

INSURANCE FRAUD

LDI
CONFERENCE
2023

LDI Conference 2023

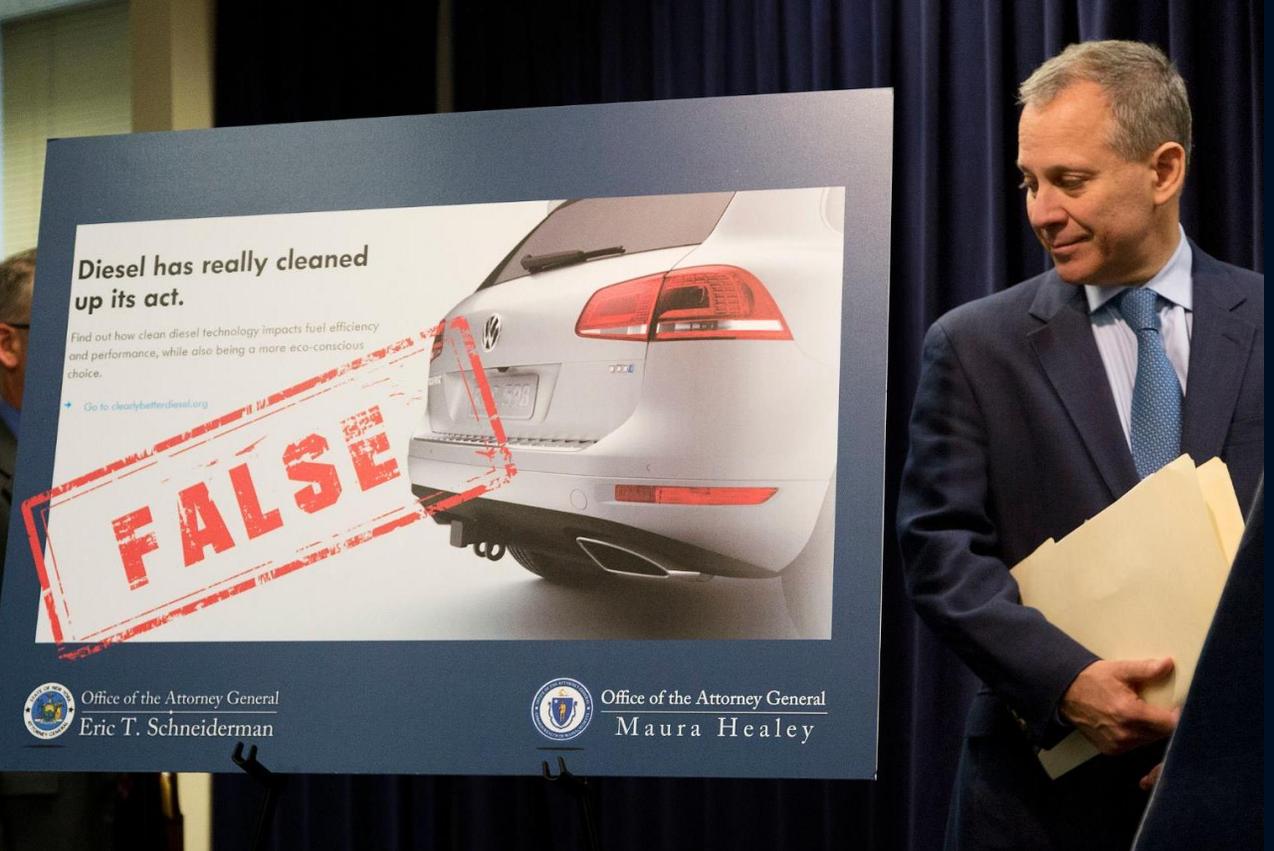
Crowne Plaza Hotel Baton Rouge
March 27th & 28th



WHY CARE?

Insurance Fraud: *The Crime We All Pay For!*

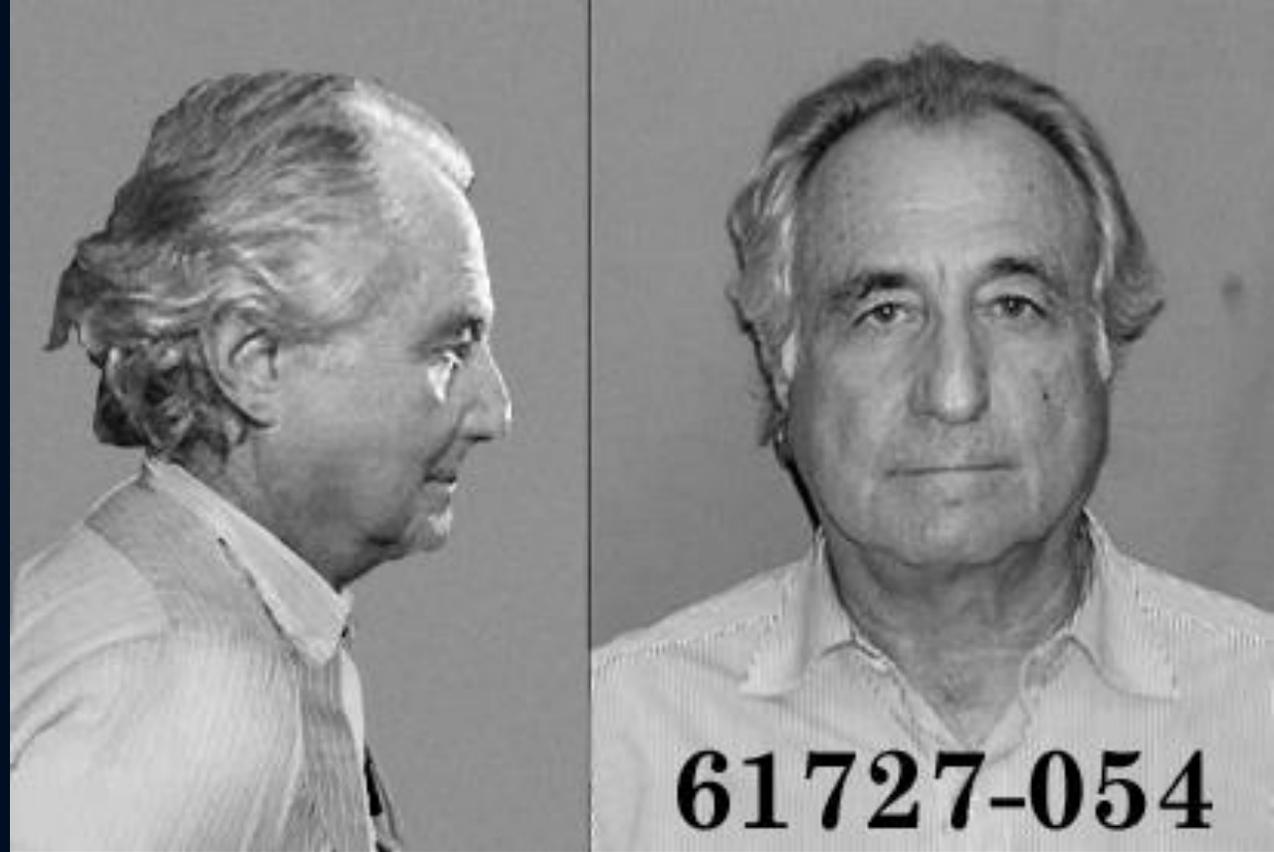




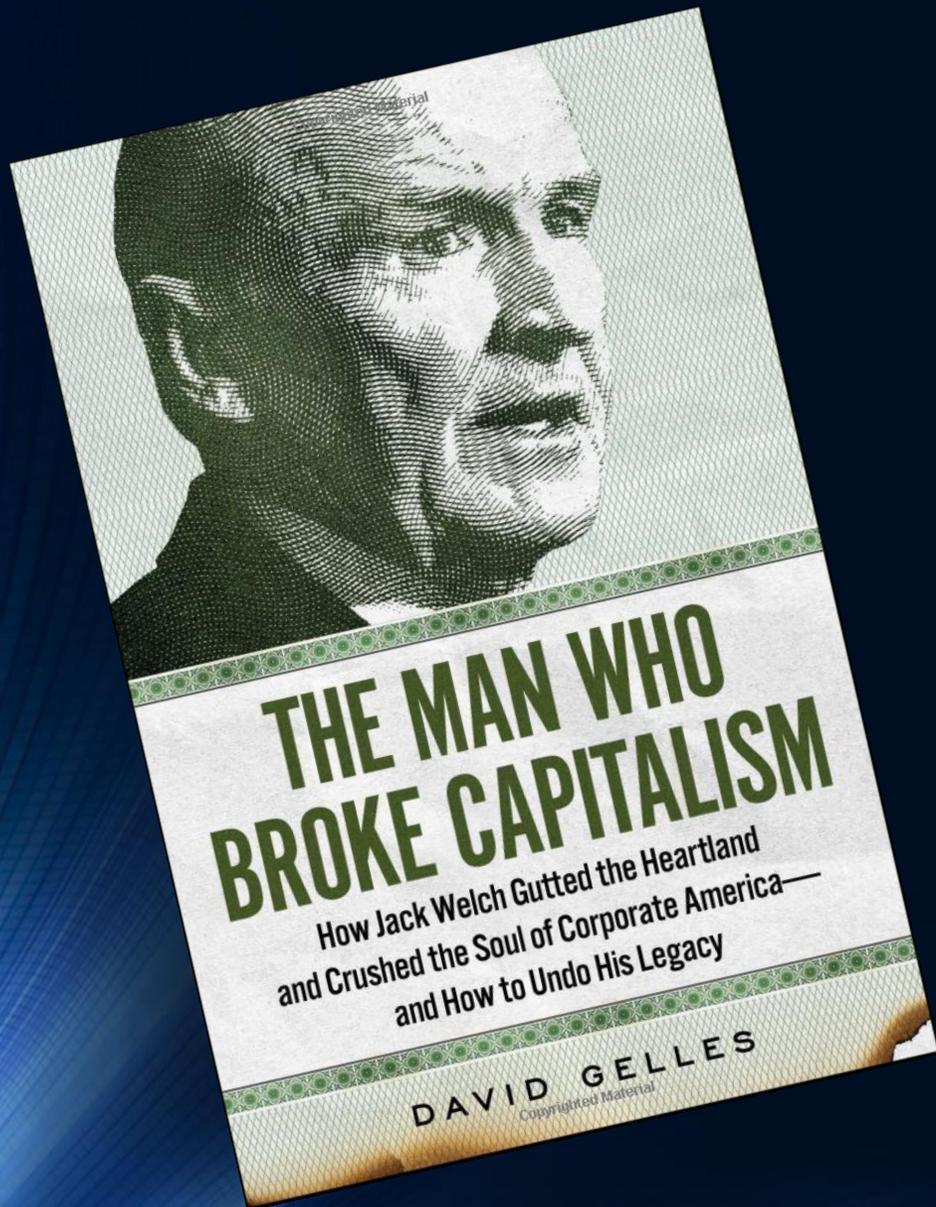
It's Just Cultural...



It's Just Cultural...



It's Just Cultural...



“A study by McKinsey found 61% of companies would, faced with the prospect of a quarterly earnings miss, take measures to make the financial results better than they actually were, even if it meant breaking the law.”



ELECTION

FRAUD

CLAIMS

**It's
Inevitable...**

**INSURANCE
FRAUD**

A magnifying glass with a black handle and a gold-colored rim is positioned over a calculator. The calculator is white with a blue display and various buttons, including a prominent 'TAX' button. The background is a dark blue gradient with a subtle grid pattern. The text 'INSURANCE FRAUD' is written in large, bold, white, sans-serif capital letters across the top right of the image, partially overlapping the magnifying glass and the calculator.



**It Will
Never Go
Away...**

FRAUD

TRUTH

ALL
ARE
TRUE!

FRAUD



So...Why not just give up?

A blurred crowd of people moving forward, overlaid with a large blue text message.

**We all pay
for
fraud...if
we do
nothing.**

Updating the cost of insurance fraud



**THE IMPACT OF
INSURANCE
FRAUD ON THE
U.S. ECONOMY**

2022



**Coalition Against
Insurance Fraud**

What is the cost of insurance fraud?



**Coalition Against
Insurance Fraud**

ADVOCACY • INFORMATION • OUTREACH



How much is: \$308,600,000,000.00 ?

Who pays for fraud?

308.6 billion miles
would travel to the
moon and back
628,000 times.



The background of the image is a vibrant red color. It features several large, semi-transparent red spheres of varying sizes, resembling cells or molecules. Interspersed among these are blue, textured, spherical particles with numerous thin, protruding spikes or filaments, which resemble a virus or a complex protein structure. The overall aesthetic is scientific and microscopic.

**Who pays
for fraud?**

**Fund ALL federal
cancer research
for the next 48
years.**



**Who pays for
fraud?**

**308.6 billion
seconds would
take us back
to 7700 B.C.**



And it starts over at
ZERO every year!

It's a Victimless Crime...



Firefighter Patrick Wolterman

Hamilton, Ohio Fire Department

December 28, 2015

It's a Victimless Crime...

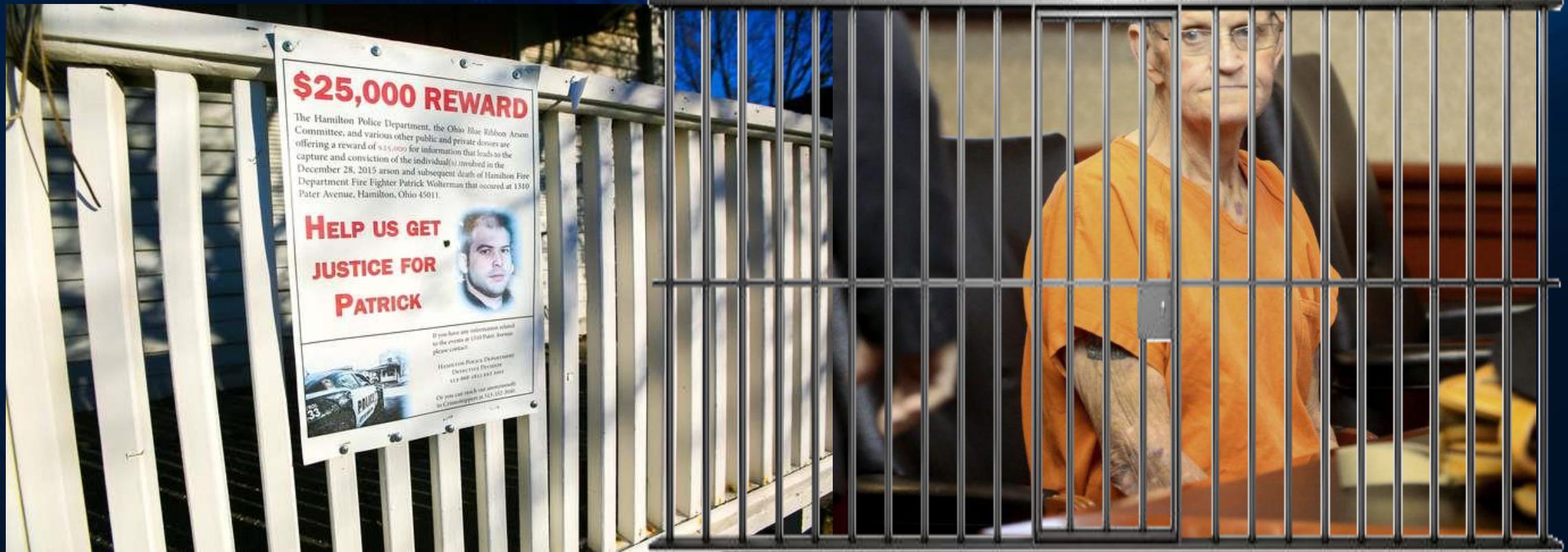


11 AT 11PM
IN THE LINE OF DUTY PHOTOGRAPHER REMEMBERS WOLTERMAN'S WEDDING DAY
FIREFIGHTER MARRIED FOR 7 MONTHS BEFORE DEATH



9 ON YOUR SIDE
abc wcpa.com
11:02 39°

It's a Victimless Crime...



\$25,000 REWARD

The Hamilton Police Department, the Ohio Blue Ribbon Arson Committee, and various other public and private donors are offering a reward of \$25,000 for information that leads to the capture and conviction of individual(s) involved in the December 28, 2015 arson and subsequent death of Hamilton Fire Department Fire Fighter Patrick Wohlerman that occurred at 1310 Pater Avenue, Hamilton, Ohio 45011.

**HELP US GET
JUSTICE FOR
PATRICK**



If you have any information related to the events at 1310 Pater Avenue please contact:

Hamilton Police Department
Detective Division
612-866-4343 x3333

Or you can file a tip anonymously
to CrimeStoppers at 311-527-3686

Insurers Who Underwrite The Cost of Fraud...



Insurers Just Underwrite The Cost of Fraud...



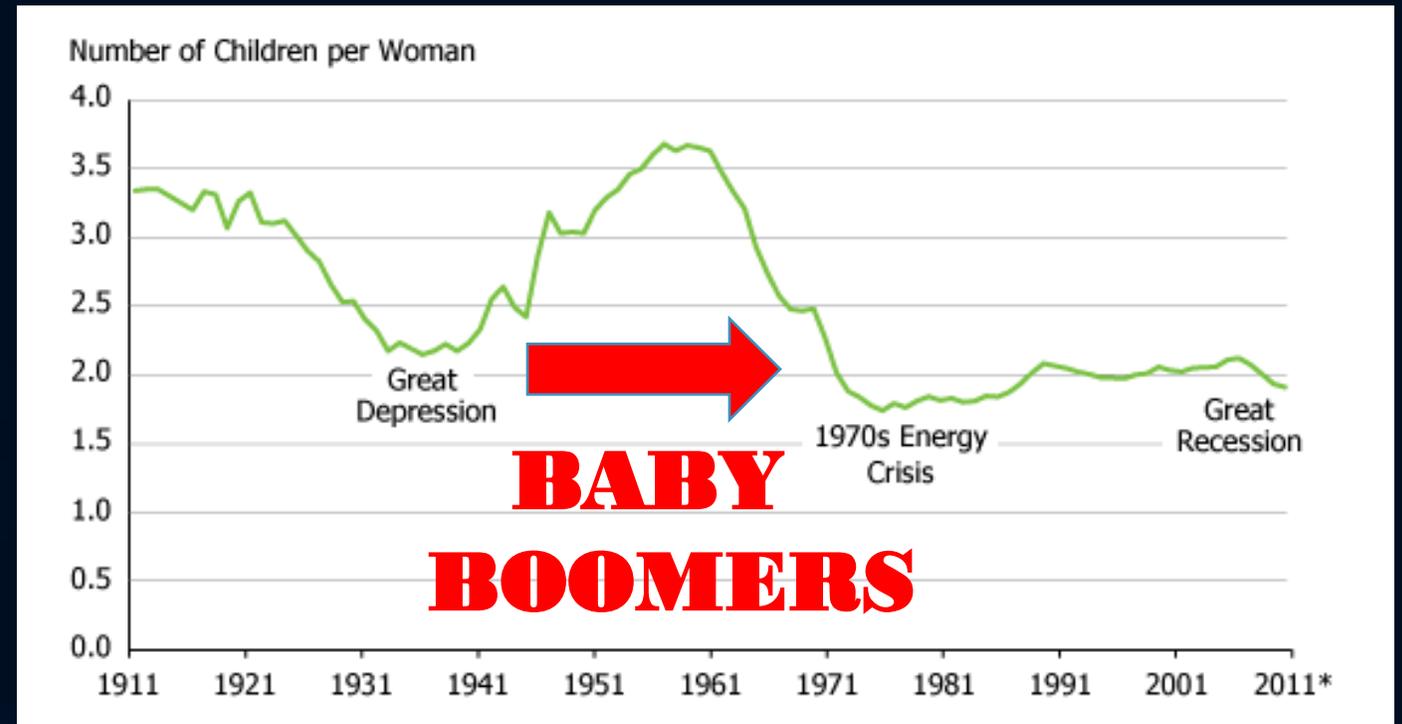
What If We Just Do Nothing?



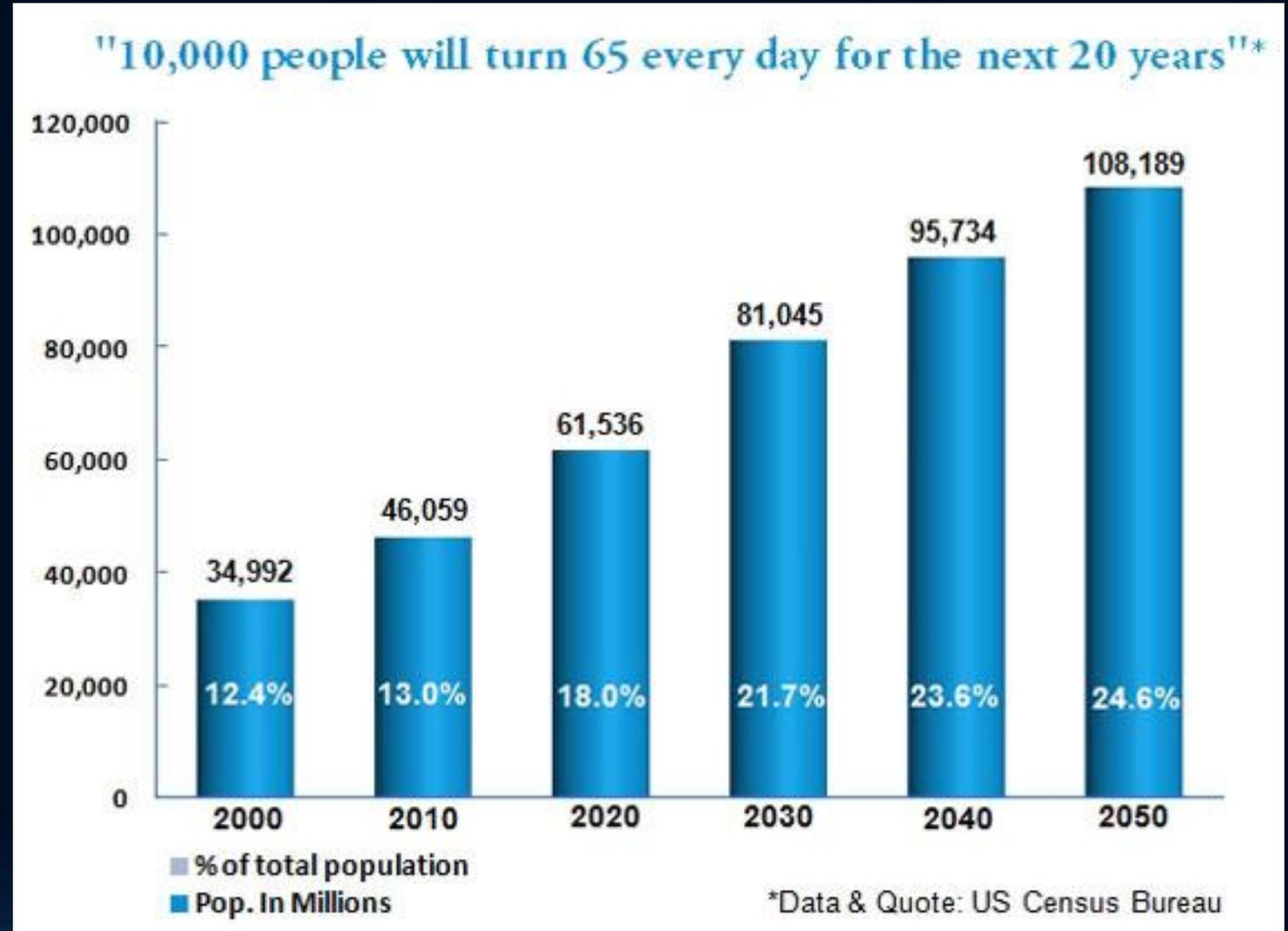
What If We Just Do Nothing?



77.3 million
Boomers

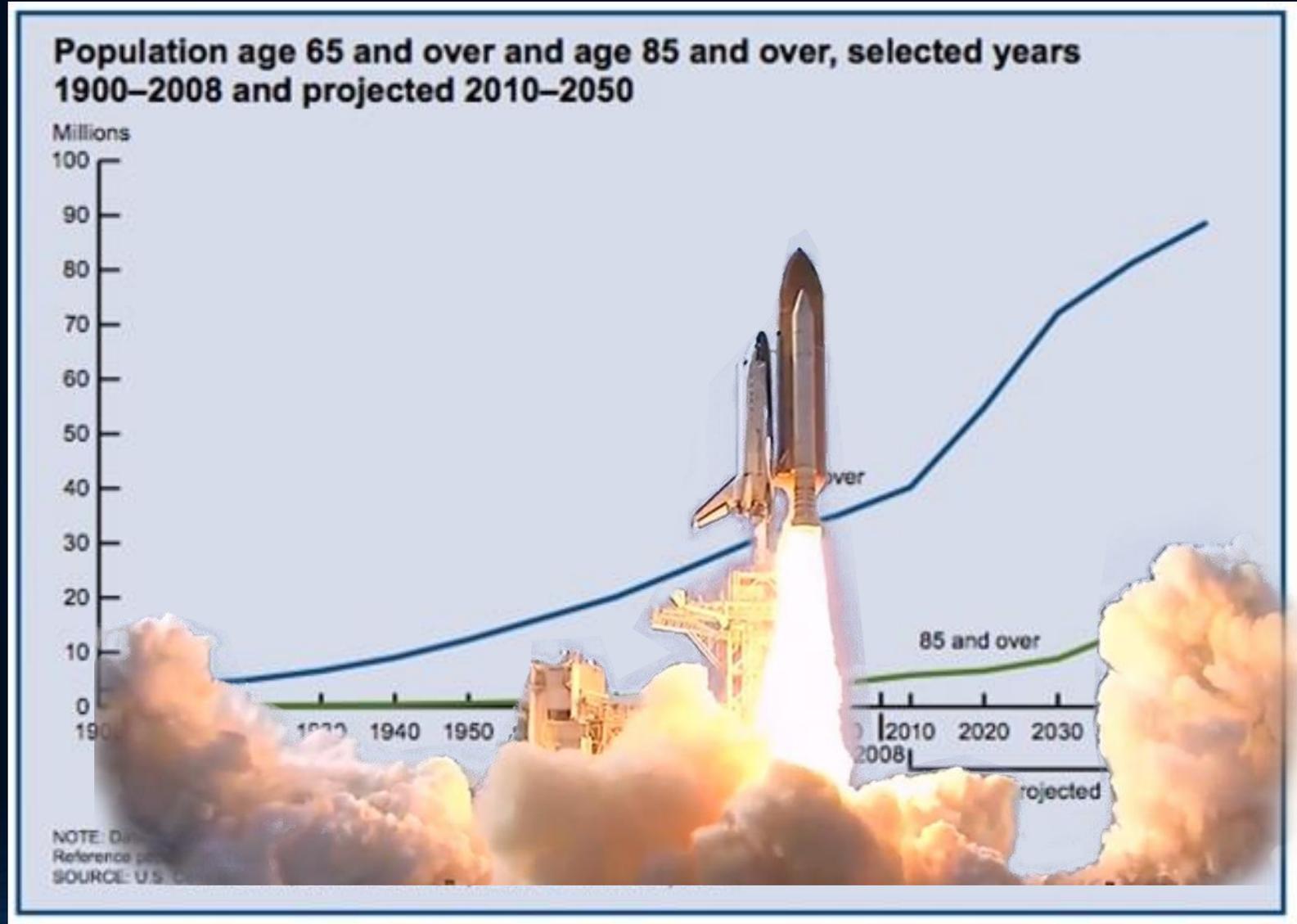


Statistics the World Has Never Seen...



Statistics the World Has

Never
Seen...

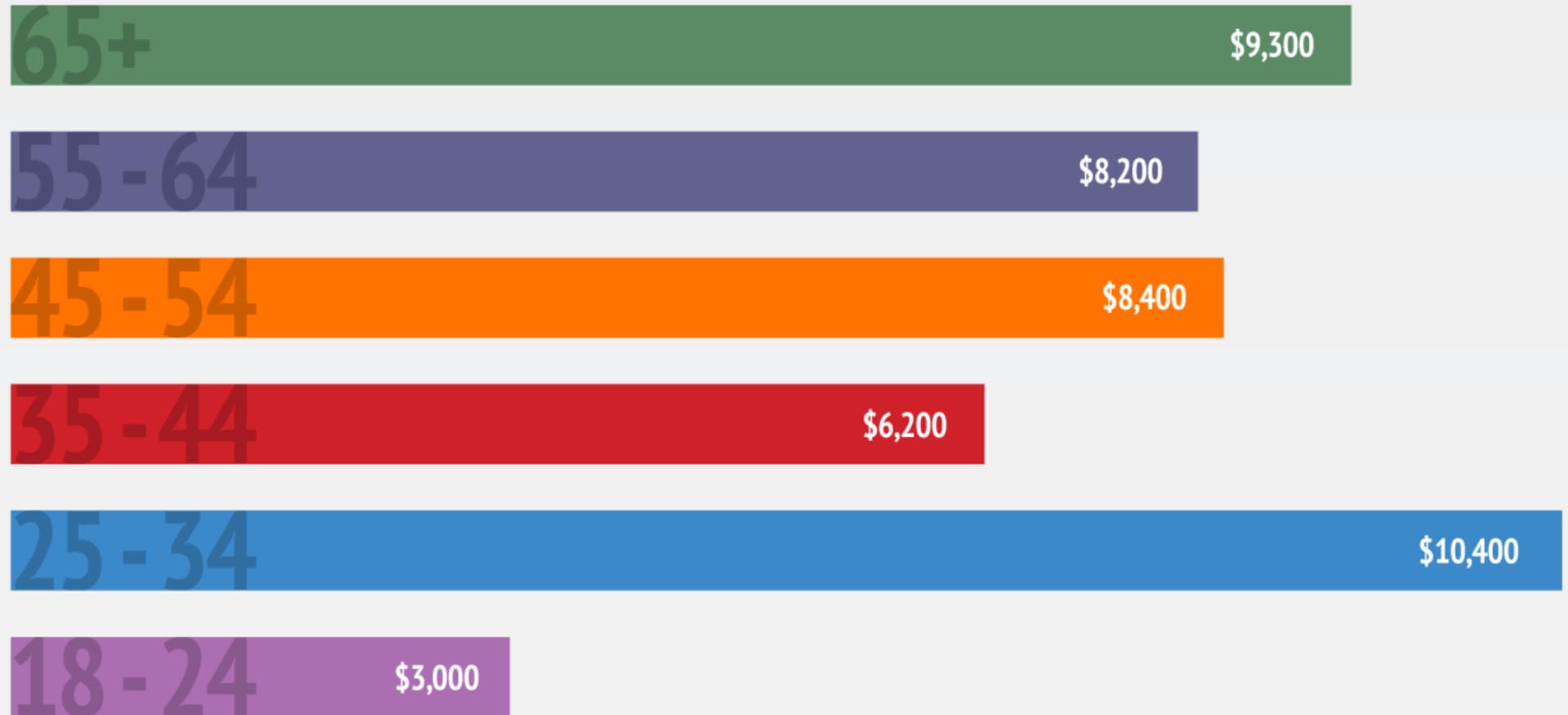


Motivators for Elder Fraud



A Surprising Fact!

Credit
Card
Debt
Per
Person



Morals And
Ethics
Do Not
Come
With Age....



No
One
Deserves
A
“Free Pass”
To Commit Fraud



**Insurance
Fraud
FREE PASS**

Insurance Fraud Is MULTI- GENERATIONAL

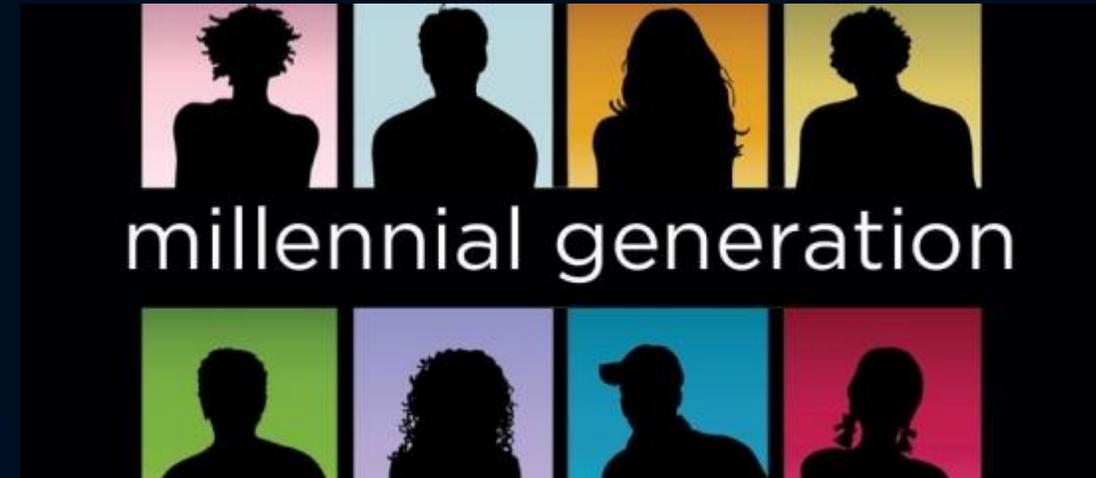


The Other End of the Spectrum...





The Millennials



Are **HERE!**

HELLO
I'M A...
MILLENNIAL



But Who Are They?



Millennial Ethics & Fraud?

“A routine moral failure that is widespread among the Millennial generation is theft. With the advent of technology, the lines of ownership and theft have significantly blurred.”

Millennial Ethics...



Millennial Ethics...

This group of 18 to 33 year-olds has emerged into adulthood with low levels of social trust. The future of an ethical society is looking grim and we can expect even more fraud in the future.



THE
PEW
CHARITABLE TRUSTS

NEW YORK POST

“An overwhelming majority of younger Americans don’t think twice about fibbing their way out of a tough spot, according to a poll measuring generational views of truth and lying.

A whopping 80 percent of Millennials find it acceptable to lie to avoid embarrassment, compared to 57 percent of Baby Boomers.”



And All May Commit

Fraud



For Different Reasons

How Do We Know?

U.S. Respondents Admitting
To Fraudulently Inflating Claims:



15% of all auto claims

38% of all homeowner claims

How Do We Know?

“More than 68% of Americans believe insurance fraud occurs because people can get away with it...

Up from 49% in 2003.”



Some examples...

It is wrong to overstate the value of an insurance claim...



55+	89%
45-54	87%
35-44	82%
25-34	83%
18-24	74%

Some examples...

It is wrong to submit claims for items not lost or stolen or for fake injuries...



55+	97%
45-54	95%
35-44	91%
25-34	91%
18-24	84%

Some examples...

Are insurance companies capable of identifying fraud?



55+	74%
45-54	73%
35-44	75%
25-34	71%
18-24	66%

These ARE the newest
policyholders & claimants



Are insurers feeding the monster?



Premium Optimization...

Insure.com Life Insurance Auto Insurance Health Insurance Home

Home > Car Insurance > Affordable Car Insurance > "Price optimization" puts the screws to loyal car insurance customers

Car Insurance Quotes

Find Affordable Auto Insurance

Zip Code? Age? Currently Insured?

Homeowner? Married? Served in the Military?

Yes No Yes No Yes No [Get Quotes Now](#)



"Price optimization" puts the screws to loyal car insurance customers

By Ed Leefeldt, Insure.com - Last updated: Jan. 23, 2015

Price optimization is a little-known technique that penalizes loyal auto insurance policyholders by charging them higher rates because their insurer believes they are unlikely to shop around for a better price. By mining data on customers and testing incremental price increases, some insurers try to predict who is less likely to switch companies, and then charge those customers more in order to squeeze out higher profits.

The practice is under review by some state insurance regulators, thanks to the spotlight shined on it by the Consumer Federation of America (CFA).

The CFA, a consumer advocacy group, recently pointed to an Allstate insurance filing in Wisconsin. CFA Director of Insurance J. Robert Hunter says the filing shows that car insurance companies "are bringing new illegal pricing structures into the insurance market." Insurers use "big data" to identify customers unlikely to switch carriers and then charge them more, he says.

npr WKSU news arts & life music programs shop

YOUR MONEY

Being A Loyal Auto Insurance Customer Can Cost You

4:54

May 8, 2015 - 3:51 AM ET
Heard on Morning Edition

Download Embed

TRACY SAMILTON

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Money / Insurance / Car Insurance / Price Optimization Helps Car Insurers Figure Out Whether You're A 'Schmo'



Price Optimization Helps Car Insurers Figure Out Whether You're a 'Schmo'

Being loyal to your car insurance company could cost you

By Jeff Blyskal
September 03, 2015

While there are many surprising ways that car insurance companies determine whether to hike your premium, few are as unpalatable as the practice of tracking your behavior.

But that's exactly what many car insurance companies do. Without your knowledge, insurers mine data about your shopping behavior to uncover trends, such as how many iPhones you've bought, whether you remain a loyal customer of one telecom company when another is offering cheaper service, and how much



Premium Optimization...

Insure.com Life Insurance Auto Insurance Health Insurance Home

Home > Car Insurance > Affordable Car Insurance > "Price optimization" puts the screws to loyal car insurance customers

Car Insurance Quotes

Find Affordable Auto Insurance

Zip Code? Age? Currently Insured? Homeowner? Married?

"Price optimization" puts screws to loyal car insurance customers

By Elizabeth Feldt, Insure.com Updated on 10/23/2015

Price optimization is a little-known technique that analyzes loyal auto insurance policyholder behavior to charge them higher rates. Insurers believe they are unlikely to switch carriers for a better price. By mining customer data, including internet purchases, some insurers can predict who is likely to stay with their company and then charge those customers more in order to maximize their profits.

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The CFA, a consumer advocacy group, filed a complaint with the state insurance filing in Wisconsin. The filing says the filing shows that car insurance companies are putting new illegal pricing structures into the insurance market. Insurers use "big data" to identify customers unlikely to switch carriers and then charge them more, he says.

npr WKSU news arts & life music programs shop

Being A Loyal Auto Insurance Customer Can Cost You

4:54

+ Queue

Learn on

Written by TRACY S...

Embedded

FROM MICHIGAN RADIO

Motor Insurance Schedule

Important details about your policy. Please keep...

CR Consumer Reports News Action

Price Optimization: How Insurers Figure Out What Loyal Customers Cost

By Jeff Blyskal September 03, 2015

While there are many surprising ways that car insurance companies determine whether to hike your premium, few are as unpalatable as the practice of tracking your behavior.

But that's exactly what many car insurance companies do. Without your knowledge, insurers mine data about your shopping behavior to uncover trends, such as how many iPhones you've bought, whether you remain a loyal customer of one telecom company when another is offering cheaper service, and how much

SHARES 199



Aggressive Advertising...



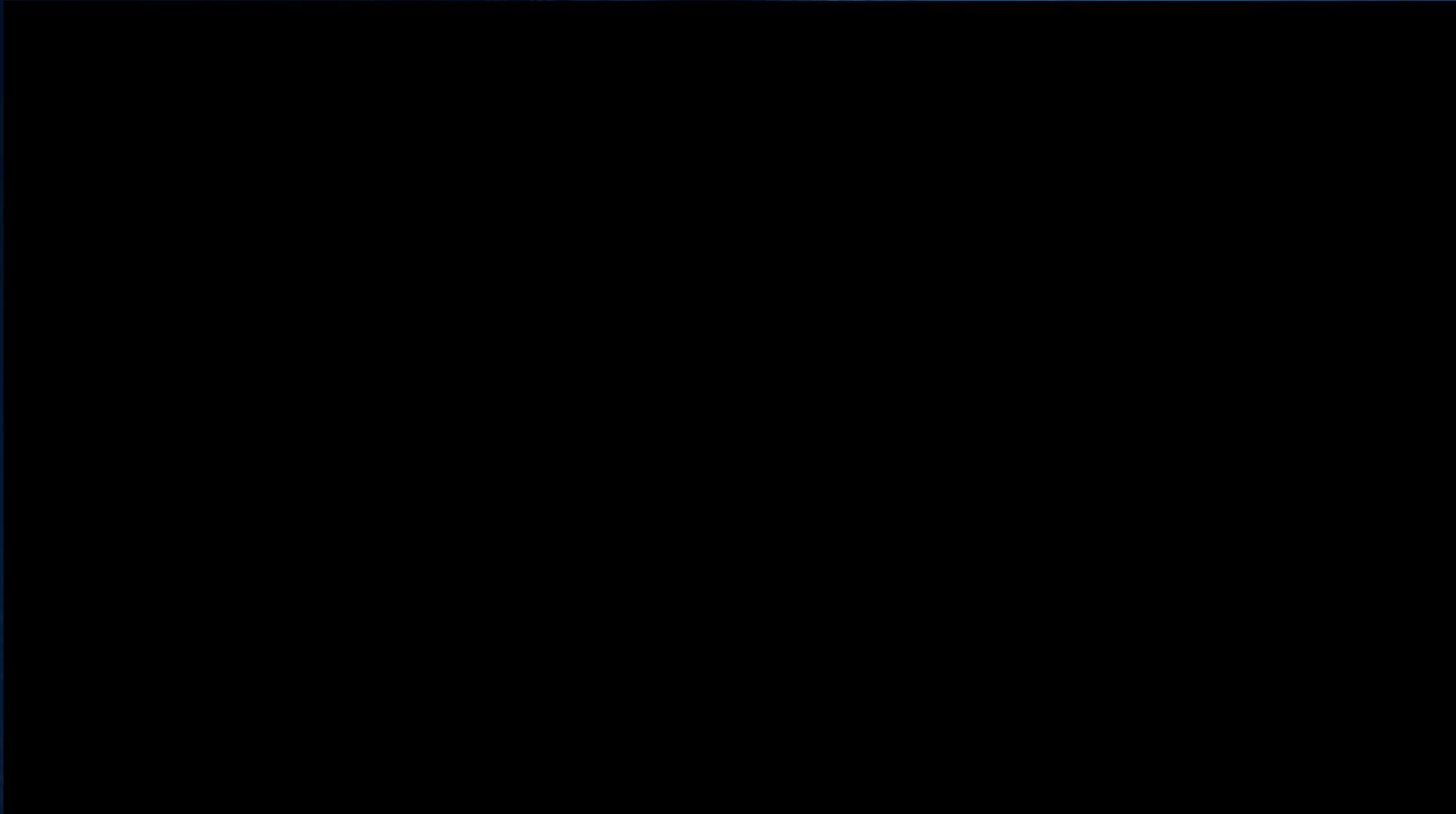
What message are insurers sending regarding their own profession?



Aggressive Advertising...

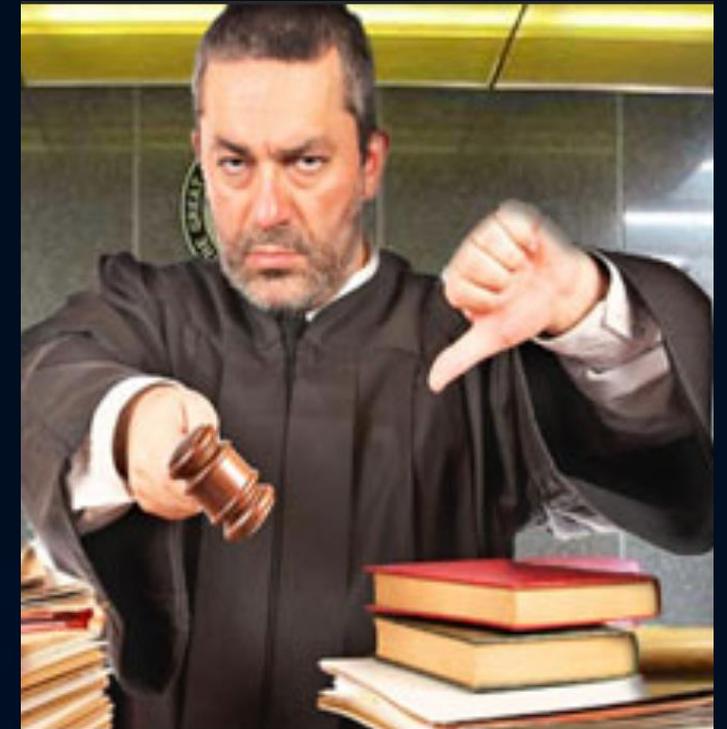


Peer-to-Peer Insurance





Consider
the
impact





Consumers Perception of Insurance Companies



The background of the slide features a light blue, textured surface with several blue puzzle pieces scattered across it. The puzzle pieces are in various orientations and some are overlapping. The overall aesthetic is clean and professional.

Only 13% of
consumers trust
insurers.

Public Trust in Insurance

Insurance
BUSINESS

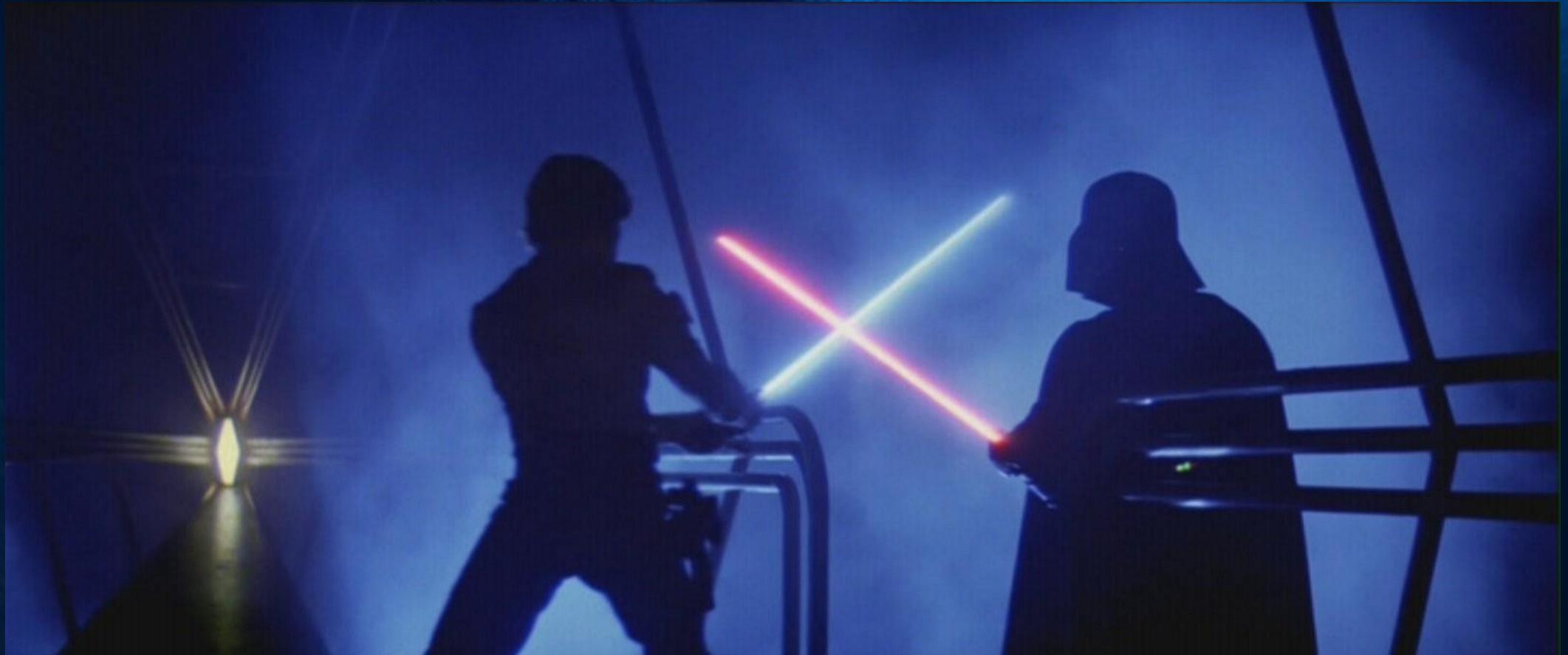


Most consumers do not understand pandemic exclusions.

Consumers
perception
of insurers
has far-
reaching
impact....



Battling Back...



You Are Not Alone....

IT TAKES A
TEAM TO
BATTLE
FRAUD



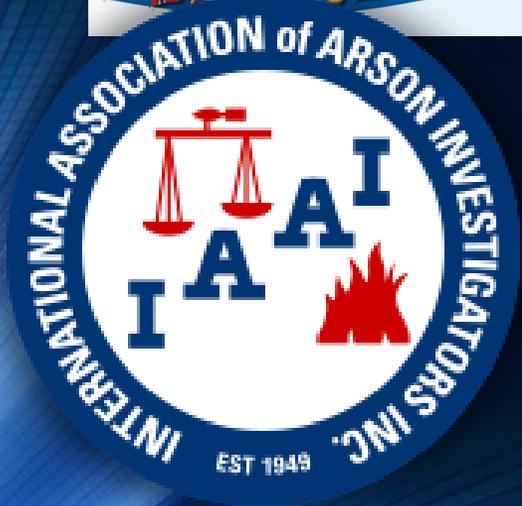
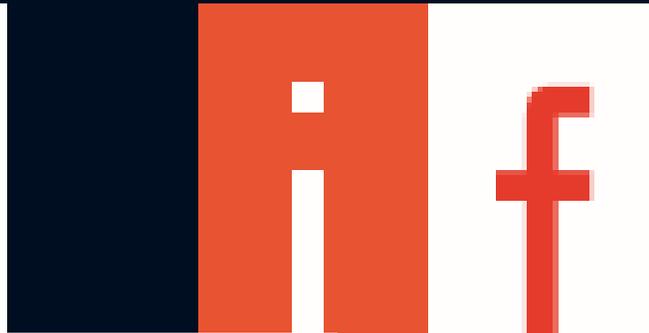
You Are Not Alone...



Coalition Against Insurance Fraud

ADVOCACY • INFORMATION • OUTREACH

You Are Not Alone...



Who We Are....



**Coalition Against
Insurance Fraud**

**280 +
Member
Organizations**

Who We Are...



Consumer
Advocacy &
Protection



**Coalition Against
Insurance Fraud**

Who We Are...



**Coalition Against
Insurance Fraud**



America's
Leading
Insurers

Who We Are...



Attorney Generals,
Law Enforcement,
Prosecutors, District Attorneys



Coalition Against
Insurance Fraud

Who We Are...

Regulators
& Legislators



**Coalition Against
Insurance Fraud**



What We Do...



Coalition Against Insurance Fraud

HOME ABOUT FRAUD SCAM ALERTS NEWSROOM GOVERNMENT & LAW INFO & CONTACT US

Coalition Against Insurance Fraud



Coalition Against Insurance Fraud

HOME ABOUT FRAUD SCAM ALERTS NEWSROOM GOVERNMENT & LAW INFO & CONTACT US

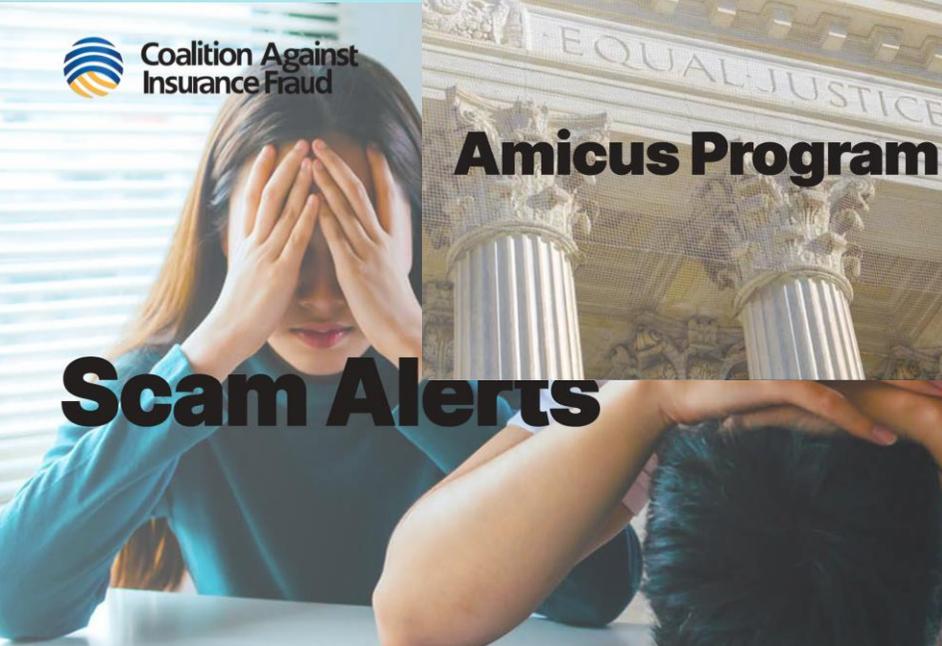
Report Fraud



SEPTEMBER 2020

ARTIFICIAL INTELLIGENCE & INSURANCE FRAUD

Decoding the mysteries of AI for the fraud-fighting community



Coalition Against Insurance Fraud

HOME ABOUT FRAUD SCAM ALERTS

Scam Alerts



Coalition Against Insurance Fraud

HOME ABOUT FRAUD SCAM ALERTS

Amicus Program



Coalition Against Insurance Fraud

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Model Acts



Coalition Against Insurance Fraud

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Fraud Stats

Fraud costs

Cases

Public Information & Outreach



Coalition Against Insurance Fraud

FRAUD NEWS WEEKLY

JOURNAL OF INSURANCE FRAUD IN AMERICA

"It is in everyone's best interest-- especially insurers-- to protect insureds from these schemes ..."



FraudPod

Insurance Fraud Hall of Shame

Videos & Infographics

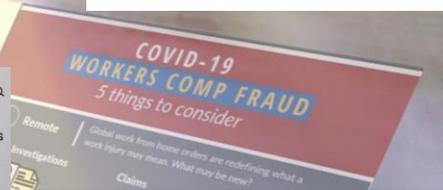
Annual ANTI-FRAUD CONFERENCE
MONTEREY, CALIFORNIA



Coalition Against Insurance Fraud

HOME ABOUT FRAUD SCAM ALERTS NEWSROOM GOVERNMENT & LAW REPORT FRAUD REGULATIONS

Report Fraud



Coalition Against Insurance Fraud

ADVOCACY · INFORMATION · OUTREACH



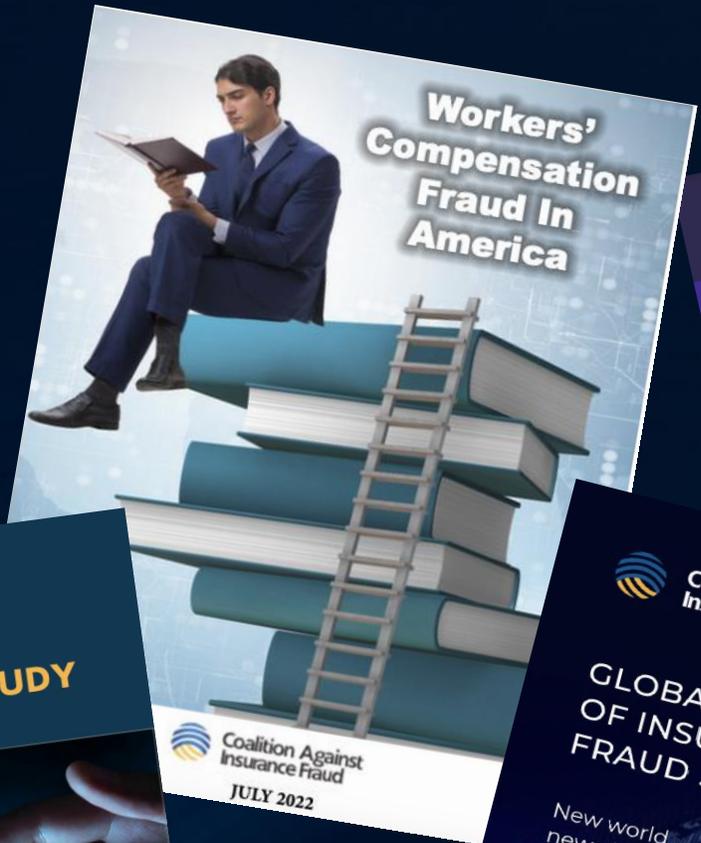
Legislative, Regulatory & Judicial Advocacy



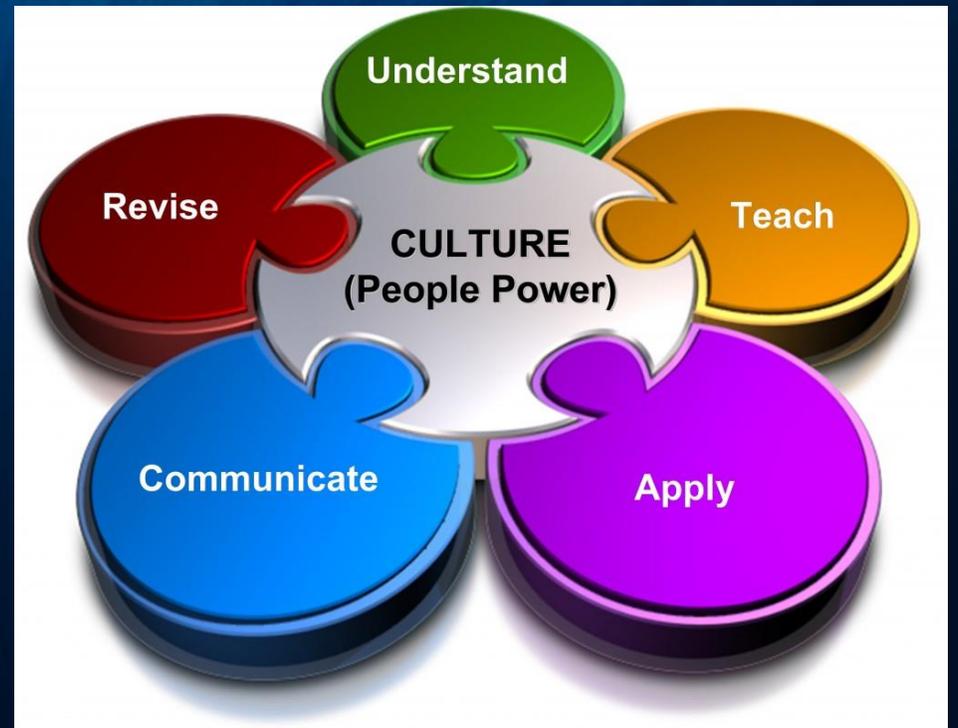
**Coalition Against
Insurance Fraud**

ADVOCACY • INFORMATION • OUTREACH

Research



What If We Could Change The Culture?



American Culture Has Been Changed Before...



Cultural Changes...



Before 1980

Cultural Changes...



September 5th
1980

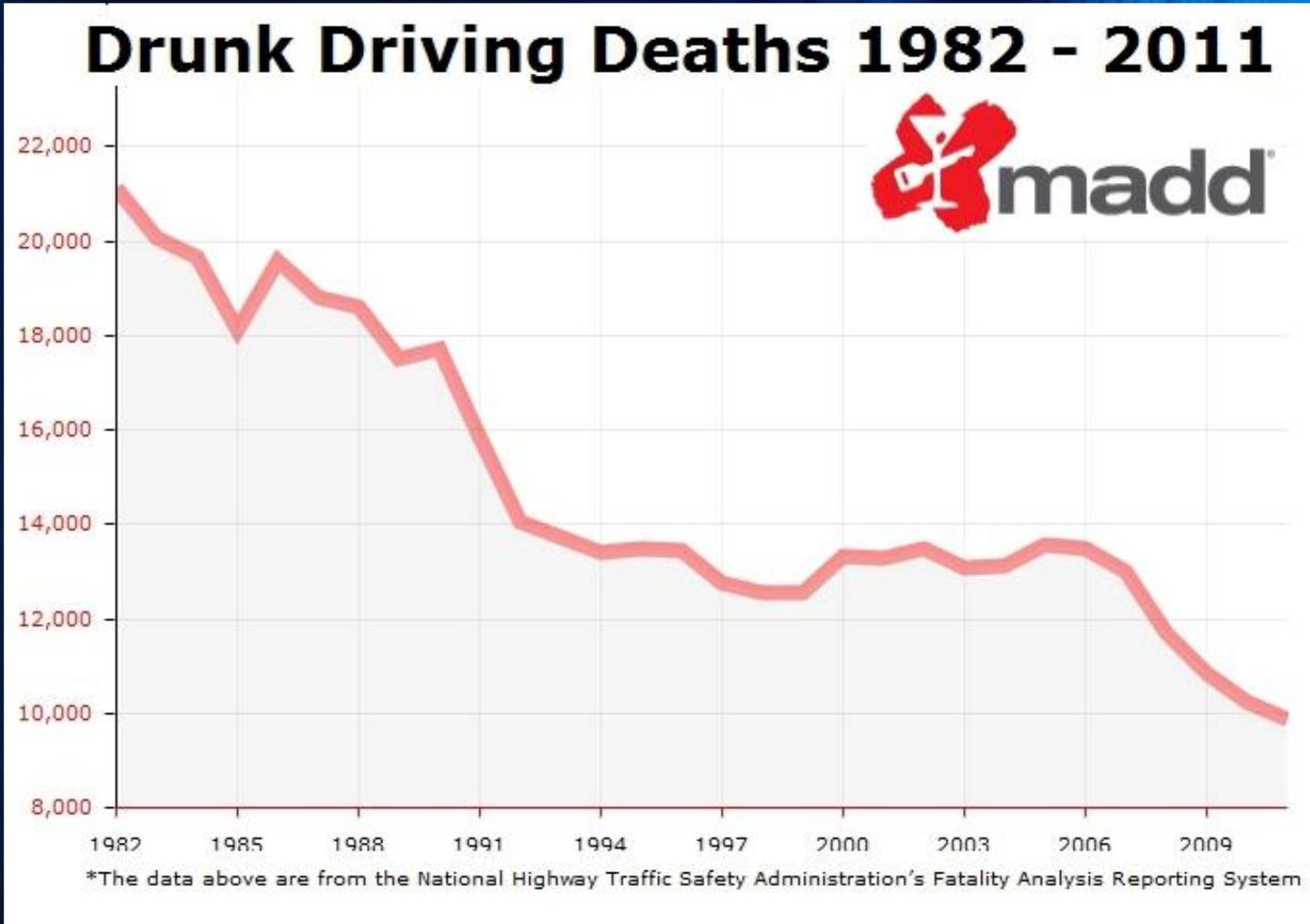
Candace Lightner

Cultural Changes...



maddTM

Cultural Changes...



60%

Cultural Changes...



N-SENTINEL
 Complete Stocks • Late Sports • Local News • Today Section
 (2)
 JUNE 8, 1977 5 SECTIONS 64 PAGES Fifteen Cent

BY HUGE MARGIN

Gay Rights Law Killed

The Proof that Perversion

HOMOSEXUALS

WHAT IS A HOMOSEXUAL?
 According to popular belief:

HOMOSEXUALS ARE:
 ...a third sex
 ...born with bodies of the wrong sex
 ...hereditarily incapable of normal love
 ...easily recognized by one another
 ...impotent men and frigid women

By B. RICHARD PETERSON

MANHATTAN-BRONX SECTION TWO **SUNDAY NEWS** Largest circulation in MANHATTAN-BRONX
 NEW YORK'S PICTURE NEWSPAPER ©
 New York, N.Y. 10017, Sunday, July 6, 1969

Homo Nest Raided, Queen Bees Are Stinging Mad

By JERRY LISKER

She sat there with her legs crossed, the lashes of her mascara-coated eyes beating like the wings of a hummingbird. She was angry. She was so upset she hadn't bothered to shave. A day old stubble was beginning to push through the pancake makeup. She was a he. A queen of Christopher Street.

Last weekend the queens had turned commands and stood back strap to bra strap against an invasion of the helmeted Tactical Patrol Force. The elite police squad had shot down one of their private gay clubs, the Stonewall Inn at 57 Christopher St. in the heart of a three-block homosexual community in Greenwich Village.

Queen Power reared its bleached blonde head in revolt. New York City experienced its first homosexual riot.

"We may have lost the battle, sweets, but the war is far from over," loomed an unofficial lady-in-waiting from the court of the Queens.

"We've had all we can take from the Gempax," the spokesman, or spokesperson, continued. "We're putting our foot down once and for all." The foot wore a spiked heel.

According to reports, the Stonewall Inn, a two-story structure with a sand painted brick and opaque glass facade, was a mecca for the homosexual element in the village who wanted nothing but a private little place where they could congregate, drink, dance and do whatever



Stonewall Inn, a two-story structure with a sand painted brick and opaque glass facade, was a mecca for the homosexual element in the village who wanted nothing but a private little place where they could congregate, drink, dance and do whatever

with cheers of encouragement from the gallery.

The whole proceedings took on the aura of a homosexual Academy Awards Night. The Queens pranced out to the street blowing kisses and waving to the crowd. A beauty of a specimen named Sheila walked unscathedly while being led to the sidewalk in front of the Stonewall by a cop. She later confessed that she didn't protest the manhandling by the officer, it was just that her hair was in curlers and she was afraid her new jeans might be in the crowd and spot her. She didn't want him to see her this way, she wept.

Queen Power

The crowd began to get out of hand, eye witnesses said. Then, without warning, Queen Power exploded with all the fury of a gay atomic bomb. Queens, homosexuals and ladies-in-waiting began hurling anything they could by their polished, manicured finger nails on Bobby pin, compact, confetti, lipstick tubes and other feminine fatale missiles were flying in the direction of the cops. The war was on. The lines of the valley had become nervousness jungle plants.

Urged on by cries of "man, girl, let's get 'em!", the leaders of Stonewall launched an attack. The cops called for aid to Christopher Street, just off Sheridan Square. A crowd had formed in front of the Stonewall and the customers were greeted

Bryant's Victory

pranced around the Wonder Woman, while several Police Nightingales administered first aid to the fallen warriors. There were some assorted scowls and berates, but nothing serious was suffered by these honary turned Madwomen of Challice.

Official reports listed four injured policemen with 13 arrests. The War of the Bees lasted about two hours from about midnight to 2 a.m. There was a return bout Wednesday night.

Two witnesses recently recalled the battle and issued a warning to the cops. "If they close up all the gay joints in this area there is going to be all out war."

Bryant and Nan

Both said they were refugees from Indiana and had come to New York where they could live together happily ever after. They were in their early 20's. They preferred to be called by their married names, Bryant and Nan.

"I don't like your paper," Nan lipped matter-of-factly. "It's anti-fag and pro-cop."

"It'll be your ain't one what they did to the Stonewall. Did the pigs tell you that they smashed everything in sight? Did you ask them why they rode money out of the cash register and then smashed it with the hammer?" Did you ask them why it took them two years to discover that the Stonewall didn't have a liquor license?

Bryant issued an agreement and

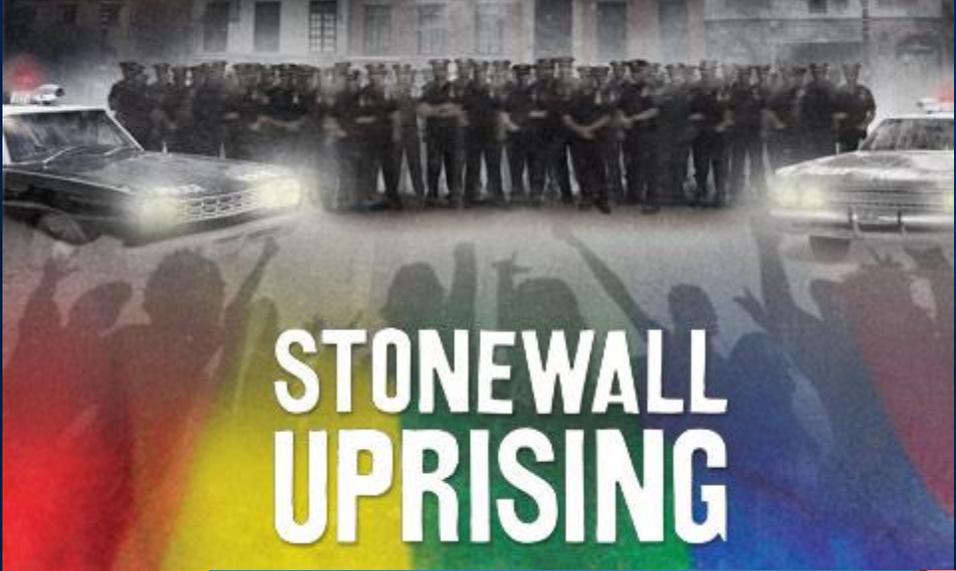
Flashed with the excitement of battle, a fellow called Gloria

(Continued on page 10)

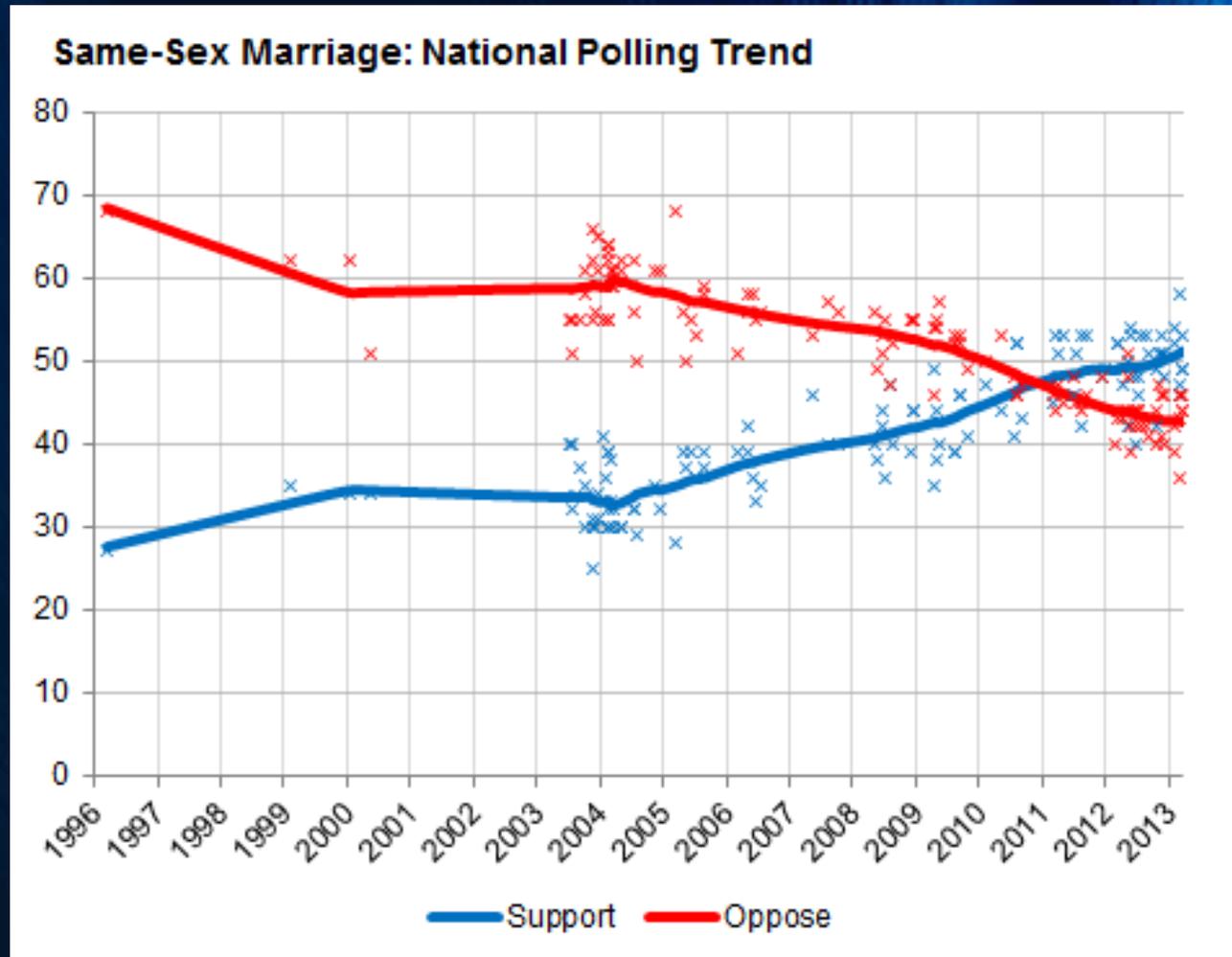


when tender, g you a sure prison. we well e first noon. that a ure! lo would d and gult-in in the ines- is disled in tinued ing of

Cultural Changes...



Cultural Changes...



Cultural Changes...



June 26, 2015

The Washington Post

Washington, D.C. • Tuesday, June 23, 2015

It would misunderstand these men and women to say they disrespect the idea of marriage. Their plea is that they do respect it, respect it so deeply that they seek to find its fulfillment for themselves. Their hope is not to be condemned to live in loneliness, excluded from one of civilization's oldest institutions. They ask for equal dignity in the eyes of the law. The Constitution grants them that right. The judgment of the Court of Appeals for the Sixth Circuit is reversed. It is so ordered.

Gays' right to wed affirmed

5-TO-4 RULING BY SUPREME COURT
Obama hails decision as a 'victory for America'

Jubilant for many, but day takes bitter-sweet turn for some

It was what counts as an act of protest of emotion in the first atmosphere of the Supreme Court decision. Hundreds of lawyers stilling and dabbling at their eyes out of joy.

But the celebration was less restrained outside on the steps and all around the country as gay couples greeted what had just happened in their churches. Some marriages had stopped being the same thing and just become "marriage."

"Oh my God, I am so excited!" said Andrew Cameron, 30, a software engineer who had to take a moment to compose himself outside his wedding in Fairfax County, Va., shortly after the ruling. In a couple of hours, she said her partner of five years, along with their two children, would be in line at the courthouse, ready to be among the first couples in the state.

As it turns out, they would be the third same-sex couple to get a marriage license in Prince George's County, Md. But they would also be the last, for now. After the two exchanged vows on the steps, some steps, Ministeriali closed the door to same-sex marriage for the day, acknowledging the gay rights movement that although it had achieved one of its biggest victories, the fight was not over.

The number of states with marriage legislation by state

2003 2010 2014 2015

Justice Anthony M. Kennedy, who has written all of the court's decisions recognizing and protecting gay rights, said the decision was based on the fundamental rights to marry and the equality that must be afforded gay Americans.

"Under the Constitution, states may not seek to impose the same legal treatment as opposition on couples, and it would beque-

How Did They Do It?



maddTM



How Did They Do It?

- Education
- Public Outreach/
Personalization
- Legislative Action
- Court Decisions



We CAN Change The Culture of Fraud...



Step One:

Cooperative Efforts



Step One:



Cooperative Efforts

Step Two:

Insurance Fraud

**HELP STOP
INSURANCE FRAUD
AND SCAMS**



Step Two:



Step Two:



Step Three:



Effective
Legislative
Action

Step Three:



State Initiatives

Step Three:



Federal Laws & Cases



Step Three:

Model Acts



Step Four: Communicate Success!



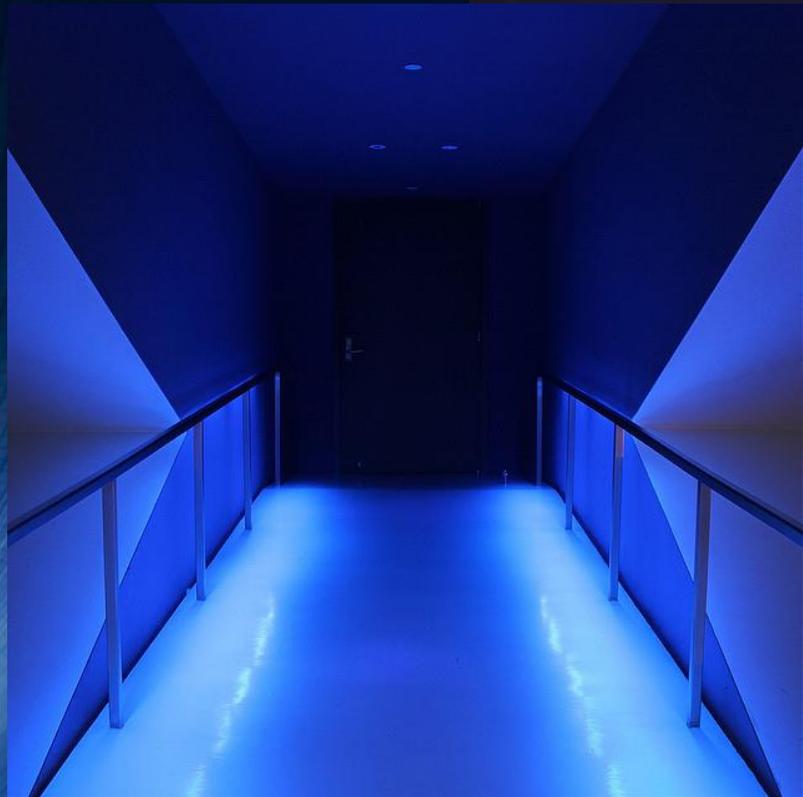
GUILTY OF INSURANCE FRAUD
BRADLEY COUNTY



EDWIN MILLAN

Insurance Fraud Hall of Shame

WHERE DO WE GO
FROM HERE?



**INSURANCE
FRAUD**



Continue to Partner Together...



Be Leaders In The Public & Government Arenas



Move Public Opinion



- ❖ Education
- ❖ Information
- ❖ Action



We CAN Make A Difference!



The
"Ball"
Is In Our
Court



And
We Are
Ready!



IS INSURANCE
FRAUD STILL
RELEVANT?

YES and we do CARE!

And YOU Should Too!



Thank

You!

