

Proving Insurance Fraud: Is Metadata the Missing Piece of the SIU Puzzle?

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When it comes to investigating SIU claims, metadata can be extremely revealing and may even provide evidence that a crime, such as insurance fraud, occurred. In simple terms, metadata is data that provides information about other data. The Maryland State Bar Association's Committee on Ethics defines it as information within programs (e.g., Microsoft Word/Excel/Power Point, Adobe Acrobat, etc.) which is not readily visible but is accessible and may include data such as author, dates of creation/location, printing, number of revisions, content of those revisions/previous versions, editing time, etc.

Of all these attributes, the two that SIU investigators should pay attention to are author and dates of creation (and location, assuming the user has not disabled the location services feature in their device).

These days, claimants are often required to submit their own photos and/or documents to evidence their claim. These pictures are usually taken by the claimant or, when damage to a vehicle is involved, by the body shop. When taken using a smart phone, the photo will contain metadata providing information such as the location at which the photo was taken, the date and time the photo was taken, and the identity of the phone that took the photo. While one could view this as a privacy issue, the collection of

this data is meant to assist the user. For instance, if someone were to go on vacation in Australia and had their location services active on the device that they used to take photos, they'd be able to easily access the photos from their trip by searching either the location and/or dates of the trip. If someone were to use their smartphone as their sole method of taking pictures for several years, it is easy to imagine how this feature would be helpful.

I was recently involved in an SIU investigation in which the metadata in the damage photos submitted by the claimant offered proof that the claim was fraudulent. The claimant in this case (we will refer to him as "Freddy Fraud") reported a motor vehicle accident, which occurred the day after he had bound his insurance policy. He said he had been driving his children to daycare and while stopped at a light, the vehicle in-front of him suddenly backed into his vehicle and drove off.

Freddy Fraud then claimed that he attempted to chase down the individual in question before giving up due to the high-speed nature of the chase. He then filed an accident report with the local police department. This accident was reported on a Wednesday. As the claim was being processed, several photos of the damage to his vehicle were submitted by the body shop that was repair-

ing the vehicle. The invoices that were provided to the carrier also indicated they were prepared that same Wednesday.

While the carrier was processing the claim, a small detail emerged that brought up questions as to whether Freddy's claim was legitimate. This detail was the date and location on the photograph which, despite being originally taken from an iPhone, was viewable on a Windows PC. This metadata revealed that the photos were taken on the prior Monday. Once this information was discovered, the carrier quickly set up an Examination Under Oath, which I conducted.

During the course of the examination, Freddy maintained his story, stating that he believed the individual who hit his car was "some pothead kid who was driving crazy." When questioned as to the date and time of the accident, he attempted to keep his story straight by confirming that the accident occurred on a Wednesday and that he had taken his vehicle to the body shop that same day. When it became clear Freddy was going to stick to his story, I asked him whether there was any damage to the vehicle prior to that Wednesday. In response to this question, Freddy confirmed that not only was the vehicle not damaged prior to Wednesday, but that it was in pristine condition.

After allowing Freddy to perjure himself under oath, I began to question him as to whether he had ever heard of the term "metadata." He said he had not, and I explained that metadata often attaches to pictures that are taken by an iPhone and can provide the date, time, location, and name of the device that took the photo. I then explained that the photos from the body shop indicated that they were taken two days prior to the date on the invoice, prior

to the binding of his policy, and prior to the date of the accident. Freddy's response was that he believed the body shop must have put the wrong information into the picture. At this point, I ended the examination and proceeded to forward my findings to the carrier.

My conclusion was that while Freddy was likely being honest in his description of the accident and how it occurred, he was intentionally misleading as to the date that the accident occurred. The SIU investigators also found that a week prior to the accident, Freddy's prior insurer cancelled his policy for non-payment. At this point our theory of fraud was that Freddy got into the accident on Monday, took his car to the body shop and realized that he did not have insurance. He procured insurance a day later, then took the car to the body shop and attempted to put a claim in with his new carrier despite the loss occurring outside of the policy period. What made this case particularly alarming was that the body shop had provided invoices with dates that did not match the metadata in the provided photos.

At this point, the carrier contacted the body shop, which was initially hesitant to speak to the investigator but eventually stated that Freddy did bring the vehicle into the shop on Monday and that the photos were taken that day as well. When questioned as to why the invoice stated the inspection occurred on Wednesday, the body shop's owner stated that they drafted the invoice on Wednesday and put that date on it, even though the inspection occurred on Monday. I believe that the body shop was likely involved in the scheme.

At this point, the carrier's SIU investigator referred the case to the Department of

Investigative & Forensic Services. This led to a referral to the local state attorney's office who then issued a probable cause affidavit to charge Freddy with one count of Fraudulent Application to Obtain Insurance Coverage and False and Fraudulent Claim, both third degree felonies in Florida. The probable cause affidavit specifically mentioned the moment in which Freddy stated that his car was in pristine condition, a moment that I had strategically set up once I realized that Freddy would maintain his story until the end.

While the vast majority of claims are likely legitimate, it never hurts to review metadata in any photo, document, or other material provided by the claimant to ensure that the claim is legitimate. As Freddy's case above demonstrates, sometimes one small piece of metadata can be the final piece of the fraud puzzle.



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