

Monday April 4, 2016

Community rallies behind New South Wales crackdown on CTP insurance fraud

The New South Wales Government's new Compulsory Third Party (CTP) Fraud Taskforce is already yielding results, with insurers investigating several suspicious claims thanks to tip-offs from the public.

The Baird Government launched the Taskforce last month to examine unusual claims patterns and possible exaggeration of injuries and medical expenses within the CTP insurance scheme.

The Insurance Council of Australia (ICA), which sits on the Taskforce, has made available the Insurance Fraud Bureau of Australia (IFBA) Fraud Hotline to the State Regulatory Insurance Authority (SIRA) to support the initiative.

IFBA spokesman Laurie Ratz said co-operation between insurers and the public was vital to successfully combat the scourge of CTP fraud.

"Since the launch of the Taskforce in March, the fraud hotline has received tipoffs from concerned citizens who have identified suspicious CTP claims," he said.

"Several of these tipoffs have been steered to insurance companies for thorough review and investigation. It's too early to say whether these tips will lead to charges being laid by police, but these cases are the tip of a very large iceberg.

"IFBA encourages the community to step forward if they have suspicions about CTP or other insurance claims. Cases of suspected insurance fraud can be reported to the IFBA Hotline on **1800 600 444** or via www.ifba.org.au.

"Insurance fraud costs the entire community - the NSW Government estimates it adds \$75 to each CTP premium.

"IFBA estimates 8 to 9 per cent of all insurance claims may be fraudulent, costing Australians more than \$2 billion every year."

Mr Ratz said anyone who phoned or emailed IFBA could remain anonymous should they wish. IFBA's operations comply with federal and state privacy laws. All information is vetted, and passed on to insurers for further assessment.

Figures from SIRA show Sydney experienced a 39 per cent surge in the number of CTP insurance claims in the seven years to 2014, despite a steady fall in the number of road accident victims presenting to hospital.

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