

Tort Reform: Perspectives on What's Worked and What Hasn't

NCOIL Summer National Meeting - July 17, 2026

Kyle McCollum – NICB Vice President of Strategy, Policy, and Government Affairs

NICB: Trusted Partner in the Fraud Fight

- 501(c)(4) dedicated to fighting insurance fraud and crime through **Advocacy, Intelligence, Education**, and **Investigations**
- 115-Year History: Trusted partner to insurers, law enforcement, prosecutors, regulators, lawmakers, and consumers
- Intersection of industry and law enforcement; hub for **information-sharing**
 - Identifying multi-carrier, multi-jurisdiction fraud and tactics



Unique Visibility & Investigative Support

- In recent years, NICB helped law enforcement uncover and prosecute—
 - A **\$31 million staged trip-and-fall scheme** in New York perpetrated by a coordinated network of doctors, lawyers, and litigation funders—with 300 medically unnecessary surgeries, hundreds of fraudulent lawsuits
 - A **\$200 million Workers' Compensation kickback scheme** involving dozens of marketers, doctors, lawyers and medical service providers
 - A sweeping **staged vehicle accident fraud ring** in New Orleans with 63 defendants—and the orchestrating personal injury attorneys recently found guilty by a federal jury

Fraud: Courtrooms Aren't Immune

- Fraudsters will use every avenue—***including our legal system***—to defraud insurers and their customers
- **Increases costs for all**; distracts from legitimate claims
- NICB: Engaged at the intersection of insurance fraud and legal system abuse to deter:
 - ***Assignment of benefits fraud***
 - ***TPLF-facilitated fraud***
 - ***Staged accidents***



“The Court will preface this summary judgment analysis with the statement that insurance fraud is not a victimless crime. Because premium increases partly incorporate fraud costs, insurance fraud hurts all policyholders, not just insurers.”

Judge Liccione - Supreme Court, Suffolk County, New York
Integon Natl. Ins. Co. v Salazar-Ochoa (Jan. 2026)

Staged Accidents: Crashin' to Cash-In

- Deliberately caused or fabricated incident ***designed to generate insurance claims***
- Common forms:
 - Left / Right Turn Drive Down
 - “Swoop and Squat” sudden-stop crashes
 - Fake passengers or faked/exaggerated injuries
 - Fraudulent medical treatment tied to the claim
- **Complex & Organized:** Schemes often target well-insured vehicles, rentals, commercial vehicles, and vulnerable drivers
 - Organized, and even transnational, crime groups



Staged Accidents: Costly & Increasing

- **Dangerous** – Criminal networks putting innocent drivers/families in harm's way; injuries and death have resulted
- **Organized** – Not lone actors; orchestrated rings of “slammers,” runners, attorneys, and medical providers
- **Costly** –
 - LA DOI: Costs drivers \$4B/year
 - NY: \$300/year in increased premiums
- **Increasing** –
 - NICB: Referrals **up 35%** from '24 to '25; **up 52%** since 2020
 - 1,729 in NY in 2023, **up 34%** from 2021



Fighting Back: Awareness, Prosecution, & Reform

 An official website of New York State. [Here's how you know](#) ▾

Department of Motor Vehicles

[Press Releases](#)

JANUARY 30, 2025

With Staged Car Crashes on the Rise, DMV Encourages Defensive Driving

New program puts cameras in cabs to protect drivers from insurance fraud and scams

By Eyewitness News 
Tuesday, July 22, 2025

NICB National Insurance Crime Bureau

[Prevent Fraud & Theft](#)

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Staged Auto Accident Fraud

Staged Accidents are "Big Business": Don't Become a Victim



Automobile accidents are a daily occurrence on our nation's roads and highways. Unfortunately, many of these accidents are staged by fraudsters to collect on fraudulent insurance claims.

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Staged Auto Collisions

Organized fraud rings target older adults for staged auto collisions in several ways. These con artists can intentionally cause an accident with an older adult to collect on fraudulent insurance claims. Some may then ask for cash for the alleged damages and request the settlement be confidential, telling older adults not to report the

SEARCH

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PRESS RELEASE

Federal Trial Jury Convicts New Orleans Personal Injury Attorneys in Staged Collision Scheme

Friday, March 20, 2026

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For Immediate Release

U.S. Attorney's Office, Eastern District of Louisiana
shane.jones@usdoj.gov

Including this jury trial, sixty-three (63) defendants have been charged in the federal probe into the staging of automobile collisions with other vehicles in the New Orleans metropolitan area

• **Operation Sideswipe**

- Massive staged accident ring targeting commercial vehicles; NICB investigated
- Millions in fraudulent claims and litigation
- Orchestrated by personal injury attorneys—convicted in March 2026

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- **RICO and Affirmative Litigation**

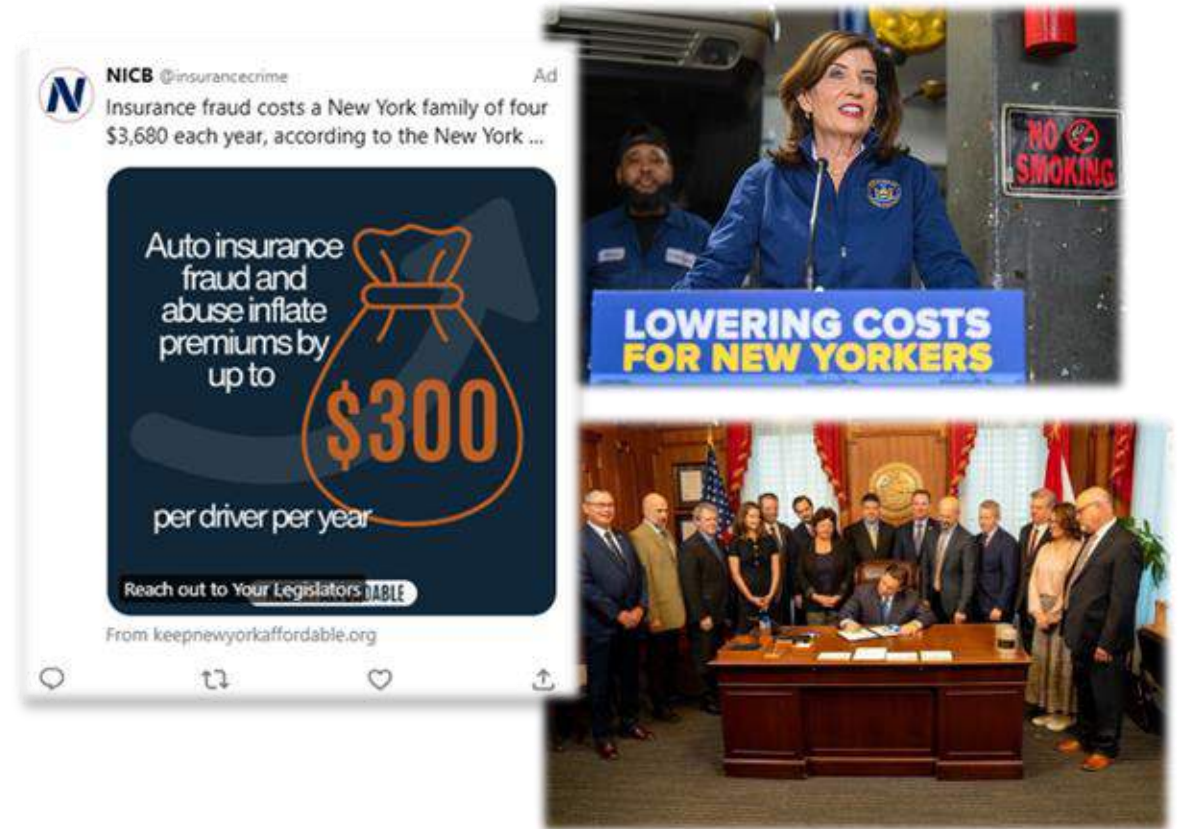
- Racketeer Influenced and Corrupt Organizations Act (RICO) – Federal and state statutes
- Going on offense against alleged orchestrators of staged accident rings—lawyers, providers/clinics, slammers, and runners
- Pending cases by Uber; Liberty Mutual; and FedEx



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- Recent legal reform efforts

- Cracking down on organized rings that have made fraud a business model / harmed affordability
- NY, FL – Reducing incentives / ability to defraud no-fault systems
 - *Reducing fraud reduces costs*
- NY, LA, GA, SC – Establishing (or expanding) staged accident statutes to capture **all** participants



Next Steps: Building on What's Worked

- Keep up the momentum: Increase deterrence, disincentivize fraud
- NICB recommends NCOIL further strengthen the ***Auto Insurance Fraud Model Act*** (Readopted July '22)
 - Should clearly capture ***all*** actors—those that orchestrate, conspire with, or recruit others, as well as assist (i.e., providers)
 - Expand to “anything of value”
 - Add category for “Aggravated” and repeat offenders
 - Strengthen prison terms; add fines



Thank you
