

"Insurance fraud" § 27-801

"Insurer" § 1-101

"Person" § 1-101

27-803. INSURANCE ANTIFRAUD PLAN.

(A) IN GENERAL.

(1) EACH AUTHORIZED INSURER SHALL INSTITUTE AND MAINTAIN AN INSURANCE ANTIFRAUD PLAN.

(2) WITHIN 30 DAYS AFTER INSTITUTING OR MODIFYING AN ANTIFRAUD PLAN, THE AUTHORIZED INSURER SHALL NOTIFY THE COMMISSIONER IN WRITING.

(B) REQUIREMENTS FOR PLAN.

EACH ANTIFRAUD PLAN SHALL ESTABLISH SPECIFIC PROCEDURES TO:

(1) PREVENT INSURANCE FRAUD, INCLUDING:

(I) INTERNAL FRAUD THAT INVOLVES THE AUTHORIZED INSURER'S EMPLOYEES OR AGENTS;

(II) FRAUD THAT RESULTS FROM MISREPRESENTATIONS ON INSURANCE APPLICATIONS; AND

(III) CLAIMS FRAUD;

(2) REPORT INSURANCE FRAUD TO APPROPRIATE LAW ENFORCEMENT AUTHORITIES;

(3) COOPERATE WITH THE PROSECUTION OF INSURANCE FRAUD CASES; AND

(4) REPORT FRAUD-RELATED DATA TO THE COMMISSIONER AND FRAUD DIVISION.

(C) FILING REQUIRED; REVIEW BY COMMISSIONER; DEEMED APPROVAL.

(1) EACH AUTHORIZED INSURER SHALL FILE ITS ANTIFRAUD PLAN WITH THE COMMISSIONER.

(2) THE COMMISSIONER MAY REVIEW EACH ANTIFRAUD PLAN TO DETERMINE WHETHER IT COMPLIES WITH THE REQUIREMENTS OF THIS SECTION.

(3) AN ANTIFRAUD PLAN IS DEEMED APPROVED UNLESS DISAPPROVED BY THE COMMISSIONER WITHIN 30 DAYS AFTER THE DATE OF FILING.

(D) DISAPPROVAL BY COMMISSIONER.

(1) IF THE COMMISSIONER FINDS THAT AN ANTIFRAUD PLAN DOES NOT COMPLY WITH THE REQUIREMENTS OF THIS SECTION, THE COMMISSIONER SHALL DISAPPROVE THE ANTIFRAUD PLAN AND SEND A NOTICE OF DISAPPROVAL, INCLUDING THE REASONS FOR DISAPPROVAL, TO THE AUTHORIZED INSURER.