

Bulletin 2008-09

## Reporting Suspected Fraudulent Claims

Effective Date: October 3, 2008

This Bulletin supersedes Department of Insurance Bulletin 96-1, dated July 2, 1996. The purpose of this Bulletin is to outline specific procedures insurers should follow when a consumer or healthcare provider is suspected of committing insurance fraud.

According to Ohio Revised Code 3999.42

- (A) If an insurer, as defined in division (A) of section 3999.36 of the Revised Code, has a reasonable belief that a person is perpetrating or facilitating an insurance fraud, as established by section 2913.47 of the Revised Code, or has done so, the insurer shall notify the department of insurance.
- (B) The notification required by division (A) of this section shall be made in accordance with rules adopted by the department of insurance.
- (C) Division (A) of this section does not require notification of the department of insurance if the insurance fraud involves a claim of an amount less than one thousand dollars.

Ohio Administrative Code Rules 3901-1-54(G) and 3901-1-60(F) go on to outline the fraud reporting standards associated with property, casualty and health claims. Based upon the aforementioned rules, if an insurer or third-party payer reasonably believes, based upon information obtained and documented, that a claimant or healthcare provider has fraudulently caused or contributed to the claim or the loss, the information is to be presented to the Fraud Division of the Ohio Department of Insurance within sixty days of receiving the proof of loss (for property/casualty claims) or sixty days after the fraud becomes evident (for health claims). If evidence of insurance fraud is detected more than sixty days after receiving the proof of loss, the information should be immediately reported to the Fraud Division.

One or more of the following reporting methods may be utilized to report insurance fraud. All methods below will satisfy the reporting requirements established under Ohio law and this bulletin.

- 1) Filing the referral electronically through the NAIC On-Line Fraud Reporting System, which is the preferred method of ODI:

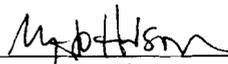
<https://external-apps.naic.org/ofrs/industryLegal.do?appType=INDUSTRY>

- 2) Filing the referral electronically with the ODI Fraud Division via the following link:

<https://www.ohioinsurance.gov/Company/CompanyOnlineFraud.htm>

- 3) Mailing, faxing or e-mailing the referral to the ODI Fraud Division, 50 W. Town Street, Suite 300, Columbus, OH 43215. Fax number: 614-387-0092. Email: [ODI.Fraud@ins.state.oh.us](mailto:ODI.Fraud@ins.state.oh.us)
- 4) Filing the referral with NICB, who, in turn, will forward the referral to ODI.

All individuals reporting fraud in accordance with the above noted statutes will be afforded immunity under section 3999.31 of the Ohio Revised Code. In addition, all information submitted with regard to a referral will be considered a confidential law enforcement record and will not be made available for public inspection until all applicable federal and state statutes of limitations expire.

  
\_\_\_\_\_  
Mary Jo Hudson  
Superintendent of Insurance