National Conference of State Legislatures

Legislative Summit – 2017
Insurance Task Force

Tim Lynch
NICB Government Affairs Director

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Key Facts

- Non-profit organization
- 1,100 P&C insurance companies, rental car companies and self-insureds
- 105-year history of established cooperation with federal, state and local law enforcement agencies
- Corporate Headquarters – Chicago
- 380+ employees (investigators - former federal, state and local law enforcement)
- 2017 Revenue – $52M
Mission

- To lead a united effort of insurers, law enforcement agencies and representatives of the public to prevent and combat insurance fraud and crime through Data Analytics, Investigations, Training, Legislative Advocacy and Public Awareness.
Industry estimates that fraud against property and casualty insurers cost Americans $30 billion* per year...or in other words:

- $82.2 million a day
- $3.4 million an hour
- $57,000 a minute
- $951 a second

*Insurance Information Institute
Example of Fraud – 2016

- $900 Million Healthcare Fraud Case
  - Medicare Fraud Strike Force – Department of Justice, Health and Human Services
- $38 Million billed to one clinic from Medicare/Medicaid
- 300 individuals charged, 60 medical professionals
- Florida, New York, Michigan, California, Texas, Illinois
- Largest Takedown in history
  - Home Healthcare particularly vulnerable to fraud
NICB Business Model
NICB Data

2016 Questionable Claims:
By State

Legend
- 103 - 353
- 354 - 1,095
- 1,096 - 2,350
- 2,351 - 3,928
- 3,929 - 23,667

*Not all Questionable Claims contain sufficient information to be mapped

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Promote statutes, regulations and policies at all levels of government to help in the prevention, detection and defeat of insurance fraud
Who We Work With

- Member Companies
- Insurance Trade Associations
- Prosecutors
- State Insurance Departments
- State Lawmakers
2017 Legislative Issues – New Laws

- CO: Information Sharing Provision
- IN: Roofer/Contractor/Storm Chaser
- KY: Accident Reports & Roofer Statute
- NC: Fraud Unit Funding Increase
- OH: Towing Oversight
- TX: Hail Litigation Reform
- VA: Budget Amendment – Prosecutors
2018 State Legislative Issues

- FL: Assignment of Benefits
- MS: Cargo Theft
- NV/SC: Resources for AG Fraud Unit
- NY: Immunity, Runner, Reporting
- PA: Towing Abuses
- TX: Roofing/Contractor Fraud
NICB Anti-Fraud Issues

- Resources
  - Fraud Authorities
  - Dedicated Prosecutors
- Felony fraud laws
- Cargo theft statutes
- Solicitation abuses
- Rogue towing
- Roofers/contractors
Insurance Fraud Summits

- South Carolina – February 2016
- New Mexico – October 2016
- Alabama / Mississippi - October 3, 2017
  - Sets anti-fraud legislative agenda
  - Solutions and Recommendations
How NICB Can Help You

- Data & Expertise
- Issue Leadership & Credibility
- Information from Other States
- Assessment of your state’s anti-fraud environment
NICB Government Affairs Team

Judy Fitzgerald
Vice President

Alan Haskins
Director

Tim Lynch
Director
Questions?