

Farmers Insurance Exchange Has Filed a Federal Lawsuit Alleging Insurance Fraud Farmers Insurance files major fraud lawsuit against over 40 Minnesota chiropractors and a mobile diagnostic imaging facility

Minneapolis, MN (October 04, 2013) – Farmers Insurance Exchange has filed a federal lawsuit alleging insurance fraud which seeks damages in excess of \$1 million dollars against a mobile diagnostic imaging entity and over 40 Minnesota chiropractors and clinics. This lawsuit alleges an illegal kickback scheme which resulted in numerous unnecessary MRI scans being taken of Farmers' insured claimants.

The federal lawsuit includes claims for violations of federal and state law including the federal RICO Act, the Minnesota Consumer Protection Act, the Minnesota No-Fault Act and the common law doctrine of fraud. The RICO claim seeks treble damages sustained by Farmers by this alleged fraudulent scheme.

The lawsuit alleges that a mobile diagnostic imaging entity solicited and secured referrals of Farmers' insured claimants for unnecessary MRI scans by offering chiropractors and clinics a kickback.

"Farmers is committed to investigating no-fault insurance fraud, which has an impact on Farmers customers due to its impact on insurance premiums, and doing what it can to stop these practices," said Sean Zavala, Director of Special Investigations for Farmers.

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