

MUTUAL of OMAHA

## *Policy Statement on Fraud and Abuse*



Mutual of Omaha has earned our customers' trust by consistently acting honestly and ethically. This expectation is demonstrated in each associates' commitment to the Code of Ethics and Business Conduct.

The detection, prevention and elimination of fraud and abuse are essential to maintaining the trust of our policyowners and providing affordable insurance products now and in the future.

The victim of fraud is ultimately the policyholder. Premiums are calculated on claims experience, and claims experience affected by insurance fraud contributes to abnormally high premiums.

**Definition:** Fraud is an intentional act of deception, misrepresentation or concealment committed in order to gain something of value.

**Types:** Acts of deception, misrepresentation or concealment against an insurance company can include: altering bills; forgery; billing for services not performed and other irregular billing practices; inflating charges; speculation and false disability claims; fictitious life insurance claims and other irregularities.

In order to: assure proper business practices and claims handling, enhance public trust and confidence in the insurance industry and preserve reasonable premium rates, we adhere to the following principle:

**Recognizing the obligation to pay promptly all just claims, there exists an obligation to protect the insurance buying public from increased costs due to fraudulent or nonmeritorious claims.**

Our company aggressively investigates and pursues prosecution of insurance fraud and abuse by producers, company employees, providers, provider employees, claimants, claimant fraud rings and other individuals.

We actively cooperate with anti-fraud and anti-abuse efforts of the insurance industry, as well as federal, state and local authorities. We cooperate with other anti-fraud groups whenever possible.

Among other remedies, our Fraud Policy includes the following punitive actions: termination of employment or producer contracts; recommendation of license revocation; administrative discipline; recommendation of criminal prosecution, civil litigation and restitution.

**Our company pursues prosecution of all types of fraud, including:**

- Asset conversion
- Claims fraud
- Trade secrets and other information abuse
- Misrepresentation fraud

We actively encourage education and awareness programs to alert our employees, our insureds and the general public to the fraud problem and the attendant costs to be borne by society.

James T. Blackledge  
Chief Executive Officer  
Mutual of Omaha