

# INDICATORS OF INJURY FRAUD

## Pedestrian/Product Liab/Slip&Fall/Rental Veh/Workers *Detection—The First Line of Defense*

PART 2 OF 2

**MOST** claims are legitimate, but some are fraudulent. Therefore, it is appropriate to review all claims for possible fraud. Detecting fraud is aided by familiarity with industry identified fraud indicators.

**INDICATORS** assist in the identification of claims which merit closer scrutiny. The presence of an indicator (or several indicators) do not prove fraud. Indicators of possible fraud are not actual evidence, they only “indicate” the need for further investigation.

**SOME** claims, although questionable, may be paid due to a lack of conclusive evidence of fraud. However, they should be submitted as questionable claims to NICB for further review.

**DOUBLE** asterisk (\*\*) indicates the possibility of organized group activity.

For additional information on the following indicators, please see the NICB’s Interactive Indicator Guide. This Guide is a software application providing the concern associated with each indicator as well as suggested resolution steps. The Interactive Indicator Guide is

available from the NICB Document Download Center ([nicbdocs.org](http://nicbdocs.org)).

**Initial Indicators:** Usually identified in the initial/early processing of the application or claim.

**Subsequent Indicators:** Usually identified as the application or claim

processing continues. May also suggest areas of additional inquiry.

When viewed as a PDF, utilization of the bookmark function will provide the ability to choose an indicator topic or Control F can be used to rapidly locate specific key words within the indicators (e.g. address, receipts, police, etc.).

### **Pedestrian Accident Indicators (Initial)**

- Accident occurred in slow moving traffic.
- Accident occurred when the insured was leaving or entering a parking space.
- Accident occurred when the insured was making a turn.
- Body movement after impact, as described by the claimant, is not consistent with laws of physics. \*\*
- Injuries of the claimant are not consistent with the type of vehicle that allegedly struck them (e.g. lower bumper height and high leg injuries or vice versa).

- Insured indicates that he/she was stopped and the pedestrian ran out into the street and punched the vehicle in order to simulate an impact. \*\*
- Insured` indicates that there has been a prior dispute or altercation with the pedestrian (e.g. feuding neighbors, money is owed, road rage, etc.).
- Insured indicates the pedestrian laid down in front of the car and pretended to have injuries. \*\*
- Insured reports their vehicle had little to no contact with the pedestrian.
- Insured reports their vehicle lightly struck something the pedestrian was pushing across the street; later the pedestrian files an injury claim. \*\*
- Insured states the pedestrian walked into the side of his/her vehicle. \*\*
- License plate number (or any part of it) of the hit and run vehicle is not known by the injured pedestrian involved or any witnesses. \*\*
- Pedestrian claims they were struck by a hit and run vehicle. \*\*
- Pedestrian impact occurred around the holidays when people may be looking for instant money.
- Vehicle allegedly striking the pedestrian was a commercial vehicle that carries high bodily injury limits. \*\*
- Witnesses are not available although the accident allegedly occurred at a busy location.\*\*

#### **Pedestrian Accident Indicators (Subsequent)**

- Injured person is employed as a bicycle delivery person/messenger, and no claim is made for the bicycle. \*\*
- Pedestrian/claimant has no evidence of, and there has been no medical treatment for, injuries resulting from secondary impact with the ground (e.g. "road rash").

#### **Product Liability – Claim Indicators (Initial)**

- Evidence of foreign or contaminated substance not available; individual threw food out and has only the can, box or wrapper.
- Receipt or proof of purchase of the food product cannot be provided.
- Reported the illness immediately after consumption, although food poisoning symptoms take time to present themselves.

#### **Product Liability – Claim Indicators (Subsequent)**

- Only person reporting an illness from a food product served to numerous other customers is the claimant.

#### **Rental Vehicle – Claim Indicators (Initial)**

- Primary driver is not in the rental vehicle and there is an authorized additional driver who is driving at the time of the accident. \*\*

- Purchased the property damage waiver coverage (when renting a vehicle) and all available insurance. \*\*
- Vehicle was struck by a rental vehicle soon after the rental had occurred. \*\*

### **Rental Vehicle – Claim Indicators (Subsequent)**

- Cash used to pay for rental. \*\*
- Did not rent dolly, boxes or moving pads, if renting a truck. \*\*
- Rental vehicle is driven very few miles. \*\*
- Rented a vehicle from a dealer or agency "across town" as opposed to a closer location. \*\*
- Unemployed, but used cash to rent a vehicle. \*\*

### **Rental Vehicle – Vehicle and/or Vessel Indicators (Initial)**

- Makes an allegation that a defect with the rental vehicle caused the accident. \*\*

### **Slip and Fall – Incident Indicators (Initial)**

- Delay (often significant) in reporting the incident by the slip and fall claimant. \*\*
- Minor slip and fall produces major medical costs and unusually expensive demands for pain and suffering.
- Owner or employee may report that the claimant or witness was in the establishment prior to the slip and fall incident observing customers and/or canvassing the area. \*\*
- Owner or employee who witnessed the slip and fall incident presents different facts of loss or circumstances of the slip and fall than the claimant or other witnesses.
- Prop is used by the claimant to support or inflate the claim (e.g. previously broken glasses, dental plate, jewelry, iPod, mp3 player, cell phone etc.). The same personal property may have been damaged in previous slip and fall incidents. \*\*
- Slip and Fall is unwitnessed. \*\*
- Substance on the floor is undisturbed after the alleged slip and fall.
- Substance slipped on is not usually found at that type of store (e.g. slipping on a French fry in an electronics store).
- Substance the claimant slipped and fell in is not found on claimant's clothes or shoes.

### **Slip and Fall – Incident Indicators (Subsequent)**

- Claimant's body did not move in accordance to the laws of physics (falling forward or backwards) based on the reported facts of the slip and fall. \*\*
- Scene inspection revealed there was no defect in the surface (sidewalk, flooring etc.) that allegedly caused the slip and fall.

### **Workers Comp - Accident Indicators (Initial)**

- Accident is not witnessed or witness description of the accident conflicts with the injured employee's version.
- Accident occurs just prior to a strike, layoff or near the end of probationary period.
- Accident occurs shortly after the employee reports to work on Monday (or late Friday afternoon).
- Activity causing the accident is not the type that the employee should be involved in (e.g. an office worker who is lifting heavy objects on a loading deck).
- Injury is at odd time (e.g. at lunch hour).
- Injury reportedly occurs early Monday morning and no one can verify seeing the injured worker prior to the injury.
- Location of accident occurs in an area where injured employee would not normally be.
- Report of incident is not promptly made by the employee to his/her supervisor.

### **Workers Comp - Accident Indicators (Subsequent)**

- Accident shares many of the same factors of other claims reported by other employees in a relatively short period of time. \*\*
- First report of claim contradicts the description of accident set forth in medical history.
- Rumors circulating among co-workers that the accident was not legitimate.

### **Workers Comp – Claim Indicators (Initial)**

- Employee is immediately referred for a wide variety of psychiatric tests, when the original claim involved employment related trauma only. These claims usually present with vague complaints of "stress". \*\*

### **Workers Comp – Claim Indicators (Subsequent)**

- Total disability is determined at the initial treatment visit and remains that way through the life of the claim. \*\*

### **Workers Comp – Claim Reporting Indicators (Initial)**

- Details concerning the workplace accident are vague or contradictory.
- First notification of injury or claim made after employee is terminated or laid off.

### **Workers Comp – Individuals Involved Indicators (Initial)**

- Check/payment for workers compensation benefits is picked up at the office.
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- Complaints are made by the employee to the insurer's CEO or executive management to press for a claim determination.
- Employee is new on the job. \*\*
- Physician is changed by the employee when a release for work has been issued.
- Time off requested by the employee seems more than the claimed injury

would warrant.

- Uncooperative on a consistent basis.
- Visits to the employee's home or rehab are not allowed by the employee or the employee specifies there must be ample warning time prior to the visit.
- Wages are disputed due to additional income (e.g. cash, per diem and/or 1099 income).
- Work done by the employee is seasonal and about to end.

### **Workers Comp – Individuals Involved Indicators (Subsequent)**

- After injury, employee is never available.
- Application for employment has material misrepresentations.
- Appointments (including medical) are canceled or "skipped" and/or the employee refuses a diagnostic procedure to confirm an injury.
- Condition/injury suffers an "aggravation" when the employee is nearing his/her return to work date.
- Contact sports participant or has physically demanding hobbies.
- Disability policies recently purchased by the employee.
- Disgruntled, soon-to-retire, or facing imminent firing or layoff.
- Financial difficulties are being experienced by the employee.
- Protests about returning to work and never seems to improve.
- Rehab report review describes the employee as being muscular, well-tanned, with callused hands and grease under the fingernails.
- Relocates often and has a history of short-term employment. \*\*
- Surveillance or a "tip" indicates that the totally disabled worker is currently employed elsewhere.
- Time off (especially if unexplained or excessive) was taken prior to claimed injury.