

## Fake accidents cost insurance industry billions each year, experts say

By: Brianna Bailey

Whenever Doris Maxey backs out of a parking spot, she honks her horn as a warning.

"I am very cautious," Maxey, 90, said. "I honk, and I look and look, because I don't want to run over my postman."

Like always, Maxey gave a little honk while she was backing out of a parking space at CVS Pharmacy, 5025 N May, one day in January 2014.

Maxey backed up, came to a stop and changed gears to pull forward. It was then that Latroy Staglin, of Oklahoma City, pulled the 2014 Nissan Maxima he was driving behind Maxey and hit her car, according to court affidavits.

The impact was so minor, Maxey didn't even feel it.

"Then he drove his car up beside me in the parking lot and told me it was my fault," Maxey said. "With older people, they are afraid they will lose their driver's license."

Staglin had gold teeth and was exceedingly polite.

He told Maxey that he had just received the Maxima as a graduation present — a lie. He also gave her a fake name — Dominique Shannon — as well as a fake insurance policy number.

Although Maxey suspected nothing at the time of the accident, she was just one Staglin's many victims.

"I found out this wasn't his first time at the rodeo," Maxey said.

Over a period of several years, Staglin staged minor wrecks in store parking lots all over Oklahoma City to collect money from false insurance claims.

Auto insurance fraud is a growing problem for both insurance companies, and policyholders.

Property/casualty insurance fraud amounts to about \$32 billion a year, according to industry estimates gathered by the Insurance Information Institute.

Fraud accounts for 5 to 10 percent of claims costs for insurers in the United States and Canada. About 32 percent of insurers say fraud was as high as 20 percent of claims costs.

"Set up wrecks generate billions of dollars in false bogus insurance claims every year," said Jim Quiggle, spokesman for the national Coalition Against Insurance Fraud. "They drive up auto premiums for all drivers because the costs just get passed along."

*"Busy mothers with kids in their cars, or drivers talking on their cellphones are often also targeted because they look busy or distracted and could be easier to maneuver into a wreck," says James Quiggle, spokesman for the Coalition.*



**Coalition Against  
Insurance Fraud**

Wreck artists who stage car accidents for the insurance claims typically make most of their money from fake injury claims, Quiggle said.

"Whiplash is the lifeblood of fake claims," he said.

Claim fraud and inflated claims added between \$5.6 billion and \$7.7 billion in excess payments to auto injury claims paid in the United States in 2012, according to a study released by the Insurance Research Council in 2015.

"Wreck artists may target seniors, or less-capable drivers who are more prone to getting into accidents," he said. "Busy mothers with kids in their cars, or drivers talking on their cellphones are often also targeted because they look busy or distracted and could be easier to maneuver into a wreck."

Motorists can guard themselves against staged accidents by avoiding distractions like talking on a cellphone while driving, Quiggle said.

Dillsaver advises drivers who are involved in an accident to use a cellphone to take pictures of everything at the scene, including any damage and the tag number of the other motorist's car.

"Ask to see their proof of insurance," Dillsaver said. "Staglin was just writing his information