March 2026

Government Procurement Services

This newsletter keeps government purchasing and contracting professionals informed about key issues, updates, and trends in public procurement.

More Info

Fraudulent Insurance Certificates

In government procurement, certificates of insurance (COIs) are reviewed every day to verify that vendors carry the required coverage before performing work. Unfortunately, advances in tools such as AI and image-editing software have made it easier than ever to alter or fabricate insurance certificates. As a result, fraudulent COIs are becoming more common.

Procurement and contract administration staff should be aware of the most common ways

Training Schedule

certificates are manipulated.

- **Self-editing by insured parties**: Contractors may modify their own COIs to change the Certificate Holder name or other details. Even if the contractor has legitimate coverage, altering the certificate is still considered insurance fraud.
- **Complete fabrication:** Some individuals download blank ACORD-style templates and create entirely fake certificates, including invented policy numbers and fictional insurance agent information.
- **Date manipulation:** An expired legitimate certificate is edited to change its effective dates, making the coverage appear current.
- **Copy-paste date fraud:** Instead of changing all dates, an individual may copy unexpired dates from one coverage line and paste them over expired dates on another coverage line. This technique can make alterations less obvious.
- **Issue date inconsistencies:** The certificate may show issue dates that occur in the future or after the date it was received.
- **Quote number substitution:** Instead of listing an actual policy number, the certificate lists a quote number. Quote numbers are easier to obtain and may appear legitimate to someone unfamiliar with the difference.
- **Business name swapping:** A valid COI from another company is altered by changing the insured's name to match the contractor's name when the document is submitted.
- **Fake agent impersonation:** Fraudsters may create email domains that closely resemble legitimate insurance brokerages and send certificates that appear to come from an authorized agent.

When reviewing COIs, procurement and contract administration staff should look for warning signs such as:

- **Direct Verification (Crucial)**: Call the insurance agent or broker listed on the document using phone numbers found independently online, not just those provided on the certificate.
- **Check for Inconsistencies**: Look for different fonts, misaligned text, or evidence of white-out or digital tampering.
- **Verify the Insurer:** Ensure the insurance company is authorized to operate in your state by checking with the Texas Department of Insurance (TDI) or the National Association of Insurance Commissioners (NAIC) database. Check company ratings on AM Best.

- **Review Policy Details**: Ensure coverage limits, effective dates, and policy numbers make sense. A common red flag is a policy that covers too many types of insurance (e.g., General Liability and Auto) with the same expiration date.
- **Inspect the Form**: Most legitimate certificates use the standard ACORD 25 form.
- **Watch for "Too New" Certificates**: A certificate with an issue date long after the policy effective date, or one issued right before a big job, should be scrutinized.

Certificates of insurance are considered informational documents, and any handwritten amendments do not necessarily reflect accurate coverage. All changes to a certificate of insurance require a new form to ensure the agent or broker has made the change.

While fraudulent COIs are becoming easier to produce, careful review and verification can help protect your entity from unnecessary risk.

Sources:

How to Spot a Fake Certificate of Insurance. (n.d.). *Great American Insurance Group website*. Retrieved March 14, 2026.

How to Detect Fraudulent Certificates of Insurance: Complete COI Verification Guide. (n.d.). Certificial website. Retrieved March 14, 2026.

Question of the Month

Question:
Under the Texas Government Code, Professional and Consulting Services Act, Chapter 2254, lists **medicine** as a profession. Where can I find the legal definition of **medicine**?

Answer:
Since the Professional and Consulting Services Act does not define **medicine**, I looked to the

November 18, 2026

PURCHASING 101 FOR EVERYONE
May 6, 2026
September 15, 2026
November 9, 2026

SPECIFICATION WRITING
May 13, 2026
December 11, 2026

UNDERSTANDING SMALL PURCHASES
April 14, 2026
July 9, 2026
October 29, 2026

USING REQUEST FOR PROPOSALS
July 14, 2026
September 9, 2026
October 13, 2026

WRITING STATEMENTS OF WORK
March 26, 2026
July 29, 2026

Texas Occupations Code.

Under the Texas Occupations Code, Chapter 151, practicing **medicine** is defined as:

"The diagnosis, treatment, or offer to treat a mental or physical disease or disorder, or a physical deformity or injury by any system or method, or the attempt to effect cures of those conditions, by a person who:
(A) publicly professes to be a physician or surgeon; or
(B) directly or indirectly charges money or other compensation for those services."

As a reminder, I am not an attorney and cannot provide legal advice. I recommend consulting with your legal office to confirm statutory interpretations.

Government Procurement Services
888-254-7715