

Sarasota

Insurer wins case against builder

Jury rules it must pay FCCI
\$500,000 for false forms
after worker was injured

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SARASOTA COUNTY — A jury awarded an insurance firm \$500,000 from an Englewood home construction company for doctoring employment forms when an accident left a worker partially paralyzed.

FCCI Insurance Group paid a \$1.47 million insurance settlement to the worker after Newport Building and Construction provided forms to show he was an employee at the time of the injury, an attorney for the insurance company said.

But an investigation found the injured worker, Erling Hielm, had not filled out those forms before he fell from the scaffolding at business president Darryl Newell's personal residence, where he was being paid cash for work.

And somehow Hielm's signature appeared on employment forms submitted to FCCI, even though the worker was paralyzed and sedated in the hospital

An attorney for FCCI, one of the largest private worker compensation insurance companies in the state, said it pursued the case to help stop a costly type of fraud.

"This one, which was a very close case, is the kind of area where they experience a lot of losses," Morgan Bentley said. "They felt like they needed to draw a line in the sand."

An attorney for Newport Building and Construction said Friday's verdict "vindicated" the owner because the jury did not find Newell personally responsible for the fraud.

The jury found Newport Building and Construction committed fraud, but awarded the \$500,000 under a second claim of negligence against the company.

The jury decision indicated Darryl Newell did nothing wrong. Instead, it felt other employees were to blame, attorney Jim Dirmann said.

That was important to Newell, who had been charged with a felony count of worker's compensation fraud in 2003 based on the 2002 accident. In 2006, prosecutors dropped the criminal case in which investigators from the Florida Department of Insurance said a paycheck and some documents were backdated to fool the private insurance company.

Newell filed a countersuit against FCCI for malicious prosecution.

But the jury rejected Newell's argument that he suffered more than \$5 million in damages.