

Insurance fraud costing all of us \$80 billion a year

Local company working to catch scammers, save you money

By: Scott Johnson & Jodi Mohrmann

A Channel 4 investigation has uncovered how the huge national problem of insurance fraud is affecting your yearly premiums and how much of the fight against it is based here in Jacksonville.

I met with David Merrill, the President of the company ICS Merrill. It is a company of approximately 600 employees that fights insurance fraud. The company handles cases in all 50 states and more than 70 countries.

"We put many people in jail everyday here," Merrill said. "Over past 12 months we've done over 3,000 investigations in 70 separate countries."

Merrill showed me some of the thousands of cases they've fought, many of which have been caught on camera. Some showed doctors who claimed they could no longer practice medicine due to injuries. But ICS Merrill caught them on camera working with no visible problems.

"We had a case in St. Thomas in the Virgin Islands where we had retired doctor go out on disability, which is different than workers comp. Said no longer can do practice, we actually caught him doctoring," said Merrill.

Merrill adds that social media has become a key component in uncovering insurance fraud.

"A lot of people under investigation are doing a lot of the legwork for us. They're posting photos of themselves on Instagram, posting videos," said Merrill.

Merrill says he had one case where a claimant was pretending to be bedridden but was seen on social media whitewater rafting.

But Merrill's company and his industry in general isn't just scouring social media sites and following people with a camera, there are also intense searches of medical records done in individual doctors' offices to look for patterns and trends to determine if fraud is going on.

The Coalition Against Insurance Fraud is a group based in Washington D.C. We spoke with a representative who says insurance fraud is costing us billions of dollars every single year.

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**Coalition Against
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Quiggle adds those billions are paid for by consumers, like you, in higher premiums.

Quiggle reminds people considering insurance fraud that it's a felony and you can do prison time if you commit it. The Coalition has an ad campaign out right now warning people it is a crime.

"Staged accidents have been a problem around Florida, especially in urban areas like Jacksonville," Quiggle explained. "Sometimes you can arrest the lower level recruiters or fake patients and convince them that they need to rat out the ring members or leaders in order for liens."

I asked Quiggle just how much insurance fraud is costing you.

"Well, there's good research to suggest that families pay fraud tax of almost \$100 a year in higher auto insurance premiums, so cost to Florida consumers is very real."

I also spoke with insurance companies who tell me they see fraud cases everyday.