

TWIA Guides

Protect Yourself From Fraud

TWIA is committed to preventing and reporting insurance fraud.

The FBI estimates that non-healthcare insurance fraud costs around \$40 billion a year for insurance companies, resulting in a \$400-\$700 yearly increase in premiums for the average American family.

What Is Insurance Fraud?

- Insurance fraud is the intentional use of deception to receive money or other benefits in an insurance transaction.
- Insurance fraud may involve providing false information on an insurance application, exaggerating a claim for damages, or billing for services never rendered.
- Insurance fraud can be committed by adjusters, contractors, and policyholders.

After a disaster, stay alert to the potential for fraud during the recovery process.

Watch out for unsolicited contractors looking to prey on storm victims.

Those contractors may pocket your payment without completing the job, offer to illegally waive your insurance deductible, use inferior materials, or perform subpar work.

It's against the law for a contractor to offer to waive an insurance deductible or work the deductible amount into a bid. If this happens, find a new contractor. You can also report it to the Texas Attorney General at (800) 621-0508.



How Can I Protect Myself from Fraud?

- Work with insured contractors.
- Get more than one estimate.
- Don't be pressured into signing a contract right away, and do not sign a contract with blank sections.
- Require written repair estimates.
- Ask to see the driver license of the contractor and note their information. Write down the license plate numbers of work vehicles.

What If I Suspect Fraud?

There are resources to help identify or report fraudulent activity. If you suspect fraud related to TWIA or TFPA claims, call the Veracity Research Company (VRC) Fraud Hotline at (800) 625-0425 or visit vrcinvestigations.com.

Additional Resources

Learn more ways to protect yourself from fraud at the Texas Department of Insurance's website at tdi.texas.gov/tips/contractor-scams.

For More Information

Learn more about how to file a claim or for more info on TWIA claim payments, visit: www.twia.org/claims

This document is intended for educational purposes only and does not supersede your policy contract. Every claim is evaluated on its own merits and it is possible your particular claim could be handled differently.

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Register for the
Policyholder Portal, visit
www.twia.org/claims, or
Scan this QR code:



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