



STATE OF WEST VIRGINIA
Offices of the Insurance Commissioner

James A. Dodrill
Insurance Commissioner

NOVEMBER 2019

WEST VIRGINIA INFORMATIONAL LETTER

NO. 206

TO: All Insurance Companies, Insurance Agencies/Brokerages, Individual Insurance Producers and all Persons engaged in the business of insurance in the State of West Virginia

RE: Mandatory Reporting of Known or Suspected Insurance Fraud & Related Criminal Activity; Potential Consequences for Failure to Report

The *West Virginia Insurance Fraud Prevention Act* mandates the reporting of insurance fraud or criminal offenses otherwise related to the business of insurance. The Act is located at Chapter 33, Article 41 of the *West Virginia Code*, as amended, and provides that “[any] person engaged in the business of insurance having **knowledge or a reasonable belief that fraud or another crime related to the business of insurance** is being, will be or has been committed **shall provide to the commissioner the information** required by...the commissioner.” *Code* § 33-41-5(a) (Emphasis supplied).

Pursuant to *Code* § 33-41-5(b), the Commissioner previously designated a form to be utilized for reporting suspected insurance fraud or other crimes related to the business of insurance. The form can be found on the home page of the Insurance Commissioner’s website at www.wvinsurance.gov, under Popular Forms and Documents. Regardless of whether this form is used, ***all insurance companies, domestic or foreign, all insurance agencies/brokerages, individual insurance agents, adjusters or other producers, and anyone else engaged in the business of insurance in West Virginia are required by West Virginia law to report known or suspected fraud or other criminal activity related to the business of insurance to the Insurance Commissioner.*** There are no exceptions nor reasons to refrain from reporting if fraud or criminal activity is known or suspected. Known or suspected fraud or other insurance-related criminal activity can also be reported using the NAIC’s online fraud reporting system at <https://eapps.naic.org/ofrs/>.

All domestic or foreign insurance companies, all insurance agencies/brokerages, individual insurance agents, adjusters or other producers, and anyone else engaged in the business of insurance in West Virginia are reminded that ***failure to comply with mandatory fraud and insurance-related criminal activity reporting requirements could subject the offending company and/or individual to license suspension or revocation,*** or to other action by the Commissioner as authorized by law. All who are in any way engaged in the business of insurance in West Virginia are strongly encouraged



to become thoroughly familiar with the *West Virginia Fraud Prevention Act*, not only to ensure compliance with its provisions, but also to more effectively assist in West Virginia's antifraud efforts. Additional prior guidance concerning the *Act* can be found in *Informational Letter 154*.

To contact the Commissioner's Fraud Division, please call 304-558-5241 or, toll free, at 1-800-779-6853.



James A. Dodrill
Insurance Commissioner