



South Carolina
House of Representatives
Legislative Oversight Committee

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Sent via Electronic Mail

Michael Leach, Director
Department of Social Services
1201 Main Street
Suite 1000
Columbia, SC 29201

RE: House Legislative Oversight Committee - Insurance Fraud Study

DATE: August 30, 2023

Dear Director Leach,

The House Legislative Oversight Committee has convened an ad hoc committee to investigate insurance fraud in South Carolina. This issue contributes to increased costs to consumers and businesses and compromises public safety. According to the 2021 Insurance Fraud Division Annual Report, fraud continues to persist and grow in the state.¹

The ad hoc committee will seek to understand the following: (1) fraud mitigation duties assigned to agencies tasked with the prevention, investigation, reporting, and prosecution of insurance fraud; (2) prevalence of insurance fraud in the state; (3) types of insurance fraud and the associated cost to residents of the state; (4) gaps in existing state law which may impair insurance fraud mitigation; (5) prevalence of fraud in the mediation process; (6) availability of fraud prevention and identification training at state agencies; (8) process for educating insurance organizations regarding identification and reporting of fraud to state authorities; and (7) opportunities to improve interagency communication.

This letter serves as notification of the ad hoc committee’s intent to request the South Carolina Department of Social Services’ participation in this review.

Thank you for your service to the state of South Carolina and all the people who live, work, and visit our great state. Committee staff will reach out to you to coordinate the first meeting.

¹ <https://doi.sc.gov/DocumentCenter/View/13931/2021Fraud-Division-Annual-Report>