

WORK COMP FRAUD: POST-PANDEMIC FRAUD PREVENTION

Spot It & Stop It Series

Presented by ICW Group Special Investigation Unit



Today's Speakers



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International Fraud Awareness Week



www.fraudweek.com

Today's topics

What is fraud?

Types of work comp fraud

Who are the fraudsters?

Modern fraud techniques

COVID-related fraud schemes

How you can prevent fraudulent claims

Our special investigative role



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Fraud defined...by the book

fraud / frôd / n 1. The intentional manipulation of the truth for financial or personal gain.

fraudster / frôd-stær / n 1. The person who engages in fraud.

A better definition - B.I.T.E.

Use **BITE** to defeat fraudsters -



icwGROUP
Insurance Companies

855-ICW-FRAUD
reportfraud@icwgroup.com

Take a **BITE** out of
work comp fraud!

B	I	T	E
DID THEY BENEFIT?	WAS THERE INTENT?	DID THEY TELL A LIE?	IS THERE EVIDENCE?

B

Did they
BENEFIT?

I

Was the act
INTENTIONAL?

T

Did they
TELL a lie?

E

Is there
EVIDENCE?

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Applicant fraud

Occurs when an applicant (the employee) makes a false claim of injury or makes a material misrepresentation that would have an impact on the claim.

Premium fraud

Material misrepresentation made to the insurance carrier by the agent or policyholder for the purpose of reducing annual premium or avoiding an increase in premium.

Provider fraud

Intentional deception by an entity or person who provides a service within a claim for the purpose of receiving excess or unearned payments.

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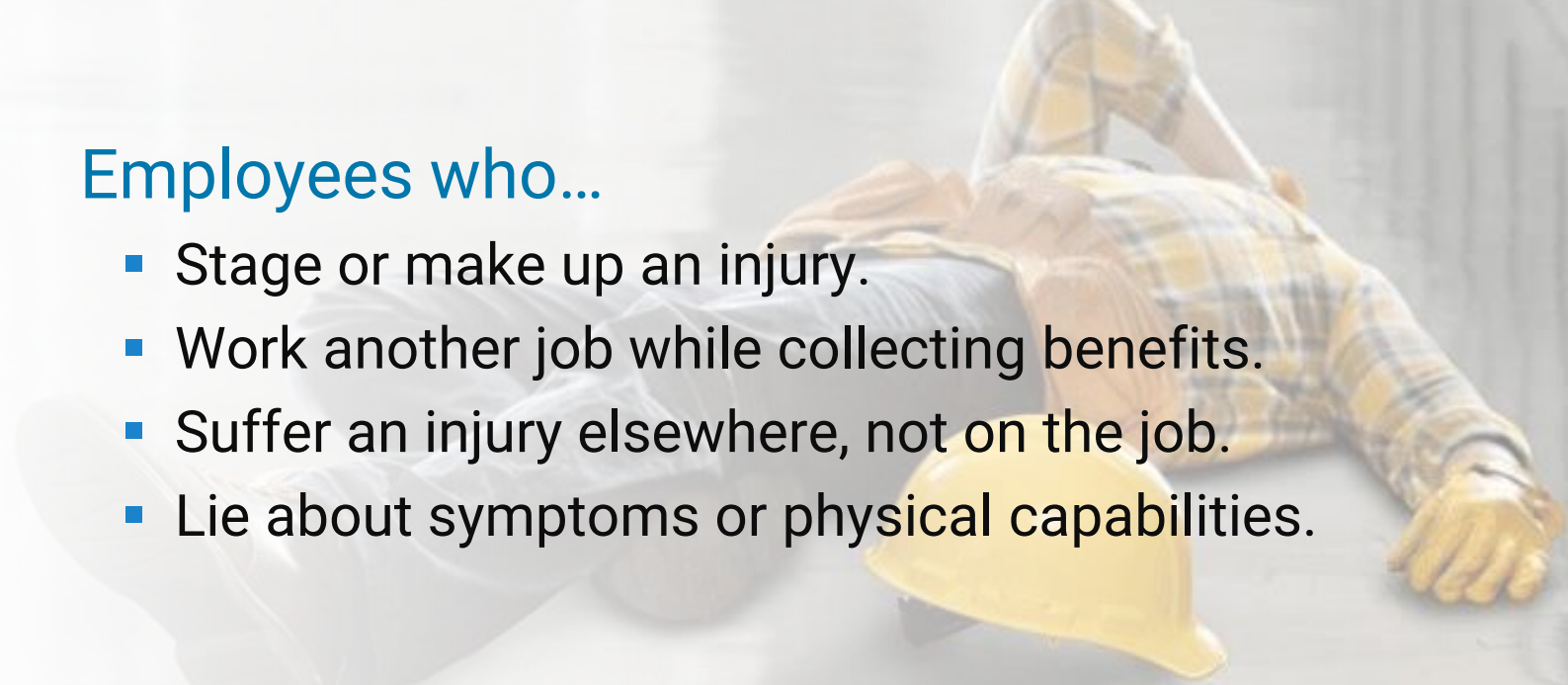
Our special investigative role



Who are the fraudsters?

Employees who...

- Stage or make up an injury.
- Work another job while collecting benefits.
- Suffer an injury elsewhere, not on the job.
- Lie about symptoms or physical capabilities.



Who are the fraudsters?

Healthcare Providers who...

- Advise unnecessary treatments.
- Help to fabricate injuries.
- Work with groups of lawyers.
- Bill for services not provided.
- Prescribe unnecessary medication.

Who are the fraudsters?

Lawyers who...

- Sole purpose is to encourage lawsuits.
- Encourages worker to create more claims.
- Works hand-in-hand with doctors.
- Go door-to-door soliciting services.

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Modern fraud techniques

Capping
Running
Steering

**WE'RE
HIRING**

Modern fraud techniques



COVID-19 Schemes

Modern fraud techniques

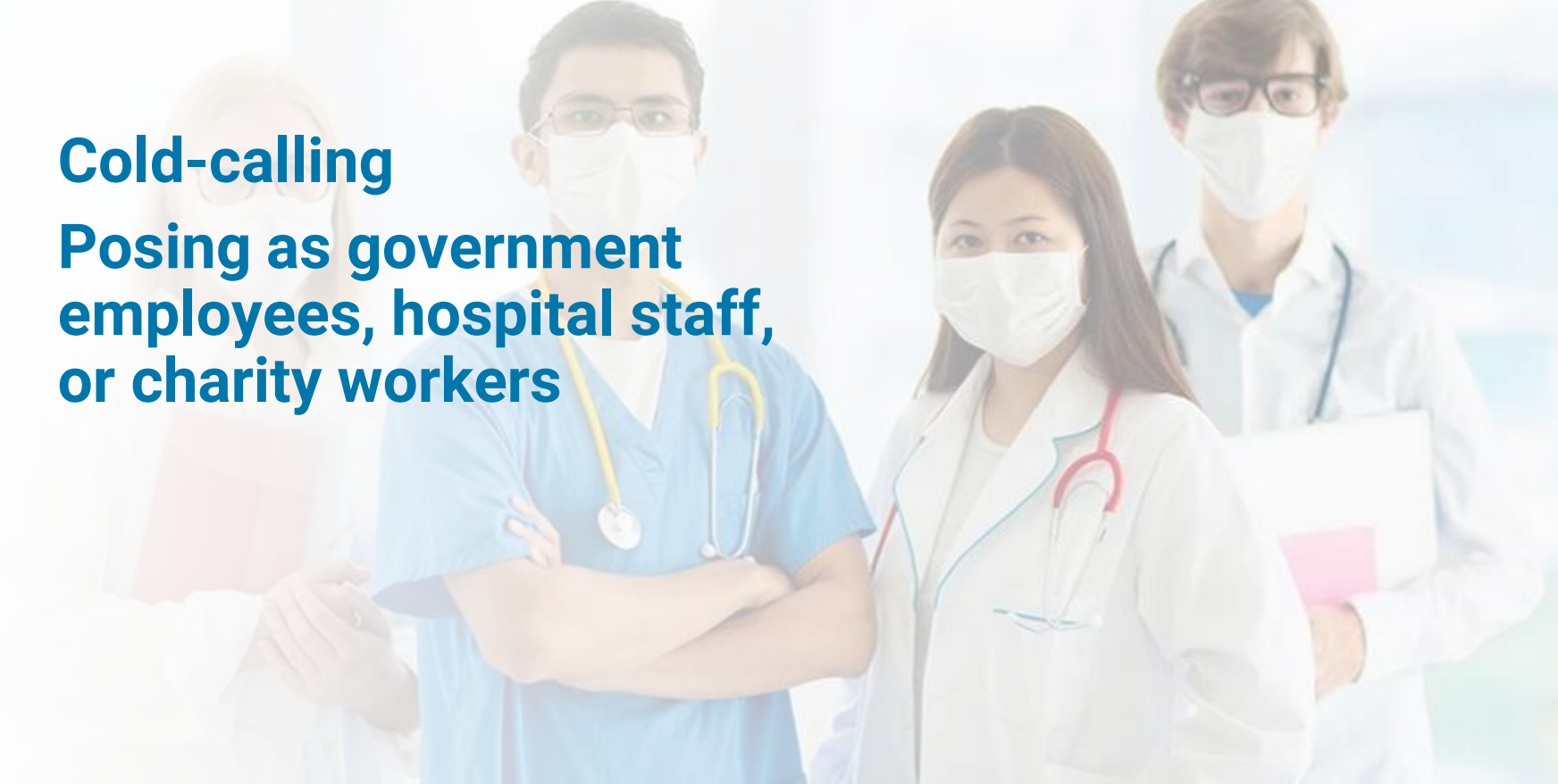
Telemedicine Schemes



Case examples of modern fraud

Cold-calling

Posing as government employees, hospital staff, or charity workers



Case examples of modern fraud

**Fake COVID
testing sites
in public places**



Case examples of modern fraud

Social media ads
Click-bait offers to
enroll in fake clinical trials
Advertisement of fake
remedies/vaccines/tests



Case examples of modern fraud

Falsified COVID Tests

Test Name
SARS CoV 2 SEROLOGY
(COVID 19) AB (IGG), IA
SARS CoV 2 AB IGG

0.3

Reference Range: Positive
Detection of the IgG antibodies ma
SARS-CoV-2 (Covid-19). It usually
symptoms onset for IgG to reach

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10 WAYS YOU CAN PREVENT FRAUDULENT CLAIMS



1 KNOW WHO YOU HIRE <ul style="list-style-type: none">• Conduct as much vetting as possible.• Always perform a thorough pre-hire background check (verify employment history and eligibility status, obtain ID cards, etc.).• Maintain current records of all employees.	6 DON'T IGNORE COMPLAINTS <ul style="list-style-type: none">• Listen to employee complaints of poor treatment or unsafe conditions.• Provide resolutions to complaints for employee morale.
2 DON'T HESITATE, EDUCATE <ul style="list-style-type: none">• Educate employees on their benefits (private health insurance, work comp, state disability).• Provide training on work comp process & state disability (if injured outside work).• Ensure employees know the protocols when injuries occur.	7 SURVEILLANCE <ul style="list-style-type: none">• Invest in security cameras.• Use to verify legitimate injury.• Preserve video evidence for future use.
3 MANAGER TRAINING <ul style="list-style-type: none">• Confirm managers & supervisors understand work comp process.• Provide training on properly investigating injuries.• Don't ignore reports of injury even if the worker denies treatment.• Document ALL complaints of injury.• Report all injuries to ICW Group.	8 INJURY INVESTIGATION <ul style="list-style-type: none">• Complete the R.E.P.O.R.T. worksheet located on the Policyholder Center to guide your investigative process and gather info needed.• Take pictures of accident site & review surveillance.• Report suspicions to ICW Group Fraud Hotline 855 (CIV) FRAUD.
4 ZERO TOLERANCE <ul style="list-style-type: none">• Implement an anti-fraud policy – all injuries will be investigated & false claims will not be tolerated.• Utilize anti-fraud resources on the Policyholder Center.	9 SHOW THEM YOU CARE <ul style="list-style-type: none">• Check in with injured worker – ensure they are getting proper treatment.• Assist when needed, answer questions about work comp process.
5 SAFETY MEETINGS <ul style="list-style-type: none">• Institute monthly or quarterly safety meetings – work with ICW Group Risk Management.	10 EXIT INTERVIEWS <ul style="list-style-type: none">• Rule out any injuries sustained during employment.• Sign declaration of no injuries & ensure worker knew how to report injuries (if they sustained one).

Insurance Company of the West | Explorer Insurance Company | MetLife Insurance Company
www.icwgroup.com | 855 (CIV) FRAUD | fraudunit@icwgroup.com

10 WAYS TO PREVENT FRAUD

KNOW WHO YOU HIRE

1

- 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

2

- EDUCATE EMPLOYEES ON BENEFITS.
- PROVIDE TRAINING ON WORK COMP PROCESS & STATE DISABILITY IF INJURED OUTSIDE WORK.
- ENSURE EMPLOYEES KNOW PROTOCOLS WHEN INJURIES OCCUR.

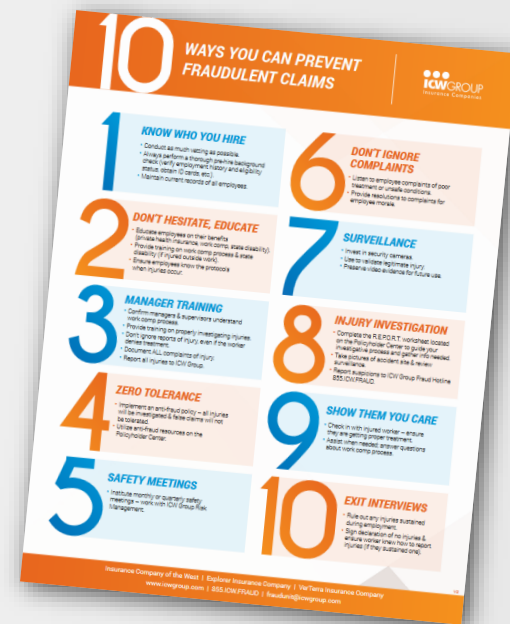


10 WAYS TO PREVENT FRAUD

MANAGER TRAINING

3

- CONFIRM MANAGERS & SUPERVISORS KNOW INJURY REPORTING 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

4

- IMPLEMENT STRINGENT POLICY AGAINST ALL SUSPECTED FRAUD
- UTILIZE ANTI-FRAUD RESOURCES ON THE POLICYHOLDER CENTER.

[ICWGROUP.COM/FRAUD](https://www.icwgroup.com/fraud)



10 WAYS TO PREVENT FRAUD

SAFETY MEETINGS

5

- INSTITUTE MONTHLY OR QUARTERLY SAFETY MEETINGS.
- WORK WITH ICW GROUP RISK MANAGEMENT.



10 WAYS TO PREVENT FRAUD

DON'T IGNORE COMPLAINTS

6

- LISTEN TO EMPLOYEE COMPLAINTS OF POOR TREATMENT OR UNSAFE CONDITIONS.
- PROVIDE RESOLUTIONS TO COMPLAINTS FOR EMPLOYEE MORALE.



10 WAYS TO PREVENT FRAUD

SURVEILLANCE

7

- INVEST IN SECURITY CAMERAS.
- USE TO VALIDATE LEGITIMATE INJURY.
- PRESERVE VIDEO EVIDENCE FOR FUTURE USE.



10 WAYS TO PREVENT FRAUD

INJURY INVESTIGATION

8

- 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



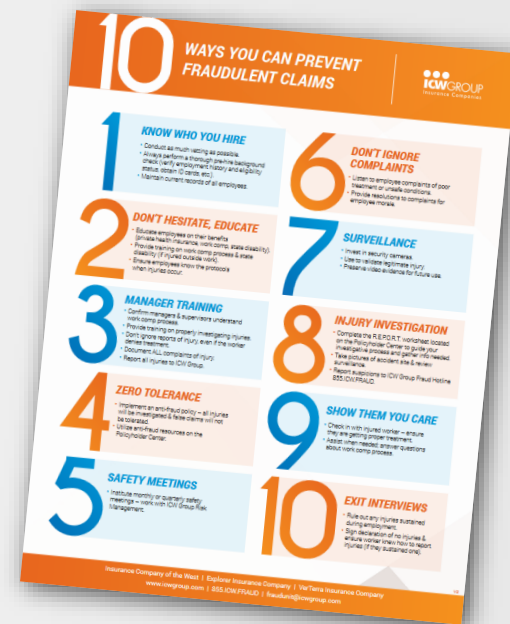
10 WAYS TO PREVENT FRAUD

SHOW THEM YOU CARE

9

- CHECK IN WITH INJURED WORKER.
- ASSIST WHEN NEEDED.
- ANSWER QUESTIONS ABOUT THE WORK COMP PROCESS.
- SEND INJURED WORKER ECARDS ON POLICYHOLDER CENTER

ICWGROUP.COM/PC



10 WAYS TO PREVENT FRAUD

EXIT INTERVIEWS

10

- RULE OUT ANY INJURIES SUSTAINED DURING EMPLOYMENT.
- SIGN DECLARATION OF NO INJURIES.
- ENSURE WORKER KNEW HOW TO REPORT INJURIES IF THEY OCCURRED.



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ICW Group has your back



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!

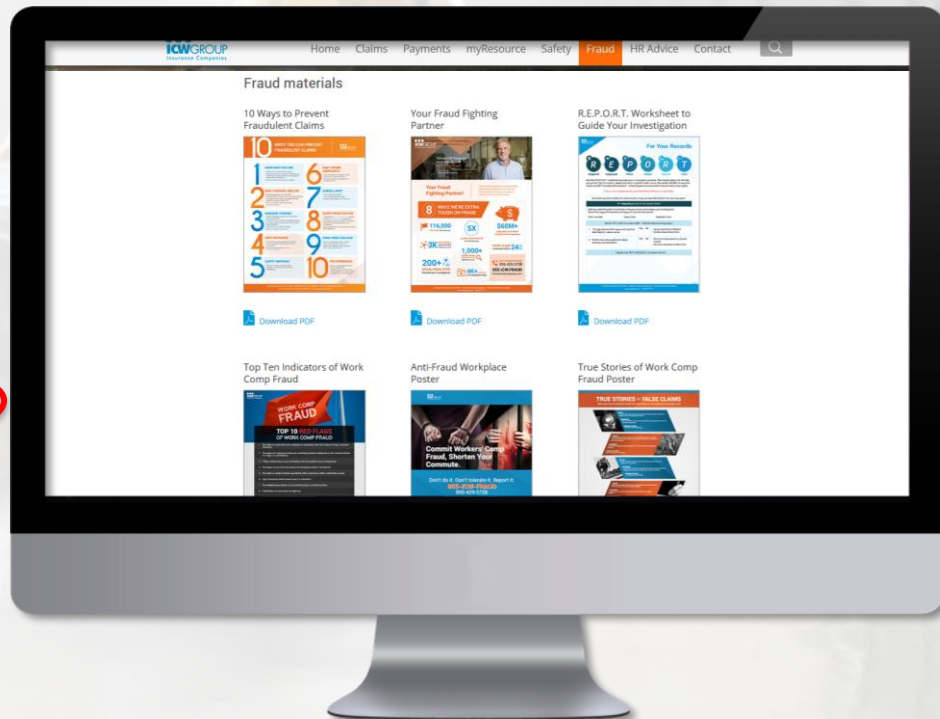
ICW Group Policyholder Center!



RESOURCES:

- Risk Management
- Claims
- Payroll Reporting
- Injured Worker Resources
- Anti-Fraud Materials

icwgroup.com/fraud



ICW Group Policyholder Center!

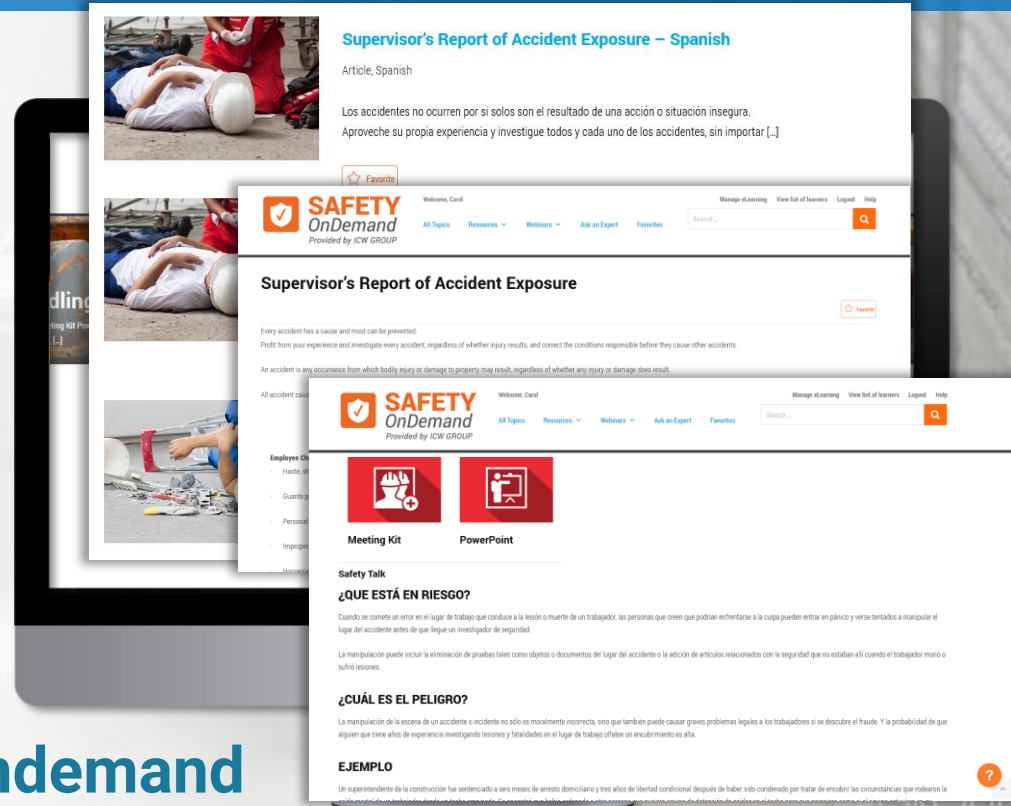


ICW Group Policyholder Center!

Log into myResource

- Open Safety OnDemand
- Search for **Fraud**, **COVID-19**, etc.
- Find meeting materials, articles and training

icwgroup.com/safetyOndemand



ICW Group Policyholder Website!

HR OnDemand

- Free HR advice on best practices for recruiting, hiring and background checks to help you further prevent workplace fraud.
- Included free with your policy!

icwgroup.com/hrOnDemand



POST-PANDEMIC FRAUD PREVENTION

QUESTIONS?





POST-PANDEMIC FRAUD PREVENTION

THANK YOU!

FraudUnit@icwgroup.com

855-ICW-FRAUD (855.429.3728)

