



December 16, 2019

Chair Armand Glick and Members of the Working Group
Antifraud Technology Working Group
National Association of Insurance Commissioners
1100 Walnut Street, Suite 1500
Kansas City, Missouri 64106-2197

VIA GREG WELKER AT GWELKER@NAIC.ORG

Chair Glick and Members of the Antifraud Technology Working Group:

The National Insurance Crime Bureau (NICB) is pleased the National Association of Insurance Commissioners' Antifraud Technology Working Group is assessing whether changes should be made to the Antifraud Plan Guideline, adopted in April 2011 by the Antifraud Task Force. To that end, NICB is not at this time submitting suggested language changes, but rather would like to use this opportunity to urge the Working Group and its parent Taskforce to strongly consider adopting a uniform, model antifraud plan and reporting system.

As is the case for mandatory reporting of suspected insurance fraud and other regulatory reporting requirements, a model antifraud plan and reporting system would provide several key benefits for both industry and regulators:

1. Undoubtedly, it would reduce the regulatory burdens on insurers. Currently, insurers must prepare and submit a unique fraud plan for each state where required. The process is burdensome, time intensive, and complex. Reducing the burden related to antifraud plan submissions will allow insurers to put all their focus into one high-quality plan rather diverting attention into five, 10, or 20 different plans.
2. Likewise, a model antifraud plan will reduce the burdens on state regulatory staff. By relying on a model plan, state regulators will no longer need to conceive, amend, and manage antifraud plans and regulations, and achieve cost savings with economies of scale.
3. Adopting a model plan will help ensure what are considered antifraud plan best practices are incorporated and updated into the model. The collective wisdom of all states could go into one model plan, rather than relying on each state regulator to adopt, keep up with, and incorporate best practices.

4. A model antifraud plan may lead to more states adopting an antifraud plan filing requirement. With less administrative work necessary to manage an antifraud plan regulation, state insurance regulators may be more open to such a mandate.

We appreciate your review of our comments. We are excited by the prospect of potential dialogue related to this issue and are available to help in any possible way. In the meantime, please do not hesitate to contact me at ahaskins@nicb.org or 847-544-7075 if we can address any questions or concerns.

Sincerely,

A handwritten signature in black ink that reads "Alan Haskins". The signature is written in a cursive, flowing style.

Alan Haskins
Vice President of Government Affairs