

## CHAPTER 904

## S.B. No. 208

## AN ACT

relating to the offense of insurance claim fraud; providing a criminal penalty.

*Be it enacted by the Legislature of the State of Texas:*

SECTION 1. Subchapter D, Chapter 32, Penal Code, is amended by adding Section 32.55 to read as follows:

*Sec. 32.55. INSURANCE CLAIM FRAUD. (a) A person commits an offense if the person, with intent to injure, defraud, or deceive an insurer, causes to be prepared or presents to an insurer in support of a claim for payment under a health insurance policy a statement that the person knows:*

*(1) contains false or misleading information concerning a matter that is material to the claim; or*

*(2) conceals or fails to disclose a material fact that affects:*

*(A) a person's right to a payment; or*

*(B) the amount of a payment to which a person is entitled.*

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

*(c) For the purposes of Subsection (a) of this section, 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 medically necessary under professionally accepted standards;*

*(2) whether health care goods or services were provided;*

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

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

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

*(6) the condition treated or diagnosis made; or*

*(7) the identity of the provider or the recipient of health care goods or services.*

*(d) Except as provided by Subsection (e) of this section, an offense under this section is:*

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

*(2) a Class B misdemeanor if:*

*(A) the value of the claim is \$20 or more but less than \$200; or*

*(B) the value of the claim is less than \$20 and the actor has been previously convicted of a misdemeanor under this section;*

*(3) a Class A misdemeanor if the value of the claim is \$200 or more but less than \$750;*

*(4) a felony of the third degree if:*

*(A) the value of the claim is \$750 or more but less than \$20,000; or*

*(B) the value of the claim is less than \$750 and the actor has been previously convicted of a misdemeanor two or more times under this section;*

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

*(6) a felony of the first degree if:*

*(A) the value of the claim is \$100,000 or more;*

*(B) the value of the claim is less than \$100,000 and the actor has been previously convicted of a felony under this section; or*

*(C) the value of the claim is less than \$100,000 and the commission of the offense placed a person at risk of death or serious bodily injury.*

*(e) An offense under this section is, if the actor is a health care practitioner:*

*(1) a felony of the third degree if the value of the claim is less than \$20,000;*

*(2) a felony of the second degree if the value of the claim is \$20,000 or more but less than \$100,000; or*

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

*(A) the value of the claim is \$100,000 or more;*

*(B) the value of the claim is less than \$100,000 and the actor has been previously convicted of an offense under this section; or*

*(C) the value of the claim is less than \$100,000 and the commission of the offense placed a person at risk of death or serious bodily injury.*

*(f) In this section:*

*(1) "Insurer" means any person who does business as an insurer in this state, including an insurer that is not authorized to do business in this state. The term includes a health maintenance organization, a company subject to Chapter 20, Insurance Code, and an organization that is self-insured and that provides health care benefits to its employees.*

*(2) "Health care practitioner" means a person who renders or causes to be rendered health care or mental health care services and who is entitled to payment under a health insurance policy. The term includes:*

*(A) any person who may be selected by an insured or a beneficiary under Article 21.52, Insurance Code; and*

*(B) an officer, employee, or agent of an organization that renders health care or mental health care services.*

*(3) "Statement" means any written representation of fact, including a notice, proof of loss, bill of lading, receipt for payment, invoice, account, estimate of property damages, bill for services, diagnosis, prescription, medical record, X-ray, test result, or other evidence of loss, injury, or expense. A statement may be computer-generated.*

SECTION 2. The change in law made by Section 32.55, Penal Code, as added by this Act, applies only to the punishment for an offense committed on or after the effective date of this Act. For the purpose of this section, an offense is committed before the effective date of this Act if any element of the offense occurs before the effective date. An offense committed before the effective date of this Act is covered by the law in effect when the offense was committed, and the former law is continued in effect for this purpose.

SECTION 3. This Act takes effect September 1, 1993.

SECTION 4. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

Passed the Senate on March 25, 1993, by a viva-voce vote; the Senate concurred in House amendment on May 23, 1993, by a viva-voce vote; passed the House, with amendment, on May 21, 1993, by a non-record vote.

Approved June 19, 1993.

Effective Sept. 1, 1993.