

GEICO applauds states taking on insurance fraud in 2015

By: Business Wire

The fight against insurance fraud and its costly impact on consumers is once again in the spotlight in 2015. While many anti-fraud bills stalled last year, legislatures across the country have introduced reforms this year to clamp down on fraudulent activities.

"It's encouraging to see state legislatures going after insurance fraud again this year," said Nancy Pierce, GEICO regional vice president and chair of the National Insurance Crime Bureau's (NICB) Board of Governors. "Fraudulent activities like staged accidents, inflated medical bills and enhanced damage drive up premiums for honest consumers, so GEICO is strongly in favor of laws to cut down on those schemes."

A number of states have proposed anti-fraud legislation that would take meaningful steps to combat fraud, according to the **Coalition Against Insurance Fraud:**

California: Lawmakers are taking aim at insurance fraud rings by including asset forfeiture as a potential weapon against fraudsters who participate in a pattern of insurance schemes.

Iowa and Mississippi: Both states are considering bills that would make installing counterfeit airbags a specific crime to help prevent insurers from being charged full costs for phony airbags that are unsafe.

Kentucky: In 2014 a federal court overturned the state's anti-fraud law outlawing the solicitation of motor vehicle accident victims for healthcare services. State and national partners are working together on a new bill that would address the federal court's concerns and reinstate the ban on solicitation.

Michigan: Medical mills and staged-accident rings continue to drive up premiums. A proposed state automobile insurance prevention authority would provide resources to take on fraud at state and local levels.

Minnesota: Multiple bills are under consideration that would boost civil penalties against fraudsters, reduce inflated medical costs and give state authorities more power to crack down on fraudulent medical providers.

New Jersey: One measure being proposed would address fraudsters who illegally lower premiums by registering vehicles in states with lower premiums. Another proposal would prevent

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**Coalition Against
Insurance Fraud**

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GEICO detects, deters and defeats insurance fraud and theft through its Special Investigation Unit. Additional information and resources on theft and fraud awareness are available through the NICB.

GEICO (Government Employees Insurance Company) is a member of the Berkshire Hathaway family of companies and is the second-largest private passenger auto insurance company in the United States. GEICO, which was founded in 1936, provides millions of auto insurance quotes to U.S. drivers annually. The company is pleased to serve more than 13 million private passenger customers, insuring more than 22 million vehicles (auto & cycle).

Using GEICO's online service center, policyholders can purchase policies, make policy changes, report claims and print insurance ID cards. Policyholders can also connect to GEICO through the GEICO App, reach a representative over the phone or visit a GEICO local agent.