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Warning on crash injury claim scam

■ **Kent Acott**

Authorities fear the unethical practice of “claims harvesting” may be responsible for a significant increase in car accident injury claims in WA.

The Insurance Commission of WA has reported claims jumped 11.3 per cent in 2016-17, from 3029 to 3370. They said “claims harvesting” — which may be illegal — might have contributed to almost 200 of these new claims.

“Claims harvesting” or “claims farming” is the practice of unethically pursuing accident victims to encourage them to lodge a motor injury insurance claim. Victims are often encouraged to exaggerate or even lodge false claims.

Information is gathered in cold calls made to the public by people pretending to be from a crash investigation company, a law firm or the commission.

The callers may deceive those involved in a crash by promising sums of money if they lodge a claim through a specific legal firm.

A number of legal firms are suspected of involvement.

Commission secretary Kane Blackman said that the number of

cases of harvesting had doubled in 2016-17.

“There are many ways the public can avoid falling victim to claims harvesting and that includes being aware that the Insurance Commission will not call claimants with a promise of a set monetary figure,” Mr Blackman said. “Our staff will only call claimants to confirm the lodgement of a claim and if they have chosen to appoint a lawyer.

“The commission does not release personal details about claimants to third parties and only receives information about a claimant via its online crash reporting facility.”

Mr Blackman said the commission was working on the issue with Consumer Protection and “continuing to monitor this practice closely”.

Concerns have also been raised about claims harvesting in other States and countries.

In NSW, there have been reported cases where “claims harvesters” give the impression they are lawyers. Once they have convinced the victim to provide personal details, information is sold to a third party, usually a law firm.