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REGARDING: 2017-2019 Slip and Fall ForeCAST Report (**Public Dissemination**)

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Introduction

In a proactive effort to increase awareness for member companies, the NICB has prepared a report on Slip and Fall Questionable Claim (SFQC) referrals. This report contains an analysis of the 6,471 SFQCs referred to the National Insurance Crime Bureau (NICB) from 2017 through 2019, by member companies. Please note that the Date of Loss (DOL) for some SFQCs were prior to 2017, as a claim may be referred as questionable at any time. It should also be noted that a single Questionable Claim (QC) can contain up to 7 different referral reasons. For the purpose of this report, a SFQC is defined as a QC referred with “Slip and Fall” as any of the 7 referral reasons.

This report analyzes the composition of the SFQCs by Policy Types, the top 10 Loss States, the top 10 Loss Counties, and the top 10 Loss Cities.

A Slip and Fall claim, as defined by the NICB’s Injury Claim Investigation Guide, is based on the liability of real estate property owners or those who are responsible for maintaining a property for activities or conditions occurring on the land or premises. Slip and Fall claims are those involving a person slipping (or tripping) and falling due to a hazard allegedly created by the negligence of the property owner or tenant. This type of claim can be fraudulent when it is an orchestrated event where the individual creates a false and potentially dangerous scenario with the specific intent to stage a fall for monetary gain.

Executive Summary

The purpose of this report is to analyze NICB QCs from 2017 through 2019 which list “Slip and Fall” as a referral reason and identify any trends or patterns in the data. From 2017 through 2019, SFQCs increased 2%. The most common policy type for SFQCs from 2017 through 2019 was Commercial General Liability, accounting for 56% of all SFQC policy types. The state with the largest number of SFQCs was California (688) and accounted for 11% of the total SFQCs from 2017 through 2019. Los Angeles County, CA was the county with the largest number of SFQCs (245) and New York, NY was the city with the largest number of SFQCs (373) from 2017 through 2019.

Analysis

Policy Types Analysis

Commercial related policy types comprised 80% of the total SFQCs referred between 2017 and 2019. The largest SFQC policy type category, during this timeframe, was Commercial General Liability (56%), which indicates that a majority of SFQCs are occurring at retail stores, parking lots, or restaurants. The percent of Commercial Multi-Peril showed a decrease of 31% from 2017 to 2019. Personal Property Homeowners showed an increase of 39% from 2017 to 2019. The table below summarize the policy types that accounted for 5% or more of the overall SFQCs received between 2017 and 2019; policy types that accounted for less than 5% each are grouped within the “All Other” policy type category.

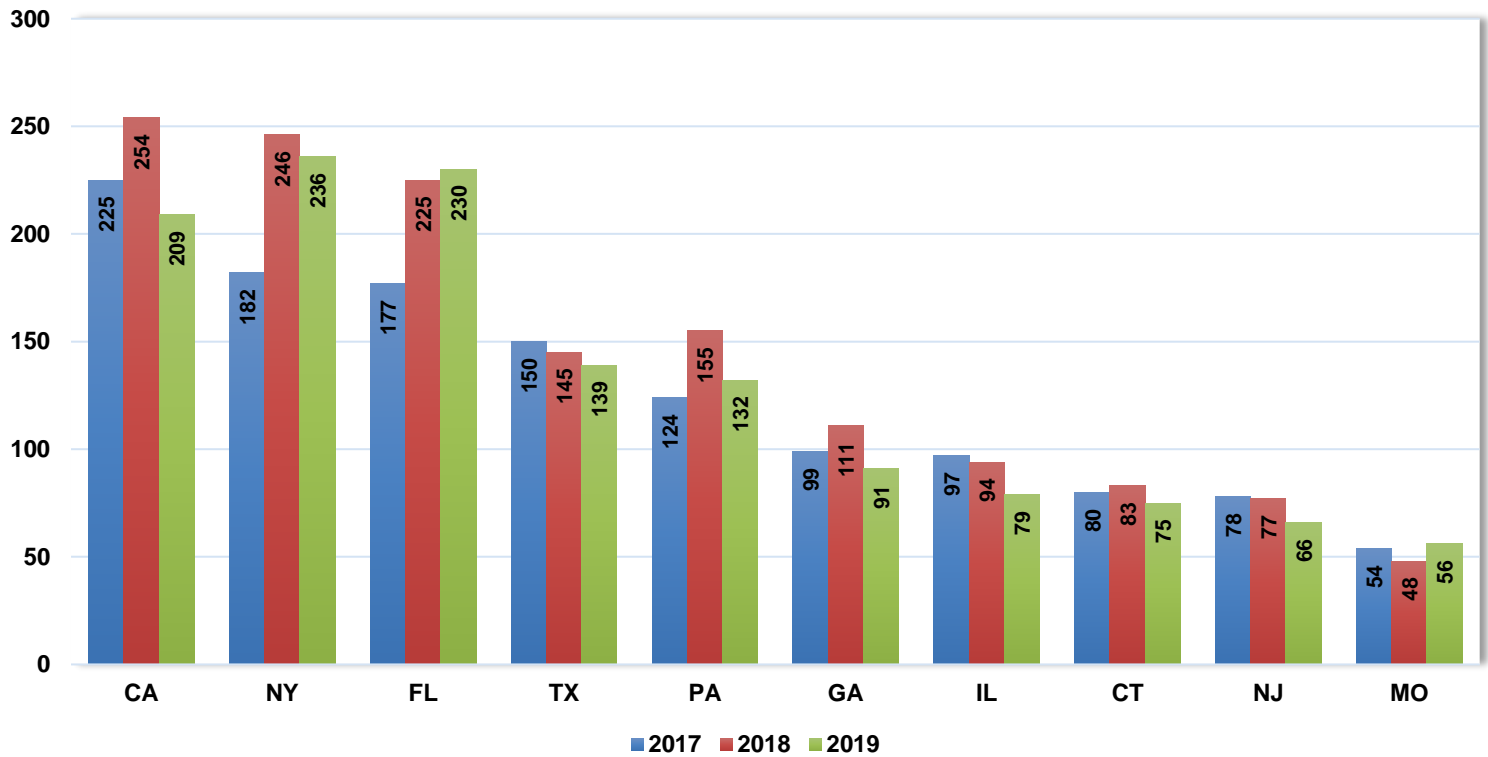
Policy Types	2017	% of 2017 Total	2018	% of 2018 Total	2019	% of 2019 Total	Total	% of Total
Commercial General Liability	1,192	57%	1,267	56%	1,150	54%	3,609	56%
Commercial Liability Business Owners	287	14%	360	16%	309	15%	956	15%
Personal Property - Homeowners	195	9%	252	11%	272	13%	719	11%
Commercial Multi-Peril	199	10%	164	7%	137	6%	500	8%
All Other Policies	206	10%	236	10%	245	12%	687	11%

*Percentages in the chart have been rounded and may not equal 100

Analysis by Loss State

The top 10 loss states, based on total SFQCs submissions between 2017 and 2019, are shown in the chart below. These 10 loss states account for 62% of all SFQCs from 2017 through 2019, with California accounting for 11% overall. Four (4) of the top 10 loss states with SFQCs displayed an overall increase from 2017 through 2019. Florida increased 30% overall and was also the only state in the top 10 to show an increase over all 3 years analyzed. New York increased by 30% (182 to 236) from 2017 to 2019. Illinois demonstrated a decrease of 19% when comparing 2017 to 2019. The following chart displays the top 10 loss states by total SFQCs followed by a map of loss states with SFQCs.

Top Ten States with SFQCs 2017-2019

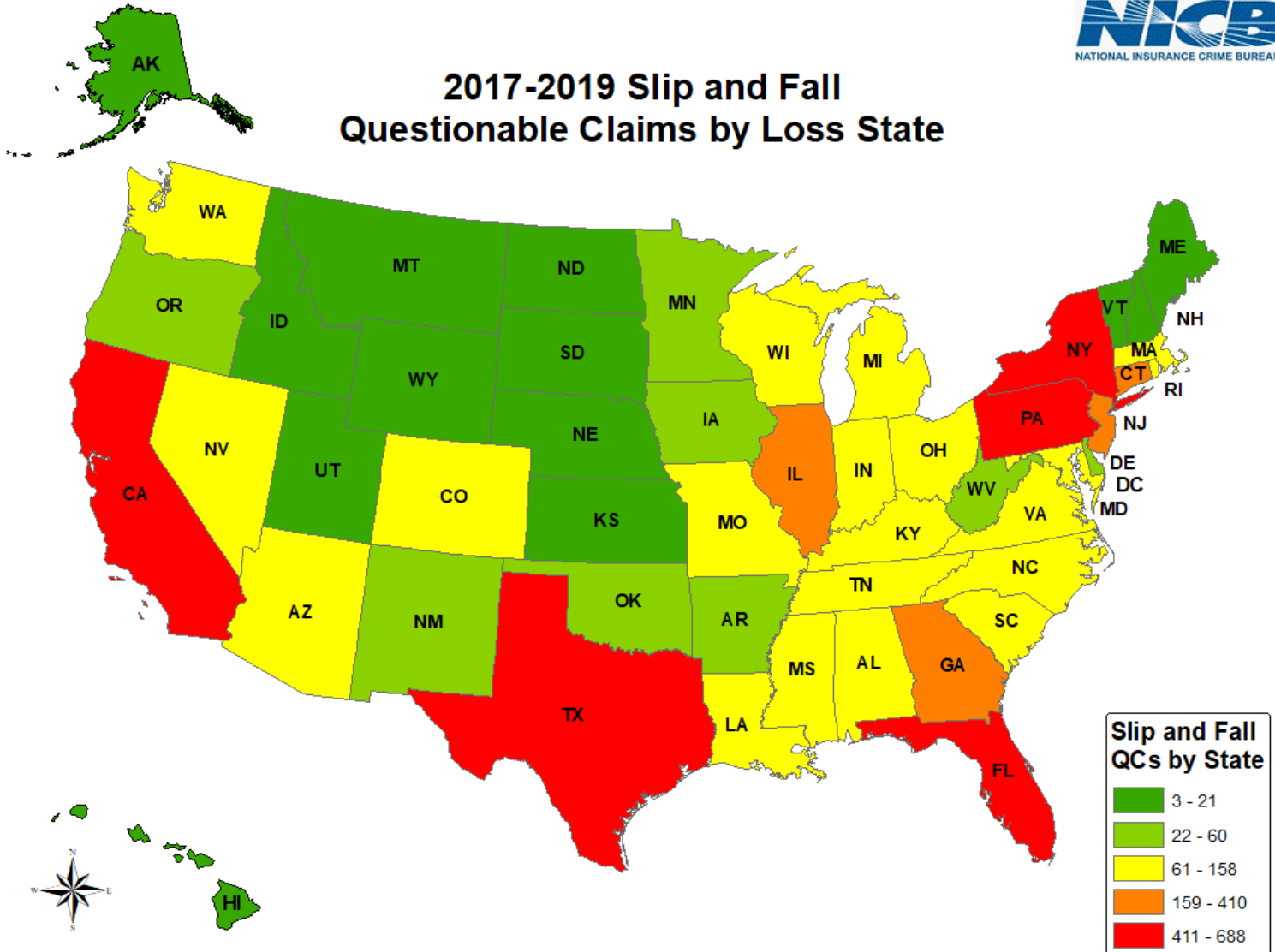


Geographic Analysis by Loss State

The map shown below is a geographic representation of all SFQCs by loss state submitted between 2017 and 2019.

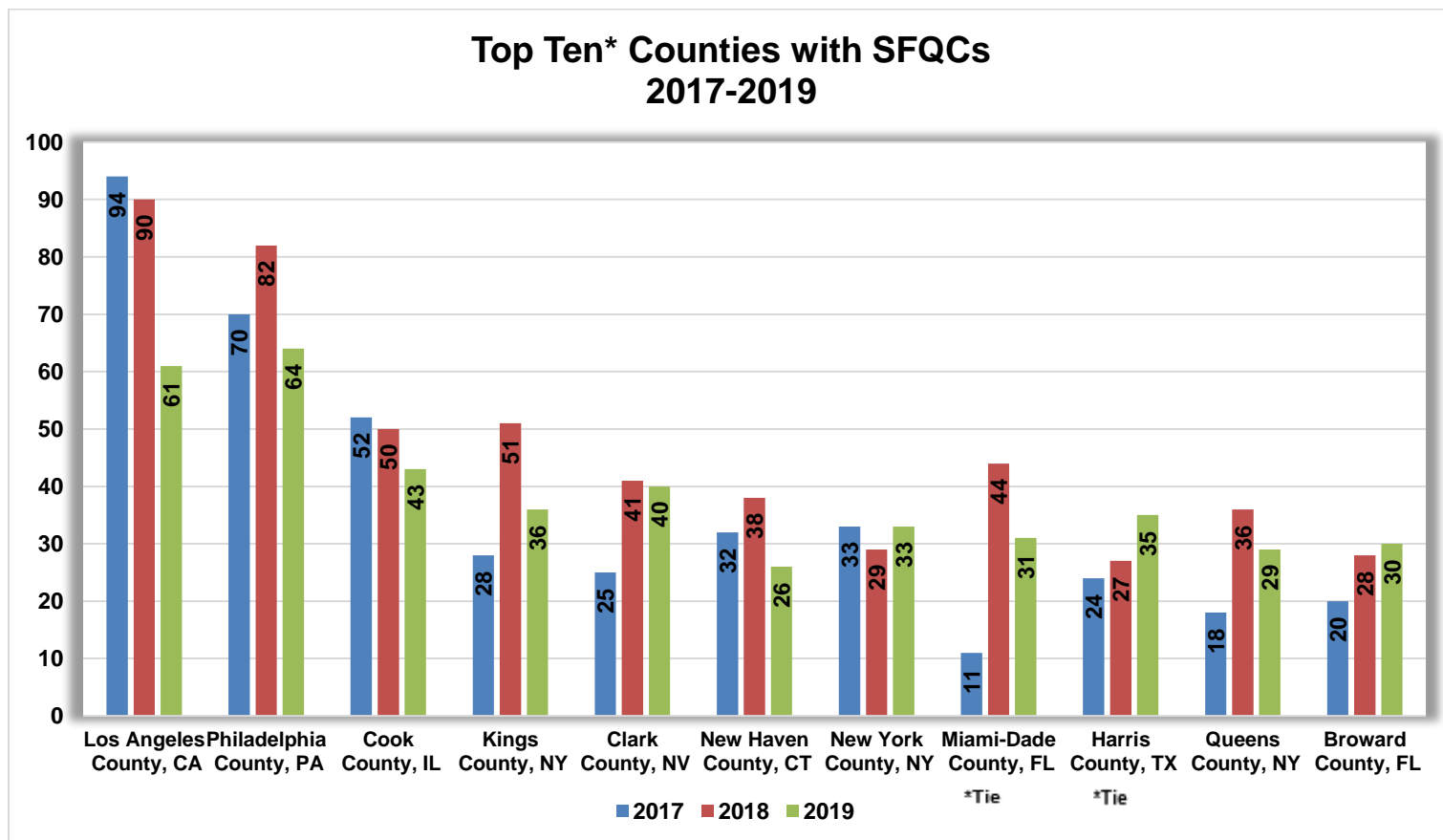


2017-2019 Slip and Fall Questionable Claims by Loss State



Analysis by Loss County

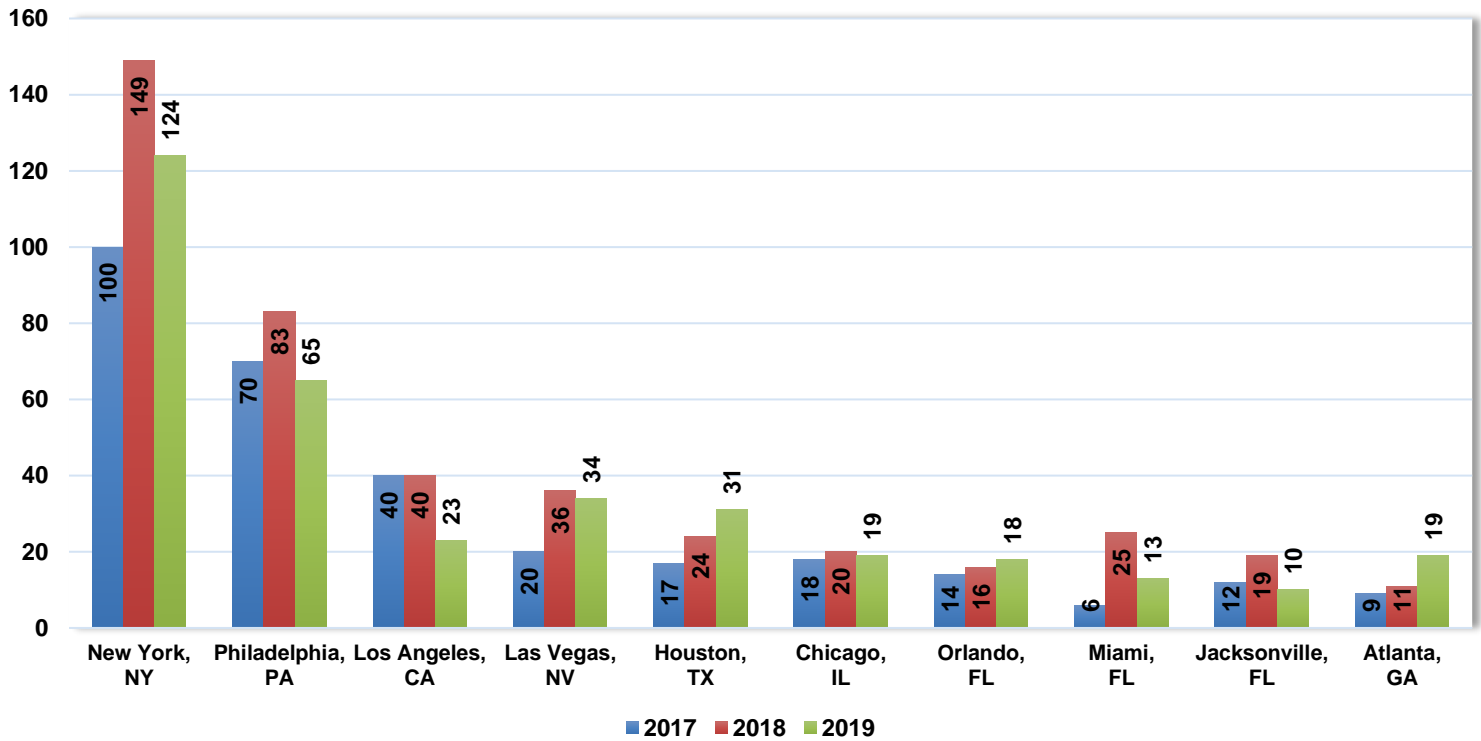
Due to a tie, there was a total of 11 loss counties in the top 10*, based on the total number of SFQC submissions between 2017 and 2019, shown in the chart below. It should be noted that 93% (6,001) of all SFQCs provided sufficient information to identify a loss county. The top 10* loss counties account for 21% (1,351) of the total SFQCs submitted between 2017 and 2019. Six (6) of the top 10* loss counties with SFQCs displayed an increase when comparing 2017 to 2019. Of the top 10* loss counties, 4 counties showed an overall increase of 50% or more; Miami-Dade County, FL (182%), Queens County, NY (61%), Clark County, NV (60%), and Broward County, FL (50%). While Los Angeles County, CA and Cook County, IL, showed a decrease each year. The following chart displays the top 10* loss counties by total SFQCs. An asterisk (*) represents that there was a tie in the Top 10 Counties.



Analysis by Loss City

The top 10 loss cities, based on the total number of SFQC submissions between 2017 and 2019, are shown in the chart below. Seven (7) of the top 10 loss cities with SFQCs displayed an increase when comparing 2017 to 2019. The Top 10 loss cities account for 17% of all SFQCs submissions between 2017 and 2019. The following chart displays the top 10 loss cities by total SFQCs followed by a map of loss cities with SFQCs.

Top 10 Cities with SFQCs 2017 - 2019

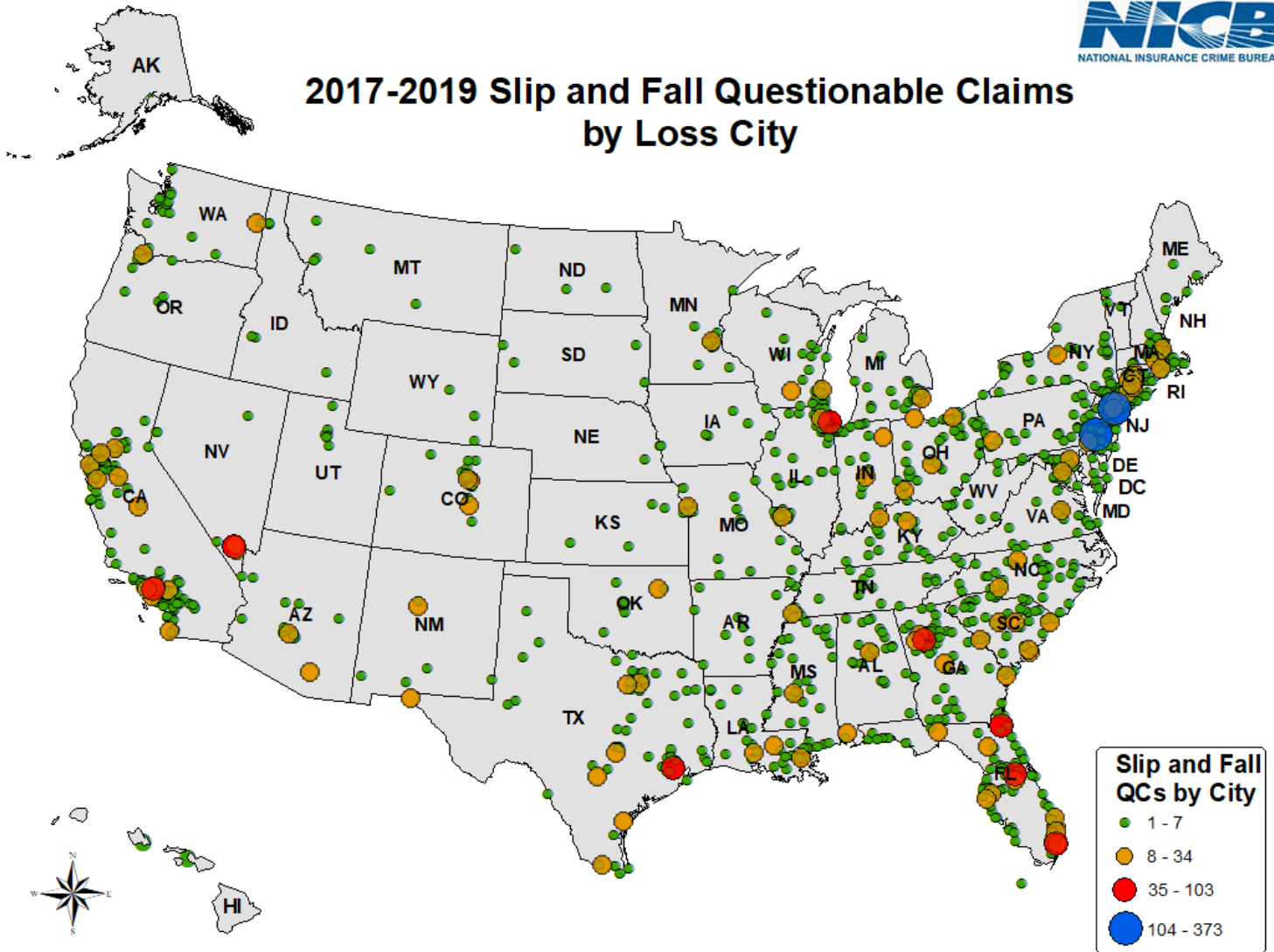


Geographic Analysis by Loss Cities

The map shown below is a geographic representation of all SFQCs by loss city submitted between 2017 and 2019.



2017-2019 Slip and Fall Questionable Claims by Loss City



Conclusion: Slip and Fall Schemes, Fraud Indicators, and Tips

Schemes

- Two people enter a large retail department store and split up with one going down an aisle. One waits until he/she is alone and then takes a bottle of liquid from his/her bag and pours it on the floor. The second individual positions himself/herself at the end of the aisle and the first person "falls" in the liquid. The second person then runs to his/her aid and calls for assistance while telling everyone she "witnessed" the person's fall.
- A person recently broke his/her leg, an accomplice cuts off the cast and drives the injured person to the hospital. They later file a false insurance claim for an accident at an insured property.
- A person purposely pulls display items or store merchandise on top of themselves and then files an injury claim resulting from the "fallen" product.
- Taking advantage of a broken or obstructed sidewalk or stairway: A person may claim to have tripped over a child's toy left on a stairway and then sue the homeowner for damages.
- "Props" are tools some claimants use to pad their claims. For example, someone may claim that when they fell, they also broke their expensive camera or glasses.

Fraud Indicators

- Use of a prop (i.e., broken glasses, broken dental plate, etc.) to support or inflate the claim.
- Presence of an overly enthusiastic witness at the incident scene.
- Claimant is unusually familiar with insurance terms and procedures or medical terminology.
- One or more claimants or insured list a post office box or hotel as address.
- All transactions were conducted in person, and thus avoid using the telephone or mail.
- The kind of accident is not typical of those seen on a regular basis.
- Claimant threatens to go to an attorney or physician if the claim is not quickly settled.
- Claimant is a transient or out-of-towner on vacation.
- Medical bills indicate routine treatment being provided on Sundays or holidays.
- Claimant seeks treatment at a provider far from where they live.

Investigation Tips

- Conduct ISO inquiries on all parties subject to the claim, including witnesses, to determine if they have had or been involved in, any similar claims.
- In the claimant's recorded statement, identify:
 - All names they have used, past and present.
 - Dates of birth.
 - Social security numbers.
 - Driver's license numbers with state.
 - Family doctor names and addresses for the past five years.
 - All hospitals, specialists, chiropractors seen in the past five years.
 - All employers in the past five years.
 - All addresses in the past five years.
- When discussing the current employer, cover the claimant's duties, hours worked, supervisor's name, shift and any workers' compensation claims.
- In the claimant's statement, the file handler should also inquire as to whether or not the claimant has had any previous bodily injuries. Answers should be received for each question with regards to each part of the body. The claimant should also be asked if they have had any previous Slip and Fall claims in the past.
- Pursue a medical and wage authorization and review all medical records received for any slip and falls or previous injuries that the claimant may have knowingly failed to identify which would be material to this claim.