

Faking It: How you can avoid being setup in a staged vehicle accident

By: Kasey Chronis

Staging a house fire, phony accidents, faking injuries or even faking your own death. The list goes on of the lengths people will go to, to cheat insurance companies.

The problem? Insurance fraud is not a victimless crime. That extra money crooks are making comes out of your premiums, so you're paying for it.

November 2012. The infamous subdivision explosion in Indianapolis.

"All for a buck. So someone has lost their lives, someone lost a father, mother, brother, sister, child, all for someone else to gain a few dollars," said Calvin Johnson, State Farm Insurance Agent, South Bend.

The people charged with arson:

Mark Leonard, his girlfriend Monserrate Shirley and brother Bob Leonard were trying to get \$300,000 in insurance money by setting Shirley's home on fire.

But far more than her home burned... fire blasted the neighborhood, creating near \$5 million in damages.

Mark Leonard is serving life without parole; his brother Bob is currently standing trial in Fort Wayne; and Shirley, testifying against the brothers in exchange for a lighter sentence.

A similar case happened to Johnson, a south bend state farm agent of 28 years.

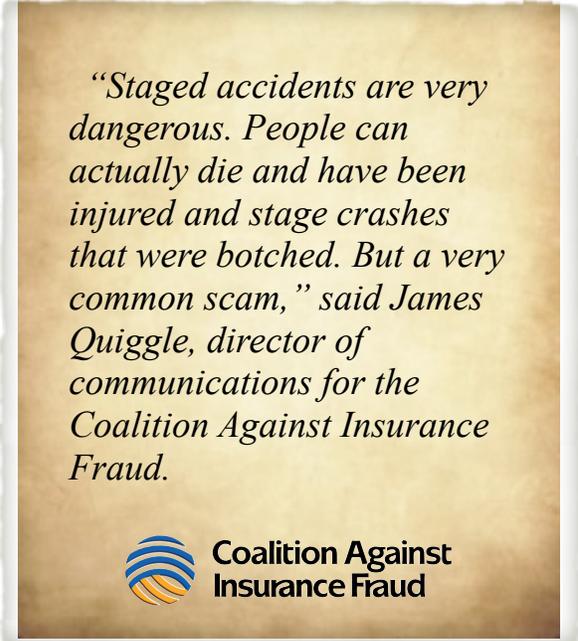
"The house that caught on fire out in the country, and reportedly the neighbor called the individual to tell them their house was on fire, but they really couldn't get in touch with the individual, so finally when another person came by and seen the house burning, they called the fire department, and by that time, yes the house had burned to the ground," said Johnson.

Implying that too was an attempt to milk insurance.

One of the most common forms of 'faking it'?

"According to the national insurance crime bureau, about 10 percent of liability accidents are staged which costs about \$30 billion a year," said Johnson.

"Staged accidents are very dangerous. People can actually die and have been injured and stage crashes that were botched. But a very common scam," said James Quiggle, Spokesperson, Coalition Against Insurance Fraud.



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Coalition Against Insurance Fraud

So here's the set up...

"What you'll do is you'll have someone who suddenly cuts over in front of you and then suddenly they stop, and so in Indiana, if you rear end them, you're responsible," said Johnson.

It's called the swoop and stop.

"The set-up is it looks like you rammed them from behind because you were negligent. The car is probably packed with people who are pretending they're injured who were coached how to moan and groan and hold her necks and backs and pretend injury so guess what? They go to a crooked clinic for injuries that don't exist," said Quiggle.

Another common scam...

"Sometimes you're at a four way stop. A friendly driver stops and tries to wave you out into the roadway. It all looks great then just as you pull out the driver pulls ahead and forces you into a T-bone," said Quiggle.

Then the fake injuries start piling up.

"You see some of the most minute accidents, but yet someone is claiming they have major back injuries," said Johnson.