LB 478

LEGISLATION OF NEBRASKA
ONE HUNDRED SECOND LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 478

Introduced by McCoy, 39.
Read first time January 18, 2011
Committee: Banking, Commerce and Insurance

A BILL

1 FOR AN ACT relating to insurance; to adopt the Nebraska Insurance
2 Claims Fraud Prevention Act.
3 Be it enacted by the people of the State of Nebraska,
Section 1. Sections 1 to 3 of this act shall be known and may be cited as the Nebraska Insurance Claims Fraud Prevention Act.

Sec. 2. For purposes of the Nebraska Insurance Claims Fraud Prevention Act:

(1) Capper, runner, or steerer means a person who receives a financial benefit from a practitioner, whether directly or indirectly, for procuring or attempting to procure a client, patient, or customer at the direction or request of or in cooperation with a practitioner in violation of the act. Capper, runner, or steerer does not include a practitioner who procures a client, patient, or customer through the use of public media;

(2) Practitioner means a health care provider, the owner of a health care practice or facility, or any person employed or acting on behalf of such persons; and

(3) Public media means a telephone directory, professional directory, newspaper or other periodical, radio or television, a health fair, an informational booth, or other public marketing display, and written communications mailed or sent electronically that do not involve in-person contact with a prospective client, patient, or customer.

Sec. 3. (1) It shall be unlawful for a practitioner, directly or through a paid intermediary, to solicit a client, patient, or customer for financial benefit within thirty days after a motor vehicle accident involving the client, patient, or customer with the intent to seek benefits under a contract of insurance or to
assert a claim against the client, patient, or customer, any other insured involved in the motor vehicle accident, or a governmental entity or an insurer on behalf of the client, patient, or customer. Violation of this subsection is punishable by a fine not to exceed one thousand dollars for each violation. Such fine shall be collected by the Department of Insurance.

(2) It shall be unlawful for a practitioner to compensate or give anything of value to a person to obtain a recommendation from such person or to secure his or her employment by a client, patient, or customer if the practitioner's intent is to seek benefits under a contract of insurance or to assert a claim against the client, patient, or customer or a governmental entity or an insurer on behalf of the client, patient, or customer. Violation of this subsection is punishable by a fine not to exceed one thousand dollars for each violation. Such fine shall be collected by the Department of Insurance. This subsection does not prevent a practitioner from procuring a client, patient, or customer through the use of public media.

(3) It shall be unlawful for any person in an individual capacity, as a public or private employee, or as an agent for any association, partnership, firm, or corporation to act as a capper, runner, or steerer for a practitioner. Violation of this subsection is punishable by a fine not to exceed one thousand dollars for each violation. Such fine shall be collected by the Department of Insurance. This subsection does not prohibit an attorney or a health
care provider from making a referral and receiving compensation as is permitted under the applicable code of conduct.

(4) All money collected by the department pursuant to this section shall be remitted to the State Treasurer for distribution in accordance with Article VII, section 5, of the Constitution of Nebraska.