



STATE OF WEST VIRGINIA

Offices of the Insurance Commissioner

JOE MANCHIN III
Governor

JANE L. CLINE
Insurance Commissioner

DECEMBER 2005

WEST VIRGINIA INFORMATIONAL LETTER

NO. 154

TO: All Insurance Companies, Insurance Agencies, Individual Insurance Producers and all Persons engaged in the business of insurance in the State of West Virginia.

RE: Mandatory Reporting of Insurance Fraud and Designation of Company Fraud Contact

The purpose of this Informational Letter is to remind licensed insurance companies, insurance agencies, and individual insurance producers of their responsibility to report instances of suspected insurance fraud to the West Virginia Insurance Fraud Unit.

During the 2004 Legislative Session, the Legislature enacted the "West Virginia Insurance Fraud Prevention Act." This Act mandates the reporting of insurance fraud or criminal offenses otherwise related to the business of insurance.

The reporting requirement is found at West Virginia Code Section 33-41-5 (a). This section requires a person engaged in the business of insurance who has knowledge or a reasonable belief that fraud or another crime related to the business of insurance is being, will be or has been committed to provide certain information to the commissioner.

The Commissioner has designated the NAIC Uniform Suspected Insurance Fraud Reporting Form to be utilized for the reporting of suspected insurance fraud. The form may be obtained on the Insurance Commissioner's website at www.wvinsurance.gov/forms/fraud/fraud_uniform_form.pdf. The form must be completed and submitted by all insurance companies transacting the business of insurance in West Virginia. Insurers may also report suspected insurance fraud through the NAIC's online fraud reporting system at <https://external-apps.naic.org/ofrs/>.

The Insurance Commissioner requires every insurer to designate at least one (1) primary contact person, but not more than four (4) primary contact persons, to communicate with the Insurance Fraud Division on matters relating to the reporting, investigation, and prosecution of suspected fraudulent insurance acts.

Every insurer is required to notify the Insurance Fraud Unit in writing of the names, titles, addresses, and telephone numbers of the insurer's primary contact person or persons. Any changes to information relating to the contact person or persons must be reported to the Insurance Fraud Unit within ten (10) days of the changes. Insurers must use the Insurance Company Fraud Contact Form for reporting the designated fraud contact person(s) to the Commissioner. The form may be obtained on the Insurance Commissioner's website at www.wvinsurance.gov/forms/fraud/fraud-company-contact-form.pdf. Fraud reports and designation of contact persons are to be sent to the following address:

West Virginia Office of the Insurance Commissioner
Fraud Division
One Players Club Drive
P.O. Box 2901
Charleston, WV 25330-2901

If you have already designated contact persons pursuant to previous notices from Insurance Commission staff, you are not required to resubmit that information unless it has changed.

It is strongly recommended that all insurers become thoroughly familiar with the West Virginia Fraud Prevention Act not only to ensure that they are in compliance with its provisions but to more effectively assist in the state's antifraud efforts.

To contact the Fraud Division please call 304-558-5241 or toll free at 1-800-779-6853.

ss://Jane L. Cline
Jane L. Cline
Insurance Commissioner