

Amend SB 418 as follows:

(1) On page 11, insert the following between lines 11 and 12 and renumber subsequent sections accordingly:

(g) A claim by a physician, provider or institutional provider is not a clean claim if the insurer reasonably and in good faith believes that it might have been submitted fraudulently. An insurer may take appropriate measures to detect, investigate, prevent payment of, and report as required by law, claims that an insurer in good faith reasonably suspects may be fraudulent in nature. Claims that in good faith of the insurer fall under reasonable suspicion of having been submitted fraudulently are not subject to the other provisions of this section 3C and must be treated in accordance with the insurer's established anti-fraud procedures and with state and/or federal laws and regulations pertaining to the investigation and reporting of suspected insurance fraud.

(2) On page 26 insert the following between lines 19 and 20:

(h) A claim by a physician, provider or institutional provider is not a clean claim if the health maintenance organization reasonably and in good faith believes that it might have been submitted fraudulently. A health maintenance organization may take appropriate measures to detect, investigate prevent payment of, and report as required by law, claims that an insurer in good faith reasonably suspects may be fraudulent in nature. Claims that in good faith of the health maintenance organization fall under reasonable suspicion of having been submitted fraudulently are not subject to the other provisions of this chapter and must be treated in accordance with the insurer's established anti-fraud procedures and with state and/or federal laws and regulations pertaining to the investigation and reporting of suspected insurance fraud.