

Insurance fraud costs

the U.S. a total of

**\$27.6 billion**

every year.

- From phony accident scams to the exaggeration of legitimate claims, insurance fraud is a crime.
- Insurance fraud hurts every American, but you can fight back. Learn how to recognize insurance fraud and when you see or suspect it, report it!

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# YOU CAN HELP STOP INSURANCE FRAUD.

## But Why Should You?

Insurance fraud is a problem for all of us because a total of \$27.6 billion is lost each year to insurance fraud.\* That means increased premiums for all of us. It's your money at stake.

At Encompass, we're serious about investigating insurance fraud and when we find it, we report it. You can help by protecting yourself from becoming a victim and by reporting fraud when you see or suspect it.

## Insurance Fraud Can Be Stopped.

To some people a "little" insurance fraud can seem like easy money. It may be tempting to exaggerate a claim or falsify facts on an insurance application. The risk, of course, is that if caught, insurance coverage can be jeopardized and there's the possibility of criminal prosecution, fines, even imprisonment.

Claims that have been aggressively investigated due to fraud, misrepresentation or concealment involve some of the following scenarios:

- giving the insurance company an address other than where the customer lives to obtain a reduced premium
- exaggerating the value or misrepresenting the existence of items claimed stolen in a theft
- misrepresenting the seriousness or existence of an injury or disability

\*Based on figures for property, casualty and life insurance from the Coalition Against Insurance Fraud, 2005

The people involved in those fraudulent claims found that instead of cheaper insurance or higher payoff on their claims, they were not only paid nothing for the misrepresented items, but in many cases nothing on the entire claim. Fraud costs money!

## Be Alert For Schemes And Scams.

The other side of insurance fraud is professional criminals and their corrupt accomplices who concoct elaborate schemes to fraudulently collect insurance.

One of the worst examples of this are people who stage automobile accidents, sometimes with the assistance of corrupt doctors and lawyers.

One way to help protect yourself from this type of scheme is to drive defensively. Always be alert to the possibility that the erratic driver in front of you may not be merely a bad driver, they could actually be trying to cause an accident.

## How To Stop A Fraud In Progress.

Here are some suggestions as to how to help protect yourself if you are involved in an accident, even if the circumstances don't seem suspicious.

- Call the police and make sure an official report is filed. This prevents the other driver from claiming damages that weren't caused by the accident. Be suspicious if the other driver objects.

- Make a note of how many passengers are in the other vehicle and, if you can, get all their names and addresses. This will prevent claims from being paid to people who weren't there.
- Carefully check your bills related to the loss to make sure all of the charges are legitimate.

## Report Fraud When You See Or Suspect It.

Why should you report insurance fraud? Simple. It's your money they're stealing. Sometimes, a corrupt legal or medical professional, a repair shop owner, or someone else will even offer to "let you in on the action." When that or anything else suspicious happens, tell your insurance agent or claims representative. If you want to report suspected fraud anonymously, call the

**National Insurance Crime Bureau at 800-TEL-NICB (800-835-6422).**

## Take Insurance Fraud Seriously. We Do.

As costly as insurance fraud is, you can bet we do everything we can to spot it and stop it. Our investigators have many sophisticated tools, but we need your help too. If all of us get serious about insurance fraud, we can help stop it.

