



FACEBOOK POSTING PROMPTS WORKERS' COMP FRAUD CHARGE

The sentencing of a woman whose Facebook posting revealed workers' compensation fraud indicates an increasingly familiar crime trend, according to the New York State Insurance Department.



More than usual, workers' comp disability claimants also are earning income from side-jobs, investigators report.

Alexis Muniz, 26, of Accord, NY, received probation and was ordered to pay restitution after

she pleaded guilty to stealing \$8,975 in workers' compensation benefits, the New York agency said.

Investigators say they discovered a Facebook posting in which Ms. Muniz boasted about her salary as an apartment complex manager. However, she had testified during a New York State Workers' Compensation Board hearing that she was not employed in any capacity while collecting benefits for an injury received while working for a previous employer.

Social media postings have increasingly provided investigators with better tips on claimants cheating

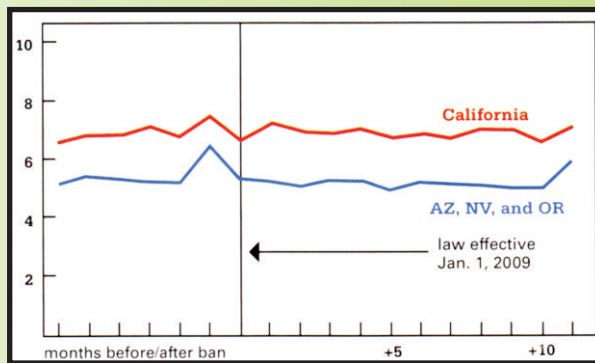
the comp system by earning income while they are supposedly disabled, said John J. O'Shaughnessy, managing partner at Terrier Claims Service in Albany, NY.

But much of the increase in such activity is driven by claimants launching internet businesses, added Richard Smith, VP at Burbank, CA-based investigator Frasco Inc.

That type of fraud is harder to detect than when claimants work outside the home, Mr. Smith said. To uncover such activity, his investigators search business license filings and other government records as well as social media.

CLAIMS ON THE RISE IN FOUR STATES

There has been a rise in auto claim frequency in some states since the advent of anti-texting-while-driving laws. For instance, HLDI researchers found an increase in collision claims for vehicles up to 9 years old during the months immediately before and after driver texting was banned in California (January 2009), Louisiana (July 2008), Minnesota (August 2008), and Washington (January 2008). These findings, along with that of other studies are fueling criticism about the efficacy of such bans.



Shown are collision claims per 100 insured vehicle years, by month before and after texting law for all Calif. Drivers, compared with Arizona, Nevada, and Oregon.

Source: Highway Loss Data Institute (HLDI)

FAST FACTS



From 1990-2009, winter storms resulted in about \$25 billion in insured losses, according to ISO.



According to the Insurance Information Institute (I.I.I.), winter storms cost \$770 million in insured losses in 2009, the lowest total cost in eight years, and \$600 million below average.



The 11th and 12th costliest U.S. winters by insured losses from 1980 to 2010 were due to winter damage and ice storms.



The 11th most costly ice storm occurred, January 13-16, 1999, almost exactly a decade before the 12th ranked ice storm; winter damage and an ice storm hit 15 states, causing \$575 million in insured losses, but no deaths were recorded.



The 12th most costly winter, also due to winter damage and an ice storm, affected the Southeast, South Central, East and Midwest regions. A line of ice storms active from January 26-28, 2009, caused \$585 million in insured losses and 58 deaths.

Comedy Corner



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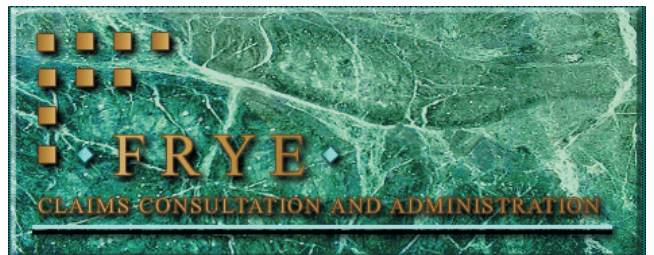
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