

STATE OF COLORADO

DEPARTMENT OF REGULATORY AGENCIES

DIVISION OF INSURANCE

1560 Broadway, Suite 850

Denver, Colorado 80202



Bulletin No. B-1.8

Suspected Fraudulent Claim Reporting

I. Background and Purpose

The purpose of this bulletin is to adopt a form for reporting suspected fraudulent claims by insurers along with instructions and definitions of terms for reporting suspected fraudulent claims.

Bulletins are the Division's interpretations of existing insurance law or general statements of Division policy. Bulletins themselves establish neither binding norms nor finally determine issues or rights.

II. Applicability and Scope

This bulletin applies to all insurers reporting suspected insurance fraud.

III. Division Position

Any insurer authorized to conduct business in Colorado shall use the attached Suspected Fraudulent Claim Form to notify an authorized agency of suspected insurance fraud pursuant to §§10-4-1002 and 10-4-1003, C.R.S.

IV. Additional Division Resources

Colorado Division of Insurance
Compliance/Investigations Section
1560 Broadway, Suite 850
Denver, CO 80202
Tel. (303) 894-7583
Internet: <http://www.dora.state.co.us/insurance>

V. History

- Originally issued as bulletin 01-01, January 1, 2001.
- Reissued May 8, 2007.

CONFIDENTIAL

**SUSPECTED FRAUDULENT CLAIM
STATE OF COLORADO - FRAUD DIVISION
DEPARTMENT OF INSURANCE AND DEPARTMENT OF LAW
1560 BROADWAY, SUITE 850
DENVER, CO 80202
303-894-7499**

Information & Definitions of Terms for Suspected Fraudulent Claim Form

Claimant/Insured May Have –

- Faked property damage: e.g., damage to vehicle or residence or no damage.
- Inflated financial loss: e.g., business or individual claiming more than actual loss.
- Faked/exaggerated injury: e.g., stating an injury occurred when in fact, it did not.
- Minor injury made to look like a major injury.
- Staged accident/injury: e.g., set-up accident to obtain funds illegally.
- Been known to file suspected claims: e.g., involvement in other suspicious or fraudulent claims.
- Been working while collected benefits.
- Other: Explain in detail. Use additional paper if necessary.

Legal Provider May Have –

- Hired or paid/cappers/chasers to recruit clients: e.g., paying a person a fee to recruit clients.
- Received paid compensation for referral to medical provider: e.g., attorneys receiving payments for referrals to specific medical providers.
- Charges inconsistent with services provided: e.g., services were not rendered as agreed upon with clients or charges may be excessive.
- Been known to handle suspect claims: e.g., involvement with other suspected and/or fraudulent claims.
- Never seen clients, non-legal staff handles case: e.g., attorney's name on letterhead, office staff handles case, i.e., as legal administrator/legal assistant.
- Other: Explain in detail. Use additional paper is necessary.

Medical Provider May Have –

- Provided an inaccurate/incomplete history: e.g., not providing complete and accurate information to an insurance company.
- Billed for services not provided: e.g., claiming treatment was rendered, when in fact, it was not.
- Upcoding or billing for excessive treatments: e.g., billing for procedures at level higher than provided or billing for excessive or unnecessary treatments.
- Unbundling: e.g., billing separately for procedures generally considered as a group or package.
- Received compensation for referral to medical and/or legal providers: e.g., medical providers are receiving payments for referrals.
- Hired or paid cappers to recruit clients: e.g., paying an individual a fee to recruit clients.
- Other: Please explain in detail. Use additional paper if necessary.

Other Person or Entity May Have –

- Fabricated services: e.g., any person or provider who bills for services not rendered.
- Charges inconsistent with services provided: e.g., billings not consistent with service.
- Provided an inaccurate/incomplete history: e.g., not providing complete and accurate information to the insurance company.
- Operated without a license: e.g., business or persons operating without a license.
- Received paid compensation for referral to medical or legal provider: e.g., receiving a fee for referring persons to legal or medical providers.
- Other: Explain in detail. Use additional paper if necessary.

Insurance Provider May Have –

- Premium theft.
- Bait and Switch Churned.
- Falsification of documents.

CONFIDENTIAL
SUSPECTED FRAUDULENT CLAIM
STATE OF COLORADO - FRAUD DIVISION
DEPARTMENT OF INSURANCE AND DEPARTMENT OF LAW
1560 BROADWAY, SUITE 850
DENVER, CO 80202
303-894-7499

Name of Reporting Party: _____
Address: _____
City, State & Zip: _____

Contact Person: _____	Telephone #: _____
-----------------------	--------------------

Alleged Victim if other than Carrier: _____

Insurance Co. Name: _____	Date of Incident: _____
NAIC Number: _____	
Claim Number: _____	
Policy Number: _____	

Summary of Allegations: This information is mandatory for submission to the Division of Insurance. State the facts (who, what, when, where, how, why) that support your suspicion of fraudulent claim activity including any material misrepresentation(s). Provide details regarding any prior history of fraudulent insurance by any of the parties. If known, include relevant claim numbers. Attach additional summary sheets if needed.

Suspect's Name: _____
Suspect's Address: _____
Suspect's Phone: _____
Suspect's Physical Description (if known): _____

Suspect's SS#: _____	Suspect's DOB: _____ / _____ / _____	Suspect's Taxpayer ID# _____
----------------------	--------------------------------------	------------------------------

Suspect's Drivers License #: _____	License Plate #/State: _____ / _____	Vehicle VIN # _____
------------------------------------	--------------------------------------	---------------------

Location(s) where incident occurred



Describe Nature of Suspected Fraudulent Activity (Check all that apply)

Claimant May Have:

- Caused Fire Damage
- Faked Property Damage
- Inflated Financial Loss
- Faked/Exaggerated Injury
- Staged Accident/Injury
- Been Known to File Suspect Claims
- Intentionally misrepresented facts in an insurance application.
- Other (Explain) _____

Medical Provider May Have:

- Provided an Inaccurate/Incomplete History
- Billed for Services Not Provided
- Upcoding or Billing for Excessive Treatments
- Unbundling
- Received Compensation for Referral to Medical or Legal Providers
- Hired or Paid Cappers/Chasers to Recruit Clients
- Other (Explain) _____

Legal Provider May Have:

- Hired or Paid Cappers/Chasers to Recruit Clients
- Received Paid Compensation for Referral to Medical Provider
- Charges Inconsistent with Services Provided
- Been Known to Handle Suspect Claims
- Never Seen Clients, Non-Legal Staff Handles Case
- Other (Explain) _____

Other Person or Entity May Have

- Fabricated Services
- Charged Inconsistent with Services Provided
- Provided an Inaccurate/Incomplete History
- Operated Without a License
- Received Paid Compensation for Referral to Medical or Other Legal Provider
- Other (Explain) _____

What Information Has Been Developed to Confirm Your Suspicion? (check all that apply)

(If Information is Being Developed, Please Note Below)

- | | | |
|---|--|--|
| <input type="checkbox"/> Witnesses | <input type="checkbox"/> Videos | <input type="checkbox"/> Multiple Claims for Same Loss |
| <input type="checkbox"/> Photographs | <input type="checkbox"/> Investigative Reports | <input type="checkbox"/> Depositions/Sworn Testimony |
| <input type="checkbox"/> Medical Reports | <input type="checkbox"/> Correspondence | <input type="checkbox"/> Claimant Lied Under Oath |
| <input type="checkbox"/> Conflicting Statements | <input type="checkbox"/> Falsified Documents | <input type="checkbox"/> Other: _____ |

Information Being Developed?

Have you investigated other activities related to this individual/entity?

(Check One) Yes No If Yes, explain:

Is there Any Reason to Believe This Incident is Related to Other Fraudulent Activity?

(Check One) Yes No If Yes, explain:

Have You Reported This Matter to Other Agencies? (Check All That Apply)

- | | |
|--|---|
| <input type="checkbox"/> Colorado Bureau of Investigation | <input type="checkbox"/> Other Law Enforcement: _____ |
| <input type="checkbox"/> Colorado Division of Insurance | |
| <input type="checkbox"/> Fire Department | |
| <input type="checkbox"/> District Attorney in _____ County | |
| <input type="checkbox"/> NICB | |
| <input type="checkbox"/> Other State Fraud Unit: _____ | |
| _____ | <input type="checkbox"/> Professional Licensing Board |
| | <input type="checkbox"/> Regulatory Agency |
| | <input type="checkbox"/> Other: Explain in detail. Use additional paper if necessary:

_____ |