



October 16, 2023

The Honorables Anne Carney and Matt Moonen and Members of the Joint Committee
Joint Committee on Judiciary
Maine Legislature

RE: L.D. 1902 (H.P. 1217) – My Health Data Act

Dear Chairs Careny, Moonen, and Members of the Joint Committee:

I am writing to address concerns with Legislative Document 1902 (H.P. 1217), as amended, regarding consumer health data protection. As written, the bill would pose serious hardships on the ability of our organization, the National Insurance Crime Bureau (“NICB”) to combat insurance fraud.

Organization and Business Purpose

Headquartered in Des Plaines, Illinois, and with a 110-year history, the NICB is the nation’s premier not-for-profit organization exclusively dedicated to leading a united effort to prevent insurance crime and fraud through intelligence-driven operations. NICB is primarily funded by assessments on our nearly 1,200-member property-casualty insurance companies, car rental companies, and other strategic partners.

NICB sits at the intersection between the insurance industry and law enforcement, helping to identify, prevent, and deter fraudulent insurance claims. NICB’s approximately 400 employees work with law enforcement entities, government agencies, prosecutors, and international crime-fighting organizations in pursuit of its mission.

NICB maintains operations in every state around the country, including in Maine where NICB is an unmatched and trusted partner in the fight against insurance fraud. NICB analysts and agents work daily with state and local Maine law enforcement and regulatory agencies to provide assistance in all manner of cases. NICB maintains close agency relationships that can directly speak to NICB’s value, including: the Bureau of Insurance, Office of the Attorney General, Division of Insurance, Maine State Police, Bureau of Motor Vehicles, federal agencies, including the Federal Bureau of Investigations, Portland Police Department, and many other local police and prosecuting agencies.

Maine’s Insurance Fraud Reporting Requirements

Recognizing the adverse impact of insurance crime on the citizens of Maine, the legislature enacted laws requiring Maine insurers to report suspected fraudulent claims to the Bureau of Insurance.¹ The vast majority of suspected fraud cases are reported to NICB through NICB’s Fraud Bureau Reporting Program. In partnership with the National Association of Insurance Commissioners, that information is made available to Maine’s Bureau of Insurance. Recognizing the critical nature of information

¹ 24-A M.R.S. § 2186; 25 M.R.S. § 2412.

sharing related to insurance fraud, the Maine Legislature has afforded protection from civil liability to those who share insurance fraud information.²

Maine's Insurance Information and Privacy Protection Act

Additionally, as an insurance-support organization, NICB is a regulated entity under Maine's Insurance Information and Privacy Protection Act which imposes strict limitations as it relates to the collection, use, and disclosure of personal consumer information, and provides remedies for violations of the Act.³

Applicability of L.D. 1902

Unlike similar bills, Legislative Document 1902 provides no exemption to prevent, detect, protect against, respond to, investigate, report or aid in the prosecution of malicious, deceptive or illegal activities, security incidents, identity theft, fraud or harassment. As a result, NICB data used for fraud-fighting purposes and already regulated by the state's Insurance Information and Privacy Protection Act would be left completely exposed and subject to the requirements of the My Health Data Act, including requested deletion of data by criminals in order to purposely evade investigation and prosecution.

Proposed Change and Policy Rationale

Consistent with longstanding public policy determinations already considered and enacted in Maine law, NICB respectfully requests a broad-based fraud exemption and an amendment to ensure NICB's wholesale exemption from the Act by including insurance-support organizations as exempted entities.

Again, the disclosure by an insurance-support organization of personal consumer information is already heavily restricted by Maine law, and absent a carveout, our ability to facilitate information sharing with Maine governmental agencies and conduct criminal investigations will be severely hampered.

We appreciate your consideration of our concerns. We welcome the opportunity to follow up directly with your staff to discuss these issues in more detail. In the meantime, if you have any questions or need additional information, please contact me at hhandler@nicb.org or 312-771-3974.

Sincerely,



Howard Handler, MPPA
Senior Director
Strategy, Policy, and Government Affairs

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² 24-A M.R.S. § 2187; 24-A M.R.S. § 2218; 25 M.R.S. § 2412.

³ 24-A M.R.S., Chapter 24.