



Making News

Reporters continue to rely on the coalition to help alert consumers about scams and the high costs of insurance fraud. The coalition generated nearly 1,500 stories last year, covering 32 topics across all aspects of insurance fraud. Both are coalition records. Our coverage spanned print, online, news blogs, TV and radio. High on many reporters' agendas was — and still is — whether the sagging economy is spiking insurance fraud.

Home arsons. The coalition gained national headlines for months after first breaking the news story that desperate people were torching their homes to seek an insurance bailout from foreclosure. Dozens of news outlets covered the story at the coalition's prompting, including the *Los Angeles Times*...*Washington Post*...*CNN*...*Fortune*...*Bloomberg*...influential blogs for *US News & World Report* and *USA Today* and *Good Morning America*.

Vehicle giveups. Fake auto thefts are spreading fast as anxious drivers try to fraudulently dump unwanted vehicles for insurance payouts, the coalition has determined in research of at least a dozen states and other jurisdictions. With the trend beginning to appear national in scope, the coalition alerted the news media. Our goal is to let consumers know it's a dumb idea to dump their cars. Law enforcement and insurers are watching, and there's a good chance scammers will get caught.

We're setting up *Good Morning America* with law enforcement for a helicopter ride to film vehicle dumping grounds outside of Las Vegas. Exposés have appeared in the *Washington Post*...*Hartford Courant*...*Newark Star Ledger*...and the *New York Post*. We're working on stories with *Associated Press* and *New York Newsday*, and stories also have appeared on *NBC-TV* (*Pittsburgh* and *Washington, D.C.*), plus in the *National Underwriter*...*BestWire* and other trade publications. A *Reuters* wire story appeared widely as well. More is planned.

Other successes. Airbag fraud continues to fascinate reporters — the coalition was featured in *Reader's Digest* ("Dashboard Danger") and a two-part investigation by *National Public Radio*. A story about shady medical discount cards just aired on *CNBC*. Agent fraud was the focus of a recent feature the coalition placed in *Forbes*. The *Chicago Tribune* zeroed in on fast-spreading medical identity theft, featuring the coalition as a national expert.

Keep us informed. Reporters keep asking — is the economy igniting more insurance fraud? We encourage you to contact us with new trend info, cases and data so we can place more news stories. Any insights on auto giveups...foreclosure arsons...workers comp claims? More expensive personal items such as diamond rings are mysteriously "disappearing" from homes, says John Sargent, SIU manager at MetLife. What else is happening? Keep the coalition informed as the experts who see what's happening on the front lines.

Sample news stories can be viewed [online](#).



Protecting Consumers

The coalition placed consumer columns with community newspapers and radio stations around the U.S. to help protect Americans from life-threatening cons.

Deflating airbag scams. Crooked body shops and others are replacing good airbags with tennis sneakers, beer cans or cheap knockoff bags and then charging insurers full freight for new bags, the coalition warns in a consumer column sent to newspapers and radio stations around the U.S.

Nearly 1,000 news outlets used these life-saving public-safety airbag warnings from the coalition this year, totaling 55 million circulation.

Body shop bilkers. Another urgent safety message went out in a column warning about dishonest body shops that make people's vehicles unsafe by billing insurers for shoddy or phantom repairs. The column went out in late 2008. More than 300 newspapers with 29.6 million readers already have used the column. More are expected in 2009.



Shamers: Amazing Disgrace

In an annual rite of dishonor, the coalition outed the nation's most brazen miscreants with election—or more like imprisonment—into the Insurance Fraud Hall of Shame. This year's nine masters of disaster gave Wall Street crooks a good name. Check out the full cellblock at www.InsuranceFraud.org and the winter *Fraud Focus*. Both will appear later this January. Among the princes of perfidy:

Burning with desire. Kenneth Allen led an arson gang that torched at least 50 houses for insurance payola, mostly in the Indianapolis and Muncie areas.

Truth decay. Parents will tell their kids to eat their Brussels spouts or else...they'll be sent to two North Carolina dentists who routinely did root canals and cavity drillings on children with healthy teeth. Two kids each had at least 16 useless root canals done and steel crowns inserted—in one sitting.

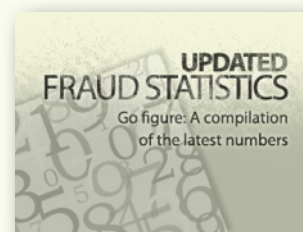
Judging the judge. Pennsylvania appellate jurist Michael Joyce collected \$440,000 from auto insurers after lying that a 5 mph bumper bender left him a virtual cripple. So why was Joyce taking flying lessons, scuba diving, golfing, roller-blading and doing other athletic feats?

Sinister seniors. A pair of sweet old ladies flashed charming smiles while befriending two homeless men. The women then took out \$3 million in life policies in the men's names (naming themselves as beneficiaries), then ran them down with cars in dark alleys in the Los Angeles area.

Website Wonders

Several upgrades of consumer info were added recently, cementing www.InsuranceFraud.org as America's largest website dedicated solely to combating insurance cons.

Go figure. Did you know that auto insurers lost \$16.8 billion to rating errors in 2007—much it from fraud? One of five adult Americans say it's ok to defraud insurers? Those are just some of the intriguing nuggets in the new fraud statistics [section](#). Ideal for fraud fighters doing speeches and seminars, and reporters doing stories.



About fraud. Insurance fraud is more than a boring white-collar crime. Fraud schemes kill people, rob them of their life savings, cost jobs and subject victims to life-long despair. That's the core message of a soup-to-nuts [backgrounder](#) that also explains how fraud fighters are combating this crime.

Long-term health scare. This confusing coverage—long term care—can be a magnet for fraud and deception as an aging population relies on long-term coverage to meet serious medical needs. A new consumer [alert](#) outlines problems consumers must watch for, and how to avoid being scammed.

Video variety. Looking for TV news stories to assist with training, speeches or presentations? Look no farther than the [Member Only](#) section of our website. You can view more than 50 TV news stories on fraud topics from around the U.S. Many feature the coalition. Web visitors also now can [view](#) the coalition's 11-minute consumer video online.

Fraud of the month. This popular website feature debunks fraud with colorful profiles of miscreants, their crimes and the damage they cause. The latest [posting](#) is Judge Michael Joyce, who does double duty as a new Hall of Shame dishonoree.



Spotlight: Blogging Comes of Age

“Burning a car or dumping it in a lake certainly is a desperate act. And also a dumb one. And more people are getting caught. They not only face jail, but they still will be left with a car loan to pay off and now they don't have a car!”

So wrote coalition executive director Dennis Jay in a searing jab at the screwups who unload their vehicles for insurance payouts in the sagging economy.

Jay's forum was [Fraudblog](#), the coalition's blog — and conscience of the anti-fraud community. Just a few years ago, blogs were exotic tools mostly for bleeding-edge techno-types. Today, blogs are mainstream, used to engage diverse audiences, build credibility and influence public opinion.

Blogs are so popular — and effective — because they're open, candid and informal online conversations with visitors. Bloggers simply speak their mind about relevant topics. Visitors also can respond to postings, thus encouraging dialogue with your best friends and worst critics. It's like talking with your neighbors around the kitchen table.

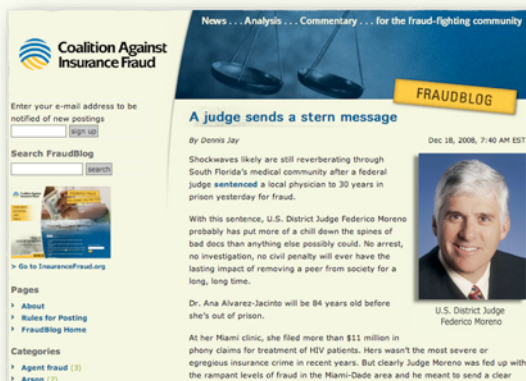
Reporters also troll blogs for story ideas and news about what's happening on their beats. A compelling blog posting might elicit an interview that generates national headlines.

Dennis Jay often uses a fresh fraud conviction or other recent event to show candidly how insurance schemes damage society, and how to turn the corner on this crime.

A South Florida doc recently received 30 years in federal prison for making more than \$11 million in phony claims for treating HIV patients. “With this sentence, U.S.

District Court Judge Federico Moreno probably has done more to put a chill down the spines of bad docs than anything else possibly could. No arrest, no investigation, no civil penalty will have the lasting impact of removing a peer from society for a long, long time.”

Fraudblog also has defended insurers, and taken them out behind the woodshed. A health insurer allegedly rescinded 850 policies unfairly, and Jay shot back: “When the practice is abused... it hurts all insurers and all fraud fighters. It calls into question the credibility of the fraud-fighting community and gives credence to



opponents who say anti-fraud efforts unfairly target the little guy."

The coalition's blog is gaining in web visitors each month and is generating more dialogue among the anti-fraud community and the general public. To stay abreast of key issues, you can subscribe to the blog and receive e-mails when new information is posted. Just place your e-mail address in the window on the opening blog page.



Fraud Focus: Uncovering Fraud Trends

The coalition's quarterly newsletter is the eyes and ears of the anti-fraud community, unearthing the latest trends in fraud and fraud fighting. The winter issue explores how the sagging economy could spark increases in fraud across diverse lines. Vehicle giveups already are taking off... arsons by homeowners facing foreclosure are still being uncovered... and more anxious employers may soon begin illegally trying to avoid paying full workers comp premiums. So says the cover story, which examines auto, homeowner, workers comp and health fraud trends as the economy sinks deeper into the doldrums. Watch for your issue of *Fraud Focus* in the mail later this week, or [download](#) the current issue.

Rewarding Awards

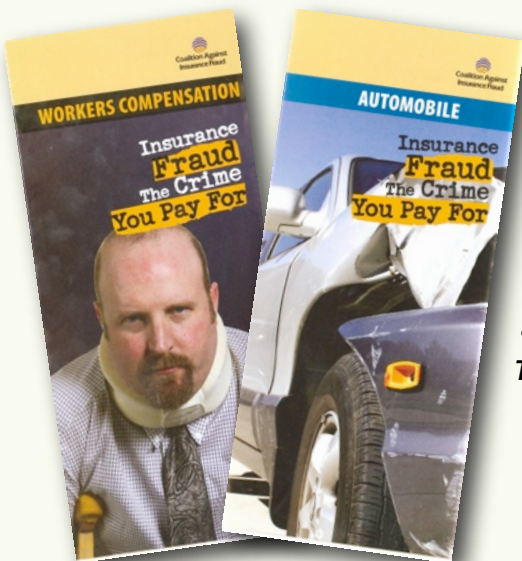
The steady flow of major headlines about mortgage arsons earned the coalition a national award for excellence in media efforts from the Association of Marketing & Communication Professionals.

Greedy construction firms and other employers are denying vulnerable immigrants workers comp coverage in costly scams to illegally avoid paying full comp premiums. That was the hot topic of a *Fraud Focus* expose—*Digging up the Underground Economy*—that won another award from the marketing association.



New Brochures

Consumers will benefit from newly redesigned auto fraud brochures, and business owners can save money and grief with the coalition's workers comp brochure. Ideal handout for community presentations, fraud awareness days and other uses.



Auto. Drivers learn the warning signs they're being set up for a staged accident. Consumers are urged to fight back and report schemes such as lying on applications to lower auto premiums.

Workers comp. Employers learn the red flags of bogus claims, such as the infamous Monday morning injury. Also describes the kinds of fraudulent claims such as inflated injuries and malingering.

The coalition also has a new shipment of our popular workers comp posters, available at cost (\$1 each) with free shipping. Brochures are only a dime apiece.

To order. Go to our [website](#).

Up Periscope—What’s Ahead for 2009?

With budgets growing leaner, the coalition will use creative — and cost-conscious — ways to have an impact without deeper pockets.

Two blueprints will shape those efforts: The coalition’s new strategic plan, and the annual outreach goals developed by the Public Information Committee. Both efforts work in tandem, and we’ll develop a three-year plan. But here’s what the near future looks like:

Support fraud fighters. Design smaller-scale, affordable programs that help equip state and local fraud fighters to educate consumers. A manual for planning a Fraud Awareness Day (or Week) is on tap for 2009. More ideas will be explored.

Focus news about the economy. Keep placing news coverage about the troubled economy’s impact on insurance fraud. Warn consumers that bilking insurers is a dumb choice that costs everyone and isn’t worth the risk.

Expand web-based outreach. A key aspect involves using influential social media such as *YouTube*, *Facebook* and *Twitter*. Placing videos and expanding anti-fraud dialogue on these community sites will be pursued.

Continually growing www.InsuranceFraud.org is another part of our online strategy. Interactive fraud games, quizzes and other online features will be explored. Among the new features planned for 2009:

- **Citizen heroes.** Highlights average people who go the extra mile, and even take personal risks, to uncover schemes and help earn fraud convictions.

- **Fraud Odditorium.** Takes a lighter look at the klutziest cons who botch their scams so badly that their credentials for membership in the human gene pool are called into question.

Explore summit. See if a national outreach summit and communications manual are workable, then execute if the answer is yes. These projects would benefit fraud bureaus insurer pr staff, IASIU chapters and others involved in outreach.

Put research into research. Turning an often-resistant society against fraud requires high-impact messages based on scientific research, not gut instinct. But...is such research affordable when budgets are tight? Are there other funding sources? That’s what the coalition will explore.

Annual report. The coalition’s annual report is scheduled for release in mid-winter. It will summarize the coalition’s achievements for 2008, and include a State of the Fraud Fight summary.

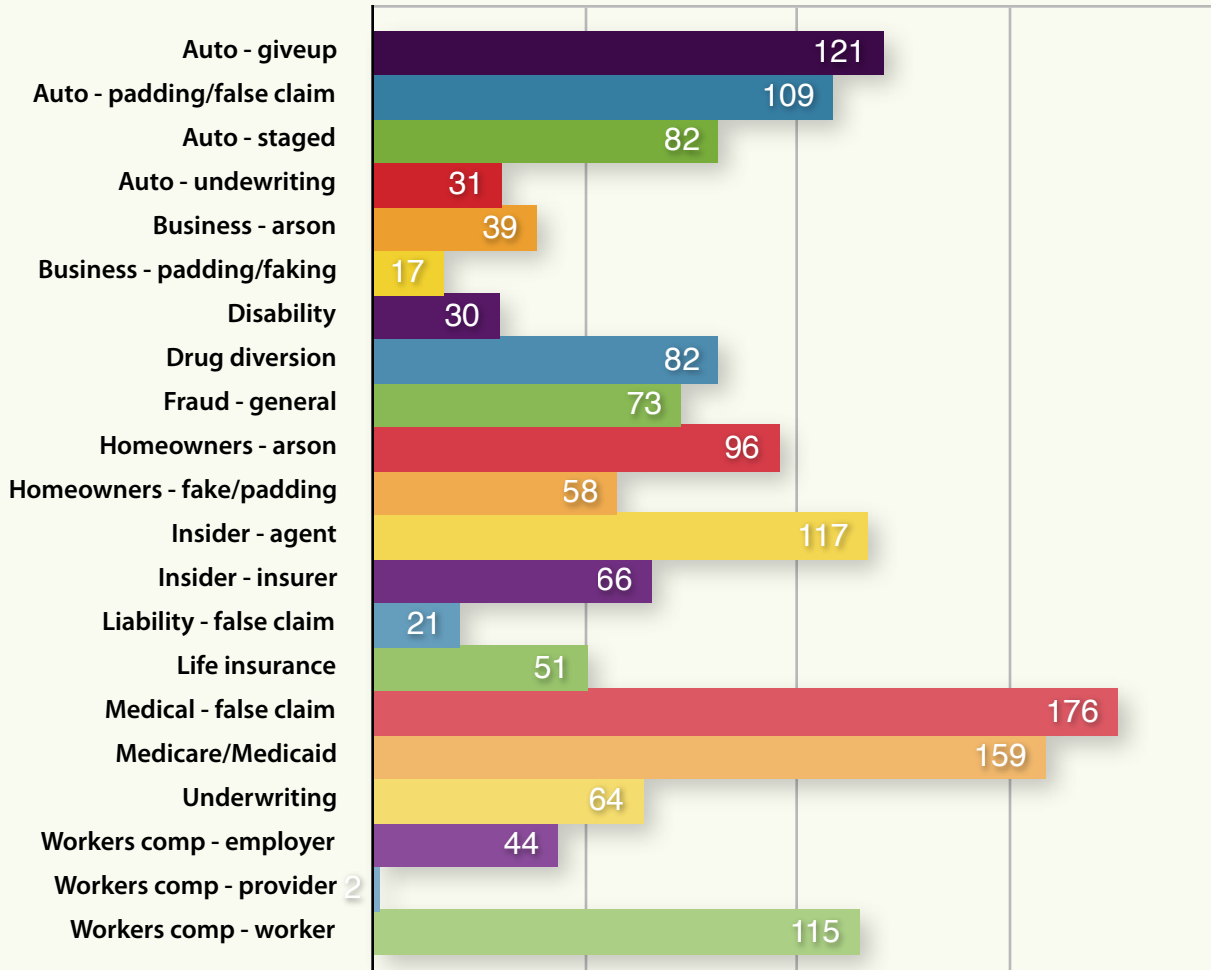
Online resources

Links to communications and public outreach resources at InsuranceFraud.org

- [Order outreach materials](#)
- [Subscribe to Insurance Fraud Weekly ePort](#)
- [Background on insurance fraud](#)
- [Articles on insurance fraud](#)
- [Public awareness gallery](#)
- [Communicating the anti-fraud message](#)
- [Recent news articles quoting the coalition](#)
- [Watch the “Fraud: The Crime You Pay for” video](#)

Media Monitor

Insurance fraud articles published by the general media by category in, 2008.



Coalition members can access full-text articles through the coalition’s News Archives searchable database in the members-only section of www.InsuranceFraud.org. The database current contains 6,458 articles on insurance fraud and is updated daily.



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