

In 1996 the Utah Insurance Department received legislative authority to create the Insurance Fraud Division.

The Insurance Fraud Division acts as the primary law enforcement agency in the State of Utah for investigating suspected fraudulent insurance claims. The core mission is to aggressively investigate, prosecute and seek restitution from those who commit insurance fraud.

The insurance fraud division receives over 1000 referrals to investigate each year from insurance companies, consumers, and law enforcement agencies.

If you wish to report suspected insurance fraud or to learn more about insurance fraud and how you can prevent it,

Visit: www.ifd.utah.gov



**UTAH INSURANCE
DEPARTMENT
FRAUD DIVISION**

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WHAT IS INSURANCE FRAUD?

**IT IS A SERIOUS
CRIME.**



**Utah Insurance
Department
Fraud Division**

INSURANCE IS A GOOD THING.

For most people and their families, a sudden loss of property, an accident, injury, or death presents an overwhelming and disastrous financial burden. Insurance protects us from these and other risks.

INSURANCE FRAUD HAS SERIOUS CONSEQUENCES.

When someone provides false information to an insurance company to gain something of value that would not have been received if he or she had told the truth, they have committed insurance fraud.

In Utah, this type of dishonest act is classified as a serious crime. In most instances it is a felony. Those convicted of Insurance Fraud face fines, legal fees, even prison time. Not to mention a wide range of consequences, such as job loss and harm to reputation and family relationships. Once convicted, it is a crime that goes on the individuals permanent record.

Studies have shown that many people do not fully understand what insurance fraud is or what can happen if they are caught.

Don't let a lie wreck your life or that of someone you know. Learn more about insurance fraud.

HOW DOES INSURANCE FRAUD HAPPEN?

Insurance fraud occurs with all kinds of insurance, including auto, homeowners, workers' compensation, and health care. It ranges from large scale organized crime to individual wrongdoing.

EXAMPLES OF INSURANCE FRAUD.

An individual provides false information on an application for insurance to secure a lower policy premium or a policy they would not have qualified for.

An insured individual exaggerates the amount of loss on a claim they submit in order to receive a settlement for more than the fair value.

An accident is staged to try to get money for injuries not sustained or medical care not given.

Truth is, there are many ways ill-intended people try to cheat on their insurance coverage. That is why it's a good idea to become familiar with how to avoid making a bad judgment call when faced with similar situations.



WHAT'S THE HARM OF INSURANCE FRAUD?

Insurance fraud lowers trust, and raises costs, for everyone. Each family pays \$750-\$1,000 more each year in insurance premiums due to insurance fraud.

The business of insurance relies on mutual trust. Insurance companies trust that the consumer will be honest with them about the risks they face or the losses they have suffered. Consumer's trust that the insurance company will be there to protect them when needed.

Insurance fraud and other insurance related crimes attack that trust, increasing for insurers the costs of doing business, reducing dividends paid to shareholders, and eventually raising the costs of buying insurance for all consumers.

Insurance fraud costs American consumers billions of dollars each year. It's the second most costly white collar crime in America, behind tax evasion.

Insurance fraud costs Utah residents in the form of increased premiums to cover the money lost because of this crime.