

## WORKER'S COMPENSATION FRAUD CAN COST THE OFFENDER PLENTY

*As A Felony Crime!  
Insurance Fraud Cases Are Handled In Criminal Courts  
by County District Attorneys*

### What is Fraud?

- Making or presenting knowingly a false statement in support or opposition to a workers' compensation claim, with the intent to defraud, or
- Assisting, abetting soliciting or conspiring with another in the commission of the above

### Felony Fraud Occurs When:

- **Employee**
  - An employee knowingly files a claim for an injury that did not occur at all, or for an injury that did not occur on the job or in relation to the job.
  - An employee received total temporary disability benefits as a result of lying about outside employment, re-employment or his/her ability to work.
- **Medical**
  - A medical or legal provider bills for services that were never provided.
  - A medical or legal provider regularly bills for more time than was actually spent seeing a client or for more services actually provided.
  - Kickbacks are given to employees as an inducement or reward for the referral or settlement of workers' compensation claims.
- **Employer**
  - Employer under reports the total payroll
  - Employer misclassifies employees to gain a lower premium rate
  - Employer fails to report claims (Ex-mod evasion)

### Report Suspected Fraud

California Department of Insurance Fraud Hotline 800 927-HELP 4357  
[Fraud@insurance.ca.gov](mailto:Fraud@insurance.ca.gov) We Tip Fraud Hotline 800 87-Fraud (873-7283)

To view our Fraud Newsletter [click here](#)

If You Have Any Questions or Need Assistance  
Contact Your CompWest Claims or Loss Control Consultant  
Or Request Assistance on the CompWest Web Page