



Date: September 26, 2011

Regarding: Suspicious Vehicle Collision Questionable Claim Analysis - Florida 1st Half of 2011

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Florida Suspicious Vehicle Collision QCs

An analysis was performed of the NICB Questionable Claims, as submitted by member companies from January 1, 2011 through June 30, 2011. This report analyzes suspicious vehicle collision activity in Florida according to the top five cities of loss and loss types.

A Questionable Claim (QC) was associated with Florida if the Loss State field contained "FL"¹. To isolate QC's involving suspicious vehicle collisions, only the referrals that listed at least one of the five alleged referral reasons listed below were included in this analysis².

Referral Reasons

- Jump-in
- Paper Accident/Phantom Accident
- Solicitation (Chasers and Cappers)
- Staged/Caused Accident
- Suspicious Hit While Parked

Section 1 of this report contains an overview of QCs and suspicious vehicle collisions for the first six months of 2011. Section 2 reviews the top ten counties of loss for suspicious vehicle collision QC's. Section 3 details the top loss cities and regions for suspicious vehicle collision QC's. Section 4 is an analysis of the top loss types. Section 5 contains a summary of the information covered in this report.

Each section of the following report analyzes data for January 1 through June 30, 2011. In addition, Subsections 3A through 3E of Section 3 give a more in-depth look at the top five Florida regions.

¹ For the purposes of this report Questionable Claims without a valid city name in the "Loss City" field were not counted.

² A Questionable Claim may assert up to 7 reasons for referral.

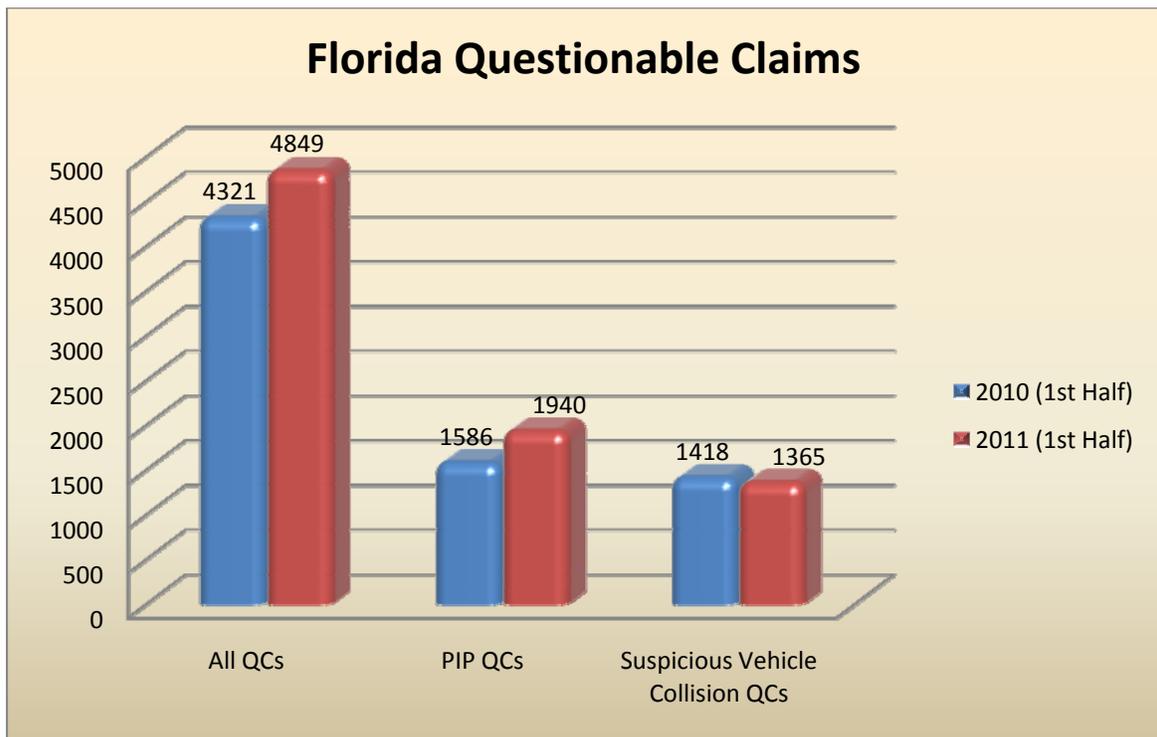
SECTION 1: Statewide Overview 2011

In the first half of 2011 a total of 4,849 Questionable Claims were submitted that listed Florida as the loss state. This is an increase of 528 or 12% over the 4,321 claims referred in first half of 2010. If the second half remains the same, the projected total for the year would be 9,797. This would be a projected increase of 1,067 or 12% over the 2010 total of 8,730.

In the first half of 2011 a total of 1,940 QC's referred in Florida were categorized as PIP. This is an increase of 354 or 22% over the 1,586 claims referred in first half of 2010. If the second half remains the same, the total for the year could be around 3,941. Compared to the 3,222 PIP QC's from 2010, this would be an increase of 719 or 22%.

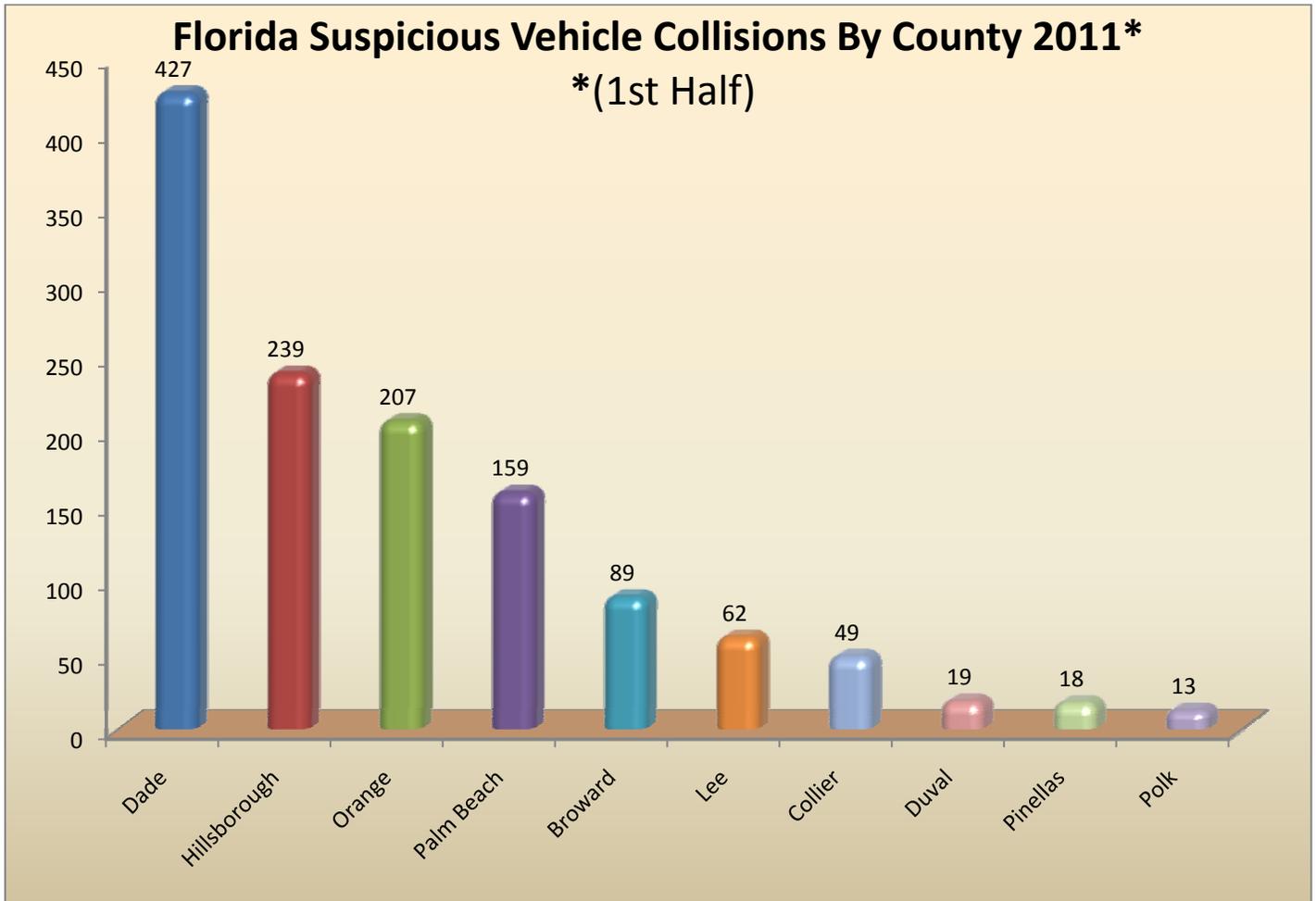
In the first half of 2011 a total of 1,365 claims were referred as suspicious vehicle collision QC's. This is a decrease of 53 or 4% over the 1,418 claims referred in first half of 2010. If the second half remains the same, the total for the year could be around 2,668. Compared to the 2,779 suspicious vehicle collision QC's from 2010, this would be a decrease of 111 or 4%.

Questionable Claim Type	2010 (1st half)	2011 (1st half)	Change	Percent
All Types	4,321	4,849	528	12%
PIP only	1,586	1,940	354	22%
Suspicious Vehicle Collision	1,418	1,365	-53	-4%



Section 2: Loss County

The Questionable Claims were analyzed by Loss County. The top ten (10) Loss Counties are depicted in the below chart. The Loss County with the most suspicious vehicle collision QC's in the first half of 2011 was Dade, with 427 asserted suspicious vehicle collisions, or 31% of the total number.

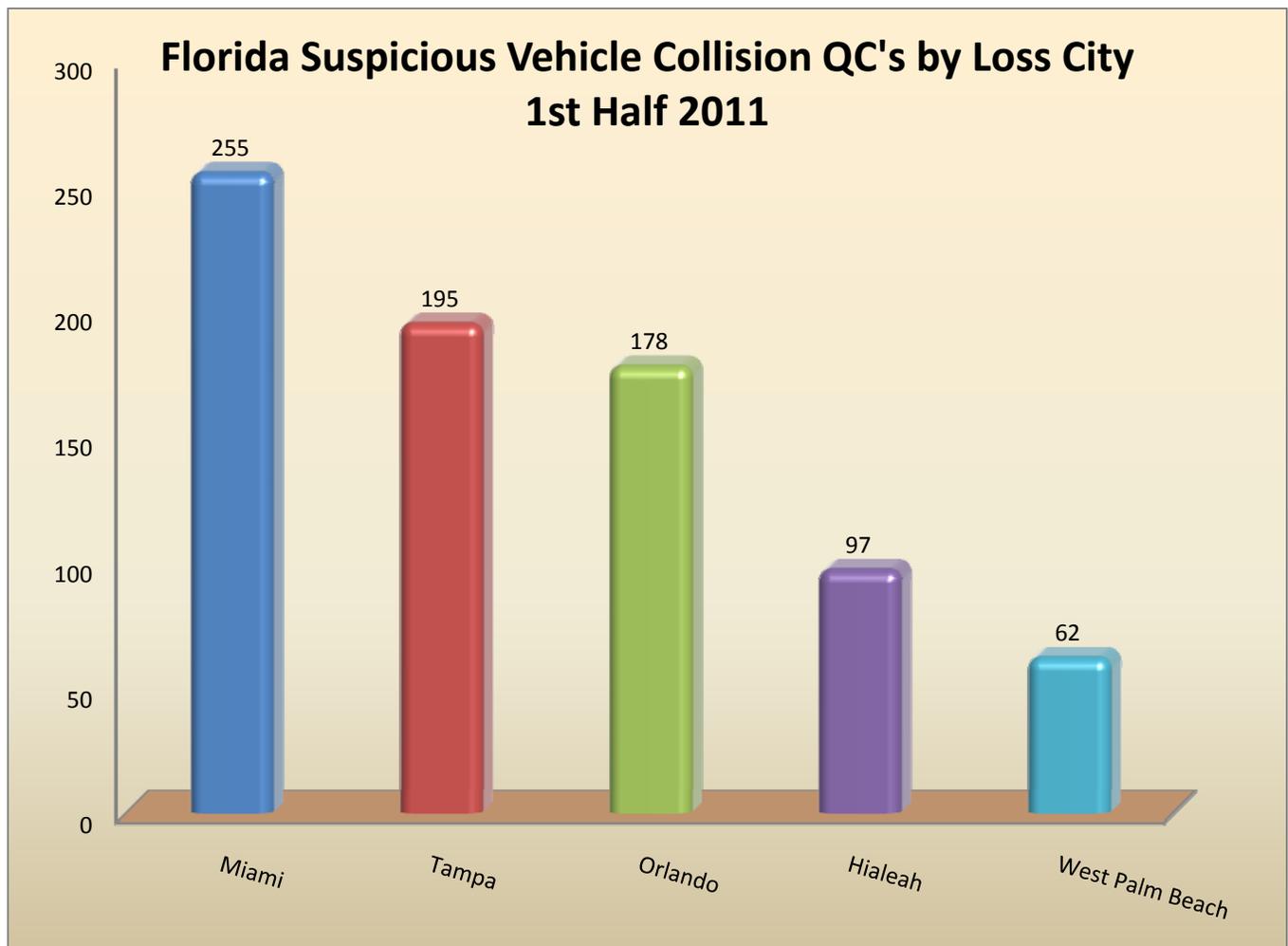


SECTION 3: Loss City

The Questionable Claims involving asserted suspicious vehicle collisions were analyzed by Loss City and ranked. The top five (5) Loss Cities are listed, and are depicted in a bar chart. The Loss City with the most suspicious vehicle collision QC's in the first half of 2011 was Miami with 255 alleged suspicious vehicle collisions, or 19% of the total number.

Top five (5) Loss Cities for 2011 (1st Half)

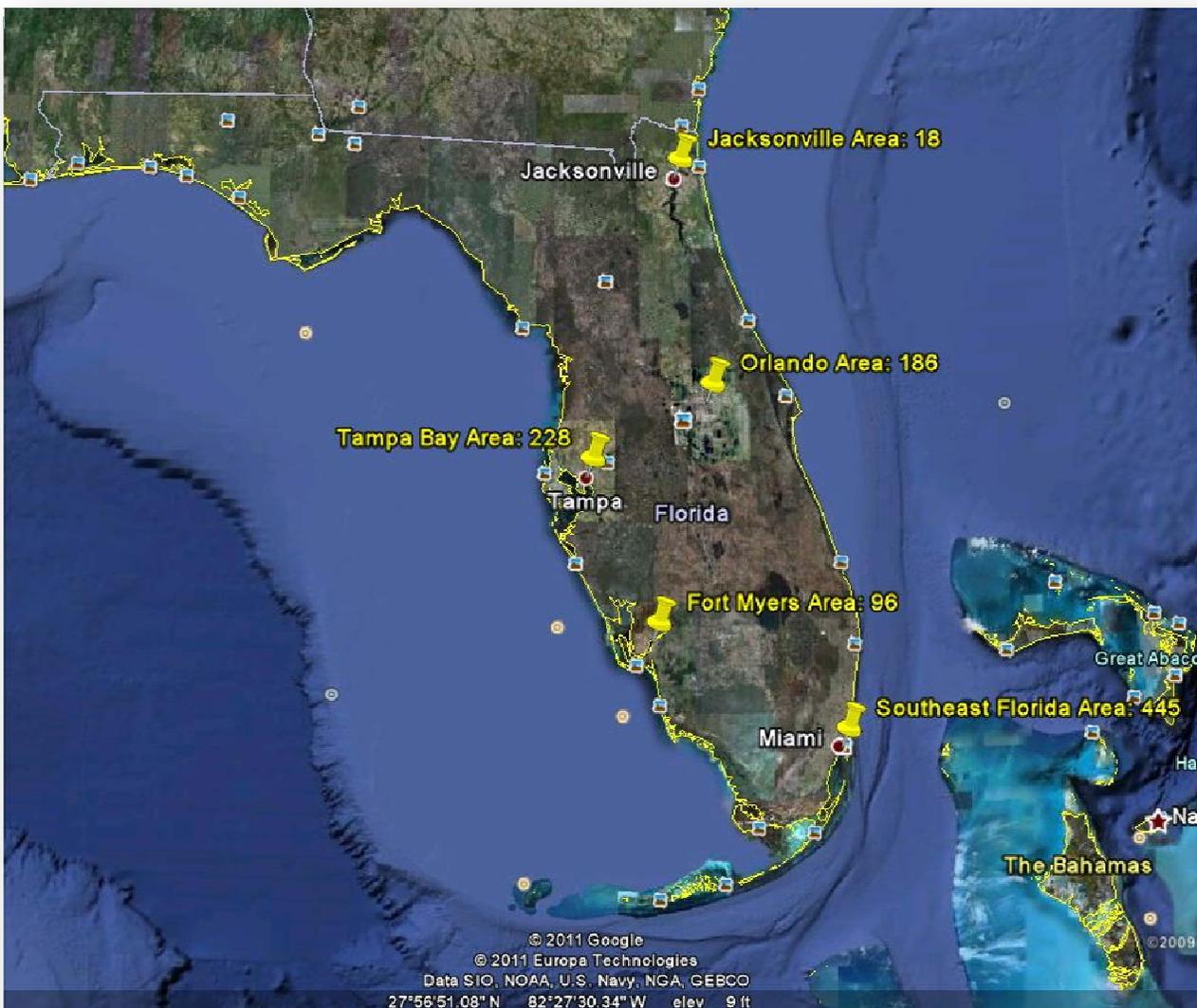
Rank	City	Suspicious Vehicle Collisions
1	Miami	255
2	Tampa	195
3	Orlando	178
4	Hialeah	97
5	West Palm Beach	62



Subsection 1: Florida Loss Areas Map

Top five (5) Loss Areas³ for 2011 (1st Half)

Rank	Loss Area	Suspicious Vehicle Collisions
1	Southeast Florida Area	445
2	Tampa Bay Area	228
3	Orlando Area	186
4	Fort Myers Area	96
5	Jacksonville Area	18



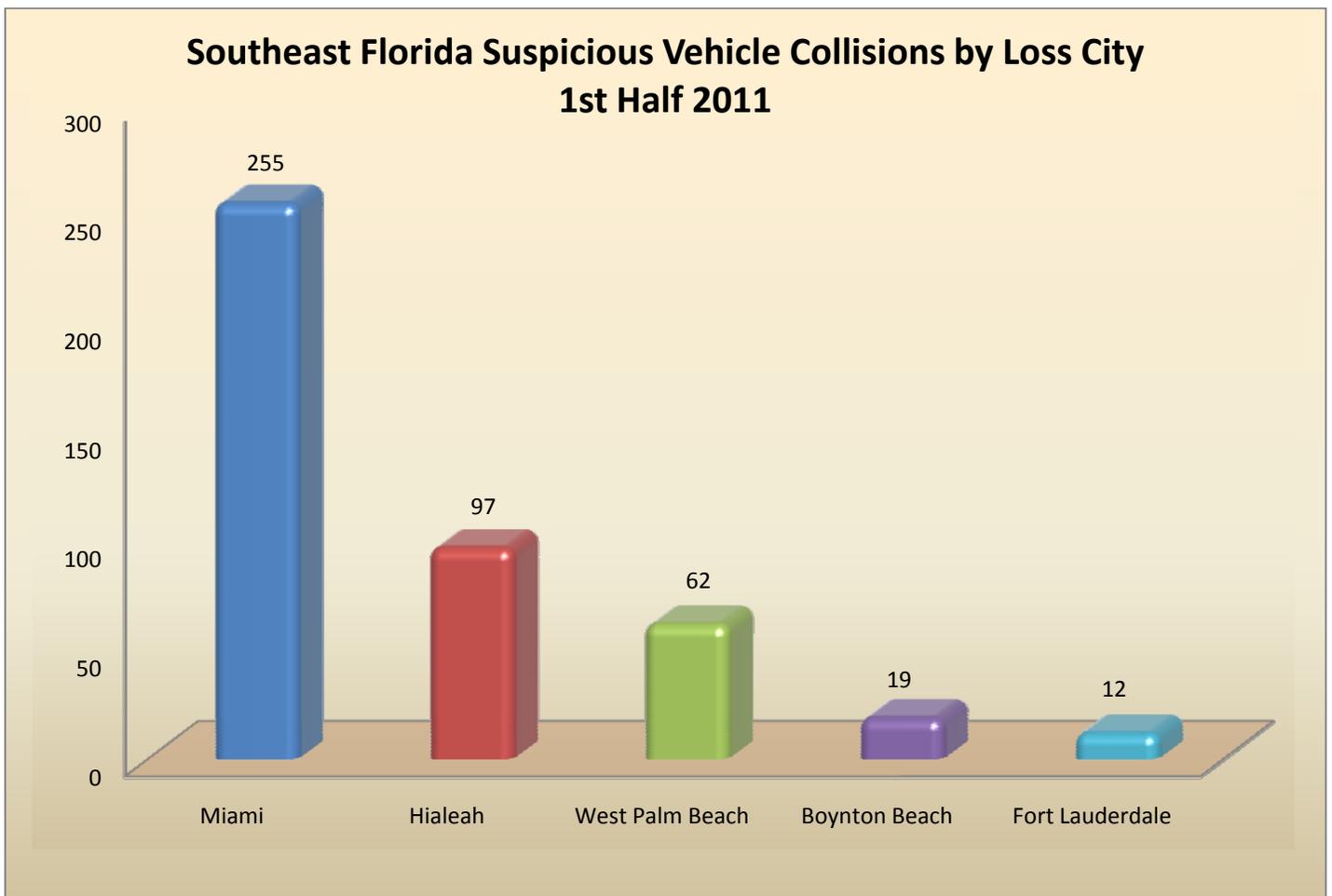
³ Loss areas are based on the cities in Florida where an NICB major or mini medical task force is located at, and include the referrals from the top five cities that are within 50 miles. The Tampa area is counted separately from the Orlando area due to the large distance between these two cities.

Subsection 3A: Southeast Florida Overview for 2011 (1st Half)

The Questionable Claims submitted in the first half of 2011 involving alleged suspicious vehicle collisions were also analyzed by Loss City and ranked within the Southeast Florida region. The top five (5) cities identified as part of the Southeast Florida area have a combined total of 445 suspicious vehicle collision QC's. The city of Miami has 255 QC's, or 57% of the top five cities total.

Southeast Florida Area Suspicious Vehicle Collision QC's by Loss City

Rank	Loss City	2011 (1st half)
1	Miami	255
2	Hialeah	97
3	West Palm Beach	62
4	Boynton Beach	19
5	Fort Lauderdale	12

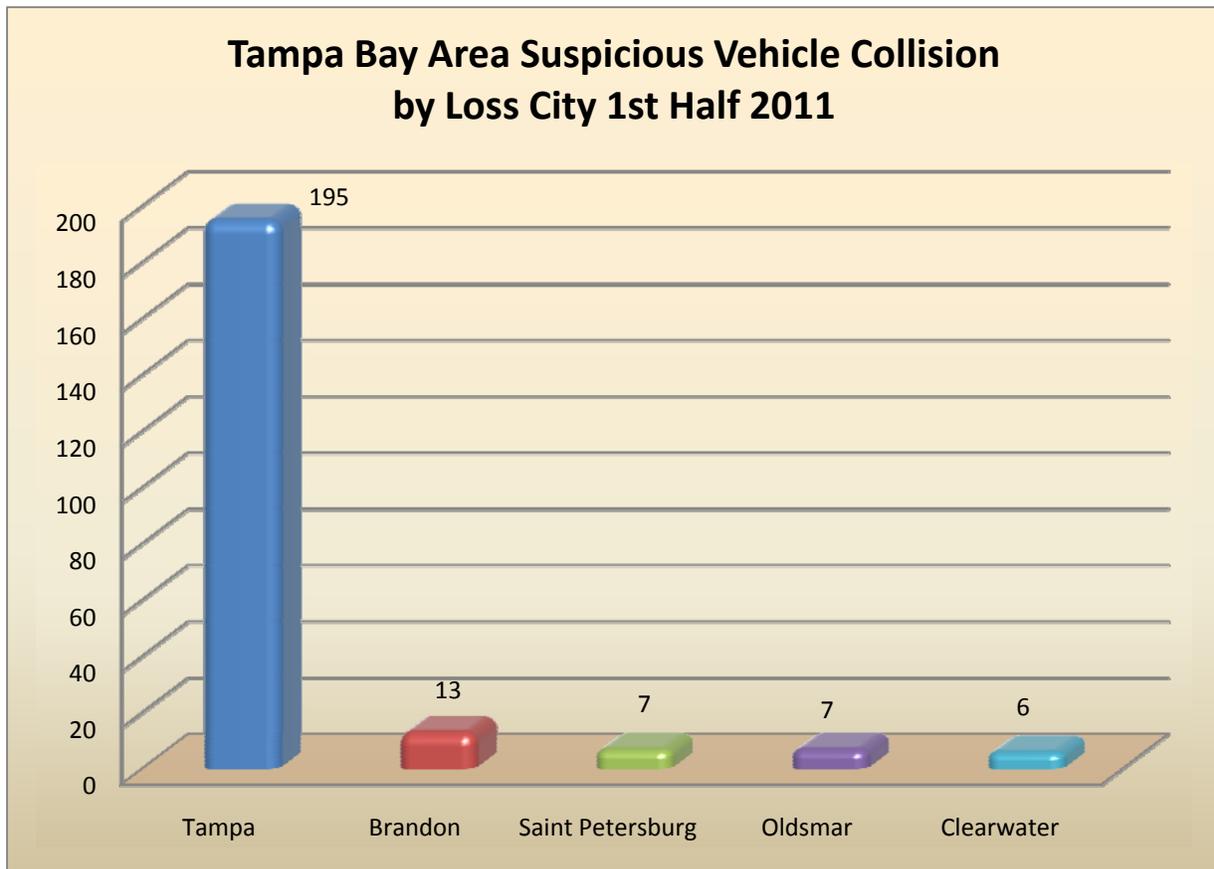


Subsection 3B: Tampa Bay Area Overview for 2011 (1st Half)

The Questionable Claims in the first half of 2011 involving alleged suspicious vehicle collisions were also analyzed by Loss City and ranked within the Tampa Bay area. The top five (5) cities identified as part of the Tampa Bay area have a combined total of 228 suspicious vehicle collision QC's. The city of Tampa has 195 QC's, or 86% of the Tampa Bay area's top five cities total.

Tampa Bay Area Suspicious Vehicle Collision QC's by Loss City

Rank	Loss City	2011 (1st half)
1	Tampa	195
2	Brandon	13
3	<i>Saint Petersburg</i>	7
3	<i>Oldsmar</i>	7
4	Clearwater	6

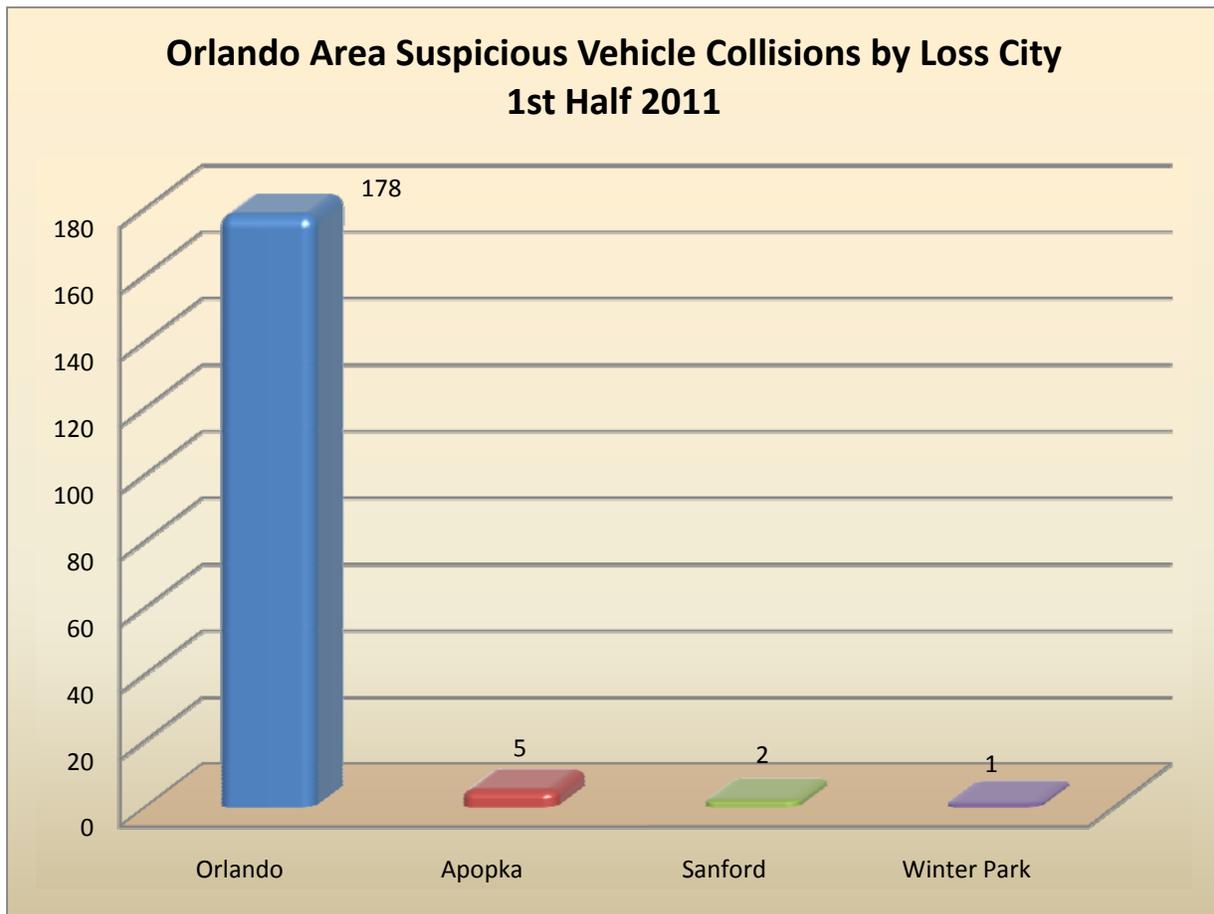


Subsection 3C: Orlando Area Overview for 2011 (1st Half)

The Questionable Claims in the first half of 2011 involving alleged suspicious vehicle collisions were also analyzed by Loss City and ranked within the Orlando region. The top four (4) cities⁴ identified as part of the Orlando area have a combined total of 186 suspicious vehicle collision QC's. The city of Orlando has 178 QC's, or 96% of the Orlando area's top four cities total.

Orlando Area Suspicious Vehicle Collision QC's by Loss City

Rank	Loss City	2011 (1st half)
1	Orlando	178
2	Apopka	5
3	Sanford	2
4	Winter Park	1



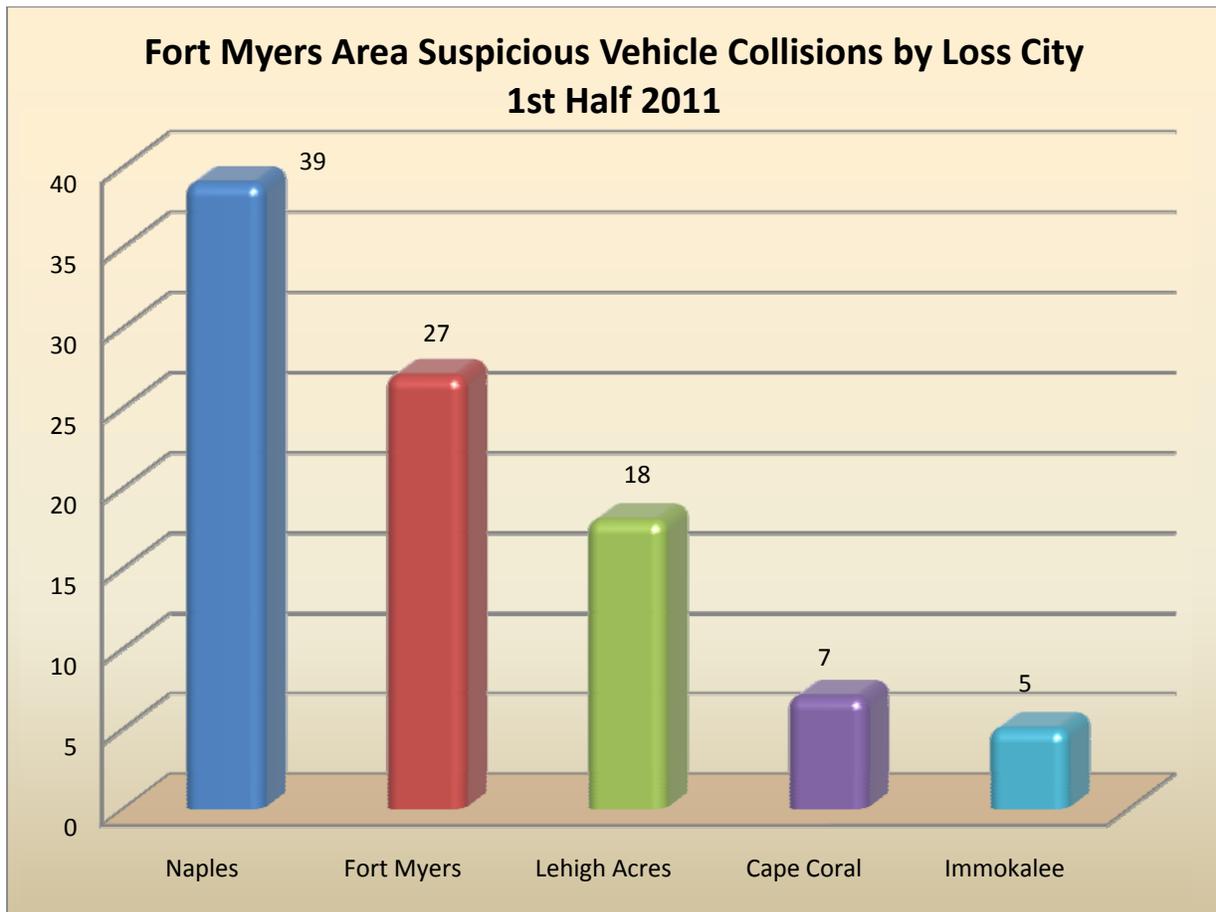
⁴ Only four cities were identified as having suspicious vehicle collision Questionable Claims

Subsection 3D: Fort Myers Area Overview for 2011 (1st Half)

The Questionable Claims in the first half of 2011 involving alleged suspicious vehicle collisions were also analyzed by Loss City and ranked within the Fort Myers region. The top five (5) cities identified as part of the Fort Myers area have a combined total of 96 suspicious vehicle collision QC's. The city of Naples has 39 QC's, or 41% of the Fort Myers area's top five cities total.

Fort Myers Area Suspicious Vehicle Collision QC's by Loss City

Rank	Loss City	2011 (1st half)
1	Naples	39
2	Fort Myers	27
3	Lehigh Acres	18
4	Cape Coral	7
5	Immokalee	5

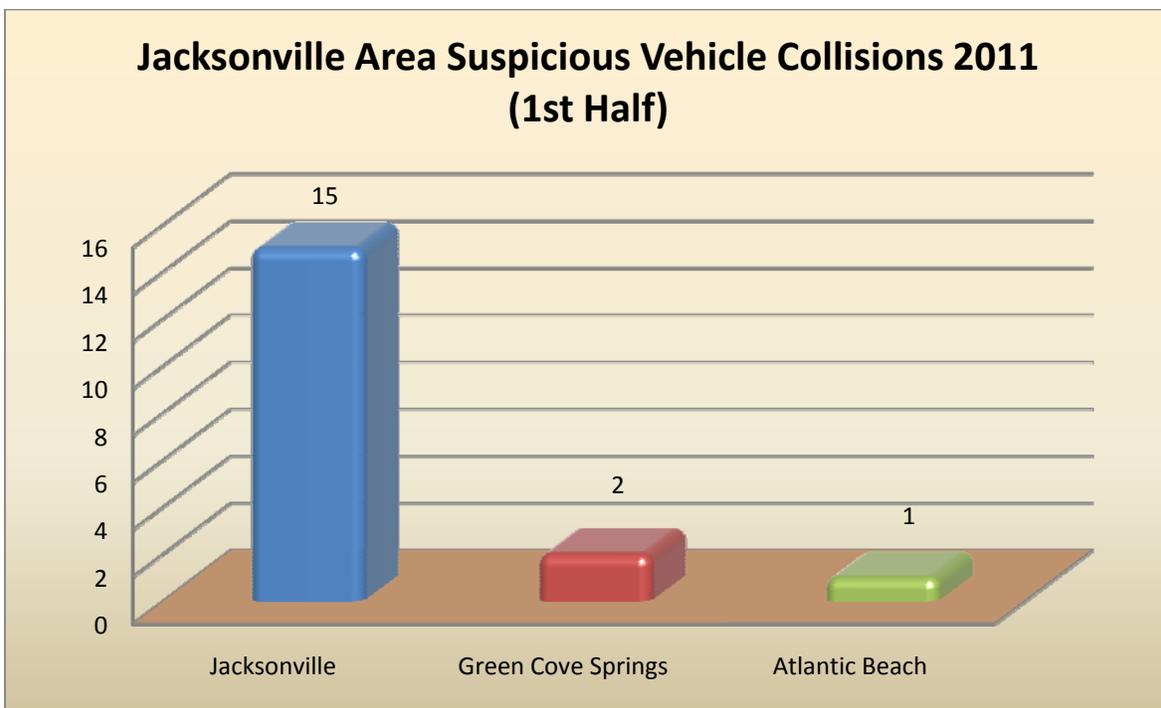


Subsection 3E: Jacksonville Area Overview for 2011 (1st Half)

The Questionable Claims in the first half of 2011 involving alleged suspicious vehicle collisions were also analyzed by Loss City within the Jacksonville-Northeast Florida region. Jacksonville had a total of 15 suspicious vehicle collision QC's in the first half of 2011. Although this number is small compared to the other major cities in Florida, Jacksonville has shown large yearly increases during the previous three years. The number of suspicious vehicle collision QC's grew by 55% from 2008 to 2009 and by 65% from 2009 to 2010.

Jacksonville Area Suspicious Vehicle Collision QC's by Loss City

Rank	Loss City	2011 (1st half)
1	Jacksonville	15
2	Green Cove Springs	2
3	Atlantic Beach	1



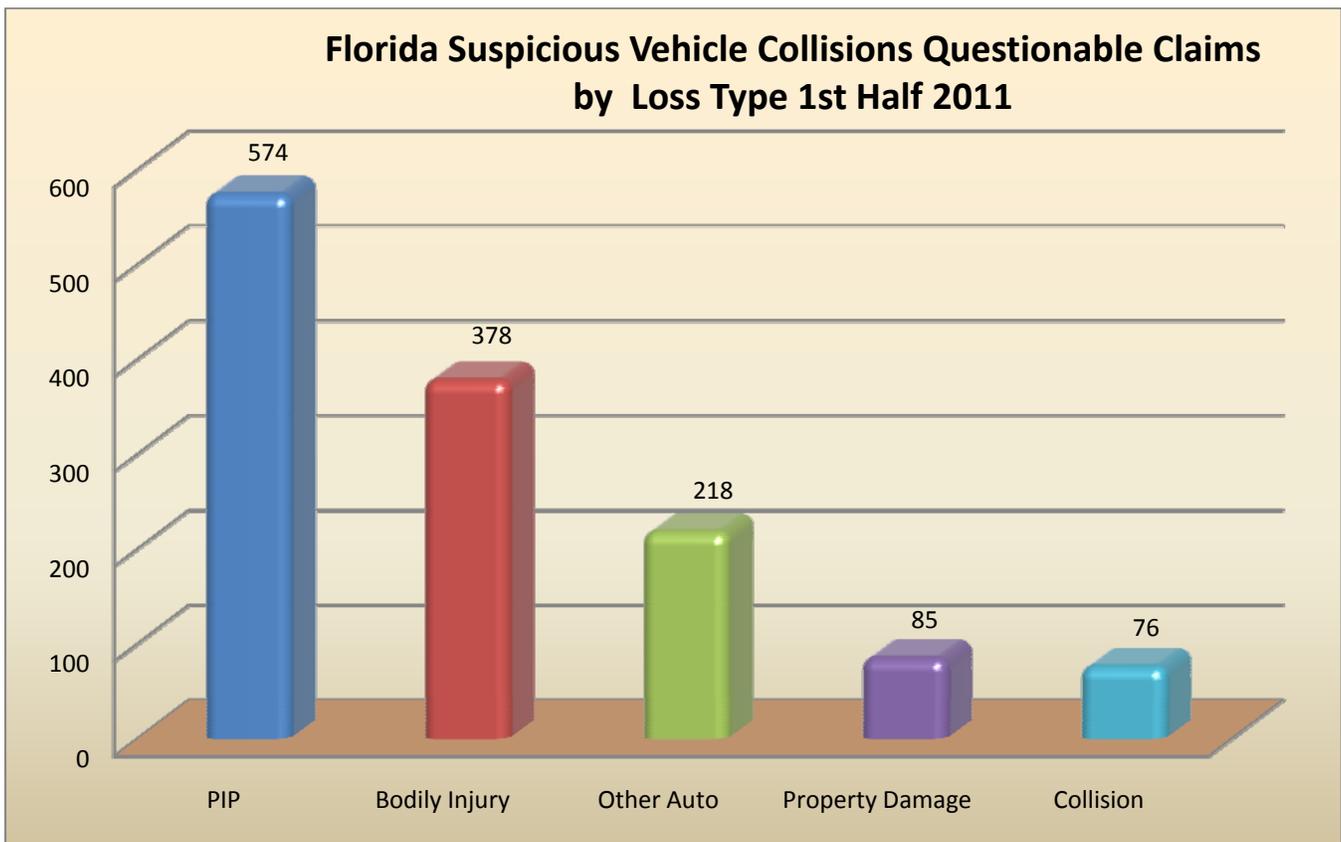
SECTION 4: Loss Type

The Florida Questionable Claims involving alleged suspicious vehicle collisions were also analyzed by Loss Type and ranked for the first half of 2011. In the first half of 2011, a total of 14 Loss Types were identified within the 1,365 Florida QC's. The top five (5) Loss Types are listed and are depicted in bar charts. The top five (5) Loss Types for both years remained the same. The Loss Type with the most QC's was "Personal Injury Protection (PIP)" with 574 QC's in first half of 2011.

Florida Suspicious Vehicle Collision QC's by Loss Type

Top Five (5) Loss Types

Rank	Loss Type	2011 (1st half)
1	PIP	574
2	Bodily Injury	378
3	Other Auto	218
4	Property Damage	85
5	Collision	76



SECTION 5: Conclusion

The number of Questionable Claims in Florida increased from the first half of 2010 (4,321) through the first half of 2011 (4,849). The additional 528 claims represent a 12 percent increase. By contrast, the number of suspected suspicious vehicle collisions in Florida decreased by 4 percent, from the first half of 2010 (1,418) through the first half of 2011 (1,365).

Tampa which was ranked number 1 during the previous three years showed a large decrease in alleged suspicious vehicle collisions from the first half of 2010 through the first half of 2011 (-58%). Miami, which ranked third in 2010, has moved back into first place, with an 83% increase. The rest of the top five cities experienced less dramatic changes: Orlando went from 2nd to 3rd, Hialeah remained in 4th, and West Palm Beach moved up from 6th to 5th.

This report does not contain any concrete proof of a cause and effect relationship between the events listed below that have occurred since the summer of 2010 and the recent decrease in the number of suspicious vehicle collision QC's in Florida. It is up to the reader to draw his or her own conclusions as to whether or not any or all of these events played a role in the decrease.

Notable anti-fraud events since the summer of 2010:

- Billboard and radio ad campaigns regarding suspicious vehicle collisions
- Creation of the Central Florida Medical Fraud Task Force in Tampa
- Release of Insurance Information Institute's report⁵ on the impact of PIP fraud in Florida
- Introduction of legislative bills designed to reduce PIP fraud
- 118 arrests or warrants from July 1, 2010 through September 1, 2011 related to medical investigations assigned to the Central Florida Medical Fraud Task Force

⁵ "No-Fault Auto Insurance In Florida: Trends, Challenges & Costs" - January 2011