

## Another Health Insurer Joins Fight Against Fraud

By: Juliette Fairley, Insurance Networking News

United Healthcare is the latest large insurer to join the fight against insurance fraud, which costs the industry more than \$80 billion a year, according to the **Coalition Against Insurance Fraud**.

"Health insurance is the 800 pound gorilla in the insurance fraud living room. The sheer number of insurance dollars lost to health insurance fraud dwarfs all other insurance scams," said Jim Quiggle, Coalition spokesperson in an interview with Insurance Networking News. "Medicare fraud alone costs the industry \$60 billion and that is a conservative estimate."

In addition to United Healthcare, the National Center for Home Improvement Fraud, Inform Software Corporation and the District Attorney of San Diego County are also recent members. Inform Software creates and markets technology that helps detect medical billing fraud.

"Technology is critical because fraud rings are very complex. You need high powered software to uncover patterns and relationships of large rings that are carefully hidden," Quiggle said.

"Technology can do that and it's closer to doing that in real time to predict future patterns of bad behavior by rings that often have ties to the Mob."

Currently, the coalition is preparing its annual study of state fraud bureaus.

"We've gathered data on patterns of arrests, convictions, fraud trends on the streets and how effective the fraud bureaus are in fighting fraud," Quiggle said. "We've completed the research and are now working on the study itself, which will be released later this year."

Growing numbers of organization are joining the Coalition, indicating the recognition that fraud can be more easily defeated jointly rather than individually.

Allstate, the American Insurance Association, Zurich North America, Farmers Insurance Group, Hanover Insurance Group, and Travelers Liberty Mutual sit on the Coalition's board of directors while 18 of the top 20 property-casualty insurers are members.

"We're very involved in trying to bring together the public and private sector to work jointly on reducing health insurance fraud cases. Many of these crime rings working over Medicare are also going after auto insurers," Quiggle said.

In the past year, the Coalition was involved in pushing no fault reform legislation in Florida and has been raising public awareness that garden-

*"People's moral compasses go wobbly when they see an opportunity to rip off their insurers, so we're warning consumers through the media not to rip off insurers because you have a strong chance of getting caught." James Quiggle, communications director of the Coalition.*



**Coalition Against  
Insurance Fraud**

variety fraud claims by average Americans is a crime.

"People's moral compasses go wobbly when they see an opportunity to rip off their insurers, so we're warning consumers through the media not to rip off insurers because you have a strong chance of getting caught," Quiggle said. "Too many consumers think that insurance fraud is a victimless fraud."

Founded in 1993, the Coalition is a national alliance of consumer groups, insurance companies and government agencies combating all forms of insurance fraud through legislation and public advocacy.

"We're trying to get more auto insurance fraud laws passed at the state level by acting as a uniting force that is bringing together various groups to jointly fight insurance fraud crimes," said Quiggle who added that twenty states have passed anti-fraud laws based on the Coalition's model insurance fraud bill.