

Existing law defines certain acts or omissions committed knowingly with intent to defraud as fraudulent insurance acts. Makes such an act or omission a felony, subject to a term of imprisonment, with or without hard labor, not to exceed five years or a fine not to exceed \$5,000, or both, on each count. Also requires payment of restitution to the victim company of any insurance payments to the defendant that the court determines was not owed and the costs incurred by the victim company associated with the evaluation and defense of the fraudulent claim, including but not limited to the investigative costs, attorney fees, and court costs. Provides, however, that if the benefit pursued does not exceed \$1,000, the term of imprisonment shall not exceed six months, or the fine shall not exceed \$1,000, or both, on each count. Further specifies that the criminal provisions of existing law shall be investigated, enforced, or prosecuted only by the proper law enforcement and prosecutorial agencies.

New law additionally defines as a fraudulent insurance act the act of presenting, causing to be presented, or preparing with the knowledge or belief that it will be presented to a self-insured governmental entity any oral or written statement which a person knows to contain materially false information as part of, in support of, denial of, or concerning any fact material to or conceals any information concerning any fact material to any claim for payment under such self-insured governmental agency's loss fund or risk pool. Defines a "self-insured governmental entity" as any agency of the state, political subdivision of the state, or agency thereof, or consortium of governmental entities that maintain a self-insured loss fund or risk pool.

Effective upon signature of governor (June 7, 2011).

(Amends R.S. 22:1923(intro. para.); Adds R.S. 22:1923(1)(j))