

2010 PROPOSED CHARGES

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ANTIFRAUD (D) TASK FORCE

The mission of the Antifraud (D) Task Force is to serve the public interest by assisting the state insurance supervisory officials, individually and collectively, to promote the public interest through the detection, monitoring and appropriate referral for investigation of insurance crime, both by and against consumers. The Task Force will assist with the following: (1) maintain and improve the electronic databases regarding fraudulent insurance activities; (2) disseminate the results of research and analysis of insurance fraud trends, as well as case-specific analysis, to the insurance regulatory community; (3) provide a liaison function between insurance regulators, federal, state, local and international law enforcement and other specific antifraud organizations; and (4) coordinate between state and federal regulators regarding the USA PATRIOT Act anti-money laundering amendments to the federal Bank Secrecy Act. The Task Force also will serve as a liaison with the NAIC Information Systems Division and other NAIC committees to develop technological solutions for data collection and information-sharing. The Task Force will monitor all aspects of antifraud activities by its working groups and subgroups on the following charges.

Ongoing Support of NAIC Programs, Products or Services:

1. Appoint the **Antifraud Training and Seminar Working Group** to (1) evaluate alternative training sessions and online courses regarding insurance fraud issues of importance for insurance regulators, the industry and interested parties; (2) develop and present the Advanced Antifraud Seminar; (3) develop the agenda for the 2011 Basic Insurance Fraud Investigation Training for Regulators; and (4) develop educational course targeting investigations of enforcement actions.—*Essential*
2. Appoint the **Information Sharing and Technology Working Group** to (1) evaluate sources of antifraud data and propose methods for enhancing the utilization and exchange of information among insurance regulators, fraud investigative divisions, law enforcement officials, insurers and antifraud organizations; (2) recommend secure systems for the dissemination of confidential information between insurance fraud agencies; and (3) develop or address any other projects related to technology or information-sharing that develop over the following year.—*Essential*
3. Appoint the **Antifraud Liaison Working Group** to (1) explore alternatives to enhance relationships with the industry's special investigation units (SIUs), external private sector antifraud entities and antifraud organizations; (2) update the *Survey on State Insurance Department Antifraud Resources Report*; (3) develop an antifraud plan guideline; (4) review participation in or provide support for "National Insurance Fraud Prevention Week/Day" or similar project supported by outside organizations; (5) provide advisory role to the Coalition Against Insurance Fraud (CAIF), International Association of Special Investigation Units (IASIU), National Insurance Crime Bureau (NICB), National Healthcare Antifraud Association (NHCAA) and other antifraud associations as necessary or requested; and (6) track national insurance fraud trends and provide information, at minimum, on a quarterly basis.—*Essential*

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4. Appoint the **Federal and International Enforcement Coordination Working Group** to (1) coordinate with state, federal and international law enforcement agencies in addressing antifraud issues relating to the insurance industry; (2) support insurance regulator efforts to gain access to the FBI Fingerprint Identification Record System/Criminal History Record Identification System; (3) monitor and recommend appropriate guidance on state issues arising from the application of 18 U.S.C. 1033, 1034; (4) complete revision of existing 18 USC 1033, 1034 guidelines; and (5) develop recommendations to increase mandatory coordination between federal government and state insurance regulators regarding health care fraud and abuse program.—*Essential*
5. Appoint the **Agent and Unlawful Activities Working Group** to (1) develop methods to enhance the investigation and prosecution of agent fraud; (2) identify and develop recommendation for coordination and cooperation between state insurance department and law enforcement authorities on insider insurance fraud; (3) develop recommendations to enhance and increase mutual data-sharing between state insurance regulators and the U.S. Centers for Medicare and Medicaid Services (CMS); (4) develop recommendations to increase collaboration regarding fraud investigations with CMS; and (5) in conjunction with the Antifraud Training and Seminar Working Group, develop educational programs regarding investigations in enforcement actions.—*Essential*
6. Appoint the **Securities Enforcement Coordination Working Group** to (1) develop an education and training seminar in cooperation with representatives from securities regulation; and (2) identify and develop recommendations for cooperation and communication between insurance and securities regulators.—*Essential*

Sponsors for 2010 Charges

(Except as noted, I support all charges)

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