on or about July 25, 2012, through on or about April 3, 2013, the Defendant,

BRENDA LEE HILTON,

knowingly devised, and intended to devise, a scheme to defraud Company Z, and to obtain money from Company Z, by means of false and fraudulent pretenses.

MANNER AND MEANS OF THE SCHEME

4. In the course of her employment, on October 6, 2010, BRENDA LEE HILTON was assigned to manage claim #2530087433, relating to customer V.R.

5. Company Z operates an internal, web-based, computer network through which claims specialists stationed at locations worldwide enter detailed information for claim processing. Once entered, the information is transmitted to a third-party vendor located in India. From there, an electronic command is issued which prompts the printing of a check by Company Z's central check printing facility which is located in Grand Rapids, Michigan.

6. On a semi-annual basis, Company Z's Insurance Group Security Team reviews claim payments for accuracy and fraud. In the course of their investigation in September, 2013, they determined that BRENDA LEE HILTON submitted materially false claims for processing.

7. A review of the electronic system determined that on July 25, 2012, BRENDA LEE HILTON, using the username "USZ5KIO," electronically submitted a payment authorization supposedly for V.R. for "reimbursements for home modifications per WCC order" in the amount of \$17,094.55.

8. On October 10, 2012, BRENDA LEE HILTON, using the username "USZ5KIO," electronically submitted a payment authorization supposedly for V.R. for "mileage and transportation reimbursement" in the amount of \$4,763.00.

9. Additionally, on December 10, 2012, BRENDA LEE HILTON, using the username "USZ5KIO," electronically submitted a payment authorization supposedly for V.R. for "reimbursement for vehicle modification per award" in the amount of \$5,870.

10. Company Z had previously issued checks awarding V.R. compensation for these claims and thus the afore-mentioned claims were determined to be duplicative.

11. Based upon BRENDA LEE HILTON's fraudulent electronic claim submissions, Company Z issued three claim payment checks which were purportedly for V.R.'s claims.

12. The fraudulent claim submissions directed that all payments be sent to the residential address of BRENDA LEE HILTON located in Windsor, Pennsylvania.

13. Of the three fraudulent checks, two of the checks, dated July 31, 2012 and October 16, 2012, respectively, were posted to Company Z's Bank account and deposited into the bank account of BRENDA LEE HILTON.

COUNTS 1 THROUGH 3
(Wire Fraud)

THE GRAND JURY FURTHER CHARGES:

The Grand Jury hereby incorporates by reference paragraphs 1 through 13 of this Indictment.

On or about the dates set forth below, in the Middle District of Pennsylvania and elsewhere, the defendant,

BRENDA LEE HILTON

for the purpose of executing the scheme described above, caused to be transmitted by means of wire communication in interstate commerce the signals and sounds described below for each count, each transmission constituting a separate count:

<u>COUNT</u>	<u>DATE CLAIM SUBMITTED</u>	<u>CLAIM AMOUNT</u>	<u>DESCRIPTION</u>
1	July 25, 2012	\$17,094.55	Originated in Owing Mills, MD, sent to Grand Rapids, MI, via India
2	October 10, 2012	\$4,763.00	Originated in Owing Mills, MD, sent to Grand Rapids, MI, via India
3	December 10, 2012	\$5,870.00	Originated in Owing Mills, MD, sent to Grand Rapids, MI, via India

All in violation of Title 18, United States Code, Section 1343.

COUNTS 4 THROUGH 6
(Mail Fraud)

THE GRAND JURY FURTHER CHARGES:

The Grand Jury hereby incorporates by reference paragraphs 1 through 13 of this Indictment.

On or about the dates set forth below, in the Middle District of Pennsylvania and elsewhere, the defendant,

BRENDA LEE HILTON

for the purpose of executing the scheme described above, did cause any matter or thing whatever to be deposited in the U.S. Mail and delivered according to the direction thereon, as described below:

<u>COUNT</u>	<u>DATE CHECK MAILED</u>	<u>CHECK</u>	<u>AMOUNT</u>
4	July 26, 2012	#1101876594	\$17,094.55
5	October 11, 2012	#1101982135	\$4,763.00
6	December 11, 2012	#1102060465	\$5,870.00

All in violation of Title 18, United States Code, Section 1341.

FORFEITURE ALLEGATION

1. The allegations contained in Counts 1 through 6 of this Indictment are hereby realleged and incorporated by reference for the purpose of alleging forfeitures pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c).

2. Upon conviction of the offenses in violation of Title 18, United States Code, Sections 1341 and 1343 set forth in Counts 1 through 6 of this Indictment, the defendant,

BRENDA LEE HILTON

shall forfeit to the United States of America, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to the offense(s). The property to be forfeited includes, but is not limited to, the following:

a. A money judgment for approximately \$20,000.

3. If any of the property described above, as a result of any act or omission of the defendant:

a. cannot be located upon the exercise of due diligence;

b. has been transferred or sold to, or deposited with, a third

party;

- c. has been placed beyond the jurisdiction of the court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be divided without difficulty,

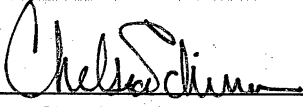
the United States of America shall be entitled to forfeiture of substitute property pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c).

All pursuant to Title 18 U.S.C. § 981(a)(1)(C) and Title 28 U.S.C. § 2461(c).

A TRUE BILL


FOREPERSON, GRAND JURY

BRUCE D. BRANDLER
UNITED STATES ATTORNEY

By: 
CHELSEA B. SCHINNOUR
ASSISTANT U.S. ATTORNEY

3/22/17
DATE