

By: Thompson

H.B. No. 1838

A BILL TO BE ENTITLED

AN ACT

relating to the control of health insurance fraud.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Title 7, Chapter 35, Penal Code, Section 35.02 is amended by adding subsection (e) as follows:

Sec. 35.02. INSURANCE FRAUD.

(a) A person commits an offense if, with intent to defraud or deceive an insurer, the person causes to be prepared or presents to an insurer in support of a claim for payment under a health or property and casualty insurance policy a statement that the person knows contains false or misleading information concerning a matter that is material to the claim, and the matter affects a person's right to a payment or the amount of payment to which a person is entitled.

(b) A person commits an offense if, with intent to defraud or deceive an insurer, the person solicits, offers, pays, or receives a benefit in connection with the furnishing of health care goods or services for which a claim for payment is submitted under a health or property and casualty insurance policy.

(c) For purposes of Subsection (a), information concerning a matter that is material to a claim for payment under an insurance policy includes information concerning:

(1) whether health care goods or services were provided;

1 (2) whether health care goods or services were
2 medically necessary under professionally accepted standards;

3 (3) the nature of the health care goods or services
4 provided;

5 (4) the date on which health care goods or services
6 were provided;

7 (5) the medical record of goods or services provided;

8 (6) the condition treated or diagnosis made;

9 (7) the identity and applicable license of the
10 provider or the recipient of health care goods or services;

11 (8) whether property was damaged or lost in the manner
12 and under the circumstances described in a statement related to a
13 claim for insurance payment; or

14 (9) whether any other claim for insurance payment has
15 been communicated to any other insurer concerning property damage
16 or loss to the same property.

17 (d) An offense under this section is:

18 (1) a Class C misdemeanor if the value of the claim is
19 less than \$20;

20 (2) a Class B misdemeanor if the value of the claim is
21 \$20 or more but less than \$500;

22 (3) a Class A misdemeanor if the value of the claim is
23 \$500 or more but less than \$1,500;

24 (4) a state jail felony if the value of the claim is
25 \$1,500 or more but less than \$20,000;

26 (5) a felony of the third degree if the value of the
27 claim is \$20,000 or more but less than \$100,000;

1 (6) a felony of the second degree if the value of the
2 claim is \$100,000 or more but less than \$200,000; or

3 (7) a felony of the first degree if:

4 (A) the value of the claim is \$200,000 or more; or

5 (B) the value of the claim is less than \$200,000
6 and the commission of the offense placed a person at risk of death
7 or serious bodily injury.

8 (e) In addition to the penalties imposed under Subsection
9 (d) of this Section, a person convicted of insurance fraud shall be
10 ordered to pay restitution to an insurer, including any court costs
11 and attorney fees.

12 SECTION 2. This Act takes effect September 1, 2003.