



STATE OF NEW YORK  
INSURANCE DEPARTMENT  
25 BEAVER STREET  
NEW YORK, NEW YORK 10004

**Circular Letter No. 14  
July 1, 1998**

**TO: All Insurers Writing Private or Commercial Automobile, Workers Compensation, or Individual, Group or Blanket Accident and Health Insurance Policies.**

**RE: Compliance With The Second Amendment to Regulation 95 (11 NYCRR 86) and Filing of Plans for the Detection, Investigation and Prevention of Fraudulent Insurance Activities.**

Effective July 1, 1998 the Superintendent has promulgated the second amendment to Regulation 95 (11 NYCRR 86). This amendment, published in the State Register on May 20, 1998 implements Section 409 of the New York Insurance Law.

All insurers writing private or commercial automobile, workers compensation or individual group or accident and health insurance policies are requested to complete the attached form and return it with a complete fraud detection plan, within 120 days of the amended regulation's effective date, to Principal Examiner Rolf Kaumann, NYS Insurance Frauds Bureau, 25 Beaver Street, Room 542, New York, NY 10004.

Very truly yours,

Charles D. DeRienzo  
Director  
Insurance Frauds Bureau

**To report suspected insurance fraud, call the NYS Insurance Department's Hotline at 888-FRAUD-NY**

<http://www.ins.state.ny.us>

## Fraud Prevention Plan Transmittal Letter

Name of insurer:	Representative's name :
Address :	Address :
Telephone and Fax :	Telephone :
NAIC Number:	E-Mail:

I. Does the insurer write more than three thousand private or commercial automobile, workers' compensation or individual, group or blanket accident and health insurance policies in New York State annually? Yes No

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If yes, complete this form, attach a plan for the detection, investigation and prevention of fraudulent insurance activities in New York State and return it as indicated in Circular Letter #14.

If no, sign and date this form and return it as indicated in Circular Letter #14.

II. Does the plan provide the details of a timeframe and manner for implementation? Yes No

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III. 1. Is there a provision for a full-time special investigations unit with detailed staffing levels? Yes No

2. If yes, is the unit separate from the underwriting or claims functions? Yes No

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IV. In lieu of a special investigations unit does the insurer contract with a provider of services related to the investigation of information on or cases of suspected fraudulent activities? Yes No

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V. Do all persons designated as special investigations unit members, or contractors, satisfy the Regulation's education and experience requirements? Yes No

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VI. Does the plan provide for the following:

1. interface of special investigation unit personnel with law enforcement and prosecutorial agencies? Yes No

2. in-service education and training for underwriting and claims personnel? Yes No

3. coordination with other units of the insurer for the investigation and initiation of civil actions based upon information received by or through the special investigation unit? Yes No

4. public awareness of the cost and frequency of fraudulent activities and the methods of preventing fraud? Yes No

5. development and use of a fraud detection policy and procedures manual? Yes No

6. date that the plan will be fully implemented. \_\_\_\_\_

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Name

Signature

Title

Date