

Insurance fraud or unusual damage to a vehicle?

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ABSTRACT: *The article deals with the issue of insured events. It points out the fact that insurance companies suffer financial losses in the case of insurance frauds. Then the procedures of the insurance companies are explained and how the insurance companies work in order to determine whether in a specific case it is an insurance fraud or not. The unusual damage to a vehicle and the procedure by which the insurance company settled the damage are presented. The steps taken by the owner of a vehicle and a court that invited a technical expert have been clarified. Next, the description of the technical expert's working procedures and the results of his investigation are showed.*

KEY WORDS: *Vehicle, accident, insurance fraud, bumper, deformation evaluation, technical expert, investigation*

I. INTRODUCTION

This article aims to describe briefly the case of an unusual damage to an insured vehicle. The insurance companies suffer significant losses every year due to insurance frauds. They are the cases, where the damage to a vehicle occurred in a way different than declared, and where the original, real mode of damage would not be included in insurance risks. For this reason, the insurance companies pay considerable attention to avoid such losses by detecting these cases. Therefore, the insurance company conducts thorough inspection of both vehicles, measures the heights of contact zones and deformations and finds out the circumstances of the occurrence of damage to a vehicle. After that, the authorised employees of the insurance company carry out the evaluation of the circumstances of an insurance event occurrence as well as deformations and contact zones of vehicles. If these employees consider the car could have not been damaged in a way as declared, the insurer rejects to pay the damage to a vehicle. The described procedure is legitimate; however, it must be mentioned that such working procedure represents the internal investigation of an insurance event and the insured person has to recover the damages in court proceedings. In court proceedings, a technical expertise has to be performed and its outcomes make the investigation of the insurer objective. It may happen that the outcomes of technical expertise for the court are different from the insurance company's own investigation. This occurs if the insurer fails to evaluate properly the way the vehicle got damaged.

II. DESCRIPTION OF THE SITUATION

According to the insured, the VW Golf was damaged in a car park at the time the vehicle was parked, the owner was not at the vehicle and a vehicle that caused the damage left. The owner also said that after he had found out his car had been damaged he had called the police. Then, the police documented the scene. Some days later, the owner the Honda Accord came to the police department to report the accident stating it was him who caused the damage to the VW Golf in a car park while he was reverse driving.

2.1 Police photographic documentation – damaged VW Golf





Fig.1 Police photographic documentation – damaged VW Golf

Inspection conducted by the insurance company: After the damage to the VW GOLF had been reported by the owner, the insurance company inspected both vehicles.

The photographs of the damaged VW Golf taken by the insurance company Fig.2:





Fig.2 The photographs of the damaged VW Golf taken by the insurance company

Photographs of the damaged Honda Accord taken by the insurance company Fig.3:



Fig.3 Photographs of the damaged Honda Accord taken by the insurance company

Conclusion of the insurance company analysis: The insurance company's employees compared the height of the rear bumper of the Honda Accord, which was 0.5 m and the height of the front right fender deformation of the VW Golf, which was 0.7 m suggesting that the rear bumper of the Honda could not cause the deformation of the Golf and that the damage in question had to be done to the Golf before the time it was allegedly damaged. Based on this, the insurance company refused to repay the repair costs to the owner of the Golf.

Court proceedings: Subsequently, the vehicle owner filed a lawsuit claiming that the insurance company paid the repair costs. The court has invited a technical expert, who was the author of this article.

III. EXPERT PROCEDURE AND ITS OUTCOME

Vehicles inspection and measurements: The technical expert measured the positions of both vehicles on the spot as indicated by the drivers.

Photographs taken by the technical expert while measuring the positions of both vehicles on the spot as indicated by the drivers Fig 4:



Fig.4 Photographs taken by the technical expert while measuring the positions of both vehicles on the spot
The vehicles positions plan view before the VW Golf was damaged Fig.5.

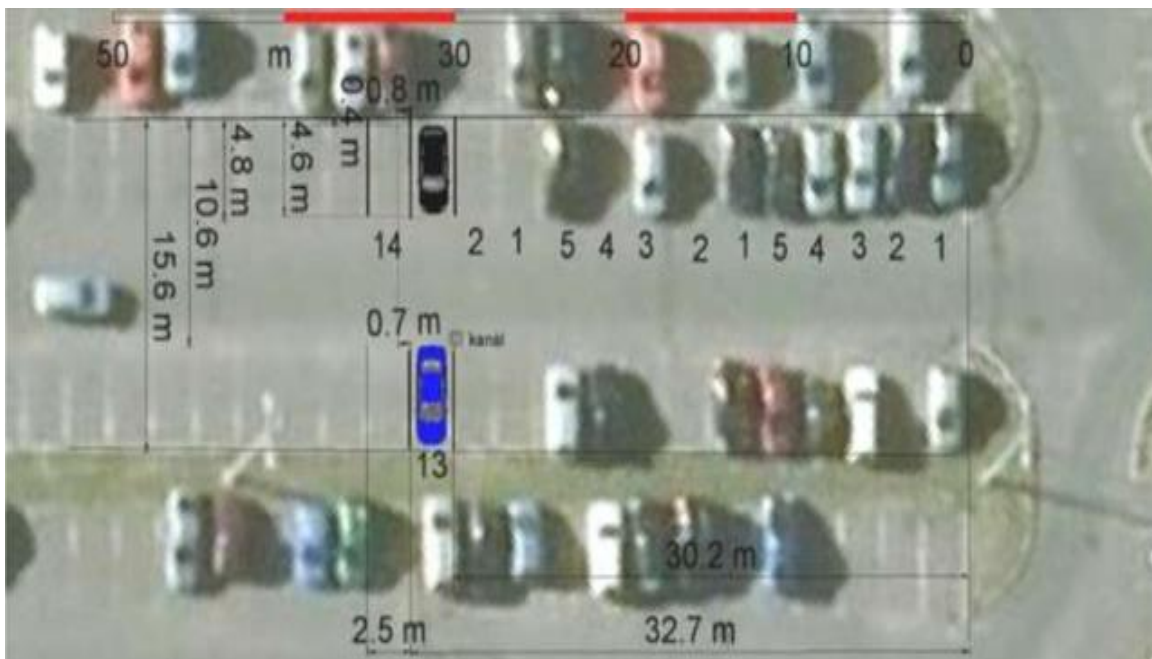


Fig.5 Mutual Position of Vehicles

Vehicle damage evaluation

Damage to the Honda Accord: Rear bumper left side Abrasions on the bumper are marked in yellow the change in contact surface heights of the vehicle due to dynamic effects (Section I - acceleration, Section II - decrease in acceleration, Section III - braking) Fig.6, Fig.7



Fig.6 display of Honda Accord bumper damage

Rear-left view of the abrasion on the rear bumper



Fig.7 display of Honda Accord bumper damage

Vehicle damage evaluation of the VW Golf

Front right side Section I – pressed, Section II – abrasion, Section III – deformation Fig.8, Fig.9



Fig.8 display of VW Golf bumper damage

Front-left view of the damaged zones:



Fig.9 display of VW Golf bumper damage

Deformation analysis: Comparing the individual damaged zones according to the nature of their origin, the expert came to the following conclusion:

Description of the damage occurrence: Provided the Honda had been accelerating at the moment of the first contact, and if, subsequently, it had been braking, we cannot rule out that due to the contact with the front part of the right bumper of the Golf the right bumper would have shifted and after that it would have pressed down towards the front part. As a result, the rear part of the right bumper got released and began to move upwards, capturing the edge of the front right fender, and deforming it; then rear part of the right bumper was pressed against the front right fender and caused deformations at the height of the headlight. Afterwards, when the pressure was released, the rear part of the right bumper began to move downwards and remained in its detected position. This would correspond with the twisted front part of the right bumper and the broken headlight, which was caused by the bumper movement upwards. We cannot rule out that as a result of the movement of a bumper there was a wide abrasion compared with a relatively narrow abrasion zone on the rear bumper of the Honda, which shows a certain extension behind the rounding that could have occurred as a result of the pressure of the right part of the front bumper.

The view of the VW Golf bumper changed position due to the collision caused by the Honda Accord Fig.10:

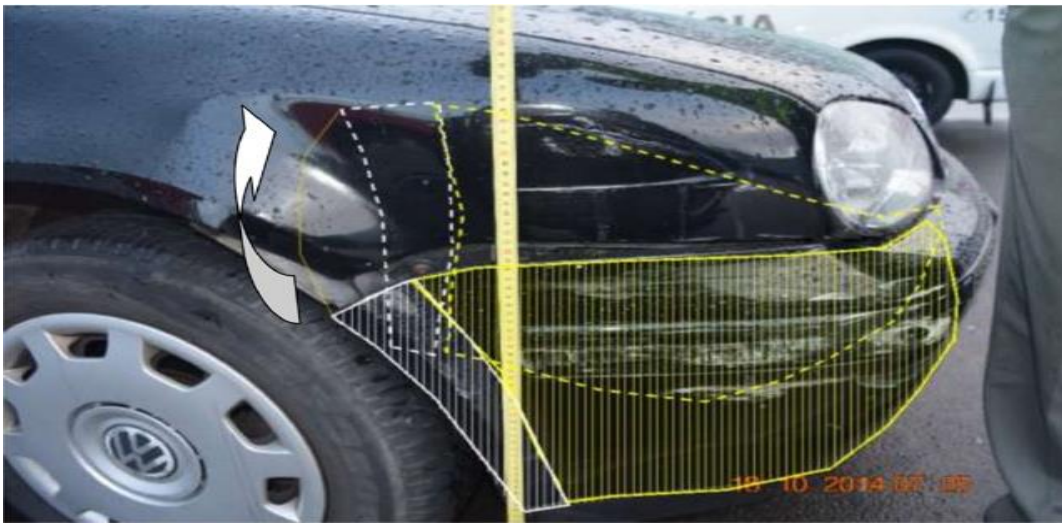


Fig.10 The view of the VW Golf bumper changed position due to the collision caused by the Honda Accord

For this, a Crash test video has been searched for in the court, where a similar movement of the bumper is shown. The details shown below Fig 11.



Fig.11 View Crash Test Sequence with Bumper Movement

Detailed view of a bumper position after crash Fig 12:



Fig.12 Detailed view of a bumper position after crash

Further, the technical expert made calculations of the Honda Accord motion using the PC calculation program PC Crash – the following is the calculation display Fig. 13.

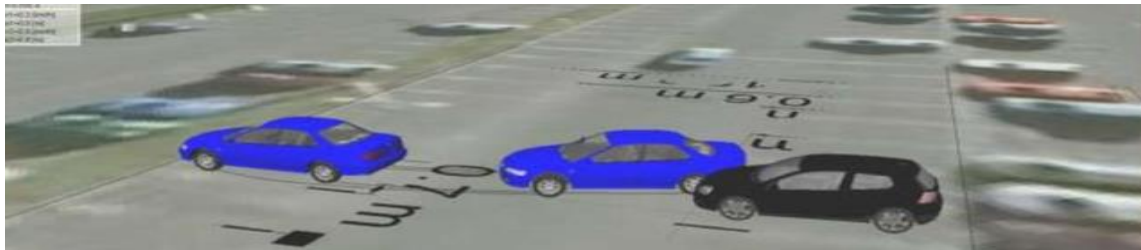


Fig. 13 Displays the initial and final position of the Honda Accord according to the calculation

IV. CONCLUSION

The case presented in the article and the technical clarification of how the damage to the VW Golf has been caused is one of the cases where the working procedures of the insurer appear to be inadequate and unfavourable since after the analysis performed by the technical expert, the court ruled that the insurance company had to pay for the repairs to the Golf. The shortcoming in this case was the fact that the employees of an insurance company had carried out a superficial analysis not taking the possibilities of unusual way of the occurrence of damage into account.

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