

One Hundred Second Legislature - First Session - 2011

Introducer's Statement of Intent

LB478

Chairperson: Senator Rich Pahls

Committee: Banking, Commerce and Insurance

Date of Hearing: February 22, 2011

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

Motor vehicle insurance fraud is an area in which Nebraska consumers may be vulnerable given evidence of increased unethical and fraudulent activities of medical providers engaging in solicitation of accident victims. Most notable is the utilization of runners and/or cappers accessing accident reports used for overzealous telemarketing and solicitation of victims for potentially unnecessary treatment.

The risk to Nebraska consumers arises when victims of accidents are solicited to visit practitioners for a free evaluation, which is oftentimes followed by a succession of follow-up visits paid for by property and casualty insurance coverage. These services may drain bodily injury benefits as well as other coverage.

LB 478 would adopt the Nebraska Insurance Claims Fraud Prevention Act and prohibit practitioners from compensating or give anything of value to a person or organization to recommend or secure his employment by a client, patient, or customer if such practitioners intent is to obtain benefits under a contract of insurance or to assert a claim against an insured or an insurer for providing services to the client, patient, or customer. Furthermore, it would be unlawful for a practitioner, whether directly or through a paid intermediary, to solicit for financial gain a client, patient, or customer within thirty (30) days of a motor vehicle accident with the intent to seek benefits under a contract of insurance or to assert a claim against an insured, a governmental entity or and insurer on behalf of any person arising out of the accident occurrence.

Principal Introducer: _____

Senator Beau McCoy