WORK COMP FRAUD: SPOT IT & STOP IT!

10 Steps to Prevent Fraudulent Claims

Presented by ICW Group Special Investigation Unit
TODAY’S SPEAKERS

Lindsey Beacom
Senior Investigator
Special Investigation Unit
ICW Group

Tracy Crates
Supervisor
Special Investigation Unit
ICW Group
What is work comp fraud?
Top 10 ways you can prevent fraudulent claims
Investigative resources
How ICW Group SIU is here to help
WHAT IS FRAUD?

MATERIAL MISREPRESENTATION
WHAT IS FRAUD?

INTENT
WHAT IS FRAUD?

LIE
WHAT IS FRAUD?

KNOWLEDGE
OF LIE
WHAT IS FRAUD?
WHY SO BIG?

- Health system is an easy target
- Low-risk crime
- Low legal priority
- Climate of tolerance
- Weak public outreach
- Unaggressive insurance companies (not us!)
# YOU CAN PREVENT FRAUD

Let's look at the top 10 ways!

## 1. Know Who You Hire
- Conduct as much vetting as possible.
- Perform background checks.
- Verify employment history and eligibility.
- Ensure all employees are honest and trustworthy.

## 2. Don't Ignore Complaints
- Act promptly on employee complaints.
- Investigate and take appropriate action.
- Maintain records of all employee complaints.

## 3. Don't Hesitate, Educate
- Educate employees on fraud.
- Discourage fraudulent behavior.
- Provide training on fraud prevention.
- Implement a fraud hotline.

## 4. Surveillonce
- Install security cameras.
- Monitor and report suspicious activity.
- Review security procedures regularly.

## 5. Manager Training
- Train managers on fraud prevention.
- Educate managers on the risks of fraud.
- Enforce fraud policies and procedures.

## 6. Surveillance
- Use video surveillance.
- Monitor employee activity.
- Maintain access records for future review.

## 7. Injuy Investigation
- Investigate all injuries promptly.
- Document all injuries and claims.
- Report all injuries to the appropriate authorities.

## 8. Zero Tolerance
- Implement strict anti-fraud policies.
- Enforce all policies and procedures.
- Report all suspicious activity.

## 9. Show Them You Care
- Check in with injured workers.
- Encourage honesty and transparency.
- Address any concerns or issues.

## 10. Exit Interviews
- Conduct exit interviews.
- Gather information on potential fraud.
- Follow up on any suspicious activity.

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ICW Group Insurance Companies
Insurance Company of the West | Explore Insurance Company | Ferstera Insurance Company
www.icwgroup.com | 1-800-CIFRAUD | fraud@icwgroup.com
10 WAYS TO PREVENT FRAUD

KNOW WHO YOU HIRE

- Conduct as much vetting as possible.
- Always perform thorough pre-hire background check.
- Maintain current records of all employees.
10 WAYS TO PREVENT FRAUD

DON’T HESITATE, EDUCATE

- Educate employees on benefits.
- Provide training on work comp process & state disability if injured outside work.
- Ensure employees know protocols when injuries occur.
MANAGER TRAINING

- Confirm managers & supervisors know process.
- Train on proper injury investigations.
- Don’t ignore reports of injury.
- Document ALL complaints.
- Report all injuries to ICW Group.
10 WAYS TO PREVENT FRAUD

ZERO TOLERANCE

- Implement stringent policy against all suspected fraud
- Utilize anti-fraud resources on the Policyholder Center.

icwgroup.com/fraud
SAFETY MEETINGS

- Institute monthly or quarterly safety meetings.
- Work with ICW Group Risk Management.
10 WAYS TO PREVENT FRAUD

6. DON’T IGNORE COMPLAINTS

- Listen to employee complaints of poor treatment or unsafe conditions.
- Provide resolutions to complaints for employee morale.
SURVEILLANCE

- Invest in security cameras.
- Use to validate legitimate injury.
- Preserve video evidence for future use.
10 WAYS TO PREVENT FRAUD

INJURY INVESTIGATION

- Complete R.E.P.O.R.T. worksheet!
- Take pictures of accident site & review surveillance.
- Report suspicions to ICW Group Fraud hotline.

855.ICW.FRAUD
SHOW THEM YOU CARE

- Check in with injured worker.
- Assist when needed.
- Answer questions about the work comp process.
- See Injured Worker Ecards on Policyholder Center

icwgroup.com/pc
EXIT INTERVIEWS

- Rule out any injuries sustained during employment.
- Sign declaration of no injuries.
- Ensure worker knew how to report injuries if they occurred.
Guiding your investigative process

R.E.P.O.R.T.

Use this R.E.P.O.R.T. worksheet to guide your investigative process. This step-by-step tool will help you gather the information needed should a fraudulent claim occur. Remember, 90% of reported claims are NOT considered fraudulent – all employees are presumed innocent until proven guilty.

This is not a substitute for your First Notice of Injury or Loss filing.

Complete questions below for each section. If you answer NO, look for the warning signs!

R: Respond - get help for the injured worker

Start by submitting the First Notice of Injury or Loss, then begin your investigation. Attach the copy of First Notice of Injury or Loss for this record.

Claim number:  
Injury Date:  
Reported Date:  

Check YES or NO. If answer is NO – look for these warning signs

1. The gap between the injury and reported date (above) makes sense
   Yes  No
   - Injury reporting is delayed
   - Unclear about date/time

2. Worker has not sought immediate attorney representation.
   Yes  No
   - Attorney is representing injured worker
   - Attorney reported incident first

Explain any “NO” indicated in the above section
Six critical elements of your investigation

R.
Respond to get help for the injured

E.
Employee accounts, from the injured and witnesses

P.
Place that the accident occurred

O.
Obtain a full investigation of the accident

R.
Report if the NOs don’t add up and you are suspicious

T.
Team up with ICW Group to help reduce fraud
EVERY claim reviewed for fraud within 24 hours

Vetted against 3,000+ red flag/data points

If fraud likely, referred for criminal investigation & prosecution

5x claims investigated vs. industry average

All claims checked throughout entire lifecycle – even after close!
FIGHTING FRAUD FOR YOU

PAST 18 MONTHS...

5,506 cases investigated

33K surveillance hours

600 criminal counts filed

$68.6M reduced claim costs for policyholders

10 criminal organizations disrupted
(3 totally dismantled)
FIGHTING FRAUD FOR YOU

MULTI-LEVEL INVESTIGATIONS

1,000+ field investigators

24/7 unmanned surveillance

200+ social media site checks per claim
A.I.M.

Analysis & Investigation Module

- Exclusive software created for you
- 4TB+ of proprietary data
- 12K+ data points for accurate, real time fraud detection
YOUR ANTI-FRAUD RESOURCES

WORK COMP FRAUD: SPOT IT & STOP IT!
WORKPLACE MATERIALS

For Your Records

1. Employee
2. Description
3. Date
4. Incident
5. Place
6. Other
7. Report
8. Therap

ICW Group
Insurance Companies
POLICYHOLDER WEBSITE

icwgroup.com/pc

RESOURCES:

- Risk Management
- Claims
- Payroll Reporting
- Injured Worker Resources
- Anti-Fraud Materials
icwgroup.com/fraud

ANTI-FRAUD MATERIALS

- Workplace Posters
- Webinars
- Employee Campaign
- R.E.P.O.R.T
- “False Claims” Ticket
Our culture was wrought with fraud until I partnered with ICW Group.”

- Jerry Salveson, Andrew Lauren Interiors
QUESTIONS?

FraudUnit@icwgroup.com
855-ICW-FRAUD (855.429.3728)
THANK YOU!

Anti-fraud materials: icwgroup.com/fraud