



# Baechler Investigative Services

## Quarterly Newsletter

Baechler Investigative Services

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### **BIS and Ascension team up to combat fraud.**



### **SIU contract complies with state requirements.**

Personal Insurance Administrators, Inc., and Summit America Insurance Services, subsidiaries of Ascension Insurance have entered into an agreement with Baechler Investigative Services. Baechler Investigative Services will serve as the Special Investigation Unit (SIU) anti-fraud unit on behalf of Ascension.

The SIU shall be performed in accordance with the Anti-Fraud plan, and in compliance with the IFPA and SIU regulations.

In addition to reviewing files for fraud indicators and investigating suspicious claims, the SIU will establish and maintain an ongoing anti-fraud training program and serve as a resource to develop and improve the anti-fraud awareness skills of all integral anti-fraud personnel.

### **Statement Taking- Getting all the facts.**

*Editors note: The next several newsletters will provide information related to statement taking. Mr. Baechler has taken thousands of witness, Claimant and suspect statements. He has instructed statement taking classes to law enforcement, adjusters and at anti-fraud seminars. Next edition will cover interviewing techniques*

#### **OVERVIEW**

Recorded statements are required for a good claims file, proper litigation defense and for Plaintiff attorneys to obtain the real facts of the case.

Unfortunately, statements have traditionally been difficult to manage, access, and use as a strategic case asset.

In taking the statement, it is important to remember you may only get one opportunity to take a statement and the importance of establishing a rapport with the interviewee cannot be understated.

The success of your statement depends on your ability to listen, ascertain pertinent information, ask relevant questions, and gather accurate, reliable information. The answer to one question can easily lead to ten more questions.

#### **The Personal Agenda**

Every individual has a personal agenda of some sort. This is also true of interviewees. The agenda may be as simple as wanting to tell the truth to the best of their recollection, a witness may want to be "the hero", or show their great recollection skills, not want to get involved, not want to relive a tragic event, etc. The Claimant may want to convince you that he (or she) should receive large settlement, whereas the civil defendant may want to show that he (or she) is not at fault. In criminal matters, including insurance fraud suspects, anticipate rationalization, untruthfulness, and in many cases appearing to be overly cooperative.

The interviewer has about 30 seconds to evaluate the interviewees agenda and adjust their interview technique accordingly.

*Next issue: Difficult witnesses and effective interviewing techniques.*

"Evidence will terminate any short or long era of an argument." — Bamigboye Olurotimi



### **What's In A Number?**

*Reprinted by request from a previous newsletter*

The Social Security number (SSN) was created in 1936 for the sole purpose of tracking the earnings histories of U.S. workers, for use in determining Social Security benefit entitlement and computing benefit levels. Today the SSN may be the most commonly used numbering system in the United States. As of December 2008, the Social Security Administration (SSA) had issued over 450 million original SSNs, and nearly every legal resident of the United States had one. The SSN's very universality has led to its adoption throughout government and the private sector as a chief means of identifying and gathering information about an individual.

Social Security numbers are generally issued by state or region, with the first three numbers showing where the card was issued. This information may be helpful in conducting background investigations, locating missing individuals, or determining the validity of a Social Security Number.

#### **FIRST Numbers issued in following location**

|            |            |                     |
|------------|------------|---------------------|
| 010-034 MA | 425-428 MS | 530 NV              |
| 035-039 RI | 429-432 AR | 531-539 WA          |
| 040-049 CT | 433-439 LA | 540-544 OR          |
| 050-134 NY | 440-448 OK | 545-573 CA          |
| 135-158 NJ | 449-467 TX | 574 AK              |
| 159-211 PA | 468-477 MN | 575-576 HI          |
| 212-220 MD | 478-485 IA | 577-579 DC          |
| 221-222 DE | 486-500 MO | 580 Virgin Islands  |
| 223-231 VA | 501-502 ND | 581-584 Puerto Rico |
| 232-236 WV | 503-504 SD | 585 NM              |
| 237-246 NC | 505-508 NE | 586 Pacific Islands |
| 247-251 SC | 509-515 KS | 587-588 MS          |
| 252-260 GA | 516-517 MT | 589-595 FL          |
| 261-267 FL | 518-519 ID | 596 599 Puerto Rico |
| 268-302 OH | 520 WY     | 600-601 AZ          |
| 303-317 IN | 521-524 CO | 602-626 CA          |
| 318-361 IL | 525 NM     | 627-645 TX          |
| 362-386 MI | 526-527 AZ | 646-647 UT          |
| 387-399 WI | 528-529    | UT 648-649 NM       |

650-699 and 729-799 unassigned, for future use

800-999 are not valid numbers

As a result of a June 1936 decision, the current SSN is composed of three parts:

The first three digits are the area number

The next two digits are the group number

The final four digits are the serial number

## CASES FROM THE ARCHIVES

### “SPIDERMAN”



**FACTS:** A male subject entered a grocery store, walked to the produce section and examined various produce. He then walked to the check out stand and reported he had just been bitten by a spider. He stated the spider had climbed up his pant leg, bit him and ran away.

The Plaintiff alleged, as a result of the spider bite, his leg may require amputation. The Plaintiff was hospitalized and his attorney alleged the spider was a highly poisonous Brown Recluse.

**ASSIGNMENT:** Determine relevant facts and information regarding the Plaintiff's alleged injury, cause of injury, the Plaintiff's general character and a full background investigation.

**INVESTIGATION:** Our investigators interviewed several clerks at the supermarket with emphasis on the produce section. We also interviewed the produce delivery people. A careful review was conducted of the extermination company records at the supermarket related to insect spraying. The exterminator staff was interviewed and all records examined relating to methods and chemicals used for extermination. The health department was contacted and copies of all inspections were obtained. Primary health inspectors were contacted and interviewed regarding the grocery store. Research was conducted related to the Brown Recluse spider; specifically the spider's aggressiveness habitat, and habits. An extensive background investigation was conducted on the Plaintiff with emphasis on lifestyle, previous injuries and litigation.

**RESULTS:** A reputable extermination company serviced the store, on a regular basis. No evidence was located to indicate spider problems. The extermination staff reported it was rare to find a spider at the market and when one was located, it was the garden-variety type. Health department records showed the market to be clean and sanitary, no citations or warnings had been issued.

The Brown Recluse spider is not common in Southern California and is named Recluse as it is a reclusive spider and generally non-aggressive unless disturbed.

The background investigation showed the Plaintiff to have a felony criminal record including convictions for arson. The investigation revealed the plaintiff suffered from a rare condition to his leg, for several years. The symptoms were similar to a poisonous spider bite and difficult to diagnose.

The plaintiff had previously filed a similar action in another state and settled with the insurance carrier.

The plaintiff's attorney, upon learning the facts of the investigation, withdrew as the attorney of record. The Plaintiff subsequently dropped all litigation and requested to withdraw the claim. The case was reviewed for fraud indicators and forwarded for prosecution.



### Heard In Court

The following quotations are taken from official court records across the nation,

Lawyer: "Was that the same nose you broke as a child?"

Witness: "I only have one, you know."

Lawyer: "Now, Mrs. Johnson, how was your first marriage terminated?"

Witness: "By death."

Lawyer: "And by whose death was it terminated?"

Accused, Defending His Own Case: "Did you get a good look at my face when I took your purse?"

The defendant was found guilty and sentenced to ten years in jail.

## BIS COMPLETES TRANSITION TO LINUX FILE SYSTEM

**Secure file system allows assignments and sensitive information to be directly uploaded to the secure BIS Server**

Baechler Investigative Services has completed the transition to the Linux file system. The Linux system is commonly used by large corporations for security reasons.

The new systems allows BIS clients to directly upload sensitive files, documents, and information directly to the secure BIS server via SFTP. This simple process requires only three steps and is much safer and faster than traditional email. The new system does not have the file size limitations of traditional email.

## INSURANCE FRAUD

Insurance fraud is any act committed with the intent of fraudulently receiving payment from an insurance company is considered insurance fraud. Misrepresentation of facts when applying for insurance is also considered insurance fraud. Insurance fraud is a criminal investigation and criminal charge.

### Hard insurance fraud and soft insurance fraud

The insurance industry has defined hard insurance fraud as those activities that involve planned or staged incidents of theft, accident, or injury in order to collect payment. Soft insurance fraud is considered exaggeration of otherwise legitimate claims for purposes of collecting a larger payment than otherwise due. It also includes misrepresenting information when obtaining your insurance policy in order to benefit from a lower premium.

### Information from The Coalition Against Insurance Fraud.

More than two-thirds of consumers (68 percent) say they believe insurance fraud happens because people believe they can get away with it.

Nearly one of four Americans says it's OK to defraud insurers (8 percent say it's "quite acceptable" to bilk insurers, and 16 percent say it's "somewhat acceptable.")

Fewer than two of five adults feel positively about the insurance industry as a whole.