### CALIFORNIA DEPARTMENT OF INSURANCE

## Dave Iones Insurance Commissioner

We act to ensure vibrant markets where insurers keep their promises and the health and economic security of individuals, families and businesses are protected.



FOR IMMEDIATE RELEASE

June 13, 2013 (#048)

**MEDIA INQUIRIES ONLY:** 916-492-3566 (media relations office)

#### **NEWS RELEASE**

# Department of Insurance investigation leads to guilty plea from couple who bilked nearly \$2 million from hundreds of San Diego senior citizens

Court orders over \$3 million in restitution to victims

SACRAMENTO – A couple who ran a multimillion dollar scam bilking hundreds of seniors across 10 states pled guilty to several felony counts including burglary, grand theft, theft from an elder and other charges. Michael Woodward, 50, and his wife Melissa Woodward, 47, entered guilty pleas in a San Diego courtroom for their roles in scamming more than 230 San Diego area senior citizens out of nearly \$2 million.

The Woodwards were arrested on April 10 in Las Vegas and extradited to San Diego for prosecution by the San Diego District Attorney's Office. For more than a decade the Woodwards ran a \$6 million scam while operating under numerous aliases and bogus businesses by selling fraudulent in-home non-medical senior service contracts. The couple targeted seniors by telling them that for a pre-paid annual fee they would get an unlimited amount of non-medical services.

"The guilty pleas and court-ordered restitution provide a fitting end to the reprehensible crimes committed by this couple," said Insurance Commissioner Dave Jones. "A measure of justice has been granted to these victimized seniors and their loved ones that were impacted by the egregious acts of the Woodwards."

In addition to the guilty pleas, the court ordered the Woodwards to pay \$3,064,316 in restitution to their victims in California. The guilty pleas and restitution are the result of a joint investigation between the San Diego District Attorney's Insurance Fraud and Elder Abuse offices and the California Department of Insurance, which revealed that the Woodwards routinely failed to provide services they promised. Inexpensive claims such as requests for housecleaning were often paid, but when victims made claims that were more expensive, the Woodwards rejected the claim. They also returned to victims' homes to collect additional premiums that were far above the original quoted cost of the plan.

Officials are asking anyone who suspect they or someone they know have been victimized, to call the Department of Insurance at 800-927-4357 (HELP).

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#### Media Notes:

- Nationwide, victims were scammed out of nearly \$6 million.
- Michael Woodward pled guilty to theft from an elder, theft greater than \$500,000, residential burglary, transacting insurance with authorization and failure to file a tax return. He will be sentenced on August 8 to a stipulated 11 years in state prison.
- Melissa Woodward pled guilty to failure to file a tax return.
- Victims identified in Los Angeles, Sacramento, San Bernardino, San Diego, Riverside and Orange.
- Services offered include cooking, cleaning, bathing, dressing, laundry and shopping.
- Operated in up to 10 states. Criminal or civil action taken against Woodwards in Minnesota, Texas, Oregon, Washington, and California.
- Set up businesses under Secure Care, All Secure Care, Home Health America, Americane, Americane, Home Health, and US Home Care.
- Aliases include Mike Smith, Mike Woods, Mark Woods, Mike Blake and Melissa Bennett.
- Booking photos are available

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Please visit the Department of Insurance Web site at <a href="www.insurance.ca.gov">www.insurance.ca.gov</a>. Non-media inquiries should be directed to the Consumer Hotline at 800.927.HELP. Out-of-state callers, please dial 213.897.8921. Telecommunications Devices for the Deaf (TDD), please dial 800.482.4833.