



State Of Ohio
Department of Insurance
2100 Stella Court Columbus, Ohio 43215-1067

George V. Voinovich
Governor
Harold T. Duryee
Director

BULLETIN 96-1

DATE: July 2, 1996
TO: All Property/Casualty & Health Insurance Companies
Doing Business In Ohio
FROM: Harold T. Duryee, Director
Ohio Department of Insurance
SUBJ: Reporting Suspected Fraudulent Insurance Claims

This Bulletin rescinds and supersedes existing Department of Insurance Bulletin 93-6 dated November 19, 1993, entitled Reporting Suspected Fraudulent Property And Casualty Insurance Claims.

Ohio Administrative Code Rules 3901-1-54(G) and 3901-1-60(G) were enacted to establish minimum standards for the investigation and disposition of property/casualty and health claims arising under policies, certificates or contracts issued pursuant to Ohio Revised Code Titles 17 and 39.

These Rules require insurers to report to the Fraud Division, Ohio Department of Insurance, information regarding a claimant who has submitted a fraudulent insurance claim. The purpose of this Bulletin is to outline specific procedures to follow and appropriate forms to use when reporting insurance fraud. The documentation submitted will assist the Department with the prosecution of insurance fraud cases.

Ohio Administrative Code Rule 3901-1-54(G) establishes the following fraud reporting requirement for property/casualty claims:

If an insurer reasonably believes, based upon information obtained and documented within the claim file, that a claimant has fraudulently caused or contributed to the loss as represented by a properly executed and documented proof of loss, such information shall be presented to the Fraud Division of the Department within sixty days of receipt of the proof of loss. Any person making such report shall be afforded such immunity and the information submitted will be confidential as provided by sections 3901.44 and 3999.31 of the Revised Code.

Ohio Administrative Code Rule 3901-1-60(G) establishes the following fraud reporting requirement for health claims:

If a third-party payer reasonably believes, based upon information obtained and documented, that a claimant has fraudulently caused or contributed to the claim as represented by a properly executed and documented claim form or billing, such information shall be presented to the Fraud Division of the Department within sixty days of when the fraud becomes evident. Any person making such report shall be afforded such immunity and the information submitted shall be confidential as provided by sections 3901.44 and 3999.31 of the Revised Code.

If evidence of insurance fraud is indicated more than sixty days after receipt of the proof of loss (for property/casualty claims) or more than sixty days after the fraud becomes evident (for health claims), the information should be reported immediately to the Department.

Information regarding the fraudulent claim should be reported to the Fraud Division on the Fraud Reporting Form, INS 1100 REV 96 (see Attachment A). The Department will accept copies of this form.

Any insurer or third-party that is a member of the National Insurance Crime Bureau (NICB) may report appropriate information on the NICB Form #27 or report through a fraud reporting bureau's computer network if the Ohio Department of Insurance is provided access to such computer network.

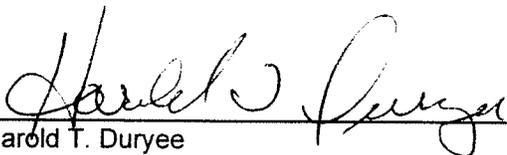
Completion of the Fraud Reporting Form or other approved reporting method will satisfy the reporting requirement, unless requested by the Department, you are not required to submit copies of your claim file.

Once an insurer or other third-party has resolved or completed disposition of the claim that was previously reported to the Department as a fraudulent claim, a disposition report should be submitted to the Fraud Division of the Ohio Department of Insurance within ninety (90 days). The report should be submitted on the attached Final Disposition Reporting Form, INS 1102 (see Attachment B) or other appropriate and approved form(s) and should include the name of the insured/claimant and the claim/policy number.

To satisfy the requirements of this Bulletin, all insurance fraud reporting information should be submitted to:

Fraud Division
Ohio Department of Insurance
2100 Stella Court
Columbus, Ohio 43215-1067

Phone: (614) 644-2671
(Ohio only) 1-800-686-1527
Fax: (614) 644-3327



Harold T. Duryee

SUSPECTED FRAUDULENT CLAIM _____ DATE OF DISCOVERY _____
CLAIM NO _____
NAME OF REPORTING CARRIER: _____
ADDRESS: _____ CITY & STATE: _____
CONTACT PERSON: _____ TELEPHONE: _____

A. DESCRIBE NATURE OF SUSPECTED FRAUDULENT ACTIVITY. (CHECK ALL THAT APPLY)

CLAIMANT MAY HAVE:

- 1. FAKED PROPERTY DAMAGE
- 2. INFLATED FINANCIAL LOSS
- 3. FAKED/EXAGGERATED INJURY
- 4. STAGED ACCIDENT/INJURY
- 5. BEEN KNOWN TO FILE SUSPECT MEDICAL CLAIMS
- 6. DEFRAUDED HEALTH CARE PROVIDER

MEDICAL PROVIDER MAY HAVE:

- 13. PROVIDED AN INACCURATE/ INCOMPLETE HISTORY
- 14. BILLED FOR SERVICES NOT PROVIDED
- 15. BILLED FOR EXCESSIVE OR EXTENDED TREATMENTS
- 16. VIOLATED BUSINESS AND PROFESSIONS CODE/REG
- 17. RECEIVED COMPENSATION FOR REFERRAL TO AND LEGAL PROVIDERS
- 18. HIRED OR PAID CAPPERS TO RECRUIT CLIENTS
- 19. OTHER (EXPLAIN):

LEGAL PROVIDER MAY HAVE:

- 7. HIRED OR PAID CAPPERS/ CHASERS TO RECRUIT CLIENTS
- 8. RECEIVED PAID COMPENSATION FOR REFERRAL TO MEDICAL PROVIDER
- 9. CHARGED INCONSISTENT WITH SERVICES PROVIDED
- 10. BEEN KNOWN TO HANDLE SUSPECT CLAIMS
- 11. NEVER SEEN CLIENT. NON-LEGAL STAFF HANDLES CASE
- 12. OTHER (EXPLAIN):

OTHER PERSON OR ENTITY MAY HAVE:

- 20. FABRICATED SERVICES
- 21. CHARGED INCONSISTENT WITH SERVICES PROVIDED
- 22. PROVIDED AN INACCURATE/ INCOMPLETE HISTORY
- 23. OPERATED WITHOUT A LICENSE
- 24. RECEIVED PAID COMPENSATION FOR REFERRAL TO MEDICAL OR LEGAL PROVIDER
- 25. OTHER (EXPLAIN):

SUMMARY OF SUSPECTED FRAUD _____

B. WHAT INFORMATION HAS BEEN DEVELOPED TO CONFIRM YOUR SUSPICION? (CHECK ALL THAT APPLY) (IF INFORMATION IS BEING DEVELOPED, PLEASE NOTE BELOW)

- 1. WITNESSES
- 2. PHOTOGRAPHS
- 3. MEDICAL REPORTS
- 4. CONFLICTING STATEMENTS
- 5. VIDEOS (SUB-ROSA)
- 6. INVESTIGATIVE REPORTS
- 7. CORRESPONDENCE
- 8. FALSIFIED DOCUMENTS
- 9. MULTIPLE CLAIMS FOR SAME LOSS
- 10. DEPOSITION/SWORN TESTIMONY
- 11. CLAIMANT LIED UNDER OATH
- 12. OTHER

INFORMATION BEING DEVELOPED _____

C. DO YOU HAVE ANY REASON TO BELIEVE THIS INCIDENT IS RELATED TO OTHER FRAUDULENT ACTIVITY? (CHECK ONE) YES NO IF YES, PLEASE DESCRIBE: _____

D. HAVE YOU REPORTED THIS MATTER TO OTHER ORGANIZATIONS? (INDICATE BELOW)

- 1. COUNTY PROSECUTOR'S OFFICE (COUNTY) _____
- 2. OTHER LAW ENFORCEMENT _____
- 4. NICB _____
- 5. OTHER _____

