

Appendix K

CAR SIU File Review Process Section 1 - MAIP Policies

The following procedures will replace the SIU Review process contained in Appendix L Claims Review process contained in Appendix L effective November 13, 2009:

ARCs are required by MGL, c. 175, § 113 H and Rule 30 to maintain a Special Investigative Unit to investigate suspicious or questionable motor vehicle insurance claims for the purpose of eliminating fraud. Rule 32 C. requires that special investigative units investigate claims on any policies that are issued through MAIP and on policies issued on a voluntary basis by ARCs. An SIU must have at least one full time employee whose responsibility is principally directed towards the recognition and investigation of fraud.

ARCs will continue to report SIU activity - assignments, denials, compromises, and savings to CAR on a quarterly basis along with their log identifying those cases. During the triennial audit a sample of cases selected from the SIU log will be reviewed to determine the effectiveness of the Carriers' fraud screening and quality of the SIU investigations.

Definitions

SIU: Special Investigations may be performed by SIU personnel or other personnel trained to handle suspicious claims using activity checks, surveillance, accident reconstruction, statements or examinations under oath. Special investigations also include third party expert analysis of documents associated with suspicious claims. Liability investigations are not considered to be special investigations.