

The Texas Committee on Insurance Fraud

fighting insurance fraud through public education, communication and cooperation

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For Immediate Release

September 16, 2009

Fraud Committee Fights for HB 148

Recently enacted legislation that seeks to criminalize present day ambulance chasing is under attack by a small group of health professionals and lawyers who want to continue the practice. The Texas Committee on Insurance Fraud which strongly supported HB 148 that made it a crime to solicit crash victims by phone is fighting to keep the law intact.

A temporary restraining order to prevent the law from taking effect was filed in federal court by a plaintiff attorney and chiropractor on August 27. U.S. District Judge Sam Sparks denied the request for a restraining order. The plaintiffs are alleging that the law is unconstitutional. A trial date of Oct. 9 has been set in Austin to hear the plaintiff's challenge to the law. The Texas Attorney General's Office is defending the legislation and successfully argued against the restraining order.

HB 148 by Rep. Todd Smith of Euless was signed by Governor Perry and became law on September 1. The legislation makes it a crime for lawyers or health professionals to solicit crash victims by phone or in person for the first 30 days after a traffic accident.

Accident victims are free to seek medical care or be represented by a lawyer. The bill restricts both health professionals and lawyers from making the initial contact with crash victims by phone or showing up at their front door.

"This practice of harassing accident victims has gone on way too long," said Mark Hanna, a spokesman for the Texas Committee on Insurance Fraud. "Telemarketers have used every trick in the book to solicit these people and we hope to put an end to all of this very soon."

Legislation preventing lawyers from soliciting business by phone has been in place for more than 20 years under the barratry statute. The law also prevents health professionals from written solicitations within the first 30 days after an accident. HB 148 expanded the prohibition to include in person and telephone solicitations.

The legislation was strongly supported by both the Texas Trial Lawyers Association and the Texas Chiropractic Association. The Texas Committee on Insurance Fraud is comprised of insurance companies, state agencies and other associations that seek to put an end to insurance fraud.

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