ANTIFRAUD (D) TASK FORCE

Antifraud (D) Task Force Aug. 13, 2026, Minutes
Antifraud Technology (D) Working Group July 1, 2026, Minutes (Attachment One)

Draft Pending Adoption

Draft: 8/23/26

Antifraud (D) Task Force
Columbus, Ohio
August 13, 2026

The Antifraud (D) Task Force met in Columbus, OH, Aug. 13, 2026. The following Task Force members participated: Trinidad Navarro, Chair (DE); John F. King, Vice Chair (GA); Heather Carpenter represented by Alex Romero and Kayla Erickson (AK); Charles Bassett represented by Maria Ailor (AZ); Ricardo Lara represented by Andrew Gulcher (CA); Joshua Hershman represented by Nick Gill (CT); Doug Ommen represented by Heather Kriener and Matt Mortvedt (IA); Dean L. Cameron represented by Randy Pipal (ID); Vicki Schmidt represented by Monicka Richmeier (KS); Sharon P. Clark represented by Shawn Boggs (KY); Timothy J. Temple represented by Nathan Strebeck (LA); Marie Grant represented by Mark Zimmerman (MD); Anita G. Fox represented by Joseph Garcia (MI); Angela L. Nelson represented by Jeana Thomas (MO); Mike Chaney represented by John Hornback (MS); Mike Causey represented by Angela Hatchell (NC); Jon Godfread represented by Robyn Krile (ND); Eric Dunning represented by Martin Swanson (NE); Alice T. Kane represented by Devin Chapman (NM); Ned Gaines represented by Alexia Emmermann (NV); Glen Mulready represented by Rick Wagnon (OK); Michael Humphreys represented by David Buono (PA); Michael Wise represented Della Sisson (SC); Larry D. Deiter represented by Travis Jordan (SD); Amanda Crawford represented by Rick Watson (TX); Jon Pike represented by Armand Glick (UT); Scott A. White represented by Juan A. Rodriguez Jr. and Richard Tozer (VA); Patty Kuderer represented by Christina Keeley (WA); and Erin K. Hunter (WV).

1. Adopted its Spring National Meeting Minutes

Underwood made a motion, seconded by Ailor, to adopt the Task Force's March 24 minutes (*see NAIC Proceedings – Spring 2026, Antifraud (D) Task Force*). The motion passed unanimously.

2. Heard a Presentation from the Iowa DIFS on Financial Exploitation of Seniors

Mortvedt said the Iowa Department of Insurance and Financial Services (DIFS) Fraud Bureau receives approximately 1,400 referrals annually and investigates insurance- and securities-related criminal violations. In 2025, it charged 86 individuals. The bureau also responds to disasters, provides education and assistance, conducts undercover operations, and operates an in-house diversion program that has been completed by 176 individuals. The team includes eight sworn investigators, a senior intelligence analyst, and himself.

Mortvedt said senior financial exploitation is a rapidly growing, organized, cyber-related fraud trend affecting insurance and securities products because life insurance policies and annuities often have high cash value and liquidity. He described a government impersonation case in which scammers asked a senior to identify assets, including life insurance policies and annuities.

Kriener said she serves as the financial literacy director for the Iowa DIFS and oversees consumer education, including fraud-related initiatives. She said she works closely with the fraud bureau, state agencies, law enforcement, the Iowa Attorney General's office, and community organizations to educate Iowans on fraud prevention.

Mortvedt said Iowa identified three core components of these fraud schemes and developed strategies to target each, including the use of suspicious activity reports filed by banks and other financial institutions. Iowa runs keyword searches through the Iowa Fusion Center, receives alerts every 24 hours, and works with banks and credit unions to improve scam-related reporting. During the first month, two investigators completed 90 follow-ups related to projected losses of $8.8 million, many of which involved initial transactions.

Mortvedt said Iowa also targets scam communications, including websites, phone numbers, cryptocurrency, and other assets used to contact seniors. Iowa State University students helped train investigators to link fraudulent websites using hash values, allowing Iowa to identify related websites and associated assets.

Mortvedt said Iowa works to seize scam phone numbers, identify seniors who may have been contacted, and share intelligence with law enforcement statewide. Iowa is developing a memorandum of understanding to expand access to cryptocurrency tracking tools and expertise for smaller departments.

Kriener said Iowa integrates prevention and investigation efforts by using investigative data, fraud reports, and heat maps to guide outreach, messaging, and partnerships. Presentations, scam alerts, newsletters, and collaboration with financial institutions, law enforcement, and community organizations encourage earlier reporting and allow investigators to intervene while scams are in progress.

Kryner said Iowa Fraud Fighters is the Department of Insurance and Financial Services (DIFS) year-round statewide education initiative, providing consumer education, scam alerts, information on emerging trends, partner resources, and train-the-trainer programming. Each spring, Iowa also conducts the Stop the Scammers tour with the Iowa Attorney General's office and AARP Iowa.

Kriener said the 2026 Stop the Scammers tour included 20 events on scam tactics and fraud trends. Nineteen audience members came forward while actively involved in scams, allowing immediate referrals to investigators. Since January, Iowa has opened 211 investigations across 96 communities, investigated nearly $78 million in reported losses, prevented more than $2.28 million from reaching scammers, and recovered more than $27,000 for victims.

Kriener said Iowa passed House File 2232, giving insurance producers permissive authority and immunity to delay disbursements or transactions when financial exploitation is reasonably suspected. The law builds on existing securities protections, and approximately one month after implementation, Iowa received its first requested delay involving a transaction of nearly $300,000.

Mortvedt said Iowa's impact is not measured only in dollars, noting the severe personal consequences of financial exploitation. He said Iowa is moving from reactive law enforcement to coordinated operations designed to detect, deploy, and disrupt the resources fraudsters need to operate.

3. Heard a Presentation from Blue Cross and Blue Shield of Nebraska on ACA Tribal Plans

Cameron Arch (Blue Cross and Blue Shield of Nebraska—BCBSN) said BCBSN has observed a suspected fraud scheme in the Affordable Care Act (ACA) marketplace involving tribal members and substance use disorder claims.

Peter Nelson (Centers for Medicare and Medicaid Services—CMS) said ACA marketplace fraud is a top priority for CMS. He said CMS can help connect states when patterns emerge, support information sharing where possible, and provide information to regulators when it receives it.

Arch said Nebraska appears to be the next state affected by a national body brokering trend involving out-of-state benefits, American Indian and Alaska Native enrollments, and high-dollar substance use disorder claims. He said issuers with out-of-state benefits are vulnerable and encouraged multi-state data sharing and collaboration among regulators, issuers, law enforcement, and CMS.

Arch said BCBSN saw increased special enrollment period activity from tribal members, including enrollments using tribal plan qualifying reasons and other events that may provide retroactive coverage. Early findings included

unverifiable addresses, third-party enrollment activity, identity mismatches, and members reporting ACA policies they did not sign up for.

Arch said Nebraska incurred approximately $73 million in billed charges for substance-use disorder treatment tied to approximately 371 tribal members, with billed charges approaching $100 million. He said ACA membership increased by approximately 13%, while substance-use disorder claims increased by more than 3,000%. Most claims were from California-based providers, and the plan was investigating approximately 174 out-of-state providers billing more than $100,000 each.

Arch said BCBSN placed a hold on out-of-state claims while conducting a manual investigation to determine which claims are valid. He said the issue may force the plan to convert ACA preferred provider organization (PPO) products with out-of-state benefits back to narrower networks, which would be a disservice to members but may be necessary given the scope of the fraud risk.

Gulcher said California recognizes that it is an epicenter of many of these claims and has established a special team with support from county prosecutors, including Orange County. He said California is connecting with other states, has requested to exchange information with Nebraska, and has observed providers changing names and tax identification numbers as scrutiny increases.

4. Heard a Presentation from QuantivRisk on Fraud Detection in Automobile Insurance

John Pettit (QuantivRisk) presented on vehicle accidents, automation, insurance fraud, and data transparency. He said many vehicles manufactured since 2020 collect significant sensor data and, in some cases, video that is transmitted to manufacturers. Vehicle performance data may capture hundreds of signals over extended periods with high precision.

Mike Nelson (QuantivRisk) said modern vehicles commonly include advanced driver-assistance capabilities and that the industry should focus on data from these systems rather than on broad terminology such as “autonomous vehicles.” He described examples in which vehicle data and video clarified whether a driver or the vehicle system contributed to an accident.

Nelson said vehicle data can improve fairness in accident adjudication by providing objective evidence, reducing claim cycle time, helping detect fraud, protecting policyholders, and identifying situations in which liability may rest with manufacturers rather than drivers or insurers. He said the Institute for Mobility Education (IME) provides free education to regulators and government agencies, and Nelson encouraged departments to develop expertise in the technology and its implications for complaints, investigations, liability, loss adjustment expense, and ratemaking.

5. Heard a Report from the Antifraud Technology (D) Working Group

Greg Welker (NAIC) said the Antifraud Technology (D) Working Group met July 1 to continue updating insurance types and fraud schemes. He said the Working Group worked with the National Insurance Crime Bureau (NICB) on updates to insurance fraud reporting and claim search processes that feed fraud referrals to the Online Fraud Reporting System (OFRS) and state fraud management systems. Member companies, NICB, the Coalition Against Insurance Fraud (Coalition), and other interested parties reviewed and supported the proposed changes.

Welker said the updates will simplify fraud reporting and improve state data. Fraud schemes and insurance types were consolidated, and new items were added for future system changes. The NICB and the NAIC expect to implement the changes in the first quarter of 2027.

Navarro made a motion, seconded by Fissel, to adopt the report of the Antifraud Technology (D) Working Group (Attachment One). The motion passed unanimously.

6. Heard Reports from Interested Parties

A. NICB

Kyle McCollum (NICB) said the NICB's update includes recent intelligence reports, NAIC fraud-type revisions, the NICB's work to align its data with NAIC fraud types, and the NICB's State Fraud Intelligence Network.

Adam Eathington (NICB) said NICB recently published intelligence products on cargo theft, catastrophic event crime, vehicle finance fraud, and workers' compensation crime trends. He noted that cargo theft questionable claims have increased by more than 230% since 2021, and catastrophic event-related questionable claims have increased by 35% since 2021, with notable increases in Georgia, Illinois, Missouri, and Texas.

Eathington said artificial intelligence (AI) is lowering barriers for fraudsters and enabling more sophisticated schemes, including falsified documents, synthetic photos, and manipulated videos. He said the NICB will publish state-specific threat assessments for New York and Texas, a 2026 national medical billing trends report, a risk threat assessment, and a 2026 life and disability threat assessment.

McCollum said the NICB and the NAIC are improving the quality of fraud referral data and mapping. The NICB is streamlining the reasons for referral from 72 checkboxes to approximately 20 to 30 dropdown selections, while NAIC is revising OFRS policy types and fraud schemes by deleting or combining 51 schemes and adding three. He said the alignment should reduce use of the "other" category and improve referrals for fraud bureaus and law enforcement.

McCollum said the NICB's State Fraud Intelligence Network is a no-cost, real-time intelligence-sharing platform for fraud-fighting agency partners. He reported that 10 states and four counties are active, 14 to 16 additional agencies are expected by year-end, and the platform has supported 71 investigative inquiries, 35 intelligence reports, and six multi-jurisdictional investigations.

B. Coalition

Brent Walker (Coalition) said the Coalition emphasized collaboration among regulators, industry, law enforcement, and coalition committees. He said the coalition participated in discussions on unclaimed property fraud and submitted comments to the Privacy Protections (H) Working Group regarding the preservation of an effective antifraud exemption.

Michelle Rafeld (Coalition) said the Coalition recently hosted an industry webinar promoting its fraud referral guideline developed with assistance from state fraud directors. More than 500 industry personnel attended. She said the coalition will continue education efforts at the International Association of Special Investigation Units' (IASIU's) annual meeting in Orlando and will make the slide deck available to state fraud directors and industry members for training on best practices for reporting suspected fraud.

Rafeld said the Coalition will host webinars on account takeover risk and sober home fraud and has a consumer resource brochure on sober home fraud and body brokering that agencies may co-brand and share.

Walker said Coalition members now have real-time access to antifraud bills the Coalition is tracking. He said the Coalition is tracking just under 300 antifraud bills, approximately 55 of which have been enacted. He highlighted

new laws addressing body brokering, application fraud, digital fraud schemes, AI, deepfakes, forged digital likeness, and synthetic identity.

Rafeld said the Coalition is launching a technology task force in September for insurers, regulators, law enforcement, consumer groups, and other members to discuss emerging technology, antifraud tools, operational practices, lessons learned, and legal, regulatory, privacy, and compliance requirements. The inaugural meeting will be held Sept. 15.

Walker reminded members to submit nominations for the Prosecutor of the Year award through the Coalition website. He also noted that the Coalition's annual member meeting will be held Dec. 7–8 in Alexandria, VA, and will include committee and task force meetings.

Having no further business, the Antifraud (D) Task Force adjourned.

Draft: 8/3/26

Antifraud Technology (D) Working Group
Virtual Meeting
July 1, 2026

The Antifraud Technology (D) Working Group of the Antifraud (D) Task Force met July 1, 2026. The following Working Group members participated: Armand Glick, Chair (UT); Jerry Spradlin (AR); Caleb Malone and Charles Hansberry (LA); Scarlett Vetter (ND); Devin Chapman (NM); Patrick Smock (RI); and Michael Lang (TX).

1. Heard a Presentation from the NICB on its State Fraud Intelligence Network

Nelson Vazquez's (National Insurance Crime Bureau—NICB) presentation on the NICB's intelligence sharing network, developed over the past 18 to 24 months, to help fraud directors share information with individual states or the full group. He said the network could support issues such as the recent ghost broker matter involving Texas and Utah, where states may need to compare statutes on unlicensed insurance sales and potential felony charges.

Vazquez said nine agencies, including eight states and San Diego County in California, are active participants, with 17 more under review. He said the NICB expects to add 15 to 20 states this year, and two states are close to resolving memorandum of understanding (MOU) questions, while Alaska requested a July 7 meeting with its legal team.

Vazquez said the NICB legal team is willing to review and customize MOU language for state-specific needs, though compromise cannot be guaranteed. The NICB also plans summer outreach to states needing more information, and the network has averaged about 1.5 to 1.6 new agencies per month, year to date.

Vazquez said the network is already supporting collaboration, citing Nebraska's May post about a producer fraud scheme involving illegal recruitment of Venezuelan immigrants that may affect up to five other states, and an NICB trend post on pet insurance fraud involving compromised consumer information and recurring characteristics of foreign payment cards. He said four multi-state investigations have expanded through network collaboration.

Vazquez outlined third-quarter milestones, including a midyear survey after July 4; a late July or early August compliance audit; GovSlack improvements to alert states to relevant activity; and a third NICB member company roundtable to share successes, align investigations, and maintain Special Investigation Unit (SIU) communication.

Glick said that the network's value depends on active state participation. He encouraged states to resolve MOU issues, log on, and contribute, noting that broader participation and improved notifications would strengthen the network as a state-to-state information-sharing tool.

2. Heard a Presentation from the NICB on Alignment of OFRS Reporting with ClaimSearch

Kyle McCollum (NICB) presented on the NICB's fraud scheme and insurance-type work, noting that the NAIC's platform transition allows the Online Fraud Reporting System (OFRS) reporting to better align with the NICB's ClaimSearch by streamlining fraud scheme categories and adding newer insurance types, including pet, travel, and long-term care (LTC).

McCollum said the NICB's enhancement effort aligns with NAIC updates and is intended to improve reporting consistency, data quality, and information available to fraud directors, investigators, and law enforcement partners.

McCollum said the NICB mapped its referral reasons to the NAIC's proposed fraud schemes to reduce reliance on the OFRS "other" category, improve speed to insight, and make referral information more actionable. He said the NAIC's proposal would reduce fraud schemes to about 30, while the NICB is reducing its referral reasons from 72 checkboxes to roughly 20 to 30 dropdown selections. McCollum said the NICB found the categories clear, workable, and without showstoppers if adopted by the Task Force. He said NICB subject matter experts (SMEs) from intelligence, information technology (IT), and membership reviewed the mappings to minimize the use of "other," improve ease of use and data quality, and ensure fraud bureaus receive useful information without additional searching.

McCollum said the mapping would effectively eliminate "other," except for suspicious foreign objects in food, and should improve triage, prioritization, NICB-NAIC consistency, and future enhancements.

Glick said reducing the list to about 30 categories should not prevent states from keeping greater detail internally, such as tracking arson or application fraud subcategories while reporting under broader OFRS categories.

Glick said McCollum is expected to present to the Antifraud (D) Task Force in August. This will be followed by a written proposal for state review, Task Force adoption, and Market Regulation and Consumer Affairs (D) Committee approval before the Fall National Meeting, Executive (EX) Committee consideration by year-end, and implementation in the first quarter of the following year. He said states and vendors will need notice to prepare records management systems.

3. Discussed Other Matters

Glick said that the Working Group needs a new vice chair and invited interested participants to contact him or Greg Welker (NAIC).

Glick said there was no further discussion on policy and fraud types because the materials had already been distributed and discussed.

Having no further business, the Antifraud Technology (D) Working Group adjourned.

