

## Two Hartford Insurance execs admit taking bribes from Houston lawyer

*By Mary Flood  
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Two Hartford insurance executives pleaded guilty to conspiracy in Houston federal court Tuesday, admitting they took BMW cars and millions of dollars in cash kickbacks from a Houston attorney they helped get settlements for his silicosis clients.

Rachel Marie Rossow, 44, and John Frederick Prestage, 39, both of Connecticut and formerly with the Hartford Insurance Co., pleaded guilty to one felony charge each of conspiracy to commit wire and mail fraud. They admitted they took money from Houston lawyer Warren Todd Hoeffner in 2002 and 2003 and helped him with lawsuit insurance settlements.

Senior U.S. District Judge David Hittner accepted the guilty pleas but noted that the pleas can be withdrawn. The pair can go back to not guilty pleas if the judge refuses to follow the prosecutors' request that Rossow not be sentenced to more than three years in prison and Prestage to no more than two years.

They can also withdraw their guilty pleas if Hoeffner gets a ruling from an appellate court saying he can't be retried. In October, Hittner declared a mistrial in Hoeffner's trial when the jury was hopelessly deadlocked.

Hoeffner's attorneys argue it would be double jeopardy for him to be retried.

Hoeffner was charged with 14 federal felony counts of conspiracy, fraud and money laundering for allegedly paying bribes and kickbacks in return for what prosecutor John Braddock called inappropriate settlement amounts.

In the trial, Braddock and prosecutor Quincy Ollison argued Hoeffner had bribed the pair up front and then gave them kickbacks for help in settling cases of clients who got lung diseases and other ailments from exposure to silica sand through sand blasters and other means.

But Hoeffner's lawyer Chris Flood argued that the insurance employees extorted the money from Hoeffner, threatening to block fair settlements for his clients. Hoeffner testified that he didn't turn them in because Rossow's boss was also her boyfriend who he thought was in on the scheme.

The plea agreements note that Rossow knew in one settlement that Hoeffner and associates represented only 60 clients though the paperwork paid them for 220 clients.

In another instance Prestage said that in the paper work for a \$4 million settlement with Hoeffner, Prestage excluded language that would have required proof that Hoeffner's clients were actually harmed by silicosis.

Under the plea agreement, Rossow and Prestage would also have to give the government one car each and much of the money they received from Hoeffner — more than \$2.4 million for Rossow and more than \$500,000 for Prestage.

During the trial Hoeffner was also accused of plying the insurance representatives with trips, spa treatments and "gentleman's entertainment."

Rossow and Prestage have agreed to cooperate with prosecutors and the IRS investigators who developed the case.

Hoeffner also faces civil lawsuits from clients and Hartford. He filed a counterclaim against Hartford.

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