

PUT THE BRAKES ON **ACCIDENT FRAUD**

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Law Enforcement Officials & Seniors Applaud House Economic Affairs Committee for Advancing PIP Fraud Legislation

Tallahassee, Fla. – Law enforcement officials and seniors, as part of the effort to ‘Put the Brakes on Accident Fraud,’ today applauded the Florida House Economic Affairs Committee for advancing legislation that would bring Florida one step closer to ending the \$1 billion accident fraud problem that is hurting families across the state. The legislation, which passed its third and final committee stop, will now head to the floor of the Florida House.

“This legislation is a step in the right direction for cracking down on PIP fraud in Florida, and the Florida Police Chiefs Association is encouraged to see it head to the House floor,” said Chief Paul Sireci, police chief of the Tampa International Airport Police Department and president of the Florida Police Chiefs Association. “Florida currently has four cities that rank in the top 10 for staged crashes, and law enforcement continues to work hard to fight the fraudulent medical clinics, but we simply cannot keep up. Something must be done this session to curb the fraud and abuse to the PIP system and stop criminal insurance fraud.”

According to the National Association of Insurance Commissioners, Florida insurance consumers pay 56 percent more than consumers in other states for automobile insurance. In addition, the National Insurance Crime Bureau states that Florida led the nation in questionable insurance claims from 2007 to 2009, with four of the top 10 U.S. cities with the highest rate of questionable claims being right here in Florida: Tampa, Miami, Orlando and Hialeah.

“With Florida having the highest population of seniors in the U.S., curtailing this out-of-control fraud is imperative to protecting them from becoming victims,” said Amy Noone Frederick, president of

the 60 Plus Association. “Comprehensive changes must be made to the system, before rising insurance premiums push seniors dependent on fixed incomes to the breaking point. I am hopeful that the members of the Florida House will continue to support this legislation that will transform the broken system that is exploiting all Florida consumers and preying upon seniors.”

This broad coalition of Florida consumers, business leaders, law enforcement officials and concerned citizens remains optimistic that legislation, aimed at curbing accident fraud and abuse in Florida’s personal injury protection (PIP) system, will continue to move through the Florida Legislature and urges lawmakers to include the following key elements to ensure a comprehensive legislative PIP package:

1. Reasonable limitations on attorneys’ fees to remove the incentive to file frivolous lawsuits at the expense of Florida drivers.
2. Increased anti-fraud controls to identify suspicious claims and allow insurers time to investigate those claims to avoid unnecessary payments paid by innocent consumers.
3. Enhanced controls on medical costs, through clarification of the medical fee schedule and other tools that rein in high utilization of questionable medical procedures, the costs of which are passed on to consumers.

PIP is a \$10,000 coverage plan that all Florida motorists must carry according to the law. The original concept behind PIP was to ensure that injured drivers could receive prompt payment of medical bills for the treatment of auto accident injuries which eliminated the need for consumers to litigate their claims in court. However, there continue to be loopholes in current law which are costing consumers hundreds of millions of dollars due to staged accidents, expensive and unnecessary medical procedures, and inflated attorneys’ fees.

For more information on the ‘Put the Brakes on Accident Fraud’ effort, please visit www.putthebrakesonaccidentfraud.com.

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