

A young man brags on facebook about sinking his car in a lake before he reported it stolen. A carpentry company creates a promotional video for youtube which shows their workers installing roofing material. Another youtube video shows people ramming a van into a tree over and over again. [You can even view some stage accident videos by NICB here](#). For some reason, people just don't think that social media is a tool that insurance claims adjusters can use.

Studies indicate that at least 10% and perhaps more of all property and casualty insurance claims are fraudulent. The [National Insurance Crime Bureau](#) estimates that [workers compensation](#) fraud alone costs as much as \$5 billion per year. This cost is added into so many of the products that you and I purchase every day. But fraud has a new enemy now and it is called Social Media. The social media sites like [youtube](#)

,  
[twitter](#)

,  
[facebook](#)

and others are a great place for claims adjusters to spend time checking up on their claimants. And underwriters use them as well. In the case of the carpenter showing his employees working on a roof, he now has some explaining to do to his underwriter since he signed an application indicating that he does not engage in any roofing activities.

It is surprising how people are willing to incriminate themselves on these social media sites. Underwriters are now better able to identify the types of customers who are prone to fraud by studying their social media and internet footprints before they agree to write a policy for them. And of course today's claims adjuster is finding the social media universe to be easy pickings for proving fraudulent behavior on some claims.

Over time, the fraudsters out there will be a bit smarter and in truth, social media is not the place to catch the real professional crook. But it is having an impact on helping to keep your insurance rates just a bit lower over the near term.

At Clinard Insurance Group in Winston Salem, NC, we work hard to help insurance consumers out there become better informed buyers. If we can help you with your home insurance, your auto insurance, your business insurance or even your life insurance, I hope you will call us, toll

## **Social Media Becomes a Tool In The Fight To Reduce Insurance Fraud**

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