



DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
Insurance Division

News Release

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INSURANCE FRAUD RESULTS IN TWO NEIGHBOR ISLAND CONVICTIONS

HONOLULU – The Hawai`i State Insurance Division successfully prosecuted two cases involving insurance fraud.

Amy Waikiki Fernandez of Wailuku, Maui stole \$28,000 from Majestic Insurance Agency. From January 2006 through January 2007, Fernandez embezzled insurance premiums from customers, then issued fraudulent documentation to those customers to hide the theft. Fernandez's crime left at least 10 individuals and businesses without automobile insurance, liability insurance, and/or health insurance.

On June 23, a Circuit Court Judge sentenced Fernandez to 180 days in prison, five years of probation, and ordered her to perform 200 hours of community service and to pay restitution to Majestic Insurance Agency plus court fees.

On the Big Island, Ricson Bunghanoy of Kailua-Kona was involved in motorcycle accident. Bunghanoy was injured during the accident and taken to Kona Community Hospital Emergency Room where he was treated and released. The day after the accident Bunghanoy obtained a full coverage policy with a local insurance company with the intent to later have the insurer pay \$14,500 to repair the motorcycle.

On June 30, Bunghanoy was ordered to pay a fine of \$1000 plus court fees.

Insurance fraud affects everyone by inflating the cost of insurance. As of July 1, a new law signed by Governor Linda Lingle expanded the Insurance Fraud Branch's jurisdiction to include the prosecution of all lines of insurance. Reporting suspicious fraudulent activity may help in lowering premiums in Hawai'i.

For more information on insurance fraud call the State's Insurance Fraud Hotline at 587-7416.

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