

A Guest Article from Florida's Chief Financial Officer



Alex Sink

Sunset of PIP Will Not End Fraud

On October 1, 2007, Florida's 36-year-old Motor Vehicle No Fault Law will either expire, be extended or be replaced. There is one thing we can be sure of—we will continue to investigate and prosecute Personal Injury Protection (PIP) fraud cases for several years, even though fraud has been cited as the reason for letting the No Fault Law sunset.

If the No Fault Law sunsets and PIP coverage is no longer required, as law enforcement officers, you can add to your duties the responsibility of determining contributing causes or fault in minor traffic crashes and going to civil court to testify on those findings. And it appears you may be asked to do this with dwindling budgets.

I have been vocal in my support of the intent of the No-Fault law, which is to ensure that Floridians receive medical treatment for injuries they suffer in an auto accident without delay and without the need to file a lawsuit to recover costs relating to these medical benefits. However, the law, and especially the PIP provision of the law, has major flaws. A culture of fraud and abuse has grown around PIP, one that my fraud investigators and local law enforcement agencies like yours fight every day.

But the idea behind the law—the protection of Floridians and their assets—is the centerpiece of my role as your Chief Financial Officer. Although I want to make the No-Fault law and PIP work, it is not clear whether the Legislature will act on this matter before the October 1 sunset date.

Therefore, with the impending sunset of the law, I have been working to increase Floridians' awareness about life

after No-Fault and have established an informative Web site as an educational resource at www.myfloridacfo.com/nofault. On this Web site, you will find answers to questions about how drivers can protect themselves in a fault-based system and more.

Whether or not we reform No-Fault or PIP, Florida must continue to combat all forms of insurance fraud, and any insurance program must include aggressive anti-fraud

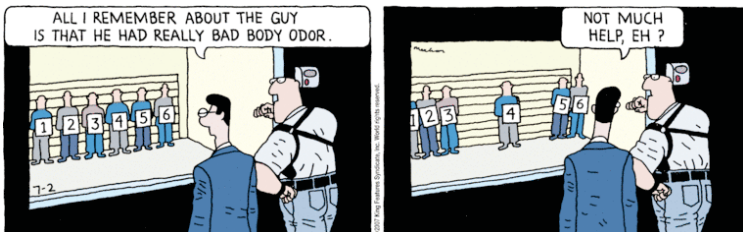
“Whether or not we reform No-Fault or PIP, Florida must continue to combat all forms of insurance fraud, and any insurance program must include aggressive anti-fraud measures.”

measures. Critics of the No-Fault system point to fraud as a reason to allow it to sunset, yet experience in other states has shown us that fraud occurs in any system. We will have to be vigilant about identifying and investigating new fraud schemes that will inevitably develop. Furthermore, there is a five-year statute of limitations on insurance fraud, so we will continue to address old PIP fraud schemes for several years.

The Division of Insurance Fraud stands ready to assist you with any insurance fraud investigations you may currently have ongoing or may initiate in the future. The division's new director, **Colonel Vicki Cutcliffe**, is a 30-year law enforcement veteran

committed to building on the division's national reputation as a leader in the fight against insurance fraud. Colonel Cutcliffe most recently served as Chief of Law Enforcement Support for the Florida Department of Transportation, Motor Carrier Compliance Office, and managed the Training, Recruitment and Selection, Policy Development, Public Information, Facilities Inspection, and Penalty Collection sections. She also is a member of the State's Emergency Operations Center.

I am looking forward to working with our state and local law enforcement partners to make Florida safer and stronger by rooting out insurance fraud and those who commit it. There will be challenges, but working together we can turn those challenges into stepping stones on the path to a brighter future for all Floridians, especially those who work every day to serve and protect our citizens. ●



IRS TAX TIP

Continued from sidebar on page 8.

IRS Never Sends Unsolicited E-mail

Taxpayers should be aware that the IRS does not send unsolicited e-mail. Additionally, the IRS never asks taxpayers for PIN numbers, passwords or similar secret access information for credit card, bank or other financial accounts.

Recipients of questionable e-mail that appears to come from the IRS should not open any attachments or click on any links contained in the e-mail. Instead, the e-mail should be forwarded to phishing@irs.gov.

The IRS and the Treasury Inspector General for Tax Administration work with the U.S. Computer Emergency Readiness Team (US-CERT) and various Internet service providers and international CERT teams to have the phishing sites taken offline as soon as they are reported.

Since the establishment of the mail box last year, the IRS has received more than 30,000 e-mails from taxpayers reporting almost 400 separate phishing incidents. To date, investigations by TIGTA have identified host sites in at least 55 different countries, as well as in the United States.

Other fraudulent e-mail scams try to entice taxpayers to click their way to a fake IRS Web site and ask for bank account numbers. Another widespread e-mail scam tells taxpayers the IRS is holding a refund for them — frequently \$63.80 — and seeking financial account information. Still another email claims the IRS's "anti-fraud commission" is investigating their tax returns.

More information on phishing scams using the IRS name, logo or other identifier can be found at the IRS website: www.irs.gov/newsroom/index.html. Then click on "Phishing and ID Theft" and look for "IRS Warns Taxpayers of New E-mail Scams" and "Suspicious e-Mails and Identity Theft." ●

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