

The balance of this appropriation is for contracts with producers or organizations of producers to prepare and analyze data for review by the team of science advisors.

This appropriation remains available until June 30, 1995.

Sec. 6. **EFFECTIVE DATE.**

This act is effective the day following final enactment.

Presented to the governor May 3, 1994

Signed by the governor May 5, 1994, 4:34 p.m.

CHAPTER 574—H.F.No. 1999

An act relating to insurance; requiring disclosure of information relating to insurance fraud; granting immunity for reporting suspected insurance fraud; requiring insurers to develop antifraud plans; prescribing penalties; proposing coding for new law in Minnesota Statutes, chapter 60A.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. **[60A.951] DEFINITIONS.**

Subdivision 1. APPLICATION. The definitions in this section apply to sections 60A.951 to 60A.955.

Subd. 2. AUTHORIZED PERSON. "Authorized person" means the county attorney, sheriff, or chief of police responsible for investigations in the county where the suspected insurance fraud occurred; the superintendent of the bureau of criminal apprehension; the commissioner of commerce; the attorney general; or any duly constituted criminal investigative department or agency of the United States.

Subd. 3. COMMISSIONER. "Commissioner" means the commissioner of commerce for insurers regulated by the commissioner of commerce, and means the commissioner of health for insurers regulated by the commissioner of health.

Subd. 4. INSURANCE FRAUD. "Insurance fraud" occurs when a person presents or causes to be presented to any insurer, or prepares with knowledge or belief that it will be so presented, a written or oral statement, including a computer-generated document, an electronic claim filing, or other electronic transmission, that contains materially false or misleading information, or a material and misleading omission, concerning:

- (1) an application for the issuance of an insurance policy;

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(2) the rating of an insurance policy;

(3) a claim for payment, reimbursement, or benefits payable under an insurance policy to an insured, a beneficiary, or a third party;

(4) premiums on an insurance policy; or

(5) payments made in accordance with the terms of an insurance policy.

Subd. 5. INSURER. "Insurer" means insurance company, risk retention group as defined in section 60E.02, service plan corporation as defined in section 62C.02, health maintenance organization as defined in section 62D.02, integrated service network as defined in section 62N.02, fraternal benefit society regulated under chapter 64B, township mutual company regulated under chapter 67A, joint self-insurance plan or multiple employer trust regulated under chapter 60F, 62H, or section 471.617, subdivision 2, and persons administering a self-insurance plan as defined in section 60A.23, subdivision 8, clause (2), paragraphs (a) and (d).

Subd. 6. RELEVANT INFORMATION. "Relevant information" includes, but is not limited to:

(1) pertinent insurance policy information, including the application for a policy;

(2) policy premium payment records;

(3) a history of previous claims made by the insured including, where the insured is a corporation, limited liability company, or partnership, a history of claims by a subsidiary or any affiliates, and a history of claims of any other business association in which individual officers or partners or their family members are known to be involved;

(4) material relating to the investigation, including the statement of any person and the proof of loss;

(5) billing records; and

(6) any other information which an authorized person identifies and which appears reasonably related to the investigation.

Sec. 2. [60A.952] DISCLOSURE OF INFORMATION.

Subdivision 1. REQUEST. After receiving a written request from an authorized person stating that the authorized person has reason to believe that a crime or civil fraud have been committed in connection with an insurance claim, payment, or application, an insurer must release to the authorized person all relevant information in the insurer's possession.

Subd. 2. NOTIFICATION BY INSURER REQUIRED. If an insurer has reason to believe that an insurance fraud has been committed, the insurer shall,

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in writing, notify an authorized person and provide the authorized person with all relevant information in the insurer's possession. It is sufficient for the purpose of this subdivision if an insurer notifies and provides relevant information to one authorized person. The insurer may also release relevant information to any person authorized to receive the information under section 72A.502, subdivision 2.

Subd. 3. IMMUNITY FROM LIABILITY. If insurers, agents acting on the insurers' behalf, or authorized persons release information in good faith under this section, whether orally or in writing, they are immune from any liability, civil or criminal, for the release or reporting of the information.

Sec. 3. [60A.953] ENFORCEMENT.

The intentional failure to provide relevant information as required by section 60A.952, subdivision 1, or to provide notification of insurance fraud as required by section 60A.952, subdivision 2, is punishable as a misdemeanor.

Sec. 4. [60A.954] INSURANCE ANTIFRAUD PLAN.

Subdivision 1. ESTABLISHMENT. An insurer shall institute, implement, and maintain an antifraud plan. For the purpose of this section, the term insurer does not include reinsurers, self-insurers, and excess insurers. Within 30 days after instituting or modifying an antifraud plan, the insurer shall notify the commissioner in writing. The notice must include the name of the person responsible for administering the plan. An antifraud plan shall 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.

Subd. 2. REVIEW. The commissioner may review each insurer's antifraud plan to determine whether it complies with the requirements of this section. If the commissioner finds that an insurer's antifraud plan does not comply with the requirements of this section, the commissioner shall disapprove the plan and send a notice of disapproval, along with the reasons for disapproval, to the insurer. An insurer whose antifraud plan has been disapproved by the commissioner shall submit a new plan to the commissioner within 60 days after the plan was disapproved. The commissioner may examine an insurer's procedures to determine whether the insurer is complying with its antifraud plan. The commissioner shall withhold from public inspection any part of an insurer's antifraud plan for so long as the commissioner deems the withholding to be in the public interest.

Sec. 5. [60A.955] FORMS TO CONTAIN FRAUD WARNING.

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All insurance claim forms issued by an insurer for use in submitting a claim for payment or a claim for any other benefit pursuant to a policy shall clearly contain a warning substantially as follows: "A person who submits an application or files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime." An insurer may comply with this section by including the warning on an addendum attached to the application or claim form. The absence of the required warning does not constitute a defense in a prosecution for a violation of chapter 609 or any other chapter of Minnesota Statutes.

Sec. 6. EFFECTIVE DATE.

Sections 4 and 5 are effective January 1, 1995.

Presented to the governor May 3, 1994

Signed by the governor May 5, 1994, 4:45 p.m.

CHAPTER 575—H.F.No. 2046

An act relating to wild animals; restricting the killing of dogs wounding, killing, or pursuing big game; amending Minnesota Statutes 1992, section 97B.011.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1992, section 97B.011, is amended to read:

97B.011 **DOGS PURSUING BIG GAME.**

A person who observes a dog that is known to have killed or is observed wounding, killing, or pursuing in a manner that endangers big game may be killed by kill the dog:

(1) at any time, if the person is a peace officer or conservation officer; or,

(2) between January 1 and July 14, by any if the person is not a peace officer or conservation officer and the discharge of firearms is allowed.

The officer or person is not liable for damages for killing the dog.

Presented to the governor May 3, 1994

Signed by the governor May 5, 1994, 4:52 p.m.

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