

State of Minnesota
County of Hennepin

District Court
4th Judicial District

Prosecutor File No.
Court File No.

16A05333

State of Minnesota,

Plaintiff,

vs.

NYEMAH GBALAH BLAYON DOB: 01/05/1957

4520 58TH AVE N APT 224
BROOKLYN CENTER, MN 55429

Defendant.

COMPLAINT

Summons

The Complainant submits this complaint to the Court and states that there is probable cause to believe Defendant committed the following offense(s):

COUNT I

Charge: Insurance Fraud-Employment of Runners

Minnesota Statute: 609.612.2

Maximum Sentence: 3 YEARS AND/OR \$6,000

Offense Level: Felony

Offense Date (on or about): 05/20/2013

Control #(ICR#): 13000466

Charge Description: That on or about May 20, 2013, in Hennepin County, Minnesota, NYEMAH GBALAH BLAYON A/K/A OTHELLO P. GBALAH, did, with intent, act as a runner, capper, or steerer, in connection with services or benefits related to motor vehicle insurance.

COUNT II

Charge: Insurance Fraud-Employment of Runners

Minnesota Statute: 609.612.2

Maximum Sentence: 3 YEARS AND/OR \$6,000

Offense Level: Felony

Offense Date (on or about): 08/08/2013

Control #(ICR#): 13000466

Charge Description: That on or about August 8, 2013 in Hennepin County, Minnesota, NYEMAH GBALAH BLAYON A/K/A OTHELLO P. GBALAH, did, with intent, act as a runner, capper, or steerer in connection with services or benefits relating to motor vehicle insurance.

STATEMENT OF PROBABLE CAUSE

Complainant has investigated the facts and circumstances of this offense and believes the following establishes probable cause:

Complainant is a supervisory special agent for the Minnesota Commerce - Fraud Bureau (CFB).

Complainant has investigated a wide variety of crimes including white collar crimes such as insurance fraud, theft, money laundering, wire fraud, conspiracy to commit wire fraud, bankruptcy fraud and bank fraud. Complainant has investigated instances of fraud connected to the submission of claims under Minnesota's no-fault insurance laws, which, in part, require insurers pay up to \$20,000.00 for medical treatment and \$20,000.00 for lost wages for each individual involved in an automobile accident. The amounts are separate from any settlement payments, which are generally based on injuries and/or pain and suffering.

Complainant has learned that a fraud scheme has developed to take advantage of no-fault insurance law in which medical providers, e.g., chiropractors, are solicited by individuals, known as 'runners,' to treat individuals purportedly involved in automobile accidents. Some accidents are legitimate, while others are 'staged' by runners or a criminal organization. In other instances, medical providers solicit runners to procure accident victims (patients). In return for referring patients to these medical providers, the runners are paid a 'fee.' A portion of the fee, which generally ranges between \$1,000.00 and \$2,000.00, is used by the runners to pay individual patients, ensuring they will continue to seek treatment with the specific medical provider.

On April 9, 2013, Complainant received an unsolicited telephone call from K.E., a Twin Cities chiropractor who has been practicing for over thirty years. K.E. is the owner of a large chiropractic facility, Brookdale Health, located in Brooklyn Center, Hennepin County, Minnesota, that has a focus on the treatment of individuals involved in automobile accidents. Complainant learned that a chiropractor employed by K.E. had recently been contacted by an individual concerning the referral of several individuals involved in an automobile accident. The individual, who was later identified as Nyemah Gbalah Blayon a/k/a Othello P. Gbalah, dob 1/5/57, Defendant herein, claimed to have several patients who had recently been involved in an accident. Defendant indicated he was willing to refer the individuals to Brookdale Health if he received monetary payment for each referral. K.E. stated that, in addition to contacting Commerce-Fraud Bureau, he had also contacted State Farm, the insurance company for one of the involved vehicles.

Based on a discussion with State Farm investigators, K.E. met with Defendant on April 10, 2013, and recorded their meeting. During their meeting, Defendant indicated he could provide the clinic with additional patients, but K.E. needed to 'donate' money for each referral. Based on this information, SSA Ferris, together with the assistance of other CFB and Federal Bureau of Investigation (FBI) agents, commenced a criminal investigation concerning possible violations of Minn. Stat. § 609.611 (Insurance Fraud) and Minn. Stat. § 609.612 (Employment of Runners).

Your Complainant learned that on April 1, 2013, Defendant's son, Junior Gbalah Blayon, was driving a Volvo S80 when he was involved in a motor vehicle accident. Junior Blayon's vehicle, which was turning to go north on Highway 169 from eastbound Highway 7, was struck by another vehicle that did not stop for a red light. Both vehicles sustained front end damage and were towed from the scene. A Minnesota State Patrol trooper responded to the scene, spoke with the involved drivers and passengers, and wrote an accident report. According to the trooper's report, none of the occupants of either vehicle required medical care or reported being injured. An insurance claim was filed with State Farm; claim number 23-18C8-535 was issued by State Farm.

On April 5, 2013, Jennifer Gibson, a passenger in Blayon's vehicle, went to Brookdale Health for chiropractic treatment. Over the next week, Junior Blayon, Josh Blayon, and Isaac Blayon also sought treatment at Brookdale Health, claiming they suffered injuries in the April 1st automobile accident. They reported sustaining injuries ranging from moderate neck and back pain (five to eight on a scale of one to ten), headaches, ringing of the ear, and an injury to the leg. Brookdale Health did not ultimately continue treating Josh Blayon due to the fact he was 17 years old and a treatment waiver was not provided to the

clinic.

On April 5, 2013, Defendant called D.A., a Brookdale Health chiropractor. Defendant told D.A. he could provide four patients to Brookdale Health, but that he would need money in exchange for the patients. D.A. told Defendant that he didn't think they could do that, but he would speak K.E. and get back to him. K.E. contacted Defendant and scheduled a meeting for April 9, 2013.

On April 9, 2013, Defendant arrived at Brookdale Health and met with K.E. During their meeting, Defendant said he had sent four patients to Brookdale Health. Defendant indicated that neither he, nor his organization, would "charge" anything for patients, but K.E. could give a "contribution" to the African Church Rescue Mission. Defendant said the money would go to the faith organization so it could continue to work with the community. Defendant identified another chiropractor that indicated he had worked with in the past, and that chiropractor had donated to his organization. Defendant said he previously had a contract with that chiropractor. K.E. told Defendant he would think about his offer and get back to him.

On May 15, 2013, K.E. initiated a recorded telephone conversation with Defendant. K.E. asked Defendant how he could proceed to establish an agreement to receive future patients. Defendant said they would have to make an appointment to meet and have a discussion as their discussion was on "a telephone line." The next day, Defendant met with K.E. at Brookdale Health. During their meeting, Defendant initially would not specify an amount K.E. would be required to pay per patient. Defendant said, in order to refer additional patients, he needed to register with the African Church Rescue Mission. The registration fee was \$250.00. During their conversation, Defendant alluded to the source paying \$500.00 to \$1,000.00 per patient, although K.E. could charge himself 'whatever he wanted.' Defendant again claimed he had similar arrangements with several other chiropractors.

K.E. told Defendant that, after submitting medical paperwork to State Farm, the insurance company indicated the patients did not have insurance. Defendant said that his attorney advised him to have K.E. continue treating the patients. Defendant assured K.E. that payment for the treatments would be made. Defendant said if he referred more patients and K.E. made money, they could renegotiate the amount paid per patient.

On May 17, 2013, Defendant dropped off a registration form for African Church Rescue Mission at Brookdale Health. The registration form indicated Junior Blayon was the "Program Director." Attached to the registration form was a handwritten note stating: "From: Othello Please send payment on the first treatment of 4 today plus registration. Amount \$6000. New case by 5 pm at my office from Maple Grove. 612-735-8020." When K.E. spoke to Defendant later that day and said he would look at the registration form in a few days, Defendant reiterated he had a new case for K.E.

On May 20, Defendant stopped at Brookdale Health, without an appointment, to pick up the African Church Rescue Mission registration form as well as payment. K.E. told Defendant he would pay him, later in the day, a total of \$1,000.00 – \$250.00 for the registration fee and \$750.00 for the three patients being treated at Brookdale Health. Defendant returned to Brookdale Health later in the day and again met with K.E. Defendant indicated he wanted more than the \$250.00 per patient K.E. was paying him. K.E. said he would pay \$1,000.00 per person if they had insurance, but would not pay more than \$250.00 per person for this particular accident. Defendant accepted the completed registration form and a \$1,000.00 check issued to African Church Rescue Mission. Agents observed Defendant drive to Wells Fargo Bank at a point after leaving Brookdale Health.

On June 4, 2013, K.E. contacted Defendant concerning the patient who Defendant, on May 17th, had said would be referred to Brookdale Health. Defendant said the patient would be contacting the clinic that afternoon. The patient did not seek treatment at Brookdale Health. On June 22, 2013, Defendant called K.E. and said he had five or six individuals who had recently been involved in an accident. K.E. told him he was in Florida until July 1, but Defendant should contact the clinic if the people were injured in order to ensure they received treatment. K.E. said he could meet with Defendant after July 1. Defendant said he wanted to remind K.E. of the fact these people had insurance and they would not have the same issue as the first case he brought him, i.e., medical bills being denied by an insurer. K.E. said they could meet upon his return to Minnesota. Defendant did not send the patients to Brookdale Health, nor did he contact K.E. again about these individuals.

On July 9, 2013, Defendant contacted K.E. stating he had referred a patient named Comfort Dolo to the clinic on July 1. Defendant indicated Dolo had been injured after falling in a parking lot. The two agreed Defendant would stop at Brookdale Health the next day to "work it out." After their call concluded, K.E. confirmed Dolo had been treated at the clinic on four occasions (July 1, 2, 5 and 9). Dolo had purportedly been injured in a parking lot slip and fall incident. Insurance database records indicate Dolo filed a commercial insurance claim stemming from a February 12, 2012, slip and fall incident.

On July 10, 2013, Defendant arrived at Brookdale Health and met with K.E. Defendant accepted a \$1,000.00 check issued to African Church Rescue Mission. Later that day, Defendant contacted K.E. and told him he had spoken with his associates, and they needed at least another \$300.00 for the Dolo referral. The two then spoke on July 11, 2013, and Defendant said that in return for the additional money, K.E. would receive additional good cases. On July 12, 2013, Defendant arrived at Brookdale Health and met with K.E. During their meeting, Defendant again indicated he had previously referred patients to other chiropractors. They discussed how much each referral would cost going forward and agreed on \$1,600.00 per patient. Defendant accepted a \$300.00 check issued to African Church Rescue Mission. Agents observed Defendant drive to Wells Fargo Bank at a point after leaving Brookdale Health.

On July 31, 2013, Defendant told K.E. he had five people who were involved in an automobile accident. Defendant said the people all had insurance, but Defendant did not provide any of their names. Defendant told K.E., in order for the patients to agree to be treated, he had to pay them "two and two." K.E. told Defendant he was leaving to go out of town, but he would pay him for the patients the next week. Defendant said he would bring the patients to the clinic after K.E. paid him as it was "business."

On August 8, 2013, Defendant arrived at Brookdale Health and met with K.E.. When asked if he brought the patients with him, Defendant indicated the patients wanted their money first. Defendant accepted a \$2,000.00 check issued to African Church Rescue Mission. K.E. said he would pay Defendant more if the patients showed up for treatments and he was paid by the insurance company. They discussed that if all the patients came in for treatments, Defendant would be paid a total of \$8,000.00. Defendant said now that he had the \$2,000.00, he would have money to pay the patients. When K.E. asked Defendant about bringing more patients to the clinic, Defendant said he knows more people but it's a money issue. Defendant said, "Money speaks." Agents observed Defendant drive to Wells Fargo Bank at a point after leaving Brookdale Health. Defendant did not deliver the patients to K.E. as promised.

On October 24, 2013, agents conducted a probable cause arrest of Defendant. He was transported to the Commerce - Fraud Bureau for questioning. During the interview, Defendant denied being paid by K.E. for patients and said he would be surprised if the money related to a patient. He said K.E. made a "contribution" to the African Church Rescue Mission. After the interview was concluded, Defendant was booked on a probable cause charge of Employment of Runners charge. That evening, agents executed a search warrant at Defendant's African Church Rescue Mission office in Brooklyn Center, Hennepin County. An examination of the Defendant's background reveals that he had no W2 income during the period of time relevant to this investigation (April to October 2013). According to records maintained by the Minnesota Secretary of State, Defendant was identified as president of African Church Rescue Mission, Inc.

SIGNATURES AND APPROVALS

Complainant requests that Defendant, subject to bail or conditions of release, be:
(1) arrested or that other lawful steps be taken to obtain Defendant's appearance in court; or
(2) detained, if already in custody, pending further proceedings; and that said Defendant otherwise be dealt with according to law.

Complainant declares under penalty of perjury that everything stated in this document is true and correct. Minn. Stat. § 358.116; Minn. R. Crim. P. 2.01, subds. 1, 2.

Complainant

Jonathan J. Ferris
Supervisory Special Agent
85 7th Place East
Suite 500
St. Paul, MN 55101
Badge: 103

Electronically Signed:
05/17/2016 10:49 AM
Ramsey County, MN

Being authorized to prosecute the offenses charged, I approve this complaint.

Prosecuting Attorney

Susan Crumb
300 S 6th St
Minneapolis, MN 55487
(612) 348-5550

Electronically Signed:
05/17/2016 10:17 AM

FINDING OF PROBABLE CAUSE

From the above sworn facts, and any supporting affidavits or supplemental sworn testimony, I, the Issuing Officer, have determined that probable cause exists to support, subject to bail or conditions of release where applicable, Defendant's arrest or other lawful steps be taken to obtain Defendant's appearance in court, or Defendant's detention, if already in custody, pending further proceedings. Defendant is therefore charged with the above-stated offense(s).

SUMMONS

THEREFORE YOU, THE DEFENDANT, ARE SUMMONED to appear on _____, _____ at _____ AM/PM before the above-named court at 401 Fourth Avenue S, Minneapolis, MN 55415 to answer this complaint.

IF YOU FAIL TO APPEAR in response to this SUMMONS, a WARRANT FOR YOUR ARREST shall be issued.

WARRANT

To the Sheriff of the above-named county; or other person authorized to execute this warrant: I order, in the name of the State of Minnesota, that the Defendant be apprehended and arrested without delay and brought promptly before the court (if in session), and if not, before a Judge or Judicial Officer of such court without unnecessary delay, and in any event not later than 36 hours after the arrest or as soon as such Judge or Judicial Officer is available to be dealt with according to law.

Execute in MN Only

Execute Nationwide

Execute in Border States

ORDER OF DETENTION

Since the Defendant is already in custody, I order, subject to bail or conditions of release, that the Defendant continue to be detained pending further proceedings.

Bail: \$10,000.00

Conditions of Release:

This complaint, duly subscribed and sworn to or signed under penalty of perjury, is issued by the undersigned Judicial Officer as of the following date: May 17, 2016.

Judicial Officer

Bev Benson
Judge

Electronically Signed: 05/17/2016 11:44 AM

Sworn testimony has been given before the Judicial Officer by the following witnesses:

**COUNTY OF HENNEPIN
STATE OF MINNESOTA**

State of Minnesota

Plaintiff

vs.

NYEMAH GBALAH BLAYON

Defendant

LAW ENFORCEMENT OFFICER RETURN OF SERVICE
*I hereby Certify and Return that I have served a copy of this
Summons upon the Defendant herein named.*

Signature of Authorized Service Agent: