

Farmers® Reaches Settlement in Lawsuit with Two Radiological Corporations and Their Owners Over Alleged Billing Fraud

LOS ANGELES, Feb. 11, 2015 /PRNewswire/ -- Farmers Insurance Exchange, 21st Century Insurance Company, Coast National Insurance Company, Mid-Century Insurance Company, and Truck Insurance Exchange (collectively, "Farmers") have reached a settlement in a lawsuit involving alleged billing fraud by two radiological companies and their owners.

"For Farmers, the initial lawsuit sends the message that Farmers will vigorously pursue those who may attempt to get away with insurance fraud," said Sean Zavala, director of special investigations for Farmers.

The complaint alleges that two radiological corporations and their owners prepared and submitted false and misleading documentation to receive payment for services never provided. The Farmers complaint alleged that the radiological corporations and their owners billed the insurer for 3-D renderings of MRI and CT scans which were never performed in more than two hundred bodily injury and workers' compensation claims under policies issued by Farmers.

While the defendants did not admit to liability in the settlement, Farmers will receive a monetary settlement, an agreement from the defendants that they will cease and desist from billing Farmers and its customers for 3-D renderings and that any such bills are deemed void and uncollectible.

"Protecting our customers by fighting insurance fraud is critical to Farmers," said Zavala. "While the monetary settlement in this case is important, the agreement preventing the defendants from submitting similar claims in the future is also of great value to our customers. Farmers will continue to use technology, investigations and every legal means at our disposal to help fight insurance fraud."

Farmers Insurance Group of Companies® is a leading U.S. insurer group of automobiles, homes and small businesses and also provides a wide range of other insurance and financial services products. Farmers Insurance is proud to serve more than 10 million households with more than 19 million individual policies across all 50 states through the efforts of 50,000 exclusive and independent agents and nearly 22,000 employees. For more information about Farmers, visit its website at www.farmers.com or at www.facebook.com/FarmersInsurance.

Contacts:	Luis Sahagun
	818-965-0043
	luis.sahagun@farmersinsurance.com

Logo - <http://photos.prnewswire.com/prnh/20130731/LA56061LOGO>

SOURCE Farmers Insurance

<https://newsroom.farmers.com/2015-02-11-Farmers-R-Reaches-Settlement-in-Lawsuit-with-Two-Radiological-Corporations-and-Their-Owners-Over-Alleged-Billing-Fraud>