

**304.47-050 Reports of possible fraudulent insurance acts -- Investigation --
Notification of prosecutor -- Immunity from civil liability.**

- (1) Any person, other than those specified in subsection (2) of this section, having knowledge or believing that a fraudulent insurance act or any other act or practice which, upon conviction, constitutes a felony or misdemeanor under the subtitle is being or has been committed may send to the division a report of information pertinent to this knowledge of or belief and any additional relevant information the commissioner may request.
- (2) The following individuals having knowledge or believing that a fraudulent insurance act or any other act or practice which may constitute a felony or misdemeanor under this subtitle is being or has been committed shall send to the division a report or information pertinent to the knowledge or belief and additional relevant information that the commissioner or the commissioner's employees or agents may require:
 - (a) Any professional practitioner licensed or regulated by the Commonwealth, except as provided by law;
 - (b) Any private medical review committee;
 - (c) Any insurer, agent, or other person licensed under this chapter; and
 - (d) Any employee of the persons named in paragraphs (a) to (c) of this subsection.
- (3) The division or its employees or agents shall review this information or these reports and select the information or reports that, in the judgment of the division, may require further investigation. The division shall then cause an investigation of the facts surrounding the information or report to be made to determine the extent, if any, to which a fraudulent insurance act or any other act or practice which, upon conviction, constitutes a felony or misdemeanor under this subtitle is being committed.
- (4) The Department of Workers' Claims shall provide the division access to all relevant information the commissioner may request.
- (5) The division shall report any alleged violations of law which the investigations disclose to the appropriate licensing agency and the Commonwealth's attorney, Attorney General, or other prosecuting agency having jurisdiction with respect to a violation. If prosecution by the Commonwealth's attorney, Attorney General, or other prosecuting agency is not begun within sixty (60) days of the report, the prosecuting attorney shall inform the division of the reasons for the lack of prosecution. In addition to filing a report with the appropriate prosecuting agency, the commissioner may, through the Attorney General, prosecute violations of this subtitle in the Circuit Court of the county in which the alleged wrongdoer resides or has his or her principal place of business, in the Circuit Court of the county in which the fraudulent insurance act has been committed, or, with consent of the parties, in the Franklin Circuit Court.
- (6) Notwithstanding the provisions of subsections (1) to (5) of this section, any person having knowledge or believing that a fraudulent insurance act or any other act that may be prohibited under this subtitle is being or has been committed, may notify

any law enforcement agency of his or her knowledge or belief and provide information relevant to the act, as may be requested by that agency, including, but not limited to, insurance policy information including the application for insurance, policy premium payment records, history of previous claims made by the insured, and other information relating to the investigation of the claim, including statements of any person, proofs of loss, and notice of loss. Reporting to any other agency does not relieve those listed in subsection (2) of this section of their mandatory duty to report to the division.

- (7) If the information referred to in this section is specifically requested by the division, any other law enforcement agency, or a prosecuting attorney, the insurer shall provide certified copies of the requested information within ten (10) business days of the request or as soon thereafter as reasonable.
- (8) In the absence of malice, fraud, or gross negligence, no insurer or agent authorized by an insurer to act on its behalf, law enforcement agency, the Department of Workers' Claims, their respective employees, or an insured shall be subject to any civil liability for libel, slander, or related cause of action by virtue of filing reports or for releasing or receiving any information pursuant to this subsection.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 24, sec. 1586, effective July 15, 2010. -- Amended 2000 Ky. Acts ch. 253, sec. 6, effective July 14, 2000; and ch. 262, sec. 32, effective July 14, 2000. -- Amended 1998 Ky. Acts ch. 213, sec. 9, effective July 15, 1998. -- Amended 1996 (1st Extra. Sess.) Ky. Acts ch. 1, sec. 88, effective December 12, 1996. -- Created 1994 Ky. Acts ch. 496, sec. 21, effective July 15, 1994.

Legislative Research Commission Note (12/12/96). Under KRS 7.136(1)(e), existing internal subsection references in subsections (6) and (7) of this statute have been adjusted to reflect the insertion of the new subsection (4) in this statute by 1996 (1st Extra. Sess.) Ky. Acts ch. 1, sec. 88 and the resulting renumbering of succeeding subsections.