



COMMONWEALTH OF PENNSYLVANIA  
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January 27, 2010

The Honorable Anthony M. DeLuca  
Chairman, Insurance Committee  
Pennsylvania House of Representatives  
115 Irvis Office Building  
Harrisburg, PA 17120-2032

The Honorable Nicholas A. Micozzie  
Minority Chairman, Insurance Committee  
Pennsylvania House of Representatives  
Room 105 Ryan Office Building  
Harrisburg, PA 17120-2163

Dear Chairman DeLuca and Chairman Micozzie:

It is my understanding that numerous insurance fraud bills are before you for review. As you know, insurance fraud has a detrimental fiscal impact on our law-abiding citizens and Pennsylvania businesses. I applaud your efforts to ensure that law enforcement has the appropriate tools to prosecute these offenders.

Insurance fraud is a serious crime that comes in many forms, from rate evaders who lie to get cheap insurance to sophisticated criminal enterprises perpetrating million-dollar medical scams. Whatever its form, the real victims of these crimes are the Pennsylvanians whose premiums are impacted by fraudulent claims.

To combat this problem, I established an Insurance Fraud Section in my office tasked with investigating all forms of insurance fraud. Over the past five years, we have arrested more than 870 defendants who have been charged with insurance fraud and related criminal offenses. Our courts have ordered the repayment of more than \$9.4 million in restitution as well as fines exceeding half a million dollars as a result of these cases. Many other cases are ongoing as we continue to work with the Insurance Fraud Prevention Authority, insurers, health care providers, other law enforcement agencies, and members of the public to address this issue.

I would like to take this opportunity to comment on some of the proposals before you. I support an expansion of the immunity protection provision for those who report insurance fraud. This will further the goal of encouraging greater cooperation between the insurance industry and law enforcement as well as aid in the detection of fraud. Some amendments may be needed to clarify the language currently contained in the proposals and my staff will be happy to work with you to develop such language.

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I also support the forfeiture provisions contained in House Bill 1740. Forfeiture will serve not only as a deterrent, but as an effective tool in securing restitution for victims.

It is also important to note that certain provisions found in House Bills 1739 and 1750 require the disclosure of information contained in law enforcement referrals and in our investigative files to outside organizations and other entities. Such language appears to be in conflict with provisions prohibiting the disclosure of such information, including Pennsylvania's Criminal History Record Information Act. Again, my staff will be happy to work with you to ensure conformity with existing statutes.

I look forward to working with you on these important issues. Please do not hesitate to contact Anmarie Kaiser if you have any questions or would like to discuss this matter.

Sincerely,

A handwritten signature in black ink that reads "Tom Corbett". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

TOM CORBETT  
Attorney General

cc: Pennsylvania House Insurance Committee Members