



NATIONAL INSURANCE CRIME BUREAU

Fraud Solutions *now.*SM

Florida House Insurance & Banking

Subcommittee

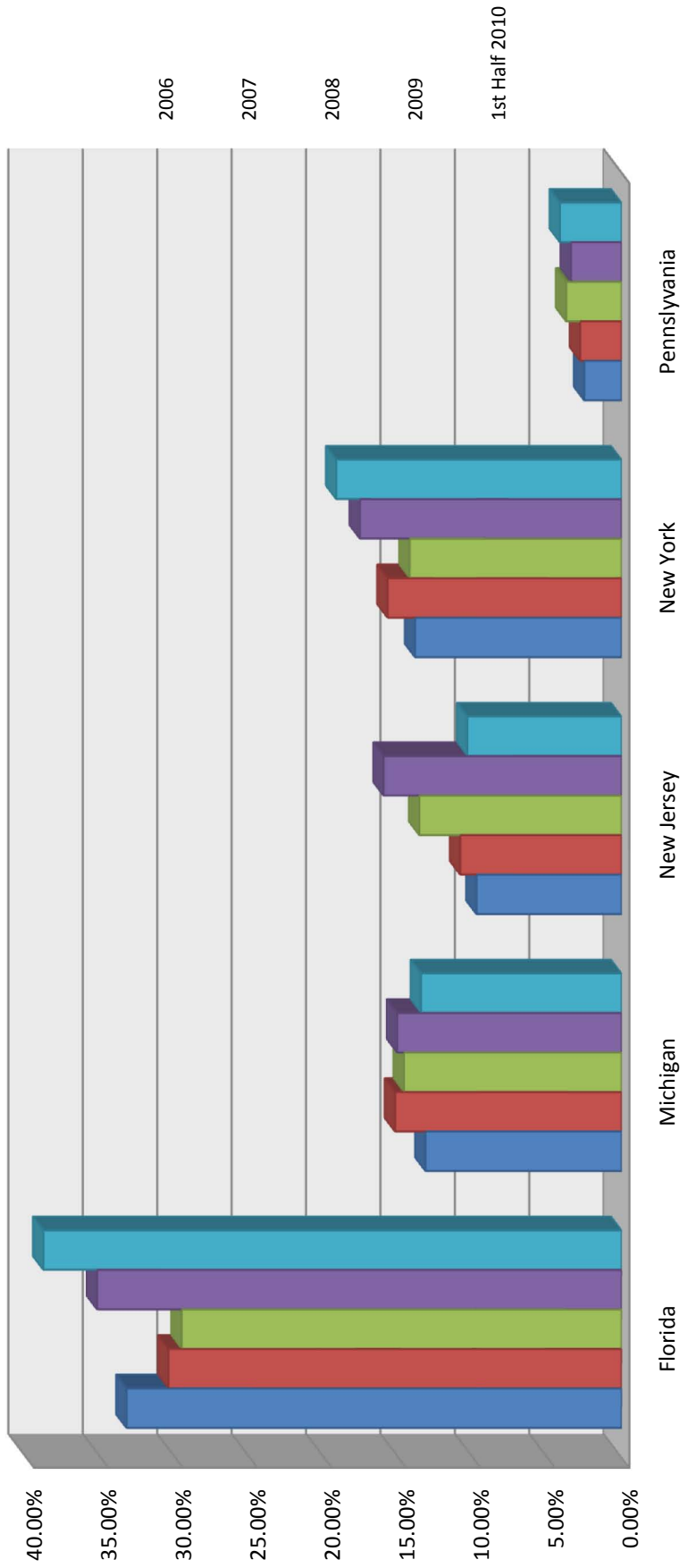
January 26, 2011

Alan Haskins, Director of Government Affairs



PIP Questionable Claims

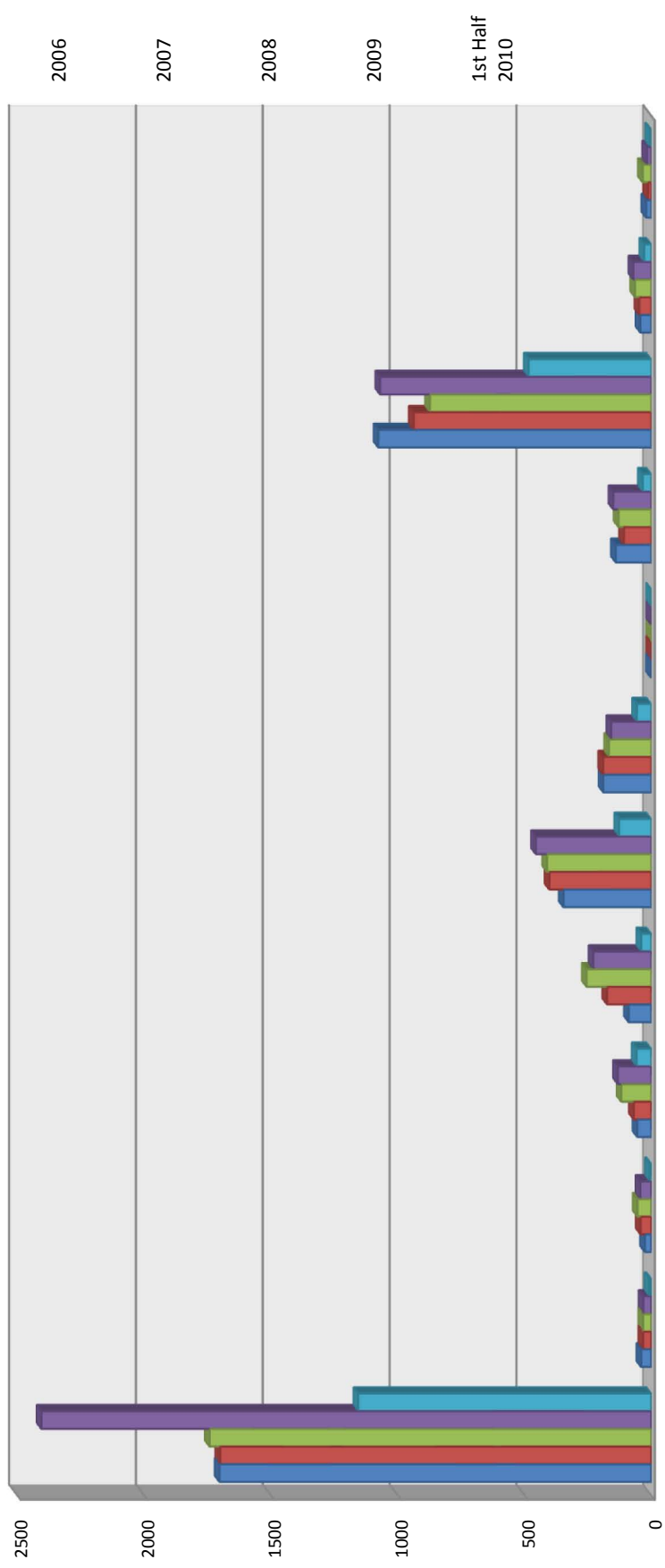
QC PIP to All QC Ratios by Year Verbal Threshold States





PIP Questionable Claims

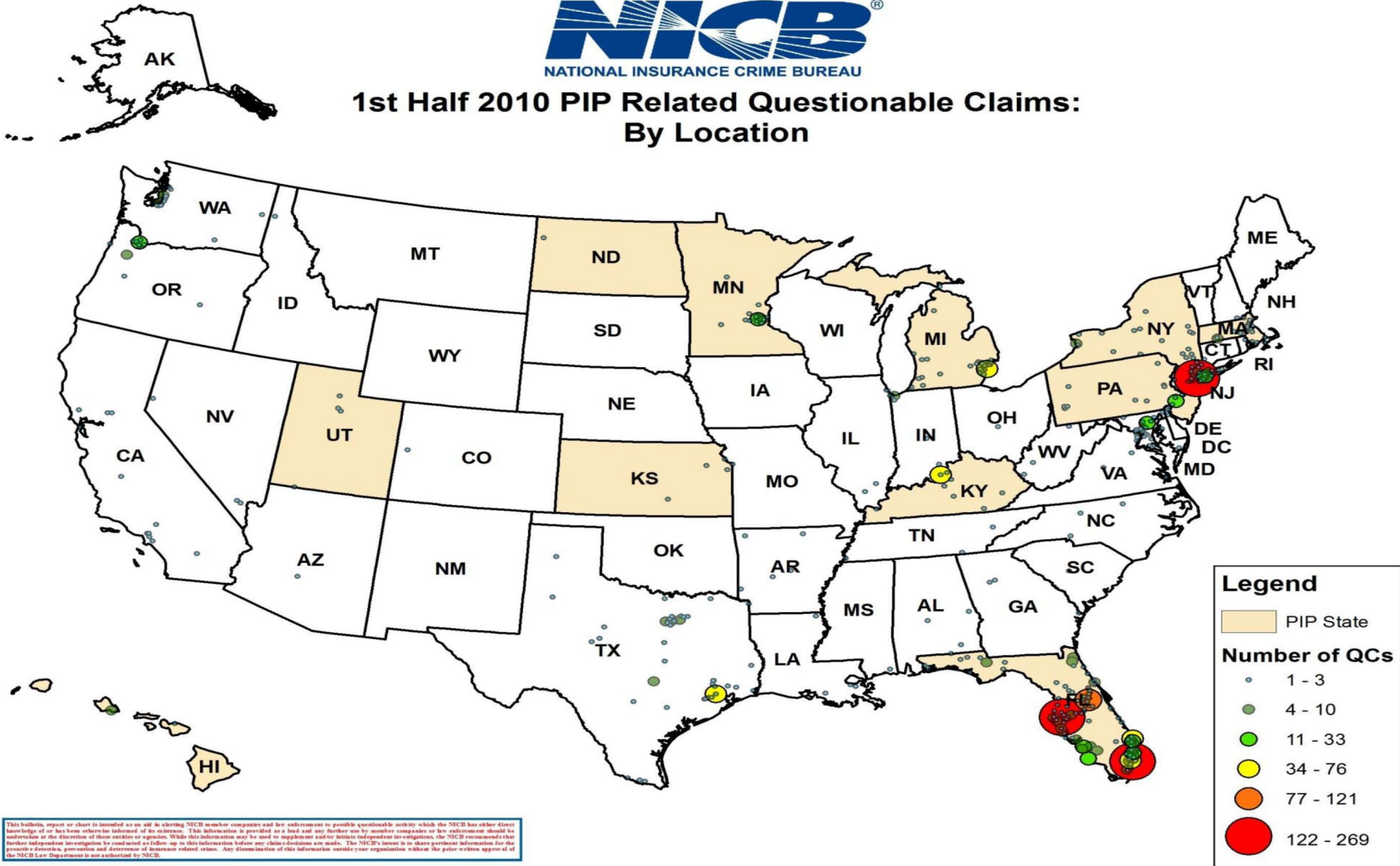
Number of PIP Questionable Claims by Year All PIP States



PIP Questionable Claims



1st Half 2010 PIP Related Questionable Claims: By Location

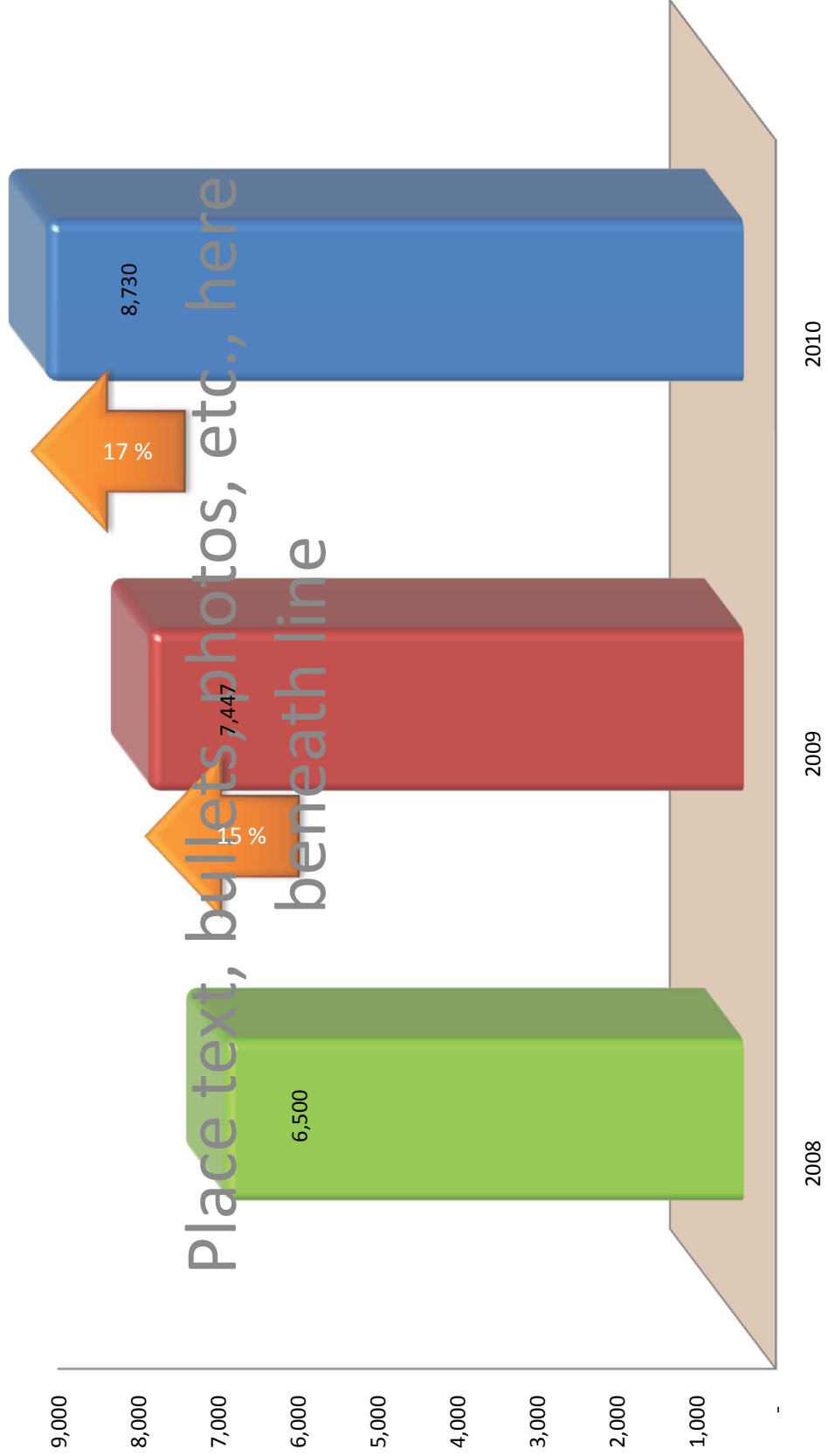


This bulletin, report or chart is intended as an aid in alerting NICB member companies and law enforcement to possible questionable activity which the NICB has either direct knowledge of or has been otherwise informed of its existence. This information is provided as a lead and any further use by member companies or law enforcement should be undertaken at the discretion of those entities or agencies. While this information may be used to supplement and/or initiate independent investigations, the NICB recommends that further independent investigation be conducted as follows: up to this information before any claim decisions are made. The NICB's intent is to share pertinent information for the purpose of detection, prevention and deterrence of insurance related crime. Any dissemination of this information outside your organization without the prior written approval of the NICB Law Department is not authorized by NICB.



Statewide Comparison

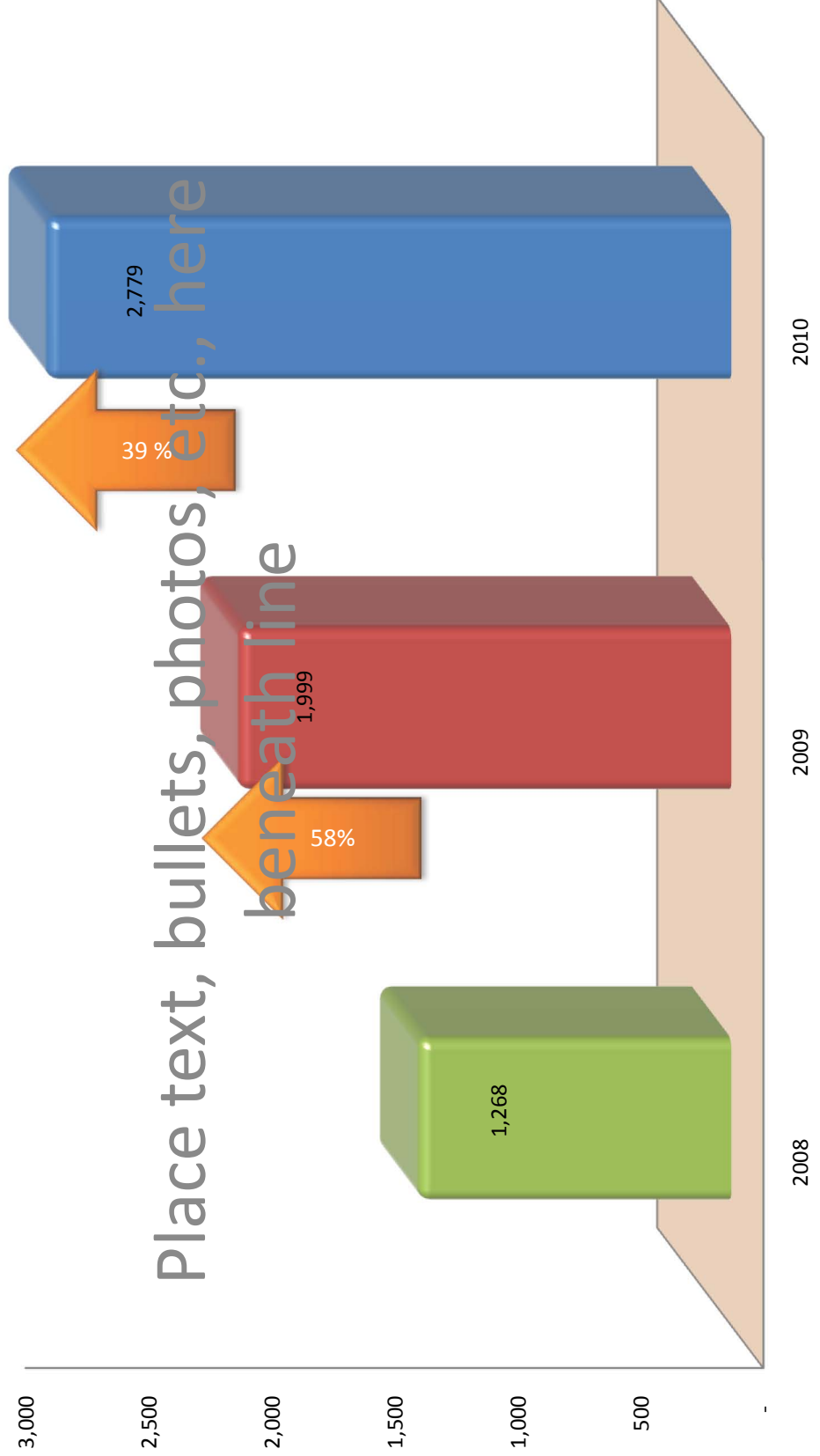
Florida Questionable Claims 2008-2010





Statewide Comparison

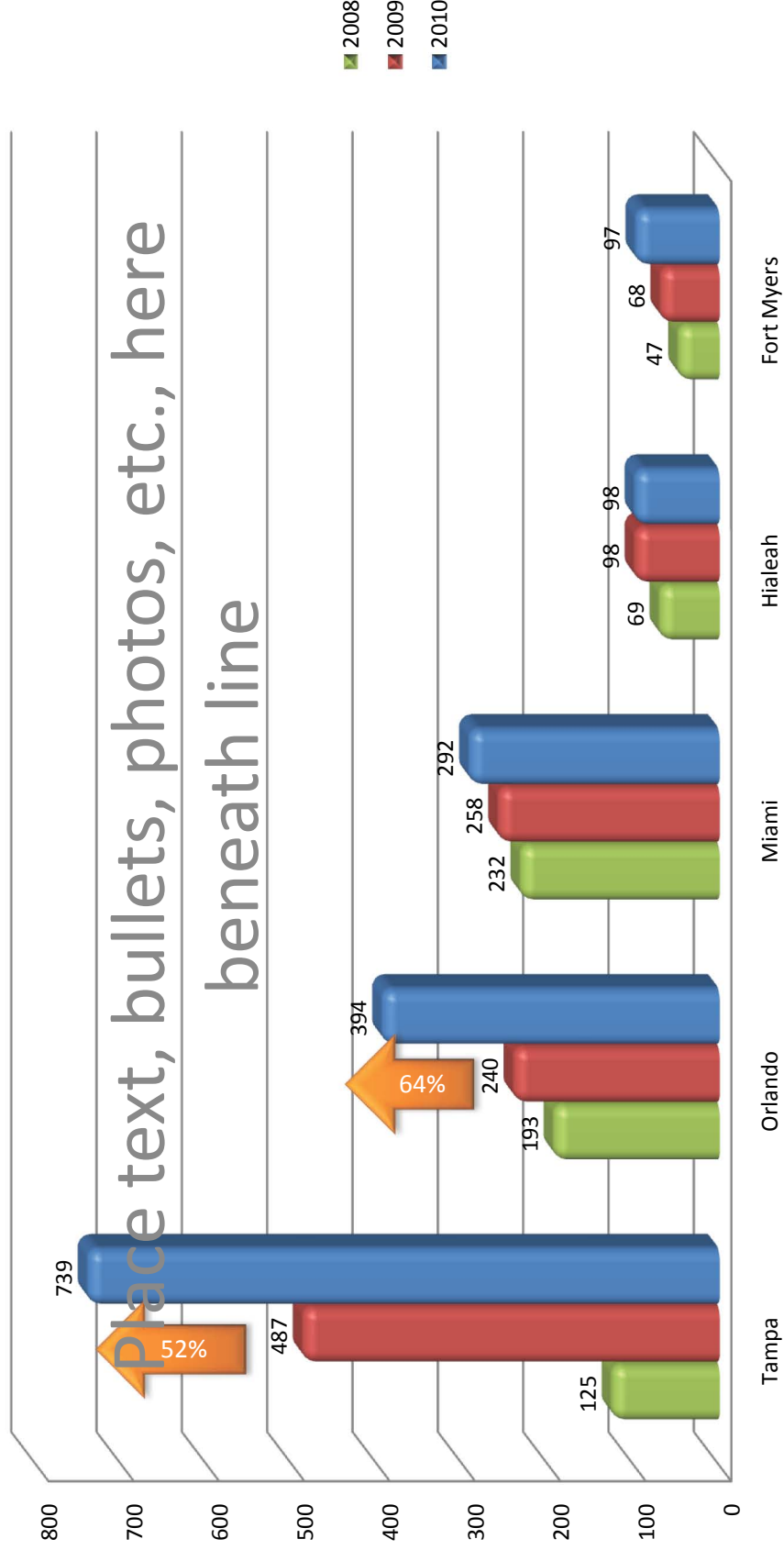
Florida Staged Accidents 2008-2010





Loss City Comparison

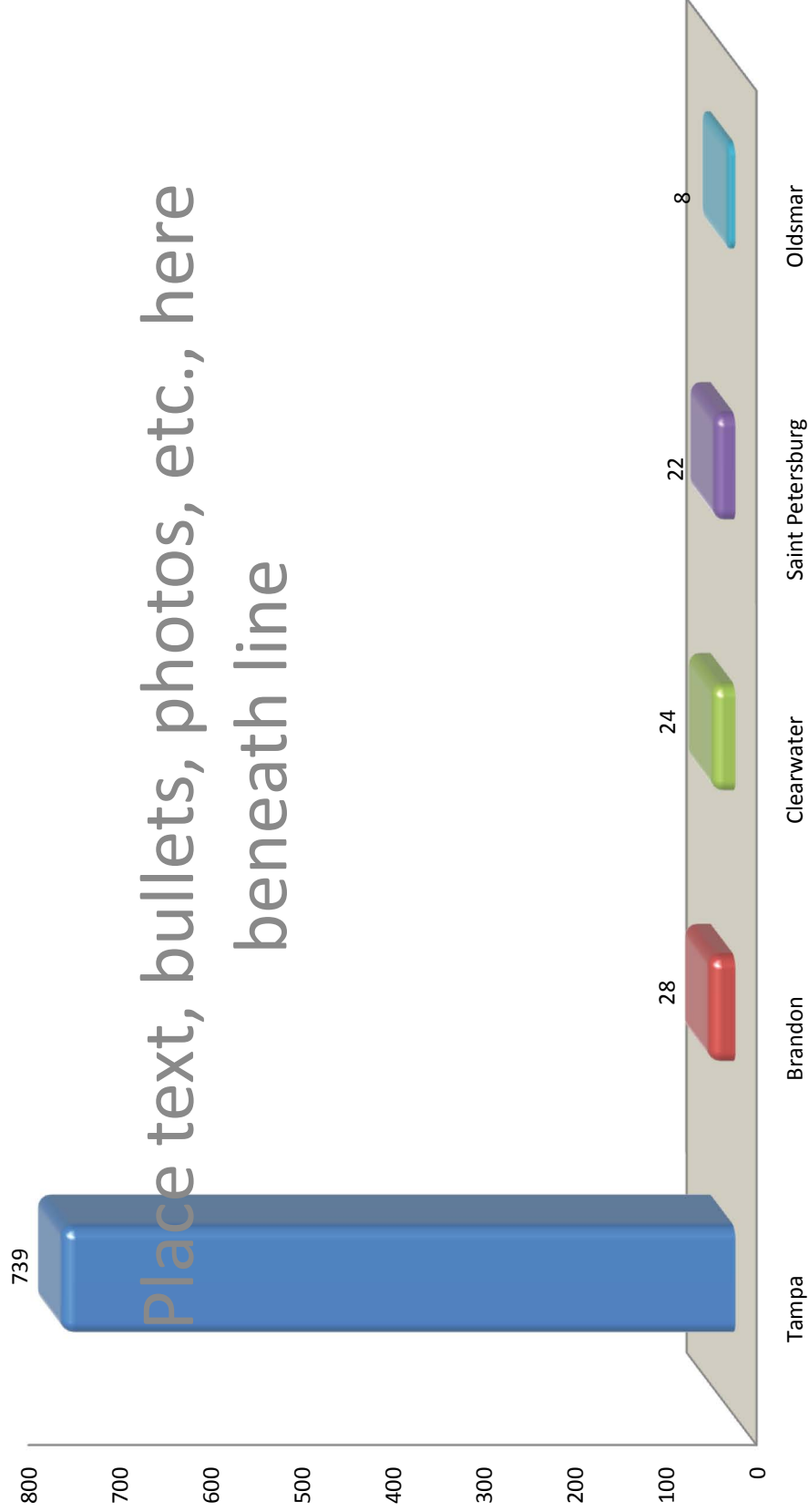
Florida Staged Accident Questionable Claims by Loss City 2008-2010





Tampa Bay Area Comparison

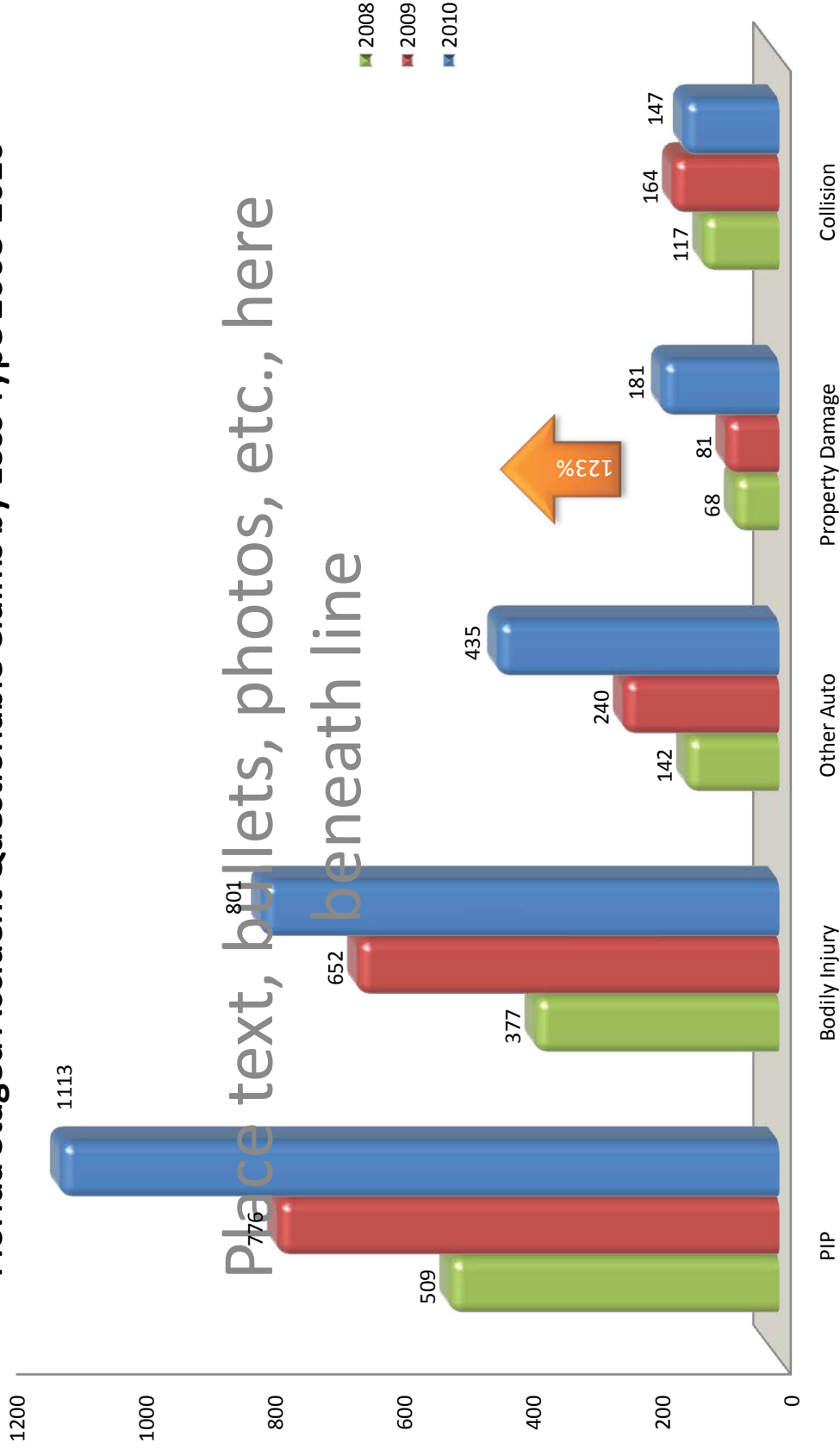
Tampa Bay Area Staged Accidents by Loss City 2010





Loss Type Comparison

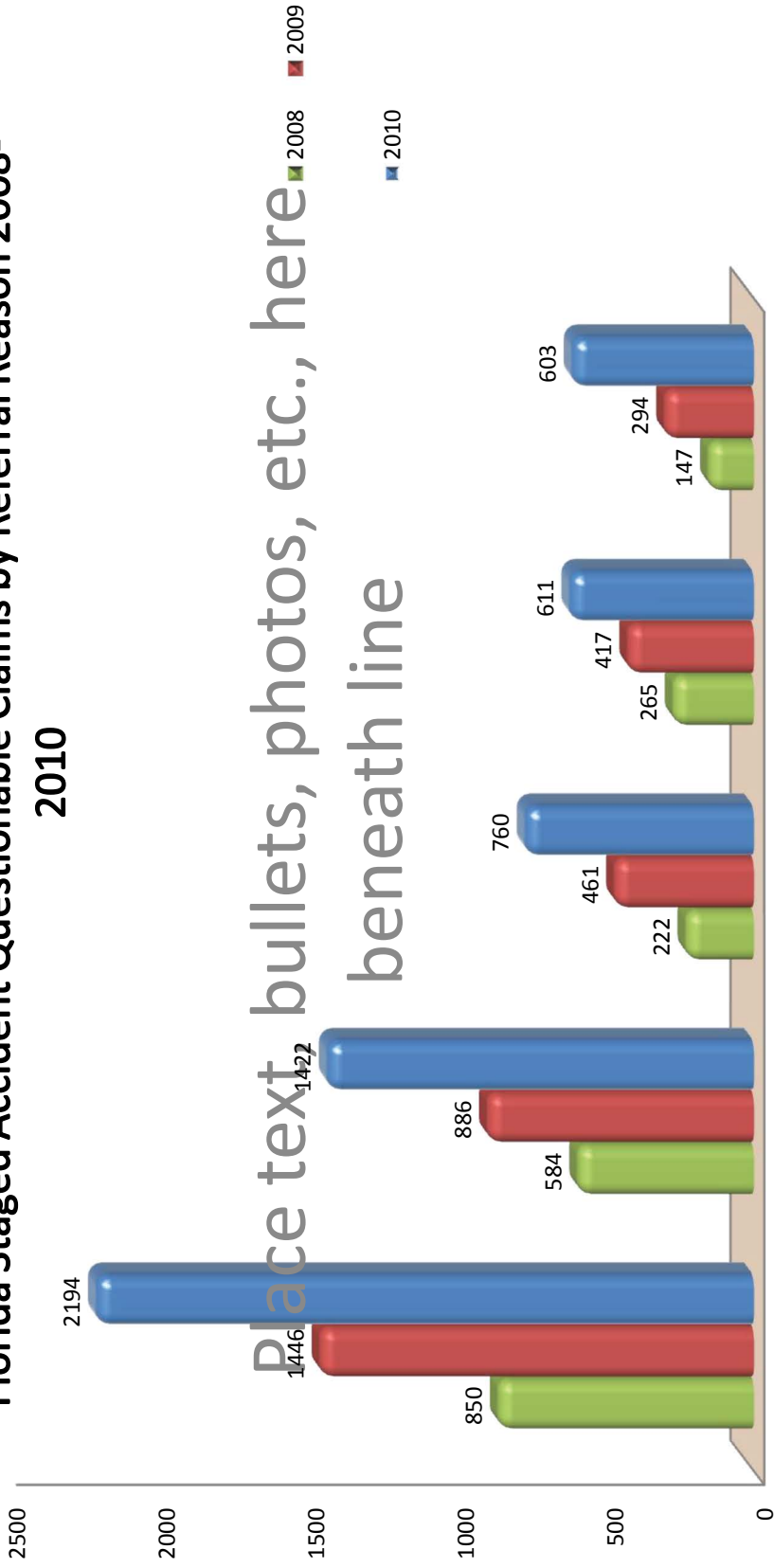
Florida Staged Accident Questionable Claims by Loss Type 2008-2010





Referral Reason Comparison

Florida Staged Accident Questionable Claims by Referral Reason 2008-2010





Recommendations

- **Litigation Reform**
 - Implementation of Loser Pays System
 - Strengthen the verbal threshold
 - Explore reinstating mandatory arbitration
- **Clinic Licensure**
 - Fraud notice on license applications and forms
 - Expand the definition of “fraudulent insurance act” to fraudulent clinic applications
 - Grounds for disciplinary action and suspension
 - Immunity for sharing suspected fraud by clinics
 - Certification form before payment
 - 90 day hold on payment to investigate
 - Restricts certain treatment (24 treatments or 12 weeks)
 - Provider must send to insurer within 14 days after initial contact a medical report outlining medical history, examination findings and preliminary diagnosis



Recommendations

- Require law enforcement to file long form when crash involves passengers
- Allow DIF to make traffic stops
- Appropriate \$2 million from the Insurance Regulatory Trust Fund to prosecute PIP fraud in the Tampa/Orlando area
- Increase minimum mandatory punishment and fines for insurance fraud no-fault
 - First violation 2 years \$200,000
 - Second violation 10 years \$500,000
- Submit to a independent medical examination and examination under oath
- No-Fault Modifications



Central and South Florida Major Medical Fraud Task Forces



Ron Poindexter, Area 5 Director



Central and South Florida Major Medical Fraud Task Forces



**Medical Fraud Task Forces
Produce Major Results**



Central and South Florida Major Medical Fraud Task Forces

South Florida Major Medical Task Force

- The SFMMFTF began in 2002.
- The Task Force investigates potential medical fraud in the South Florida area which includes Miami, Hialeah, and West Palm Beach.
- Four NICB Agents, an analyst, and an investigative specialist compose the Task Force.



Central and South Florida Major Medical Fraud Task Forces

South Florida Major Medical Task Force Achievements

	Current Quarter	Inception to Date
Total Cases	19	719
Closed Cases	16	561
Ongoing Cases	--	158
Major Cases	0	37
Total PAAs	14	1152
Restitution Ordered	\$250,707.00	\$13,009,370.06
LMAs	1	50
LMA Value	\$23,372.00	\$7,193,685.94
Convictions	13	239
ForeWARN Alerts	18	715
Meetings	3	100

Central and South Florida Major Medical Fraud Task Forces



Central and South Florida Major Medical Fraud Task Forces

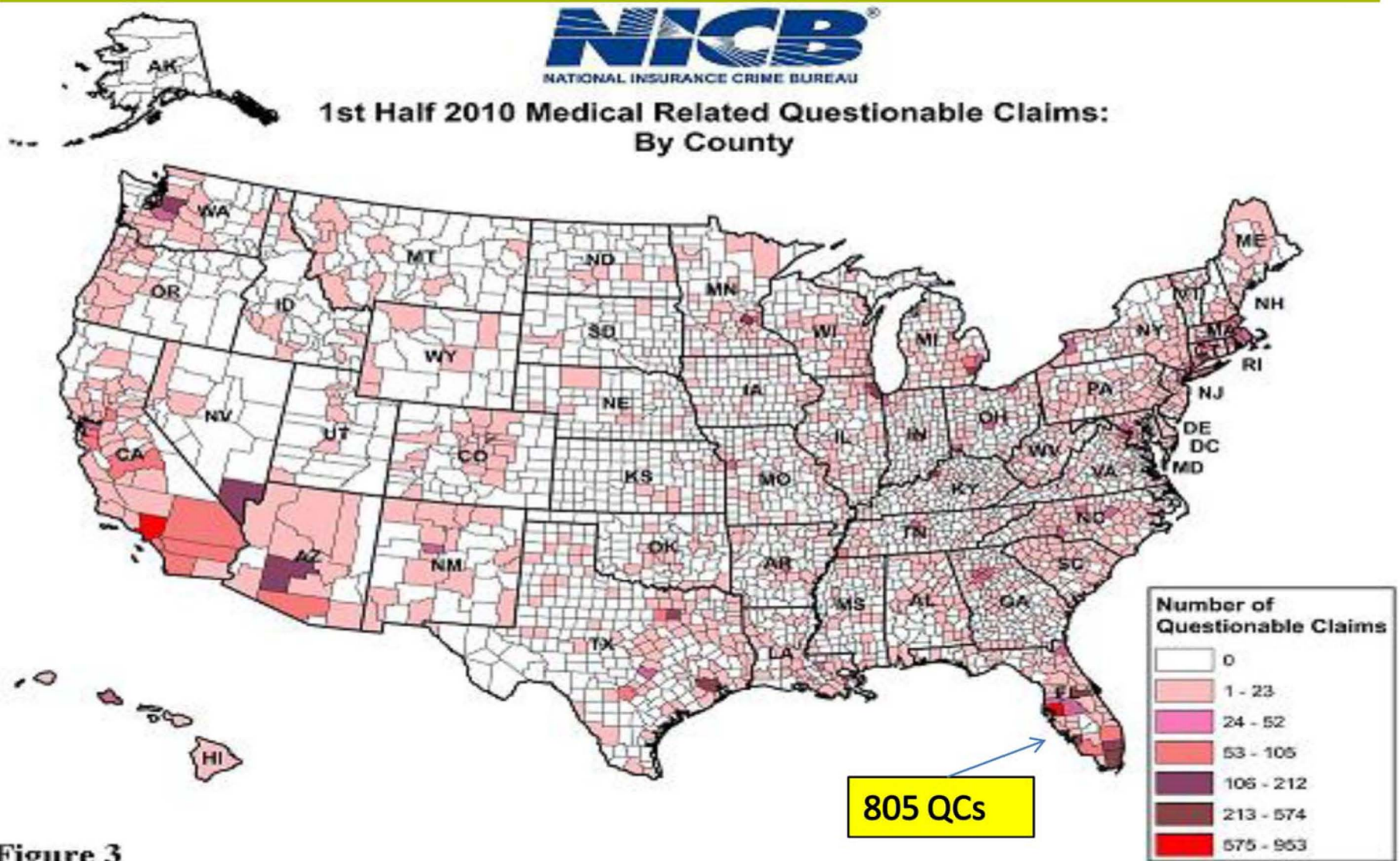
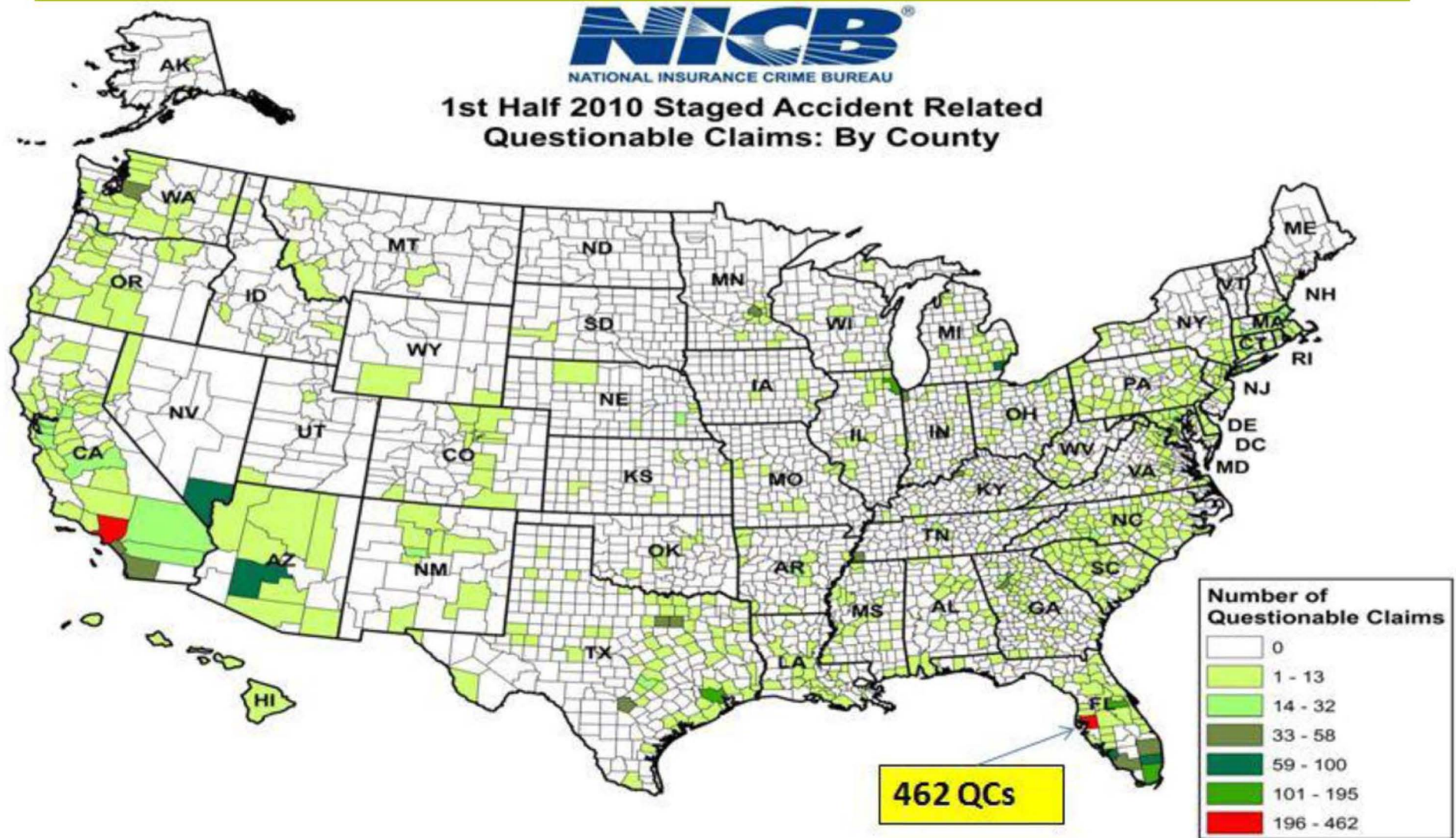


Figure 3

Central and South Florida Major Medical Fraud Task Forces





Central and South Florida Major Medical Fraud Task Forces

National Insurance Crime Bureau creates medical fraud task force in Tampa

Tampa Bay Business Journal

Date: Tuesday, August 10, 2010, 11:07am EDT

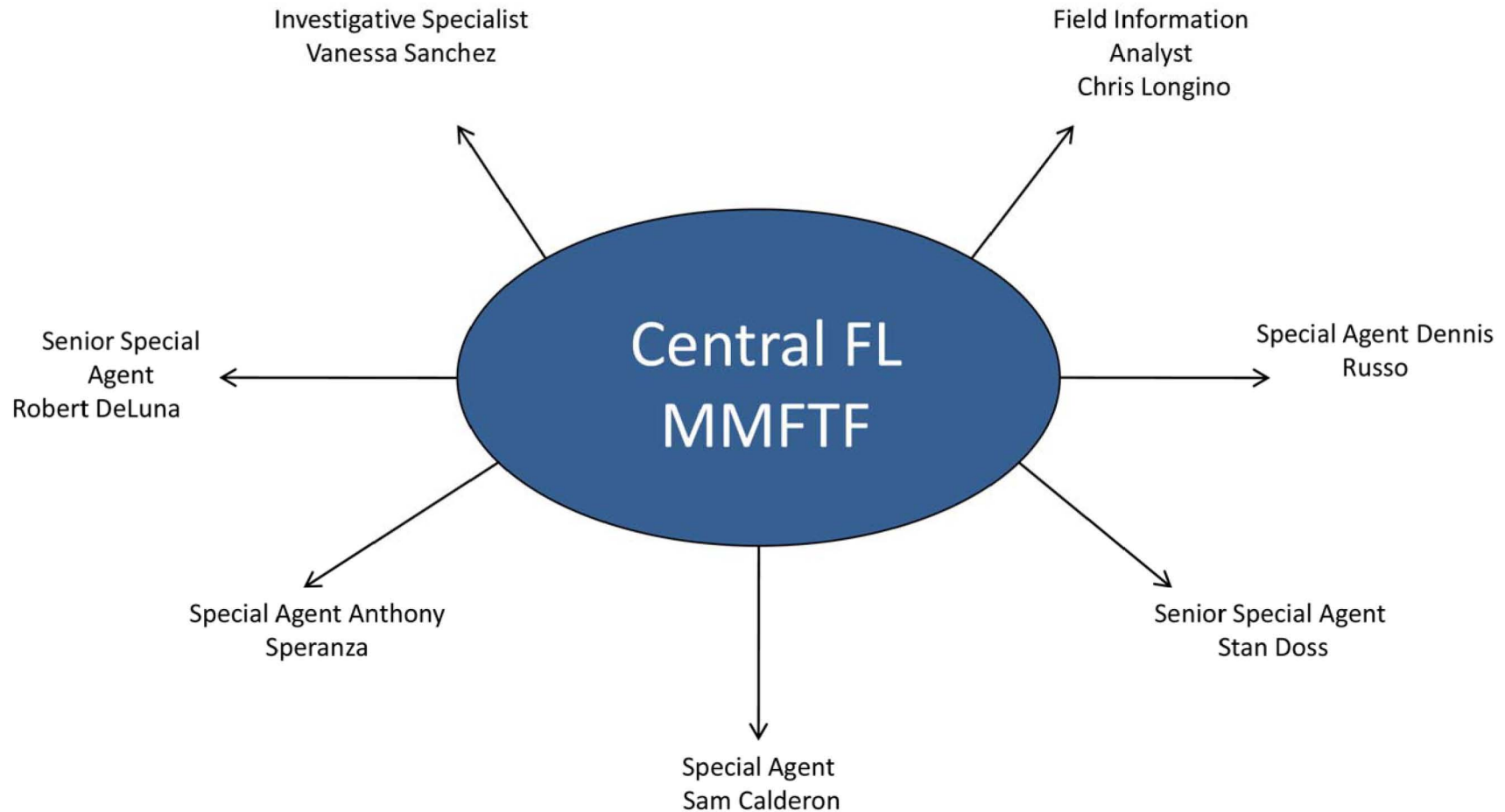
The National Insurance Crime Bureau has established the Central Florida Major Medical Fraud Task Force. Located in Tampa, the task force will focus its investigative resources in metropolitan Tampa, St. Petersburg and Orlando, from the beaches on the west coast of Florida to the Cape Canaveral and Titusville areas, a statement said.

The task force, created to counter an increase and spread in acts of medical fraud, compliments an earlier operation established in Weston in 2002. Together, the units will focus on medical fraud perpetrated against insurance companies that are members of the NICB, a not-for-profit organization headquartered in Des Plaines, Ill. and dedicated to preventing, detecting and defeating insurance fraud and vehicle theft.



The Tampa unit is the sixth NICB major medical fraud task force established in the past eight years. In addition to the two in Florida, others are in California New York, Texas and metropolitan Washington, D.C.

Central and South Florida Major Medical Fraud Task Forces





Central and South Florida Major Medical Fraud Task Forces

Law Enforcement Partners

SSA Robert DeLuna

- Hillsborough County Sheriff's Office
- Department of Financial Services (Tampa)

SA Anthony Speranza

- Federal Bureau of Investigation (Tampa)
- Metropolitan Bureau of Investigation
- Federal Bureau of Investigation (Orlando)
- Department of Financial Services (Orlando)

SA Stan Doss

- Embedded at Federal Bureau of Investigations (Tampa)

SA Dennis Russo

- Polk County Sheriff's Office
- Department of Financial Services (Orlando)
- Metropolitan Bureau of Investigation
- Florida Department of Law Enforcement

SA Sam Calderon

- Department of Financial Services (Orlando)
- Department of Financial Services (Tampa)



Central and South Florida Major Medical Fraud Task Forces

NICB Billboard





Central and South Florida Major Medical Fraud Task Forces

**HILLSBOROUGH COUNTY
SHERIFF'S OFFICE
Selective Operations Section**

**OPERATION CRA\$H FOR CA\$H
September 22, 2009 - April 22, 2010**



Detective Ronnie Cooper and Detective Jose Morales



Central and South Florida Major Medical Fraud Task Forces

In cooperation with:



Fraud Solutions **now.**[™]





Central and South Florida Major Medical Fraud Task Forces

Central Florida Major Medical Task Force Achievements

	Current Quarter	Inception to Date
Total Cases	34	62
Closed Cases	14	15
Ongoing Cases	--	47
Major Cases	0	2
Total PAAs	19	48
Restitution Ordered	0	\$10,000
LMAs	1	4
LMA Value	\$10,000	\$1,070,000
Convictions	2	7
ForeWARN Alerts	18	36
Meetings	2	4