



January 19, 2010

State Representative Anthony DeLuca  
Chairman, Pennsylvania House Insurance Committee  
115 Irvis Office Building  
P.O. Box 202032  
Harrisburg, PA 17120-2032

Re: House Bill 2154

Dear Representative DeLuca,

The National Insurance Crime Bureau (NICB) is a national, not-for-profit organization supported by over 1,000 property/casualty insurance companies, including many who write business in Pennsylvania. Working with our members and law enforcement, we investigate organized criminal conspiracies dealing with insurance fraud and vehicle theft.

Because of our interest in insurance fraud issues, we wanted express our strong support for House Bill 2154, introduced last year. As we expressed during our oral testimony at the hearing last November in Pittsburgh, refinement of existing immunity law will aid the fight against insurance fraud throughout Pennsylvania.

House Bill 2154 will expand the state's existing insurance fraud immunity law giving greater protection for the exchange of information in the investigation of suspected insurance fraud. Insurers are reluctant to bring forward information where there is a lack of perceived immunity for the good faith presentation of suspicious information.

Pennsylvania grants some immunity, but expanding it will greatly enhance the insurers and law enforcement to target those people involved in organized ring activity who are attacking the insurance system by committing fraud. The exchange of information is one of the most critical pieces in investigating an insurance fraud investigation; especially those related to medical fraud.

To specifically address the issue of medical fraud in Pennsylvania, the NICB has two medical fraud task forces in the state, with plans underway for a third larger task force to materialize later this year. These task force operations utilize the collective strength of insurance industry investigators, all levels of law enforcement, and others to investigate multi-claim, multi-carrier organized conspiracy operations.

The expansion and refinement of existing immunity law through HB 2154 will benefit task force related investigations.

NICB looks forward to continuing to work with you and other members of the legislature on this and the related package of insurance fraud legislation in the Pennsylvania House of Representatives.

As always, please feel free to contact me at 847-544-7080 or via email at [tlynch@nicb.org](mailto:tlynch@nicb.org) if I can be of assistance to you or your staff.

Thank you for your time and consideration.

Regards,

Tim Lynch  
Director, Government Affairs

cc: Arthur McNulty, Executive Director, House Insurance Committee