

MARKET NOTICES – INSURANCE FRAUD INVESTIGATIONS

NOTICE

7/14/2017

In recent months, the Pennsylvania Insurance Department has received multiple inquiries from law enforcement and industry's Special Investigative Units, regarding the requirements of insurance companies to report suspected insurance fraud and to cooperate with investigations conducted by local, state and federal law enforcement entities. This topic was also discussed at the 2017 Pennsylvania Insurance Fraud Prevention Authority conference in April.

Given the recent concerns, the Insurance Department is sending this notice to companies as a courtesy reminder of statutory requirements to report suspected insurance fraud and/or cooperate fully with law enforcement investigations. Further, this letter serves as a reminder about the extensive immunity provisions afforded to insurance companies within Pennsylvania law. Finally, the department reminds insurers writing auto, workers compensation or viatical policies of their statutory duty to both file and follow an Anti-Fraud Plan. Should you require specific information you may reference the Pennsylvania Crimes Code (Title 18), Vehicle Code (Title 75), Insurance Act (Title 40) and/or the Workers' Compensation Act (Title 77). Each contains laws pertaining to insurance fraud reporting requirements as well as specific immunity provisions.

The goal of this correspondence is to help foster a cooperative environment between regulators, insurance companies and law enforcement. The Department stresses the necessity for cooperation among stakeholders, as it is necessary to increase detection, investigation, prosecution and prevention of insurance fraud in Pennsylvania. Moving forward, refusal to cooperate with investigations may be viewed unfavorably, resulting in further action.

Any questions about this letter should be directed to The Department's [Anti-Fraud Compliance Division](#).

TERESA D. MILLER,
Insurance Commissioner