Most claims are legitimate, but some are fraudulent. Therefore, it is appropriate for the adjuster to review all claims for possible fraud. Determining the “fraud probability” of any claim is facilitated when the adjuster is familiar with various fraud indicators.

These indicators should help isolate those claims which merit closer scrutiny. No one indicator by itself is necessarily suspicious. Even the presence of several indicators while suggestive of possible fraud, does not mean that fraud has been committed. Indicators of possible fraud are “red flags” only, not actual evidence.

Some claims, although suspicious, may have to be paid for lack of conclusive evidence of fraud. However, they should be referred to NICB for further review.

For additional information on the following indicators, please see the NICB’s Interactive Indicator Guide. This Guide is a software application providing the concern associated with each indicator as well as suggested resolution steps. For access to the Interactive Indicator Guide, please contact NICB’s Training Department.

**Regarding Applicant or Claimant or Insured**
- Individual denies involvement in the accident.
- Individual is overly pushy, aggressive or demanding for a quick, and sometimes reduced settlement (possibly to avoid providing additional documentation).
- Individual refuses to give a statement.
- Initial phone number (and/or address) provided is incorrect and/or often disconnected or never in service.
- One or more claimants or insured list a post office box (mail drop) or hotel as address.
- Parties have a history of prior claims (often of similar type losses).
- Provided an incorrect address.

**Regarding Attorney Involvement**
- Legal representation is contacted/obtained immediately after the accident is reported.

**Regarding Automobile Accident Schemes**
- A single car accident, late at night in remote location, with no witnesses.
- Accident occurs shortly after one or more of the vehicles were rented, purchased or registered.
- Driver is at fault and is not injured but all other passengers are.
- Individuals do not know name, addresses, phone numbers and/or relationship between passengers or each other.
- Multiple passengers are in either vehicle.

**Regarding Claim**
- Individual cannot be located.
- Individual is anxious to and/or readily admits fault.
- Individuals cannot remember why or where they were going, where they were coming from and why other passengers’ stories are different.
- No or late police report filed & police did not respond to the scene.
- Parties involved in the accident know each other, work together, live together, are neighbors, or from the same country or ethnic background.
- Uncooperative with insurance company representatives.
Regarding Damage
- Damage to vehicles is inconsistent with accident facts.
- Signs of pre-existing damage to claimant vehicle.
- Vehicle appears to have been intentionally damaged.

Regarding Diagnosis
- Injuries are subjective (e.g. pain, headaches, nausea, inability to sleep, depression, dizziness and soft tissue).

Regarding Facility/Operation
- A demand for diminished value may be added by the Third Party Administration (TPA) when the Rental Company (RC) has not requested any amount. The demands may not be allowed by statute or state law.
- Information is received or the TPA/RC has billed multiple insurance companies and/or credit card companies for the same claim.
- No photos of the vehicle damages exist.
- Renter is adamant vehicle was returned without damage.
- Repair estimate date significantly differs from the return date on the rental contract.
- Repair estimate line items are in excess of vehicle damages cited by the renter.
- Repair estimate line items include overlap with repair processes already included in the estimate.
- Repair estimate odometer significantly differs from the return odometer on the rental contract.
- Repair estimate written in remote location which is different from where the vehicle is located.
- Repair estimates contains little or no vehicle identification information.
- Repair facility will not confirm amount billed to or paid by the vehicle owner.
- Sales tax on parts and labor is charged when none is owed.
- Salvage amount listed on the demand is an estimate versus the actual amount recovered from a sale.
- TPA submits claims for damages not previously presented by the RC
- TPA/RC attempts to collect from insurance carrier damages already paid by another source.
- TPA/RC has a history of submitting questionable claims.
- TPA/RC has submitted questionable or exaggerated demands for property damage, towing, loss of use, administrative fees, appraisal fees or diminished value.
- TPA/RC presents the vehicle as a total loss when it does not meet the statutory definition of a total loss.
- TPA/RC provides only a “preliminary estimate” not reflective of actual repair costs incurred.
- TPA/RC pushes for quick settlement while willing to accept less than the amount demanded rather than document demanded damages.
- TPA/RC refuses to allow inspection of vehicle or identity vehicle location.
- TPA/RC refuses to provide inspection sheets or maintenance reports when damages are reportedly incurred prior, or subsequent to the rental of the vehicle.
- TPA/RC refuses to provide the final bill from the shop where the vehicle was repaired.
- TPA/RC threatens renter with litigation, negative credit rating or collection action rather than substantiate damages.
- TPA/RC will not provide the salvage title when requested on vehicles presented as a total loss.
Regarding Incident
- Description of accident suggests possible “set-up” scenario.

Regarding Medical Fraud/Claim Inflation
- Injuries claimed are not supported by physical damage.

Regarding Medical Treatment
- Extensive or unnecessary treatment for minor, subjective injuries.
- Individuals travel across town to receive medical treatment.
- Several or all of the individuals treat with the same clinic or provider, often on the same dates.

Regarding Rental Claims Process
- Alleges to have repaired damage prior to vehicle being inspected or alleged to have paid large bill in cash, but have no receipt or one that appears altered.
- Driver is a passenger in the vehicle and has authorized additional driver driving at the time of the accident.
- Makes an allegation that a defect with equipment caused the accident.
- Mileage is inconsistent with new address, if moving.
- Moved themselves, a friend or family member but can’t remember address.
- Primary driver is not in the vehicle and there is an authorized additional driver who is driving at the time of the accident.
- Rental vehicle is driven very few miles.

Regarding Rental Process
- Did not rent dolly, boxes or moving pads, if renting a truck.
- Elected to take the cargo insurance coverage, if renting a truck.
- Elected to take the Property Damage Waiver coverage and all available insurance.
- Is unemployed, but used cash to rent vehicle.
- Rented from a dealer or agency “across town” as opposed to a closer location.
- Renter is from out of the country or is local, almost never is the renter from another state.
- Renter uses cash to pay for rental.