

59A-16C-10.INSURER ANTI-FRAUD INITIATIVES; SPECIAL INVESTIGATION UNITS

A. Within six months of the effective date of the Insurance Fraud Act [[59A-16C-1](#) to [59A-16C-16](#) NMSA 1978] and by July 1 of each succeeding year every insurer who in the previous calendar year reported ten million dollars (\$10,000,000) or more in direct written premiums in New Mexico shall establish, prepare, implement and submit to the superintendent an anti-fraud plan that is reasonably calculated to detect, prosecute and prevent insurance fraud. Any subsequent amendments to the plan shall be submitted to the superintendent at the time they are adopted.

B. Each insurer's anti-fraud plan shall outline, at a minimum, guidelines appropriate to the type of insurance the insurer writes, to:

- (1) prevent, detect and investigate all forms of insurance fraud;
- (2) educate appropriate employees on fraud detection and the insurer's anti-fraud plan;
- (3) provide for the hiring or contracting of fraud investigators;
- (4) report insurance fraud to appropriate law enforcement and regulatory authorities; and
- (5) pursue restitution, where appropriate, for financial loss caused by insurance fraud.

C. The superintendent may review each insurer's anti-fraud plan to determine if it adequately complies with the requirements of this section. The superintendent may examine the insurer to assure its compliance with anti-fraud plans submitted to the superintendent. The superintendent may require reasonable modifications to the insurer's anti- fraud plan or may require other reasonable remedial action if the review or examination reveals substantial noncompliance with the plan.

D. The superintendent may require each insurer to file a summary of the insurer's anti-fraud activities and results. Anti-fraud plans and summaries submitted to the superintendent shall be privileged and confidential, shall not be a public record and shall not be subject to discovery or subpoena in any civil or criminal action; provided, however, that the superintendent may make summaries of aggregate data available to the public.

E. This section confers no private right of action.