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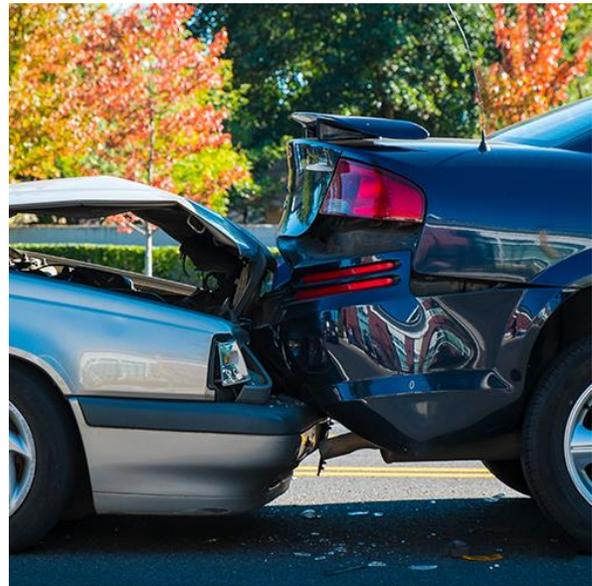
Update on our undercover fraud investigation “Project Duffy”

October 2018

You may have heard of our undercover fraud investigation called “Project Bumper” earlier this year, but we actually got our start in the undercover, hidden camera game through our ground-breaking 2016 undercover investigation called “Project Duffy”.

We were concerned about the extent of fraud and abuse in the Ontario auto insurance injury sector, so we outfitted undercover investigators with hidden recording equipment to test the business practices at *Wellness Centres of Ontario*. Posing as uninjured motorists seeking auto insurance injury benefits, our undercover investigators revealed collusion between a healthcare clinic and *Kovtman Law*, a Toronto law firm to submit fraudulent claims.

In March of 2016, Toronto Police Service executed search warrants and criminal charges were laid. Since then, all of the accused have been sentenced. We also presented our findings to regulatory and professional bodies including the Financial Services Commission of Ontario (FSCO), the College of Chiropractors of Ontario (CCO) and the Law Society of Ontario (LSO). All of the professional licenses of those involved have been revoked. This was the first undercover insurance investigation of its kind in Canada, resulting in successful sanctions against the professional fraudsters.



The conclusion to this investigation involving legal and healthcare professionals is one more win in our fight against auto insurance fraud on behalf of honest consumers everywhere. Last month, the College of Chiropractors of Ontario (CCO) revoked Dr. Edward Hayes’ chiropractic license and ordered him to pay a \$15,000 penalty. This latest update adds to the sanctions levied as a result of the investigation into healthcare and paralegal fraud.

The reality remains that meaningful actions are needed to tackle the root causes of fraud. In the meantime, consumers need to remain vigilant and protect themselves.

With so many cases going undetected, the full impact and true extent of auto insurance fraud remains a mystery. We believe the problem to be a pandemic, but it’s difficult to quantify. It’s estimated that auto insurance fraud costs Canadians \$2 billion annually, with honest consumers footing the majority of the bill.



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The Project Duffy case is extremely troubling because it involved trusted professionals who took advantage of consumers – taking money set aside by insurance companies to treat people with real injuries. Without this undercover investigation, this situation would have likely continued because of a lack of proof. The [video footage](#) that we captured shows the damning nature of these individuals and the evidence required to expose these professionals.

So – how can customers avoid becoming a victim of insurance fraud?

Some tow truck drivers get referral fees from healthcare providers – which is a questionable business practice. Insurers have a preferred network of medical providers. No one can tell an auto accident victim where they have to receive medical treatment. However, we urge them to contact their insurance provider to make sure their medical vendor is reputable. Consumers who are injured and visit a healthcare clinic after an accident need to be vigilant to avoid becoming a victim of fraud.

To learn more about what your customers can do, visit avivacanada.com/fightfraud. If one of your customers suspects that they are a victim of fraud, they can contact the 24/7 fraud hotline at 1-855-332-5255 or email fraud.canada@aviva.com.

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