

## What Is Insurance Fraud?

**Insurance fraud is a crime.** Any person who intentionally deceives, makes a false statement or misrepresents a material fact in order to receive money or other benefits to which they aren't entitled is committing insurance fraud. This includes making any written or oral statement as part of an insurance claim or application when they know the statement omits or conceals relevant information or contains false, incomplete or misleading information. Fraud financially impacts everyone – consumers, businesses and insurance companies. A conviction for insurance fraud ruins lives and may result in imprisonment or other criminal penalties.

### Examples of insurance fraud include:

- The use of deception to receive money or other benefits in an insurance transaction
- Misrepresenting the cause of loss (claiming roof damage was caused by a hurricane when it was caused by something other than a hurricane)
- Collecting inflated premiums with false documentation while not sending to the insurance company

Don't be fooled. Insurance fraud can be committed by all types of people, not just by criminals and organized crime rings.

Fraud is not a victimless crime. It raises costs and affects premiums. In some cases, it can put innocent people in danger – such as, for example, setting fires (arson) to obtain insurance benefits and thereby make money, one type of a "through" scheme.



Need to report a claim?  
**Contact Citizens First**

Report it online via myPolicy at  
[www.citizensfla.com/mypolicy](http://www.citizensfla.com/mypolicy)  
24 hours a day, seven days a week  
**866.411.2742**

Scan QR code to  
report online



This brochure is for informational purposes. In the event of any inconsistency between this brochure and your insurance policy, the terms of the insurance policy control.

La version en Español esta disponible en  
[www.citizensfla.com/brochures](http://www.citizensfla.com/brochures).

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[www.citizensfla.com/brochures](http://www.citizensfla.com/brochures).



**Citizens Property Insurance Corporation**  
866.411.2742

[www.citizensfla.com](http://www.citizensfla.com)

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# Insurance Fraud Is a Serious Crime



## Citizens Is Committed to Fighting Insurance Fraud

Each year, billions of dollars are lost to insurance fraud. According to the Coalition Against Insurance Fraud, it costs businesses and consumers nearly \$309 billion a year. The FBI estimates the impact to average families to be between \$400-\$700 per year in premiums.

Citizens has a responsibility to its policyholders, agents, employees and all Floridians to fight property insurance fraud. It's the right thing to do.

To assist in this effort, Citizens has a specialized team of investigators who detect and investigate suspected fraud. The Special Investigations Unit (SIU) works to educate claims and underwriting staff about how to identify signs of fraud and assist agents with procedures for reporting suspected fraud. SIU cooperates with law enforcement and the Florida Department of Financial Services (FLDFS) in their efforts to root out fraud, referring cases of suspected fraud for further investigation and possible prosecution.

## Reporting Fraud Is the Right Thing to Do - and It's Easy

To report suspected property insurance fraud involving a Citizens policy or claim:

- Call Citizens' Special Investigations Unit toll-free at **855.748.8596**.
- Submit a report online through the *Report Suspected Fraud* topic on our *Contact Us* page at [www.citizensfla.com/contactus](http://www.citizensfla.com/contactus).

To report suspected property insurance fraud that does not involve Citizens:

- Call the FLDFS Consumer Helpline at **877.693.5236**.
- Submit a report online at the FLDFS Division of Investigative & Forensic Services at [www.myfloridacfo.com/fraudfreeflorida](http://www.myfloridacfo.com/fraudfreeflorida).

## We All Pay the Price for Insurance Fraud

Insurance fraud depletes Citizens' resources and challenges our role as a residual insurer in the Florida market. Citizens dedicates resources to identify, detect and report fraud. Protect yourself and your family by becoming aware of potential fraud schemes.

Identify and avoid situations where there may be an opportunity to commit homeowners' insurance fraud:

- Make sure your policy is up to date and your coverage is adequate.
- Review your policy with your agent to understand what is and isn't covered.
- **Contact Citizens First** to report claims promptly.
- Make sure any information you provide to your insurance company – from application to claims – is accurate and truthful.

When purchasing insurance:

- Know your agent or broker.
- Provide accurate and truthful information to your agent and in your application.
- Obtain proof of payment in writing.
- Get a copy of your policy and save with essential household documents.
- Review your policy and ask your agent if you have any questions.



## Common Property Insurance fraud Scenarios

- Submitting false information on an insurance application for coverage
- Providing deceptive information as part of a claim about the cause, date of loss or property location
- Knowingly inflating the value of damaged property on an otherwise legitimate claim
- Intentionally damaging property to make a claim
- Staging a burglary or theft and then falsely reporting a claim for stolen or damaged property
- Asking a service provider, such as a contractor or repairman, to inflate a repair estimate or invoice by the deductible amount or more
- Creating a false repair bill or receipt in support of a claim
- Concealing the use of or misstating the value of a residence to an insurance agent to reduce an insurance premium
- Submitting false information to or permitting false information to be submitted by an inspector in order to obtain a wind mitigation premium credit
- Altering inspection details to promote approval of the risk

## Fraud Red Flags

- Your insurance agent or broker uses high pressure sales tactics to urge you to buy a policy immediately before the price changes.
- Contact information for an insurance company is not readily available or difficult to locate.
- Someone knocks on your door and tells you there is damage to your home you didn't know about.
- You're promised something for nothing such as a free roof or kitchen renovation.
- Someone claims the damage is greater than it clearly is.
- Permanent repairs begin before your insurance company is notified or allowed to inspect damages.
- A service provider offers to "cover" your deductible. This is illegal.