Insurance Fraud and Scams

DON'T BE A VICTIM!

Beware and protect yourself from these insurance fraud schemes and scams.

Cunning fraudsters have perfected their skill and work daily to take advantage of well-intended insurance consumers who want to protect their assets. All consumers are impacted by insurance fraud and scams, even if not directly targeted. The Coalition Against Insurance Fraud estimates that at least $80 billion in fraudulent claims payments are made annually. Who ultimately pays for insurance fraud? All of us!

As a result of insurance fraud:

- Insurance companies may increase premiums to offset the loss
- The cost of goods and services may increase
- The insured property may be unnecessarily damaged or not repaired properly

General Insurance Scams

Policy Cancellation

A person(s) contacts you and pretends to be an insurance agent or representative from the insurance company and threatens to cancel your coverage if specific personal information or actions are not taken.

Unlicensed Agent

An agent who is not licensed by the Florida Department of Financial Services or not authorized to sell insurance for a specific insurance company. If you purchase a policy from an unlicensed or unauthorized agent, the policy is not valid and you will not have coverage.

Misrepresentation of Insurance By Agent

Misrepresentation occurs in many forms but the most common is misleading the consumer to believe more coverage is available or the coverage period is longer. It occurs often with short-term or limited benefit health insurance plans. Misrepresentation also occurs when non-insurance products are presented as insurance, such as discount medical plans.

FLORIDA'S INSURANCE CONSUMER
ADVOCATE
FLORIDA DEPARTMENT OF FINANCIAL SERVICES
Tasha Carter

Automobile Insurance Scams

Repair

Unnecessary repair(s) or pretending to repair a vehicle in order to file a fraudulent or inflated insurance claim or to access your personal information. This type of scam also occurs with homes and other property.

Staged Auto Accidents

A person(s) intentionally causes or stages an automobile accident in order to file fraudulent or inflated insurance claims for repairs, injuries, etc.

Healthcare Insurance Scams

Fraudulent Medical Charges

A medical provider charges for services that were not performed or falsely inflates the cost of services in order to file fraudulent insurance claims and receive payment.

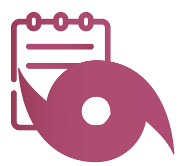
Medical ID Theft

A person using your identity and insurance to obtain medical services or prescriptions.

Property and Casualty Insurance Scams

Unlicensed Contractor

A person represents themselves as a licensed, professional contractor when, in reality, they have not been licensed by the Department of Business and Professional Regulation. The unlicensed "professional" may also misrepresent their workers' compensation and/or liability insurance coverage to give the impression that they are properly insured. Unlicensed contracting work is illegal and dangerous for you, as a consumer. Using an unlicensed contractor can put you at risk of receiving unsatisfactory, subpar repairs, which could potentially cause more issues in the future or even cause severe injury to you or someone visiting your property.



Offers to Sale or Increase Insurance Coverage During a Disaster

A person(s) pretends to represent an insurance company and offers to sale or increase your coverage immediately before or during a disaster. When the National Weather Service issues a hurricane or tropical storm watch or warning for any part of Florida, many insurance companies cease binding new or additional homeowners' or renters' insurance coverage. When this occurs, insurance coverage cannot be purchased until 72 hours after the last watch or warning has been lifted.

Licensed Insurance Companies and Agents

Be sure that your insurance company or agent is licensed to do business in Florida by searching for the company on the Office of Insurance Regulation's website - www.FLOIR.com/CompanySearch - or by searching for the agent on the Department of Financial Services website - https://LicenseeSearch.FLDFS.com.

Conduct Business Through Licensed Professionals

Purchase and make changes to your insurance through a licensed insurance agent or your insurance company directly. If you feel your coverage has been or will be canceled, contact your agent or insurance company immediately. Verify identity before making any payments or providing personal information.

Verify Policy Repair Guidelines

Check with your insurance company before making repairs to your vehicle, home, etc. to ensure you follow policy guidelines and policyholder obligations.

Use Legitimate Repair Companies

Verify that repair companies/vendors are legitimate, and have the proper liability and workers' compensation insurance coverage.

Review and ensure you understand any documents or contracts before signing.

Carefully Review Your Explanation of Benefits (EOB)

After receiving medical services, your insurance company may provide you with an Explanation of Benefits, which is an overview of all of the services or prescriptions you received, fees that the insurance company paid on your behalf and your financial obligations. It also lets you know that the company has processed your insurance claims. Review your EOB to ensure no unauthorized medical services or prescriptions are listed or were billed to your insurance company. If there are unauthorized entries, contact your insurance company immediately.

Be Leery of Unsolicited Calls

Companies should not call you unsolicited requesting personal information or asking you to verify details of your insurance coverage.

Do Not Trust The Caller ID

While the name and number may appear to be that of an insurance company, it may be a scam artist attempting to obtain your personal insurance information.

Protect Your Insurance Information

Don't allow anyone to use your insurance card for services or to make fraudulent insurance claims.

Monitor Your Credit Report

Check your credit report to ensure no one has opened up new lines of credit in your name for the purposes of receiving medical care, i.e. credit cards that specifically cover medical or dental procedures. Visit www.AnnualCreditReport.com to review your free credit report.

Stay Informed on Fraud and Scams

Sign up to receive Consumer Alerts from your Insurance Consumer Advocate to learn about emerging scams and the various types of fraud. Sign up at:

www.MyFloridaCFO.com/Division/ICA/ConsumerAlerts

Insurance Fraud and Scams Resources

Florida Department of Financial Services | Office of the Insurance Consumer Advocate
850.413.5923 | www.MyFloridaCFO.com/Division/ICA

Florida Department of Financial Services | Division of Consumer Services
Toll-free Insurance Consumer Helpline | 1.877.693.5236 | www.MyFloridaCFO.com/Division/Consumers

Florida Department of Financial Services | Division of Insurance Agent and Agency Services
Verify Agent License | 850.413.3137 | www.MyFloridaCFO.com/Division/Agents

Florida Department of Financial Services | Criminal Investigations Division
Report Insurance Fraud | 1.800.378.0445 | www.MyFloridaCFO.com/Division/CID

Florida Department of Financial Services | Division of Workers' Compensation
Verify Workers' Compensation Coverage | 850.413.1609 | www.MyFloridaCFO.com/Division/WC

Florida Department of Business and Professional Regulation
Verify Contractor License | 850.487.1395 | www.MyFloridaLicense.com

Florida Office of Insurance Regulation
Company Search | www.FLOIR.com/CompanySearch
Life and Health Companies 850.413.2512 | Property and Casualty Companies 850.413.2575

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