

RED FLAGS FOR WORKERS' COMPENSATION FRAUD

California has taken some recent steps toward reducing the cost of workers' compensation, however, fraudulent claims continue to cost employers millions every year, and they can be extremely difficult to prove.

The best defense against fraudulent comp claims is to train supervisors, who receive Workers' Compensation injury notices, in what to watch for that might suggest fraud. Here's a list of some "red flags" to watch for.

Possible indicators of employee fraud include:

- Injuries where the only witness is the worker.
- Injuries that occur on Friday afternoon or Monday morning.
- Injuries that occur just before a strike, holiday, or anticipated layoff or termination.
- Injuries occurring just after the worker has been disciplined.
- Injuries occurring in areas where the worker would not usually work.
- Injuries that are unusual for the employee's type of job.
- Injuries that aren't reported until a week or more after they occur.
- The worker is observed in activities that are inconsistent with the reported injury.
- The worker has a history of comp claims.
- The worker is a new hire.
- Treating doctors have provided conflicting diagnoses.
- There is evidence that the injured employee is working elsewhere while drawing benefits.
- The worker, claiming to be disabled, can't be reached at home during working hours.

In addition, some possible indicators of fraud by attorneys or health-care providers include:

- Receiving bills or explanations of benefits from health-care providers, insurers, or attorneys for services that seem unnecessary, "boilerplate" medical reports or reports that are merely copies of ones previously submitted.
- Bills from a health-care provider or attorney that reflect an unreasonably high dollar amount or hours per day.
- Treatment dates on holidays for non-emergency situations;
- Statements or complaints by the worker that the attorney is "never" available, even though the attorney is billing for services.
- Attorney relationship with a health-care provider that appears to be a partnership in handling workers' compensation claims.

These factors are not conclusive proof of fraud, but they may act as a tip-off to it. If you suspect fraudulent activity, promptly report the facts to your workers' compensation insurer.