



...Your complete guide to state regulated

...continuing education & anti-fraud

...training requirements for

...Claims Adjusters and SIU's



STATE MANDATED TRAINING

THE FOLLOWING DOCUMENT REFLECTS NICB'S RESEARCH INTO EACH STATE'S ANTI-FRAUD TRAINING REQUIREMENTS FOR CLAIMS ADJUSTERS/SIU. NICB HAS TRIED TO BE AS THOROUGH AND ACCURATE AS POSSIBLE, HOWEVER PLEASE CHECK WITH YOUR STATE TO VERIFY NICB'S RESEARCH.

STATE MANDATED TRAINING

The following states require Claims Adjusters to have Continuing Education credit from courses pre-approved by the state's Department of Insurance. NICB's FraudSmart courses and NICTA online courses have been approved for CE's in many of these states. Please contact NICB for more information on scheduling FraudSmart training courses and nicta.org for online courses.

NICB strongly suggests each company maintain training records on an individual basis to show compliance if audited.

Arkansas

Rule 50

The insurance code governing continuing education and/or the renewal period of producer and adjuster licenses changed on January 1, 2010. These changes will include:

1. New continuing education requirement for adjusters of 24 hrs which includes 3 hours in ethics.
2. Two year license renewal period for producers and adjusters.
3. Change in continuing education requirements for producers to 24 hours which includes 3 hours in ethics every two years.

Delaware

Regulation 504 (Formally Regulation 47)

8.0 Licensee's Responsibility

8.2.2 Resident adjusters, public adjusters and Fraternal Agents shall be required to fulfill twelve (12) credit hours of Department approved education subjects, three (3) of which shall be in ethics subjects during each biennium reporting period.

8.2.5 No continuing education requirement shall apply to newly licensed individuals during the biennium in which such individuals are licensed.

Exempt from completing Continuing Education requirement:

Limited Lines Producers writing consumer credit as defined in 18 Del. C § 1702 (k) title, crop/hail, surety and car rental insurance.

Resident Adjusters licensed **solely** for surety and/or marine and transportation.

Non-resident adjusters and non-resident public adjusters.

Limited lines producers licensed under 18 Del. C. § 1707 (b) (2) for life insurance or annuity products used **solely** to fund a pre-need arranged funeral program.

Florida

§ 626.689,

Florida Statutes requires all adjusters who have been licensed for less than six years to complete 24 hours of continuing education courses every 2 years. For agents licensed more than six years, the requirement is only 20 hours.

CE requirements:

5 hours law and Electives

19 hours- Optional

Adjusters, Agents, Counselors:

If licensed less than 20 years, 15 hours, 3 of which must be taken in Ethics.

If licensed over 20 years, 10 hours, 3 of which must be taken in Ethics.

* Courses cannot be duplicated within a three year window; Licensees must take a different 5-hour Law and Ethics update course every 2 years.

STATE MANDATED TRAINING

Georgia

120-2-3-.16

Each resident licensee licensed for less than 20 years must complete a minimum of twenty four (24) continuing education hours, three (3) of which must be completed in Ethics, by the dates specified in Rule 120-2-3-.16. For resident licensees continually licensed for 20 years or longer, a minimum of twenty (20) continuing education hours, three (3) of which must be completed in Ethics, by the dates specified in Rule 129-2-3-.16. The continuing education hours may be completed at any time during the current biennial license period as long as the hours are completed prior to the license expiration date.

Louisiana

\$1673 Continuing Education

Continuing education is only required for resident insurance producers and adjusters. This includes insurance adjusters that have designated Louisiana as their "home state" for the purpose of licensing. The requirements are as follows:

1. Producers licensed for one or more lines of life, health and accident, property, casualty or personal lines	24 hours (including 3 hours in ethics)
2. Producers licensed for line of bail bonds	12 hours
3. Producers licensed for line of title	12 hours
4. Adjuster license	24 hours (including 3 hours in ethics)

Insurance producers with the lines of property, casualty or personal lines must include three (3) hours of education in flood as part of the 24 hour requirement. Effective with renewals of 2015, producers licensed for title must include two (2) hours on the topic of consumer financial protection as part of the 12 hour requirement.

Montana

<https://csimt.gov/insurance/licensing/>

All resident insurance producers, adjusters, consultants licensed in Montana must complete continuing education requirements. Non-resident adjusters who live in a state with no continuing education requirements must complete 24 hours of continuing education as well. Non-resident adjusters must either complete Montana CE or designate a CE completion state. Persons licensed as a producer for any of the lines of property, casualty, surety, title, life, health, disability, or as an adjuster or consultant must complete 24 approved credit hours by the license lapse/renewal date. Persons licensed to sell **only** the line of limited lines credit insurance (credit life and credit disability, IUI, GAP or other credit insurance), prepaid legal insurance, or surety bail bonds must complete 5 approved credit hours of approved CE, including at least 1 credit hour in Montana legislative changes, and the remaining credit hours in the areas of insurance law, ethics, or topics specific to surety bail bonds, prepaid legal insurance, or limited lines credit insurance by the license lapse/renew by date. Every licensee must include a minimum of 1 approved credit hour of legislative changes in Montana insurance statutes and administrative rules as part of **each** biennial continuing education filing. Every licensee, with the exception of persons licensed to sell only the line of limited lines credit insurance, prepaid legal insurance, or surety bail bonds, must include a minimum of 3 credit hours of ethics as part of each biennial continuing education filing.

For insurance claims adjusters adjusting workers' compensation claims, of the 20 hours required in above, 10 hours shall inform the licensee of the current workers' compensation laws of this state, and 10 hours shall be in any other preapproved multi-line claims adjusters course of instruction.

STATE MANDATED TRAINING

New Hampshire

Ins 1302.04 Educational Requirements for Insurance Claims Adjusters and Public Adjusters.

Every insurance claims adjuster seeking renewal of a license shall during the preceding 24 months satisfactorily complete courses or programs of instruction or attend seminars equivalent to 20 continuing education hours of instruction that have been approved by the commissioner.

For insurance claims adjusters adjusting workers' compensation claims, of the 20 hours required in above, 10 hours shall inform the licensee of the current workers' compensation laws of this state, and 10 hours shall be in any other preapproved multi-line claims adjusters course of instruction.

North Carolina

<http://www.ncga.state.nc.us/gascripts/statutes/statutestoc.pl>

Annual Continuing Education credit hour requirements for North Carolina Resident License holders:

Adjuster: P & L: 12 hours

Life & Health: L & H: 12 hours

Property & Liability: P & L: 12 hours

P & L and L & H (dual license): L & H and P & L: 18 hours

NICTA will no longer provide CE's for North Carolina. This is due to technology requirements the North Carolina DOI has implemented. As NICTA does not fulfill these requirements we can no longer provide CE's for North Carolina.

Oklahoma

Resident Adjusters are required to complete 24 hours of continuing education. The 24 hours should consist of 3 hours of ethics, 2 hours of legislative update and 19 hours of adjuster general. A licensee, holding a **property** line of authority is required to complete a 1 hour earthquake course, which will be counted as part of the 19 hour general requirement.

Beginning January 1, 2019, insurance professionals in Oklahoma will soon be required to expand their knowledge on flood insurance. The Oklahoma Insurance Department (OID) will require at least 1 hour of continuing education on flood coverage. All resident agents, CSRs and adjusters with a **Property** line of authority will be required to complete 1 hour of continuing education under the *Flood* course category per renewal cycle. This new requirement will be included in the 24 hours (CSRs 13 hours) as general credits.

Texas

28-TAC§§ 19.1001-19.1018 § 19.1003. Licensee Requirements.

For each license and reporting period that the individual is licensed, each licensee must complete 24 hours of continuing education.

License	Requirement per two-year renewal period
General Lines - Life, Accident, Health, and HMO (LAH)	24 hours, including 2 hours of ethics
General Lines - Property and Casualty (PC)	24 hours, including 2 hours of ethics
Life Agent	24 hours, including 2 hours of ethics
Personal Lines Property and Casualty Agent	24 hours, including 2 hours of ethics
Managing General Agent (MGA)	24 hours, including 2 hours of ethics
Adjusters and Public Adjusters	24 hours, including 2 hours of ethics

All Licensees: At least half the hours must be classroom or "classroom equivalent". There are only two topic groups, "General" and "Ethics". Any licensee may take courses from these two groups. Courses are not divided by license type.

Utah

<https://le.utah.gov/>

Utah resident producers and adjusters, excluding title producers, shall comply with the following C.E. requirements. A total of 24 hours of continuing education are required, of which 12 hours must be in the classroom or classroom equivalent type courses; 3 hours must be in ethics training; and the remaining 21 hours can be in any line of insurance. All 24 hours must be from courses approved by the Utah Insurance Department.

STATE MANDATED TRAINING

Vermont

<http://legislature.vermont.gov/>

Special Requirements for Workers' Compensation Adjusters only In addition to the requirements set forth in Title 8 V.S.A 4803 for adjusters, an applicant for a Workers' Compensation adjuster license must take and pass the Vermont Workers' Compensation adjuster examination. Once licensed, Workers' Compensation adjusters must attend and satisfactorily participate in continuing education seminars administered by the Vermont Department of Labor and Industry in order to renew a license.

Wyoming

Title 26

- Residents must complete and report 24 hours of continuing education during each licensing period.
- Three (3) of the required hours must be in ethics.
- Courses must be taken during the two-year licensing period.
- Beginning July 1, 2011, non-resident adjusters are exempt from CE reporting.
- Non-resident adjusters designating Wyoming as their home state will be required to complete and report the required continuing education credits.

The following states require adjuster licenses but do not require CE's to maintain the license.

Kentucky	Oregon
Michigan	Rhode Island
New Mexico	South Carolina
West Virginia	

STATE MANDATED TRAINING

The following states require anti-fraud training (or can be reasonably interpreted to require it), but do not require the training to be pre-approved by the state's Department of Insurance. NICB's FraudSmart courses and NICTA online courses should satisfy the state requirement.

NICB strongly suggests each company maintain training records on an individual basis to show compliance if audited.

Arkansas

23-66-510.

Insurer antifraud initiative. (a) Insurers shall have antifraud initiatives reasonably calculated to detect, prosecute, and prevent fraudulent insurance acts. Antifraud initiatives may include, but are not limited to: (1) Fraud investigators, who may be insurer employees or independent contractors; or (2) An antifraud plan submitted to the Insurance Commissioner. Antifraud plans submitted to the commissioner shall be privileged and confidential and shall not be a public record and shall not be subject to discovery or subpoena in a civil or criminal action. (b) Upon the written request of an insurer, the commissioner may grant an exemption from the requirements of this section if the commissioner determines that such an exemption would not be detrimental to the interests of the public. Disclaimer: These codes may not be the most recent version. Arkansas may have more current or accurate information. We make no warranties or guarantees about the accuracy, completeness, or adequacy of the information contained on this site or the information linked to on the state site. Please check official sources.

California

§ 2698.39. SIU Training

Requirements for training provided by and for the SIU shall include:

The insurer shall establish and maintain an ongoing anti-fraud training program, planned and conducted to develop and improve the anti-fraud awareness skills of the integral anti-fraud personnel.

The insurer shall designate an SIU staff person to be responsible for coordinating the ongoing anti-fraud training program.

The anti-fraud training program shall consist of three (3) levels:

(1) All newly-hired employees shall receive an anti-fraud orientation within ninety (90) days of commencing assigned duties. The orientation shall provide information regarding:

- (A) The function and purpose of the SIU;
- (B) an overview of fraud detection and referral of suspected insurance fraud to the SIU for investigation;
- (C) a review of Fraud Division insurance fraud reporting requirements;
- (D) an organization chart depicting the insurer's SIU; and
- (E) SIU contact telephone numbers.

(2) Integral anti-fraud personnel shall receive annual anti-fraud in-service training, which shall include:

- (A) review of the function and purpose of the SIU;
- (B) introduction /review of the written procedures established by the SIU regarding the identification, documentation and referral of incidents of suspected fraud to the SIU;
- (C) identification and recognition of red flags or red flag events;
- (D) any changes to current procedures for identifying, documenting and referring incidents of suspected insurance fraud to the SIU;
- (E) Fraud Division insurance fraud reporting requirements; and
- (F) introduction/review of existing and new, emerging insurance fraud trends.

(3) The SIU personnel shall receive continuing anti-fraud training that includes:

- (A) investigative techniques;
- (B) communication with the Fraud Division and authorized governmental agencies;
- (C) fraud indicators;
- (D) emerging fraud trends; and
- (E) legal and related issues.

(F) Records of the anti-fraud training provided to all staff shall be prepared at the time training is provided and be maintained and available for inspection by the Department on request. The training records shall include the title and date of the anti-fraud training course, name and title and contact information of the instructor(s), description of the course content, length of the training course, and the name and job title(s) of participating personnel.

STATE MANDATED TRAINING

Colorado

CO Statute 10-1-128

(5) (a) EVERY LICENSED INSURANCE COMPANY DOING BUSINESS IN COLORADO SHALL PREPARE, IMPLEMENT, AND MAINTAIN AN INSURANCE ANTI-FRAUD PLAN; EXCEPT THAT THIS SUBSECTION (5) SHALL NOT APPLY TO ENTITIES WHOSE PRINCIPAL BUSINESS IS THE ASSUMPTION OF REINSURANCE, REINSURANCE AGREEMENTS, OR REINSURANCE CLAIMS TRANSACTIONS. INSURANCE COMPANIES APPROVED BY THE COMMISSIONER UNDER ARTICLE 5 OF THIS TITLE MAY BE REQUIRED, AS A CONDITION OF SUCH APPROVAL, TO MAINTAIN AN INSURANCE ANTI-FRAUD PLAN. EACH ANTI-FRAUD PLAN SHALL OUTLINE SPECIFIC PROCEDURES, APPROPRIATE TO THE TYPE OF INSURANCE PROVIDED BY THE INSURANCE COMPANY IN COLORADO, TO:

(I) PREVENT, DETECT, AND INVESTIGATE ALL FORMS OF INSURANCE FRAUD, INCLUDING FRAUD BY THE INSURANCE COMPANY'S EMPLOYEES AND AGENTS, FRAUD RESULTING FROM FALSE REPRESENTATIONS OR OMISSIONS OF MATERIAL FACT IN THE APPLICATION FOR INSURANCE, RENEWAL DOCUMENTS, OR RATING OF INSURANCE POLICIES, CLAIMS FRAUD, AND SECURITY OF THE INSURANCE COMPANY'S DATA PROCESSING SYSTEMS;

(II) EDUCATE APPROPRIATE EMPLOYEES ABOUT FRAUD DETECTION AND THE COMPANY'S ANTI-FRAUD PLAN;

(III) PROVIDE FOR THE HIRING OF OR CONTRACTING FOR ONE OR MORE FRAUD INVESTIGATORS;

(IV) REPORT SUSPECTED OR ACTUAL INSURANCE FRAUD TO THE APPROPRIATE LAW ENFORCEMENT AND REGULATORY ENTITIES IN THE INVESTIGATION AND PROSECUTION OF INSURANCE FRAUD.

(b) THE COMMISSIONER OF INSURANCE MAY REVIEW A LICENSED INSURANCE COMPANY'S ANTI-FRAUD PLAN IN CONNECTION WITH A MARKET CONDUCT EXAMINATION TO DETERMINE WHETHER SUCH PLAN COMPLIES WITH THE REQUIREMENTS OF PARAGRAPH (a) OF THIS SUBSECTION (5).

(c) EVERY LICENSED INSURANCE COMPANY DOING BUSINESS IN THIS STATE SHALL INCLUDE, AS PART OF ITS ANNUAL REPORT AS REQUIRED IN SECTION 10-3-109, A SUMMARY OF ITS ANTI-FRAUD EFFORTS AS DESCRIBED IN PARAGRAPH (a) OF THIS SUBSECTION (5).

(d) THE ANTI-FRAUD PLAN OF AN INSURANCE COMPANY AND THE SUMMARY OF ANTI-FRAUD EFFORTS PREPARED AS REQUIRED IN PARAGRAPH (c) OF THIS SUBSECTION (5) ARE NOT PUBLIC RECORDS AND ARE EXEMPTED FROM ARTICLE 72 OF TITLE 24, C.R.S.; ARE PROPRIETARY AND NOT SUBJECT TO PUBLIC EXAMINATION; AND ARE NOT DISCOVERABLE OR ADMISSIBLE UNDER THE COLORADO RULES OF CIVIL PROCEDURE IN ANY CIVIL LITIGATION.

(e) ANY INSURANCE COMPANY OR PRODUCER OF AN INSURANCE COMPANY THAT HAS COMMITTED A FRAUDULENT INSURANCE ACT SHALL BE SUBJECT TO AVAILABLE DISCIPLINARY ACTION BY THE COMMISSIONER OF INSURANCE.

(f) THE RESPONSIBILITY OF AN INSURANCE COMPANY UNDER THIS SECTION TO PREVENT, DETECT, AND INVESTIGATE INSURANCE FRAUD SHALL NOT EXCUSE ITS DUTY TO COMPLY WITH SECTION 10-3-1104 OR ANY OTHER APPLICABLE INSURANCE LAW.

District of Columbia

§ 22-3225.09. Insurance fraud prevention and detection [Formerly § 22-3825.9]

(a) Within 6 months of April 27, 1999, every insurer licensed in the District shall submit to the Department of Insurance and Securities Regulation, an insurance fraud prevention and detection plan ("plan"). The plan shall indicate specific procedures for the accomplishment of the following:

- (1) Prevention, detection, and investigation of insurance fraud;
- (2) Orientation of employees on insurance fraud prevention and detection;
- (3) Employment of fraud investigators;
- (4) Reporting of insurance fraud to the appropriate authorities; and
- (5) Collection of restitution for financial loss caused by insurance fraud.

STATE MANDATED TRAINING

Florida

Pursuant to 626.9891, F.S. ("XXX")

Company submits the following Anti-Fraud Plan and/or Special Investigative Unit description. This plan sets forth specific instructions to detect, investigate and report insurance fraud, including, but not limited to internal fraud, all lines claim fraud, premium fraud, health care fraud, PIP fraud, viatical fraud, insolvency fraud, application and underwriting fraud.

I. Education and Training

A. Employee Education/Training

Describe how the company conducts fraud awareness training, etc., including tools, manuals

B. SIU Investigator Education/Training

Describe backgrounds of SIU team; description of orientation of investigators to follow these anti-fraud procedures; and on-going training, including manuals, seminars, continuing education, etc.

****Please note: new anti-fraud plan statute only affects the layout in which anti-fraud plans should be submitted, not the actual statute.**

Kansas

40-2.118

Section (d) (1). Each insurer shall have antifraud initiatives reasonably calculated to detect fraudulent insurance acts. Each insurer that submits an antifraud plan shall notify the commissioner in writing of any material change in the information contained in the antifraud plan within 30 days after such change occurs. The requirement for submitting any antifraud plan or any amendment thereof, to the commissioner shall expire on July 1, 2016 unless the legislature reviews and reenacts the provisions pursuant to K.S.A 45-229 and amendments thereto.

Kentucky

806 KAR 47:030. Requirements for special investigative units.

Section 2. All insurers shall implement the following in conjunction with their SIU's:

- (1) Systematic and effective methods to detect and investigate suspected fraudulent insurance claims.
- (2) Development and implementation of a corporate anti-fraud strategy to provide for the appropriate disposition of fraudulent insurance claims.
- (3) Provisions to educate and train all claims handlers to identify possible insurance fraud.
- (4) Policies for the SIU to cooperate with the insurer's claims handlers, the insurer's legal personnel, technical support personnel, and database support personnel;
- (5) Procedures to facilitate insurer communications with the Insurance Fraud Unit and compliance with mandatory reporting of suspected fraudulent insurance acts, pursuant to KRS 304.47-050; and
- (6) Procedures to encourage, coordinate, and effectuate communication and cooperation between the SIU, the Insurance Fraud Unit, and other relevant law enforcement agencies.

Louisiana

SR.S. 22:572.1 Insurance Anti-Fraud Plan

B. The insurance anti-fraud plan utilized by each authorized insurer and each health maintenance organization in this state shall be filed with the commissioner of insurance and shall outline specific procedures, actions, and safeguards that are applicable, relevant, and appropriate to the type of insurance the authorized insurer writes or the type of coverage offered by the health maintenance organization in this state and shall include how the authorized insurer or health maintenance organization will:

- (1) Detect, investigate, and prevent all forms of insurance fraud, including fraud involving the insurer's or health maintenance organization's employees or agents; fraud resulting from misrepresentations in the application, renewal, or rating of insurance policies; fraudulent claims; and security of the insurer's or health maintenance organization's data processing systems.
- (2) Educate appropriate employees on fraud detection and the insurer's or health maintenance organization's anti-fraud plan.
- (3) Provide for fraud investigations, whether through the use of internal fraud investigators or third-party contractors.
- (4) Report a suspected fraudulent insurance act, as defined by R.S. 22:1923(1), to the Department of Insurance as well as appropriate law enforcement and other regulatory authorities engaged in the investigation and prosecution of insurance fraud.
- (5) Pursue restitution for financial loss caused by insurance fraud, when applicable, relevant, and appropriate.

STATE MANDATED TRAINING

Maine

§ 2186 Insurance fraud prevention

5. Insurer Antifraud plans. Within 6 months of the effective date of this Act, every insurer writing direct insurance shall prepare and implement an antifraud plan. This subsection does not apply to any agency, producer or other person acting on behalf of an insurer. The superintendent may review an insurer's antifraud plan to determine if the plan complies with the requirements of this subsection. The antifraud plan must outline specific procedures, appropriate to the lines of insurance the insurer writes in the State, to:

- Prevent, detect and investigate all forms of insurance fraud;
- Educate appropriate employees on the antifraud plan and fraud detection;
- Provide for the hiring of or contracting for fraud investigators; and
- Report insurance fraud to appropriate law enforcement and regulatory authorities in the investigation and prosecution of insurance fraud.

Maryland

Title 31, Subtitle 04, Chapter 15. Anti-Fraud Plan

A. Education/Training

- (1) An anti-fraud plan shall contain procedures for the provision of education or training, or both, to the insurer's employees regarding the detection of insurance fraud.
- (2) At a minimum, the educational components of anti-fraud plans shall address the following:
 - Courses of instruction shall be;
 - Designed to address specific aspects of fraud associated with a company's product line, and
 - At least 2 hours in duration
 - Personnel shall be presented with updated material at the entrance level and at least once every 2 years within 6 months of the effective date of employment; and
 - Training programs may be developed and conducted either by internal personnel or by outside contractors.

Massachusetts

ALM GL ch. 175 § 113H (2004)

The plan shall adopt performance standards for claims handling and antifraud efforts, including but not limited to programs to control costs and expenses as described in section one hundred and thirteen B, for risks insured or reinsured by the plan. All insurers issuing policies insured or reinsured by the plan shall comply with said performance standards. The plan shall develop pre and post payment-screening systems designed to identify claims overpayments, possible fraudulent claims, and inefficient claims handling practices.

Minnesota

Minn. Stat. § 60A.954 (2002)

Subdivision 1. Establishment. An insurer shall institute, implement, and maintain an anti-fraud plan. For the purpose of this section, the term insurer does not include reinsures, the workers' compensation reinsurance association, self-insurers, and excess insurers. Within 30 days after instituting or modifying an anti-fraud plan, the insurer shall notify the commissioner in writing. The notice must include the name of the person responsible for administering the plan. An anti-fraud plan to establish procedures to:

- (1) Prevent insurance fraud, including; internal fraud involving the insurer's officers, employees, or agents; fraud resulting from misrepresentations on applications for insurance; and claims fraud;
- (2) Report insurance fraud to appropriate law enforcement authorities; and
- (3) Cooperate with the prosecution of insurance fraud cases.

New Jersey

§ 11: 16-6.5 Training program and manual for the prevention and detection of fraud

Basic Entry Level Training, which shall be no less than nine hours of classroom instruction for SIU personnel and no less than four and one-half hours of classroom Instruction for non-SIU personnel.

Basic Entry Level Training shall is given to all employees within 180 days from the commencement of their employment at each of these positions: underwriters, adjusters, claims processors, SIU investigators, or SIU specialists. The no less than two hours of continuing education training provided to non-SIU personnel emphasizes the responsibility of all employees to identify and report indications of internal and external fraud to the proper authority.

STATE MANDATED TRAINING

New Mexico

§ 59A-16C-10 Insurer anti-fraud initiatives; special investigative units

B. Each insurer's anti-fraud plan shall outline, at a minimum, guidelines appropriate to the type of insurance the insurer writes to:

- (1) prevent, detect and investigate all forms of insurance fraud.
- (2) educate appropriate employees on fraud detection and the insurer's anti-fraud plan;
- (3) provide for the hiring or contracting of fraud investigators;
- (4) report insurance fraud to appropriate law enforcement and regulatory authorities; and
- (5) pursue restitution, where appropriate, for financial loss caused by insurance fraud.

New York

§ 409 (c)

Section 409 (c) "The plan (anti-fraud plan) shall provide for the following:

- (1) interface of special investigation unit personnel with law enforcement and prosecutorial agencies, including the insurance frauds bureau of the state insurance department;
- (2) reporting of fraud data to a central organization approved by the superintendent;
- (3) in-service education and training for underwriting and claims personnel in identifying and evaluating instances of suspected fraudulent activity in underwriting or claims activities;
- (4) coordination with other units of an insurer for the investigation and initiation of civil actions based upon information received by or through the special investigation unit;
- (5) public awareness of the cost and frequency of fraudulent activities, and the methods of preventing fraud;
- (6) development and use of a fraud detection and procedures manual to assist in the detection and elimination of fraudulent activity

North Dakota

Standard A-3 The Company has an antifraud plan in place.

The company should develop a formal Anti-fraud Plan. The Anti-fraud Plan should be reduced to writing. The Anti-fraud Plan should include, but not be limited to, a set of standards/guidelines to address the resolution of all reports of potential fraud.

Ohio

§ 3999.41 Insurer to adopt antifraud program.

Every insurer shall adopt an anti-fraud program and shall specify in a written plan the procedures it will follow when instances of insurance fraud or suspected insurance fraud are brought to its attention.

Pennsylvania

75 Pa.C.S. § 1812 (2003)

The antifraud plans of each insurer shall establish specific procedures:

- (1) To prevent insurance fraud, including internal fraud involving employees or company representatives, fraud resulting from misrepresentation of applications for insurance coverage, and claims fraud.
- (2) To review claims in order to detect evidence of possible insurance fraud and to investigate claims where fraud is suspected.
- (3) To report fraud to appropriate law enforcement agencies and to cooperate with such agencies in their prosecution of fraud cases.
- (4) To undertake civil actions against persons who have engaged in fraudulent activities.
- (5) To report fraud-related data to a comprehensive database system.
- (6) To ensure that costs incurred as a result of insurance fraud are not included in any rate base affecting the premiums of motor vehicle insurance consumers.

STATE MANDATED TRAINING

Tennessee

Tenn. Code Ann. § 56-53-111. Regulatory Requirements

- (A) Prevent, detect and investigate all forms of insurance fraud, including fraud involving the insurer's employees or agents; fraud resulting from misrepresentations in the application, renewal or rating of insurance policies; claims fraud; and security of the insurer's data processing systems;
- (B) Educate appropriate employees on fraud detection and the insurer's anti-fraud plan;
- (C) Provide for the hiring of or contracting for fraud investigators;
- (D) Report insurance fraud to appropriate law enforcement and regulatory authorities in the investigation and prosecution of insurance fraud; and
- (E) Pursue restitution for financial loss caused by insurance fraud, where appropriate.

§ 56-53-112. Workers' compensation on insurance antifraud plans

Each insurer's anti-fraud plan shall outline specific procedures to:

- (A) Prevent, detect and investigate all forms of insurance fraud, including fraud involving the insurers, employees, or agents; fraud resulting from misrepresentations in the application, renewal or rating of insurance policies; claims fraud; and security of the insurer's data processing system;
- (B) Educate appropriate employees on fraud detection and the insurer's anti-fraud plan;
- (C) Provide for the hiring of or contracting for fraud investigators

Vermont

§ 4750. Insurer anti-fraud plans

- (a) Every insurer with direct written premiums shall prepare, implement, and maintain an insurance anti-fraud plan. Each insurer's anti-fraud plan shall outline specific procedures, appropriate to the type of insurance the insurer writes in this State, to:
 - (1) Prevent, detect, and investigate all forms of insurance fraud, including fraud involving the insurer's employees or agents; fraud resulting from misrepresentations in the application, renewal, or rating of insurance policies; claims fraud; and security of the insurer's data processing systems.
 - (2) Educate appropriate employees on fraud detection and the insurer's anti-fraud plan.
 - (3) Provide for the hiring of or contracting for fraud investigators.
 - (4) Report insurance fraud to appropriate law enforcement and regulatory authorities in the investigation and prosecution of insurance fraud.
 - (5) Where appropriate, pursue restitution for financial loss caused by insurance fraud.
 - (6) Ensure that applicable State and federal privacy laws are complied with and that the confidential personal and financial information of consumers and insureds is protected.
 - (7) Comply with such other procedures as the Commissioner may require by rule.

Washington

§ 48.30A.050. Insurance antifraud plan— Specific procedures

An insurer's antifraud plan must establish specific procedures to:

- (1) Prevent insurance fraud, including internal fraud involving employees or company representatives, fraud resulting from misrepresentation on applications for insurance coverage, and claims fraud;
- (2) Review claims in order to detect evidence of possible insurance fraud and to investigate claims where fraud is suspected;
- (3) Report fraud to appropriate law enforcement agencies and cooperate with those agencies in their prosecution of fraud cases;
- (4) Undertake civil actions against persons who have engaged in fraudulent activities;
- (5) Train company employees and agents in the detection and prevention of fraud.

STATE MANDATED TRAINING BROCHURE

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