

By: Senator(s) Carmichael

To: Insurance; Judiciary,
Division A

SENATE BILL NO. 2869

1 AN ACT TO AMEND SECTION 7-5-307, MISSISSIPPI CODE OF 1972, TO
2 PROVIDE THAT INSURERS AND OTHER PERSONS ACTING WITHOUT MALICE,
3 FRAUDULENT INTENT OR BAD FAITH SHALL NOT BE SUBJECT TO CIVIL
4 LIABILITY FOR REPORTING INSURANCE FRAUD; AND FOR RELATED PURPOSES.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

6 **SECTION 1.** Section 7-5-307, Mississippi Code of 1972, is
7 amended as follows:

8 7-5-307. (1) If any workers' compensation provider, health
9 insurance provider, employee of the Workers' Compensation
10 Commission or other person or entity has a belief or has any
11 information that a false or misleading statement or representation
12 or fraud or fraudulent denial has been made in connection with or
13 relating to a workers' compensation claim or in connection with or
14 relating to any insurance claim in relation to an insurance plan
15 as defined in Section 7-5-303, such person or entity may report
16 such belief to the Insurance Integrity Enforcement Bureau, furnish
17 any information which may be pertinent and cooperate in an
18 investigation conducted by the bureau. Investigators for the
19 Insurance Integrity Enforcement Bureau are authorized law



20 enforcement officers and they are authorized to investigate and
21 exercise such powers as are granted to other authorized law
22 enforcement officers; however, the Insurance Integrity Enforcement
23 Bureau and its investigators and personnel shall not have any
24 authority to impede, interfere with or control the operations and
25 functions of the Mississippi Workers' Compensation Commission.

26 (2) Prosecutions for violations under Sections 7-5-301
27 through 7-5-311 or for violations of any other criminal law
28 arising from cases of insurance fraud, may be instituted by the
29 Attorney General, his designee or the district attorney of the
30 district in which the violation occurred, and shall be conducted
31 in the name of the State of Mississippi. In the prosecution of
32 any criminal proceeding in accordance with this subsection by the
33 Attorney General, or his designee, and in any proceeding before a
34 grand jury in connection therewith, the Attorney General, or his
35 designee, shall exercise all the powers and perform all the duties
36 which the district attorney would otherwise be authorized or
37 required to exercise or perform. The Attorney General, or his
38 designee, shall have the authority to issue and serve subpoenas in
39 the investigation of any matter which may violate Sections 7-5-301
40 through 7-5-311 or any matter relating to insurance fraud which
41 may violate any criminal law.

42 (3) No insurer, employees or agents of any insurer, or any
43 other person acting without malice, fraudulent intent or bad faith
44 shall be subject to civil liability for libel, slander or any



45 other similar tort, and no civil cause of action of any nature
46 shall exist against such person or entity by virtue of the filing
47 of reports or furnishing other information, either orally,
48 electronically or in writing, concerning suspected, anticipated or
49 completed acts which are or may be violations of Sections 7-5-301
50 through 7-5-311, or for violations of any other criminal act
51 arising from cases of insurance fraud, when such reports or
52 information are provided to:

53 (a) The Insurance Integrity Enforcement Bureau or other
54 law enforcement officials, their agents and employees; or

55 (b) The National Association of Insurance
56 Commissioners, the Mississippi Insurance Department, a federal or
57 state agency or bureau established to detect and prevent
58 fraudulent insurance acts, or any other organization established
59 for the same purpose, their agents, employees or designees.

60 (* * *4) The Attorney General, or his designee, shall
61 notify the Workers' Compensation Commission when the Insurance
62 Integrity Enforcement Bureau opens or closes or otherwise disposes
63 of an investigative file relating to workers' compensation fraud.
64 Such notification shall be confidential and shall not be subject
65 to release to any third party except as otherwise provided by law.
66 After such notification, it is solely within the discretion of the
67 Mississippi Workers' Compensation Commission whether to modify or
68 alter the proceedings in any such workers' compensation claims
69 from the normal course of proceedings.



70 (* * *5) On or before January 1 of each year, the Insurance
71 Integrity Enforcement Bureau shall file a report with the Senate
72 and House of Representatives Insurance Committees detailing its
73 work during the preceding calendar year and shall include the
74 following:

75 (a) The number and types of cases or complaints
76 reported to the bureau;

77 (b) The number and types of cases assigned for
78 investigation;

79 (c) The number of criminal warrants issued and the
80 types of cases;

81 (d) The number and types of cases referred to a
82 district attorney for prosecution;

83 (e) The number and types of cases retained by the
84 Attorney General for prosecution;

85 (f) The number and types of cases closed without
86 prosecution;

87 (g) The number and types of cases closed by the
88 district attorney without prosecution;

89 (h) The number and types of cases pending; and

90 (i) The amount of actual expenses of the bureau during
91 the preceding year classified by the types of cases.

92 (* * *6) The jurisdiction of the Insurance Integrity
93 Enforcement Bureau shall not infringe upon any matters under the



94 jurisdiction of the Medicaid Fraud Control Unit created in Section
95 43-13-201 et seq.

96 **SECTION 2.** This act shall take effect and be in force from
97 and after July 1, 2017.

