

# Prevent Insurance Fraud



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**tdi**  Texas Department  
of Insurance

**Learn about insurance.**  
1-800-252-3439 | [tdi.texas.gov](http://tdi.texas.gov)

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## What is Insurance Fraud?

Insurance fraud is an illegal act in which someone lies or intentionally misrepresents facts about insurance for financial gain. Knowing the common types of insurance fraud can help you recognize and prevent it:

- **Unlicensed insurance.** It is illegal to sell insurance in Texas without a license. Unlicensed companies usually don't meet the state's financial requirements and may not have the money to pay claims. Consumers and small businesses who have difficulty affording coverage are usually the victims of these schemes. You can learn a company's or agent's license status by calling the **Texas Department of Insurance (TDI) Consumer Help Line at 1-800-252-3439** or by visiting our website at [tdi.texas.gov](http://tdi.texas.gov).
- **Health care provider fraud.** Doctors and hospitals commit fraud when they over-bill insurance companies for services they provided, bill for services they didn't provide, or perform unnecessary tests and procedures.
- **Agent fraud.** Insurance agents commit fraud when they sell fake policies, lie on an insurance application, or keep your premium for their personal use.
- **Homeowner fraud.** People commit homeowner fraud when they exaggerate or pad claims or file fake claims, including burglary and arson claims.
- **Auto accident fraud.** People commit auto accident fraud by padding their

claims or filing a claim for an accident or theft that never occurred. Causing an accident and making it look like it was someone else's fault is also fraud.

- **Mortgage fraud.** Residential mortgage fraud occurs when borrowers make false or misleading statements to get mortgage loans. Mortgage fraud also includes diverting escrow funds at settlement.

## Report Insurance Fraud

Insurance fraud is a crime in Texas. Texas law requires you to report insurance fraud within 30 days. The law protects you from any retribution or liability as a consequence of reporting fraud.

You may report suspected insurance fraud to the Fraud Unit by

- calling the Consumer Help Line at 1-800-252-3439.
- filling out the online form or the printable form found at [www.tdi.texas.gov/fraud/report.html](http://www.tdi.texas.gov/fraud/report.html).

Send the printable form to TDI by:

- Email to [FraudReport@tdi.texas.gov](mailto:FraudReport@tdi.texas.gov).
- Fax to 512-490-1001
- Mail to:  
MC 109-3A  
Fraud Unit  
Texas Department of Insurance  
PO Box 149336  
Austin, TX 78714-9336

## TDI's Fraud Unit

The TDI Fraud Unit is a law enforcement agency that

- investigates reports of fraud,
- makes referrals to criminal district attorneys and federal prosecutors,
- seeks criminal indictments,
- makes arrests, and
- works with law enforcement agencies to investigate and prevent fraud.

The Fraud Unit's staff includes peace officers, attorneys, fraud examiners, and investigators. The unit also has prosecutors in district attorney offices in Bexar, Dallas, Harris, and Tarrant counties. Each year, we investigate more than 350 insurance fraud allegations and help fraud victims get millions of dollars in restitution.

## Request a Speaker

The TDI Fraud Unit can send a speaker to your event or presentation to talk about insurance fraud. To request a speaker, call the Speakers Bureau program at 512-676-6277 or visit our Speakers Bureau website.

We also provide training to law enforcement agencies and insurance companies. To request training, call the **Fraud Unit at 512-676-6285**.