

Dozens of homeowners arrested on false insurance claims

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MIAMI (WSVN) -- Thirty-one people have been arrested after, authorities said, they are responsible for filing false insurance claims involving 20 fires and five water damage cases totaling over \$14 million in insurance fraud.

The State Attorney's Office announced their findings and arrests following Operation Flames and Floods II. "What burnt down were just not what we thought were innocent homes. Today, by this teamwork, what burnt down was organized crime," said Florida's Chief Financial Officer Jeff Atwater.

Those arrested are facing conspiracy and racketeering charges, among others. The alleged ring leader, Public Adjuster Jorge Espinosa, is accused of staging the fraud and using recruiters to stage several fires and floods. He faces 30 years behind bars.

According to officials, homeowners were recruited to leave pots unattended, causing fires, and loosening pipes to cause floods to homes. They would then inflate the cost of damages.

"Homeowners are usually willing to pay Espinosa a minimum of 20 to 35 percent of the total insurance payments," said State Attorney Katherine Fernandez Rundle.

According to neighbors of one of the homes involved in the fraud cases, the homeowners were mostly quiet and kept to themselves.

Authorities said insurance fraud is becoming rampant and they will not stop investigating. "If you are involved in this type of fraud, keep looking over your shoulder because we're gonna be there," said Fernandez Rundle.

Espinosa was arrested back in 2014 during part one of their investigation.