



## Insurance Fraud – A Crime We All Pay For

### Key Facts:

1. Nearly 10 percent or more of a person's Auto or Homeowners policy pays for insurance fraud.
2. Property and casualty insurance fraud costs Americans \$30 billion annually – \$3 billion more than damage caused by Hurricane Andrew.
3. Based on studies, 10 percent or more of property/casualty insurance claims are fraudulent. Insurance Fraud results in increased insurance rates and higher prices for consumer goods and services – and it hits you right in the pocket.
4. Fraud is the second-most costly white-collar crime in America, behind tax evasion.
5. NW Insurance Council offers a \$5,000 Reward Fund for citizens who help investigators track down those who've committed insurance fraud. If anyone has knowledge of insurance fraud, they should call the NICB Fraud Hotline at 1-800-TEL-NICB. Callers can remain anonymous. For more information, visit NW Insurance Council at <http://www.nwinsurance.org/fraud.htm>.
6. Insurance Fraud is as simple as padding a legitimate claim to elaborately-planned schemes such as:
  - Staged vehicle accidents complete with fake injuries to collect disability, workers compensation or personal injury settlements.
  - Arranging to have a vehicle stolen and collecting the insurance money.
  - A person who sets fire to his or her home, business or other property and collects on the insurance claim.
  - A physician who falsifies medical reports and examinations to collect on a patient's personal injury claim.