



West News

## California Chiropractor and Legal Assistant Plead No Contest to Fraud

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An Encino, Calif., chiropractor Nasrin "Nancy" Hadizadeh Fathi, 43, and legal assistant Behrouz Beck Saffary, 51, have pled no contest and were found guilty of one count each of insurance fraud, the California Department of Insurance reported. Both defendants, who entered pleas on April 25, were placed on three years probation, ordered to perform 200 hours of community service and ordered to pay \$9,416 restitution. They were also sentenced to one day in Los Angeles County Jail with credit for time served.

In February 2004, the California Department of Insurance's (CDI) Fraud Division received a citizen complaint that Fathi was over-billing insurance companies for chiropractic treatment she never performed. Based on the complaint, the Fraud Division initiated an undercover investigation into Valley Spine Institute, the clinic operated by Fathi. Undercover investigators visited the clinic posing as traffic collision victims seeking treatment. On their first visit, Saffary made the investigators sign forms to be represented by the Law Offices of Karineh Avanesian. The investigators were treated by Fathi on no more than three occasions each. On their last visit to the clinic, Fathi and Saffary made the undercover investigators "sign-in" on multiple sign-in sheets to give the impression of a longer-lasting and more extensive chiropractic treatment than was actually delivered.

The involved insurance companies later received chiropractic bills from Fathi and settlement demands from Saffary, representing the Law Offices of Karineh Avanesian. 21st Century Insurance Company received medical bills and a demand for settlement in the amount of \$18,770 for the two undercover investigators' "injuries" and chiropractic treatment for 28 and 30 physical therapy visits each. Liberty Mutual Insurance Co. received medical bills and a demand for settlement in the amount of \$13,310 for one investigator's "injuries" and chiropractic treatment for 27 physical therapy visits.

According to investigators, on June 9, 2005, Fathi and Saffary were arrested by CDI Fraud Division investigators, each on two counts of felony insurance fraud. Both individuals were booked at the L.A. County Jail with bail set at \$40,000 each. At the time of the arrests, search warrants were executed at Valley Spine Institute and the Law Offices of Karineh Avanesian (the law office utilized by Saffary).

The L.A. County District Attorney's Office is prosecuting the case.

The National Insurance Crime Bureau, and the special investigative units of Progressive Insurance Co., Farmers Insurance Co., 21st Century Insurance Co. and Liberty Mutual Insurance Co. assisted the Fraud Division in the one-year investigation.

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