

AN ACT

Codification  
District of  
Columbia  
Official Code

2001 Edition

2003 Supp.

West Group  
Publisher

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend the District of Columbia Theft and White Collar Crimes Act of 1982 to include health maintenance organizations in the definition of insurers, to provide the Commissioner of the Department of Insurance and Securities Regulation with limited law enforcement authority to subpoena witnesses and compel the production of documents, to require insurer and health maintenance organizations to file an annual report on insurance fraud activities in the District of Columbia, to eliminate the hearing requirement for professional practitioners for suspension or revocation, and to provide immunity for whistle blowers.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Insurance Fraud Prevention and Detection Amendment Act of 2002".

Sec. 2. The District of Columbia Theft and White Collar Crimes Act of 1982, effective December 1, 1982 (D.C. Law 4-164; D.C. Official Code § 22-3201 *et seq.*), is amended as follows:

Amend  
§ 22-3225.01

(a) Section 125a(6) (D.C. Official Code § 22-3225.01), is amended by adding a new sentence at the end to read as follows:

"The term "insurer" shall include health maintenance organizations."

Amend  
§ 22-3225.07

(b) Section 125g(b) (D.C. Official Code § 22-3225.07) is amended as follows:

(1) Strike the phrase "The court or prosecutor" and insert the phrase "The Commissioner, court, or prosecutor" in its place.

Amend  
§ 22-3225.08

(2) The second sentence is repealed.

(c) Section 125h(e) (D.C. Official Code § 22-3225.08(e)) is repealed.

(d) New sections 125k, 125l, and 125m are added to read as follows:

New  
§ 22-3225.11

"Sec. 125k. Limited law enforcement authority.

"(a) The Commissioner shall have the power to issue and serve subpoenas, to compel witnesses to appear and testify, and to produce all books, records, papers, or documents in any insurance investigation or examination.

"(b) Any willful false testimony by a witness before the Commissioner as to any material fact shall constitute perjury and shall be punished in the manner prescribed by law for such

offense.

“(c) If any witness having been personally summoned shall neglect or refuse to obey the subpoena issued pursuant to subsection (a) of this section, the Commissioner may, through the Corporation Counsel, report that fact to the Superior Court of the District of Columbia or one of the judges thereof and the Court, or any judge thereof, may compel obedience to the subpoena to the same extent as witnesses may be compelled to obey the subpoenas of the Court.

“(d) The Commissioner may administer oaths to witnesses summoned in any investigation or examination as set forth in subsection (a) of this section.

New  
§ 22-3225.12

“Sec. 125l. Annual anti-fraud activity reporting requirement.

“Each insurer and health maintenance organization licensed in the District shall file an annual anti-fraud activity report on March 31<sup>st</sup> of each year with the Commissioner, which shall contain information about the special investigation unit’s insurance fraud activities during the preceding calendar year. Annual anti-fraud activity reports filed with the Commissioner shall be kept confidential and shall not be subject to the disclosure requirements of the Freedom of Information Act of 1976, effective March 29, 1977 (D.C. Law 1-96, D.C. Official Code § 2-531 *et seq.*).

New  
§ 22-3225.13

“125m. Immunity.

“No person shall be subject to civil liability or criminal prosecution for reporting any suspected insurance fraud if:

“(1) The report was made to:

“(A) The Department of Insurance and Securities Regulation, the Metropolitan Police Department, or any other law enforcement authority; or

“(B) Any insurer, insurance agent, or other person who collects, reviews, or analyzes information concerning insurance fraud; and

“(2) The person or entity reporting the suspected fraud acted without malice when making the report.”.

Sec. 3. Fiscal impact statement.

The Council adopts the fiscal impact statement in the committee report as the fiscal impact statement required by section 602(c)(3) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code §1-206.02(c)(3)).

Sec. 4. Effective date.

This act shall take effect following approval by the Mayor (or in the event of veto by the Mayor, action by the Council to override the veto), a 60-day period of Congressional review as provided in section 602(c)(2) of the District of Columbia Home Rule Act, approved December

**ENROLLED ORIGINAL**

24, 1973 (87 Stat. 813; D.C. Official Code §1-206.02(c)(2)), and publication in the District of Columbia Register.

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Chairman  
Council of the District of Columbia

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Mayor  
District of Columbia