California Department of Insurance
Insurance Protection for All Californians

Workers' compensation fraud and habitual lying result in eight year sentence

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SALINAS, Calif. – Chip Kyle Bolton, 33, a resident of Arizona who formerly lived in Salinas, received a maximum sentence to prison for eight years and eight months on May, 2, 2014 by the Honorable Russell D. Scott.

"Individuals that lie, exaggerate and falsify injuries with the intent to bilk the workers' compensation system are stealing from every Californian," said Insurance Commissioner Dave Jones. "My department remains steadfast in our mission to weed out these individuals and put an end to their deceitful and greedy practices."

The sentence followed a verdict by jury in April 2014 where Bolton was convicted of seven felony counts involving workers' compensation fraud and welfare fraud charges. In sentencing the defendant, to the maximum term provided by law, Judge Scott told the defendant the one truth that was proved at trial was that Bolton was a perennial liar, it was not impulsive conduct, but it is what he does and it is a way of life for him.

Evidence presented at the trial established that in 2011 Chip Bolton reported an on the job injury to his employer. He received immediate and continued medical treatment under the workers' compensation system and placed on total temporary disability for injuries as he described to his doctor. Bolton also made statements to a claims adjuster asserting an inability to stand for more than an hour, a numbing sensation from his hips to his knee, and an inability to hold his baby daughter. On this same day, Bolton was filmed at the YMCA exercising on an elliptical machine and playing basketball. At his deposition, he denied engaging in the very activities that were captured on film.

As for the welfare fraud counts, detectives established Bolton periodically received public assistance beginning in 2009. In 2012, while receiving this assistance, Bolton applied for and received unemployment insurance benefits from the Employment Development Department. Bolton signed, under penalty of perjury, documents attesting he was not receiving unemployment benefits when in fact he received and had cashed unemployment checks. Department of Social Services subsequently identified Bolton as ineligible to receive any benefits, because he did not accurately and truthfully provide information on all his income, expenses, and the number of persons in his household.

Bolton's convictions include two counts of false/fraudulent statements in order to obtain workers' compensation benefits, one count of insurance fraud, one count of attempted perjury, one count of perjury, one count of welfare fraud and one count of grand theft. Victim restitution is ordered in the amount of $60,488 for the workers' compensation fraud; $18,912 to the Department of Social Services and $4,950 to the Employment Development Department for a total restitution of $84,350.

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Media Notes:

One count each: PC 550 (b) (2); PC 118/664; PC118; PC487; WI 10980(c)(2)
Two counts: IC 1871.4(a)(1).
Bolton's prison sentence will be served in Monterey County jail as prescribed under the recently enacted realignment laws.
Total loss of $84,350.
No booking photo available.

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