

8365

2011-2012 Regular Sessions

I N A S S E M B L Y

June 14, 2011

Introduced by M. of A. WEPRIN -- (at request of the New York State Insurance Department) -- read once and referred to the Committee on Insurance

AN ACT to amend the insurance law and the penal law, in relation to the definition of insurance fraud

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. Subsection (a) of section 403 of the insurance law is
2 amended to read as follows:
3 (a) In this article, "fraudulent insurance act" means [an] insurance
4 fraud as defined in section 176.05 of the penal law; and the terms
5 "personal insurance" and "commercial insurance" shall have the same
6 meaning ascribed to them by section 176.00 of such law.
7 S 2. Section 176.05 of the penal law, as amended by chapter 635 of the
8 laws of 1996, subdivision 1 as designated and subdivision 2 as added by
9 chapter 2 of the laws of 1998, is amended to read as follows:
10 S 176.05 Insurance fraud; defined.
11 [1.] A fraudulent insurance act is committed by any person who, know-
12 ingly and with intent to defraud presents, causes to be presented, or
13 prepares with knowledge or belief that it will be presented to or by an
14 insurer, self insurer, or purported insurer, or purported self insurer,
15 or any agent thereof[,]:
16 1. any written statement as part of, or in support of, an application
17 for the issuance of, or the rating of a commercial insurance policy, or
18 certificate or evidence of self insurance for commercial insurance or
19 commercial self insurance, or a claim for payment or other benefit
20 pursuant to an insurance policy or self insurance program for commercial
21 or personal insurance [which] THAT he OR SHE knows to:
22 [(i)] (A) contain materially false information concerning any fact
23 material thereto; or

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets
[] is old law to be omitted.

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1 [(ii)] (B) conceal, for the purpose of misleading, information
2 concerning any fact material thereto[.]; OR

3 2. [A fraudulent health care insurance act is committed by any person
4 who, knowingly and with intent to defraud, presents, causes to be
5 presented, or prepares with knowledge or belief that it will be
6 presented to, or by, an insurer or purported insurer or self-insurer, or
7 any agent thereof,] any written statement or other physical evidence as
8 part of, or in support of, an application for the issuance of a health
9 insurance policy, or a policy or contract or other authorization that
10 provides or allows coverage for, membership or enrollment in, or other
11 services of a public or private health plan, or a claim for payment,
12 services or other benefit pursuant to such policy, contract or plan[,
13 which] THAT he OR SHE knows to:

14 (a) contain materially false information concerning any material fact
15 thereto; or

16 (b) conceal, for the purpose of misleading, information concerning any
17 fact material thereto.

18 Such policy or contract or plan or authorization shall include, but
19 not be limited to, those issued or operating pursuant to any public or
20 governmentally-sponsored or supported plan for health care coverage or
21 services or those otherwise issued or operated by entities authorized
22 pursuant to the public health law. For purposes of this subdivision an
23 "application for the issuance of a health insurance policy" shall not
24 include [(a)] (I) any application for a health insurance policy or
25 contract approved by the superintendent of insurance pursuant to the
26 provisions of sections three thousand two hundred sixteen, four thousand
27 three hundred four, four thousand three hundred twenty-one or four thou-
28 sand three hundred twenty-two of the insurance law or any other applica-
29 tion for a health insurance policy or contract approved by the super-
30 intendent of insurance in the individual or direct payment market; [and
31 (b)] OR (II) any application for a certificate evidencing coverage under
32 a self-insured plan or under a group contract approved by the super-
33 intendent of insurance.

34 S 3. This act shall take effect immediately.