

Consumer Watch with Candice Evans: Claims harvesting scam explained

Candice Evans | Geraldton Guardian
Tue, 23 April 2024 2:00AM



Picture this: your car has been badly rear-ended in peak hour traffic and you shakily give your personal details to the first tow truck driver on the scene, who takes your car away.



A few days later you receive a call from a lawyer who knows all about your car accident and tells you they can “help” you get a significant payout for your minor whiplash.



What you don't know is that tow truck driver was looking to make some extra cash on the side and they sold your personal details to a law firm.

Or maybe you received an unexpected call, email or text asking about a car accident and injuries you may have sustained.

How did they know about your bingle from last year? You pass on your details and these are then also sold to a law firm who tries to convince you to use them to make a claim with the Insurance Commission of WA (ICWA).

These are forms of claims harvesting and these people are scammers. They'll often cold-call people hoping to strike it lucky and get someone who has had an accident. They could even pretend to be from the Insurance Commission or other car insurers in an attempt to collect your personal information.

The ICWA has launched a public awareness campaign to warn the community about claim harvesters. Taking advantage of people when they have had a crash, especially when they're injured and vulnerable, is not on.

People have reported being harassed, promised large payouts and tricked into making false claims or exaggerating their injuries through certain lawyers. If they do go ahead with the claim, they can be left with little or none of the compensation payout after legal fees.

Apart from this misuse of personal information and harassment, the practice costs all West Australians.

It is estimated that 27 per cent of injury insurance claims are made following claims harvesting behaviour.

As a result, an estimated \$14 per vehicle in compulsory third-party insurance premium fees paid by all WA vehicle owners is spent on managing harvesting behaviour rather than being spent on medical treatment for those injured in a crash.

A Bill was introduced into WA Parliament to stop the predatory behaviour of claims harvesting. If passed, it will be an offence for anyone to buy, sell or solicit personal details as a motor injury claim referral.

Along with ICWA, Consumer Protection is encouraging the public to beware of this behaviour and if they are contacted about a crash unexpectedly, to hang up and report it to [icwa.wa.gov.au](https://www.icwa.wa.gov.au).

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