

HOUSE BILL 532

C4

71r0359

By: **Delegate Davis**

Introduced and read first time: February 7, 2007

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Automobile Insurance Fraud Act**

3 FOR the purpose of prohibiting certain persons from employing or acting as a runner
4 with the intent to falsely or fraudulently certain benefits under a contract of
5 insurance or assert a certain claim against an insured or an insurer for
6 providing certain services; prohibiting certain persons, for a certain period of
7 time after the date of a motor vehicle accident, from inspecting or obtaining a
8 copy of a motor vehicle accident report from a certain law enforcement agency
9 under certain circumstances; authorizing certain persons to inspect or obtain a
10 copy of certain motor vehicle accident reports at any time; requiring the
11 production of certain identification for inspection and photocopying and the
12 provision of a certain statement under certain circumstances; requiring certain
13 law enforcement agencies to maintain certain copies of certain identification
14 and statements for a certain period of time; providing certain penalties for a
15 violation this Act; defining certain terms; and generally relating to automobile
16 insurance fraud.

17 BY adding to

18 Article – Insurance

19 Section 27-4A-01 through 27-4A-04 to be under the new subtitle “Subtitle 4A.

20 Maryland Automobile Insurance Fraud Act”

21 Annotated Code of Maryland

22 (2006 Replacement Volume and 2006 Supplement)

23 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
24 MARYLAND, That the Laws of Maryland read as follows:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **Article – Insurance**

2 **SUBTITLE 4A. MARYLAND AUTOMOBILE INSURANCE FRAUD ACT.**

3 **27-4A-01.**

4 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
5 INDICATED.

6 (B) “LAW ENFORCEMENT AGENCY” MEANS A POLICE DEPARTMENT OF
7 THE STATE, A COUNTY, OR A MUNICIPAL CORPORATION IN THE STATE.

8 (C) “MEDIA” MEANS A TELEPHONE DIRECTORY, PROFESSIONAL
9 DIRECTORY, NEWSPAPER, PERIODICAL, RADIO, TELEVISION, BILLBOARD, MAIL,
10 OR ELECTRONIC TRANSMISSION THAT DOES NOT INVOLVE IN-PERSON CONTACT
11 WITH A SPECIFIC PROSPECTIVE CLIENT, PATIENT, OR CUSTOMER.

12 (D) (1) “PRACTITIONER” MEANS AN ATTORNEY, HEALTH CARE
13 PROFESSIONAL, OR OWNER OF A HEALTH CARE PRACTICE OR FACILITY.

14 (2) “PRACTITIONER” INCLUDES A PERSON EMPLOYED OR ACTING
15 ON BEHALF OF AN ATTORNEY, HEALTH CARE PROFESSIONAL, OR OWNER OF A
16 HEALTH CARE PRACTICE OR FACILITY.

17 (E) (1) “RUNNER” MEANS A PERSON WHO RECEIVES A DIRECT OR
18 INDIRECT PECUNIARY BENEFIT FOR PROCURING OR ATTEMPTING TO PROCURE
19 A CLIENT, PATIENT, OR CUSTOMER AT THE DIRECTION OR REQUEST OF, OR IN
20 COOPERATION WITH, A PRACTITIONER WHOSE INTENT IS TO OBTAIN BENEFITS
21 UNDER A CONTRACT OF INSURANCE OR TO ASSERT A CLAIM AGAINST AN
22 INSURED OR AN INSURER FOR PROVIDING SERVICES TO A CLIENT, PATIENT, OR
23 CUSTOMER.

24 (2) “RUNNER” DOES NOT INCLUDE A PERSON WHO PROCURES A
25 CLIENT, PATIENT, OR CUSTOMER THROUGH THE USE OF MEDIA.

26 **27-4A-02.**

27 (A) A PRACTITIONER MAY NOT EMPLOY A RUNNER WITH THE INTENT TO
28 FALSELY OR FRAUDULENTLY:

1 (1) OBTAIN BENEFITS UNDER A CONTRACT OF INSURANCE; OR

2 (2) ASSERT A CLAIM AGAINST AN INSURED OR AN INSURER FOR
3 PROVIDING SERVICES TO A CLIENT, PATIENT, OR CUSTOMER.

4 (B) A PERSON MAY NOT ACT AS A RUNNER FOR A PRACTITIONER WITH
5 THE INTENT TO FALSELY OR FRAUDULENTLY:

6 (1) OBTAIN BENEFITS UNDER A CONTRACT OF INSURANCE; OR

7 (2) ASSERT A CLAIM AGAINST AN INSURED OR AN INSURER FOR
8 PROVIDING SERVICES TO A CLIENT, PATIENT, OR CUSTOMER.

9 **27-4A-03.**

10 (A) A PERSON MAY NOT, FOR A PERIOD OF 60 DAYS AFTER THE DATE OF
11 A MOTOR VEHICLE ACCIDENT, INSPECT OR OBTAIN A COPY OF A MOTOR
12 VEHICLE ACCIDENT REPORT FROM A LAW ENFORCEMENT AGENCY IF THE
13 PERSON DOES NOT HAVE AN EXISTING FAMILIAL OR PROFESSIONAL
14 RELATIONSHIP WITH A PARTY TO THE MOTOR VEHICLE ACCIDENT.

15 (B) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, A PERSON
16 WITH AN EXISTING FAMILIAL OR PROFESSIONAL RELATIONSHIP WITH A PARTY
17 TO A MOTOR VEHICLE ACCIDENT MAY INSPECT OR OBTAIN, AT ANY TIME, A COPY
18 OF THE MOTOR VEHICLE ACCIDENT REPORT IN WHICH THE PARTY IS INVOLVED.

19 (2) BEFORE INSPECTING OR OBTAINING A COPY OF THE REPORT,
20 THE PERSON SHALL:

21 (I) PRODUCE FOR INSPECTION AND PHOTOCOPYING A
22 GOVERNMENT-ISSUED PHOTO IDENTIFICATION; AND

23 (II) PROVIDE A SIGNED STATEMENT THAT:

24 1. IDENTIFIES THE REQUESTED REPORT;

25 2. INCLUDES THE PRINTED NAME OF THE
26 REQUESTOR; AND

1 **3. ATTESTS THAT THE REQUESTOR IS NOT**
2 **PROHIBITED BY THIS SECTION FROM INSPECTING OR OBTAINING THE REPORT.**

3 **(3) FOR EACH REQUEST TO INSPECT OR OBTAIN A COPY OF A**
4 **MOTOR VEHICLE ACCIDENT REPORT MADE UNDER THIS SECTION, A LAW**
5 **ENFORCEMENT AGENCY SHALL MAINTAIN FOR 1 YEAR A COPY OF EACH**
6 **REQUESTOR'S PHOTO IDENTIFICATION AND THE STATEMENT REQUIRED UNDER**
7 **PARAGRAPH (2)(II) OF THIS SUBSECTION.**

8 **27-4A-04.**

9 **A PERSON WHO VIOLATES A PROVISION OF THIS SUBTITLE IS GUILTY OF A**
10 **MISDEMEANOR AND ON CONVICTION IS SUBJECT TO IMPRISONMENT NOT**
11 **EXCEEDING 1 YEAR OR A FINE NOT EXCEEDING \$1,000 OR BOTH.**

12 **SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect**
13 **October 1, 2007.**