Public Attitudes

Why be concerned?

- Deters fraud
- Encourages reporting
- Increase support for solutions

Public Attitudes

Studies gauge consumers’ tolerance for fraud and support for anti-fraud efforts.
In 2017, a total of 2,733 consumers were interviewed. Representative sample by state, age, income, race and gender.

1997 study served as base. Found 97% of Americans fell into one of four groups as far as their tolerance for fraud.

- Moralist
- Realist
- Conformist
- Critic

Major shift from 1997 to 2007
Major shift from 1997 to 2007
• Tolerance for fraud increased.
• Support for anti-efforts fell.

Other public attitude research during the last ten years suggests attitudes should continue to deteriorate.

What did we find?

Attitudes have either leveled off or improved.
Most significant finding: Critic group fell from 26% to 11%.

Why?
Anti-fraud awareness programs seem to be having an impact.
Other findings

2017

Percent saying these are highly unethical behaviors.

Misrepresenting an incident to obtain payment for loss not covered

93% 87% 86%

91% 84% 84%

Submitting claim for more than actual amount of damages

1997 2007 2017

How concerned are you about insurance fraud?

Extremely Very Somewhat Not too much Not at all

14% 28% 36% 16% 8%

How people justify committing fraud

Premiums too high Insurer's high profits Seek fair return on premiums paid Everybody does it

70% 63% 52% 49%
Unethical to commit rate evasion?

- <35 years: 68%
- 35 to 54 years: 75%
- 55+: 81%

Know someone who committed fraud?
- 26%

Ever report fraud?
- 22%

Other findings:
- Concern about fraud continues to fall
- Less satisfaction with price of insurance
- Fraud perceived to be less common than 2007
- 24% recall seeing anti-fraud message

Conclusions:
- Bleeding may have stopped, but patient is still ill
- Too many people still tolerant of fraud
- More messaging to deter critics and to reinforce positive attitudes of moralists
Finally
• Study contains a wealth of information about people's attitudes
• Researchers will continue to analyze data and do cross-analysis with demographics
• Final report to be published this fall