

A Message from Our Office

Fraud is a crime that infiltrates every type of insurance and makes victims of all consumers by inflating premiums and increasing the cost of buying goods and services.

The money that goes out to criminals committing insurance fraud is coming out of the pockets of honest consumers. Insurance fraud is the second most costly white-collar crime in America behind tax evasion. We want to reduce insurance fraud and need your help to do it.

If you have any questions, need additional information, or would like to report suspected insurance fraud, please contact The West Virginia Offices of the Insurance Commissioner's Fraud Division toll-free at **1-800-779-6853** or visit our website at www.wvinsurance.gov. An insurance fraud referral form can be located under the "forms" section of the website and may be completed and submitted via the internet.



What Is Insurance Fraud?

Most people are truly honest, but there is still a lot of insurance fraud on the streets. The following are just a few of the schemes....

Dollars and dents: Organized crime rings lure innocent motorists into staged car accidents to make large claims for fake injuries and inflated car repairs. Often the crooked car is full of passengers who pretend to be seriously hurt.

Little white lies: Normally honest people sometimes tell their insurance companies "little white lies" to scam a few dollars; like lowballing how many miles you drive so you can get a lower auto premium, or falsely adding a few CDs to a claim when your home is burglarized.

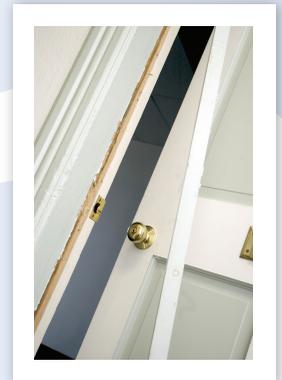
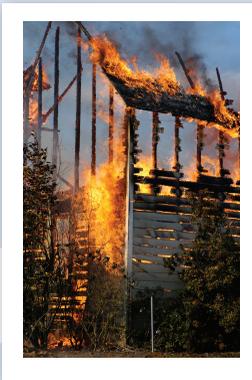
Property crimes: You falsely claim that expensive items, like your stereo, furniture or computers were stolen from your home or business, or lost in a fire. Some criminals even burn down their homes and businesses for insurance money.

Slips and falls: A cheater walks into a store and pretends to slip on a wet floor or stray object, then makes a large claim for a fake injury. Small businesses are often the target of this kind of fraud.

Workplace cons: Some employees will fake or exaggerate workplace injuries to fleece workers' compensation money they don't deserve. Also, some businesses illegally lower their workers' compensation premiums by telling the insurance company they have fewer employees than they really do.

Agent swindles: crooked agents may inflate your premiums by secretly slipping unneeded coverage into your policy. Dishonest agents may also pocket your premium checks instead of paying for your policy, leaving you dangerously uncovered.

Insurer scams: Cheaters create phony insurance companies that fool you into buying worthless coverage.



Penalties

The WV Offices of the Insurance Commissioner's Fraud Division works closely with law enforcement agencies and prosecutors across the state in investigating and pursuing criminal convictions of those individuals committing insurance fraud. Penalties for filing a fraudulent insurance claim include:

- If the benefit sought exceeds \$1,000, the crime is a felony and subject to a fine of not more than \$10,000 and/or not less than one or more than ten years in jail.
- If the benefit sought is less than \$1,000, the crime is a misdemeanor and subject to a fine of no more than \$2,500 and/or not more than one year imprisonment.

Protections for those who in good faith report suspected insurance fraud are as follows:

- Immunity from civil liability for reporting suspected insurance fraud
- Documents/information obtained in fraud investigations are confidential and not subject to FOIA requests

