

The Crooked World

of STAGED ACCIDENTS



How to Protect Your Business



EROAD

The Rise in Large Verdicts and Fraud Targeting Truckers is a Threat to Motor Carriers

Research shows that commercial drivers are far less often at fault for serious truck-car accidents than passenger car drivers.

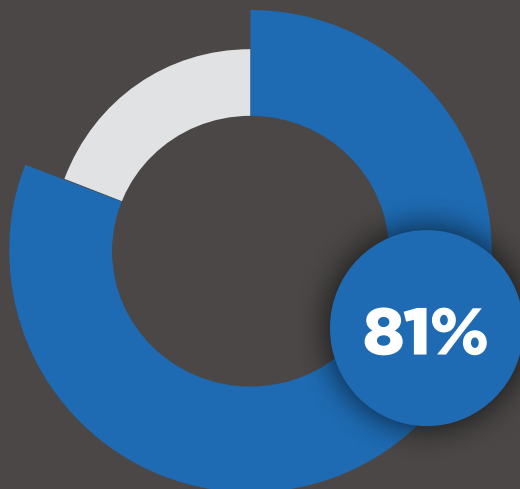
Still, large accident-related verdicts against motor carriers – many exceeding \$1 million – have become increasingly frequent in recent years.

That trend has attracted the attention of criminal groups that target commercial trucks with staged-accident schemes.

“These groups have moved to target large trucks because they are like whales with dollar signs on them”

Harry Rosenberg,

former US Attorney for the Eastern District



**Passenger car drivers
are at fault for serious
truck-car accidents
81% of the time**

**University of Michigan Transportation
Research Institute**

AN INDUSTRY-WIDE IMPACT

The impact of staged accident fraud and the trend toward larger verdicts against carriers is felt industry-wide in the form of skyrocketing insurance rates.

One motor carrier in Indiana cited insurance premiums that more than doubled year over year as the reason for closing its doors in 2019. “Multiple other fleets, many decades-old family businesses, experienced similar outcomes,” according to the American Transportation Research Institute.

Given the far-reaching impact of staged accidents on the trucking industry, it’s crucial that motor carriers take steps to protect their businesses and the industry overall.



**It’s about time that we stand up for what’s right.
It’s about time that we stand up as an industry.”**

Randy Guillot,
former ATA Chairman

INSURANCE CONSIDERATIONS

The potential for being the target of fraud should be top of mind when selecting insurance, says Matthew J. Smith, Executive Director of the [Coalition Against Insurance Fraud](#).

He advises motor carriers to:

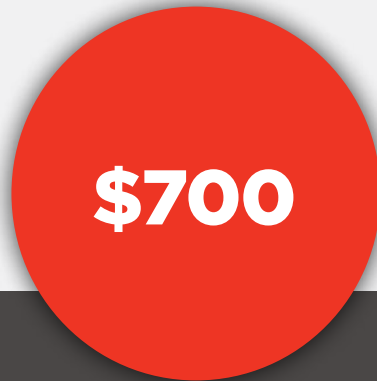
- **Ask insurance companies how they investigate fraud**
- **Know who to contact if fraud is suspected**
- **Notify insurance carriers of suspected fraud ASAP**

“Any commercial carrier needs to be concerned about staged accidents and insurance fraud well before any accident ever occurs,” Smith says. “That’s the biggest game changer. if you really want to address the issue of insurance fraud.”



**\$40
Billion**

**Annual cost
of non-health
insurance fraud in
the United States**



\$700

**Annual cost of
insurance fraud for U.S.
households in the form
of increased premiums**

THE ANATOMY OF A STAGED ACCIDENT

Staged accident schemes typically include multiple people:

- Spotters
- Drivers
- Passengers
- Fake witnesses
- Legal and medical professionals



In some cases, the “passengers” will enter the perpetrator’s vehicle after the crash occurs and later claim that they were injured.

Common Staged-Accident Scenarios



SWOOP AND SQUAT:

One perpetrator vehicle cuts off the victim and slams on the brakes after a second vehicle has pulled up alongside the victim, blocking them in and preventing them from swerving to avoid the collision.



START AND STOP:

The fraudster slams on their brakes in front of the victim, causing a crash. This scenario may play out during stop-and-go traffic.



SIDESWIPE:

A perpetrator vehicle swerves into the victim and claims that the victim crossed over into their lane. This staged crash may occur at busy intersections with dual left turn lanes.

STAGED ACCIDENT INDICATORS

It's crucial for carriers and commercial truck drivers to know some common indicators that they were involved in a staged accident so they can share the information with responding law enforcement officers.

These indicators include:



MULTIPLE PASSENGERS:

Staged accident perpetrators want to maximize the profits. And that means cramming as many people into the car as possible to increase the number of fraudulent injury claims.



JUMP-INS:

Watch for any “passengers” who enter the vehicle following the collision. So-called jump-ins are a huge red flag for fraud.



PRE-EXISTING DAMAGE:

Perpetrators often use beat-up cars for staged accidents. Look for vehicle damage that is not consistent with the crash.



VEHICLE CONDITION:

Look for things like heavy dust and dirt on the vehicle, weathered tires, old windshield wipers. These are all signs that the car isn't regularly used and is brought out for staged accidents.

HOW TO PROTECT YOUR BUSINESS

The first step to protecting your business and the trucking industry from staged-accident fraud is learning about the common staged-accident scenarios and indicators, and then training your drivers to identify potential staged accidents.

But there is a technology solution that gives carriers a powerful tool to effectively fight fraud: dash cams.

Dash cams like [EROAD's Clarity](#) provide an unblinking witness to what happens on the road. In a world where commercial trucks are the target of staged-accident schemes, video from dash cams is powerful evidence that can quickly expose fraud and bring wrongdoers to justice.

In-cab video for commercial vehicles is the single best tool to protect a commercial operator and a commercial driver from insurance fraud on the highways.”

Matthew J. Smith,
Executive Director, Coalition Against Insurance Fraud



WHO TO CONTACT IF YOU SUSPECT FRAUD



National Insurance Crime Bureau

800-835-6422

www.nicb.org



Federal Bureau of Investigation

202-324-3000

tips.fbi.gov/

www.fbi.gov



**Coalition Against
Insurance Fraud**

Coalition Against Insurance Fraud

For state-level resources

www.insurancefraud.org/report-fraud/