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Insurance Companies

WORK COMP FRAUD: SPOT IT & STOP IT!

10 Steps to Prevent Fraudulent Claims

Presented by ICW Group Special Investigation Unit

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TODAY'S SPEAKERS

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ICW Group

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Supervisor
Special Investigation Unit
ICW Group

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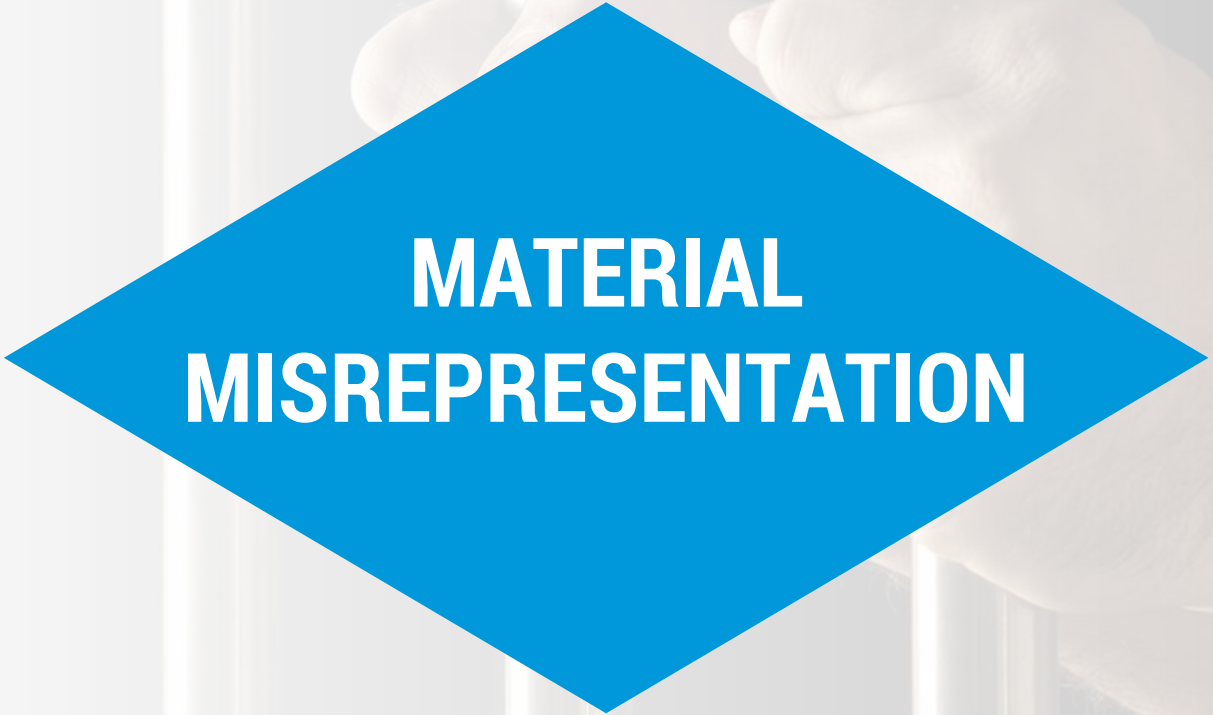
TODAY'S TOPICS

- 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?



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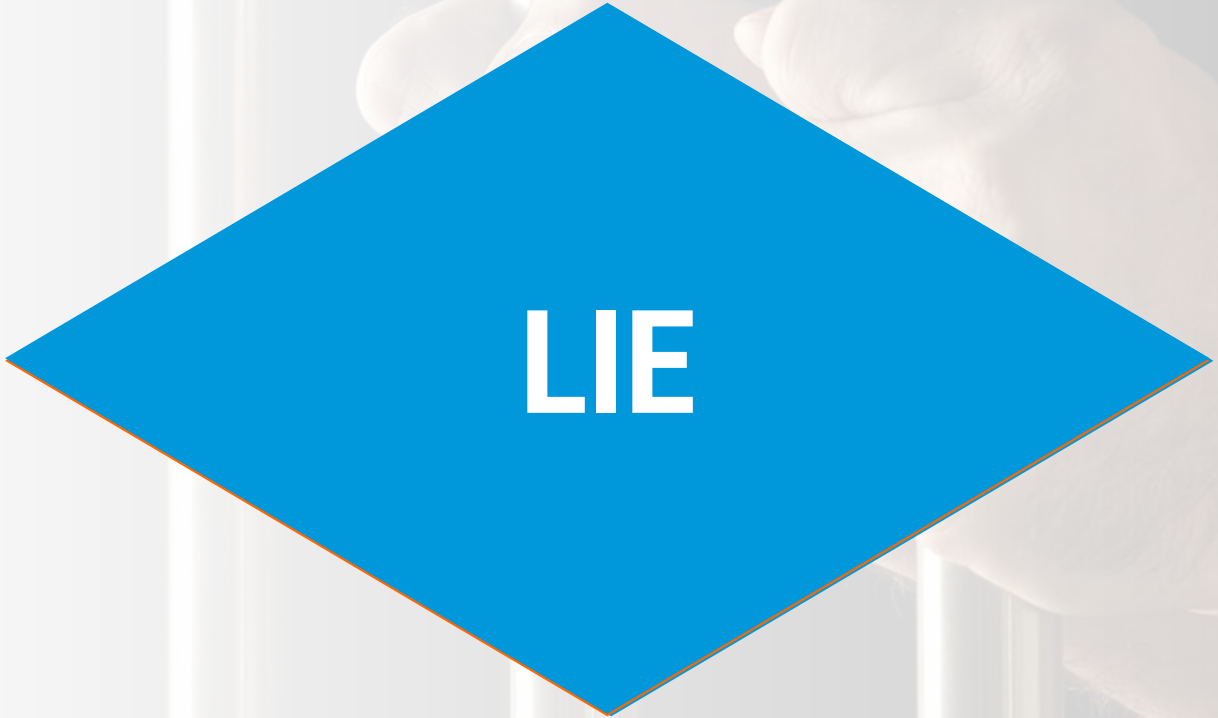

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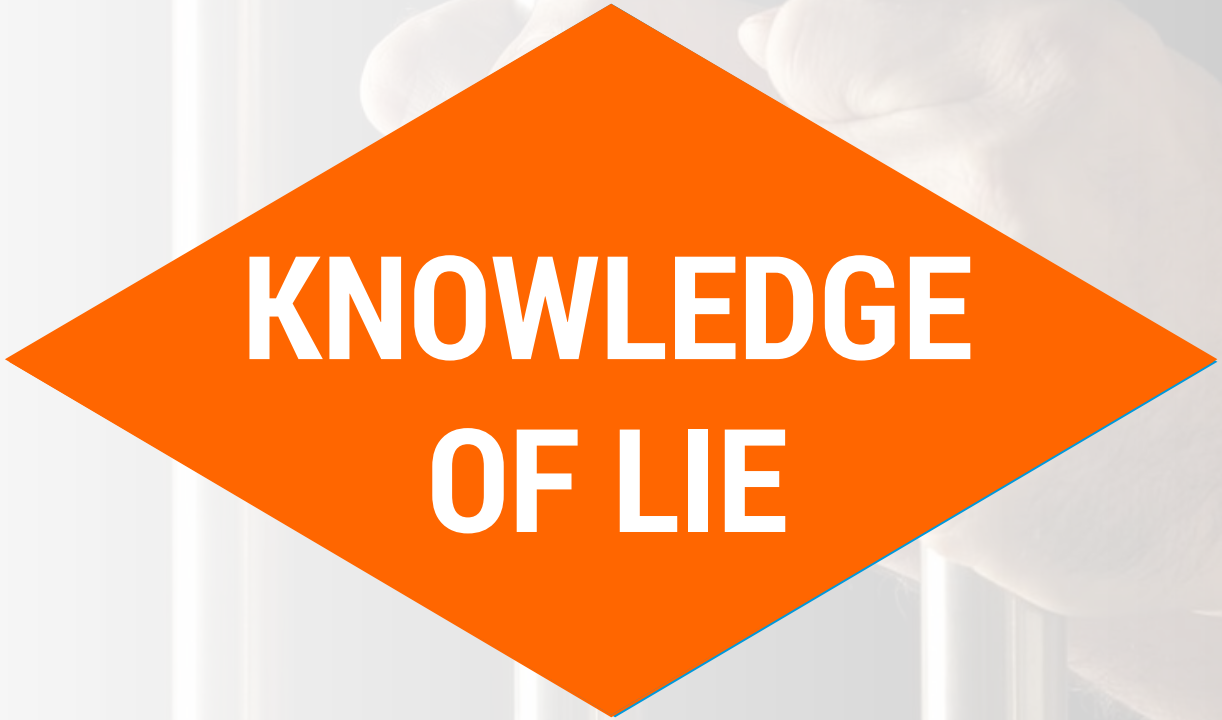

WHAT IS FRAUD?

FRAUD IS A BIG BUSINESS!

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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!)

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YOU CAN PREVENT FRAUD

Let's look at the top 10 ways!

10 WAYS TO PREVENT FRAUD

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1

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

ICW GROUP Insurance Companies

2

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.

10 WAYS TO PREVENT FRAUD

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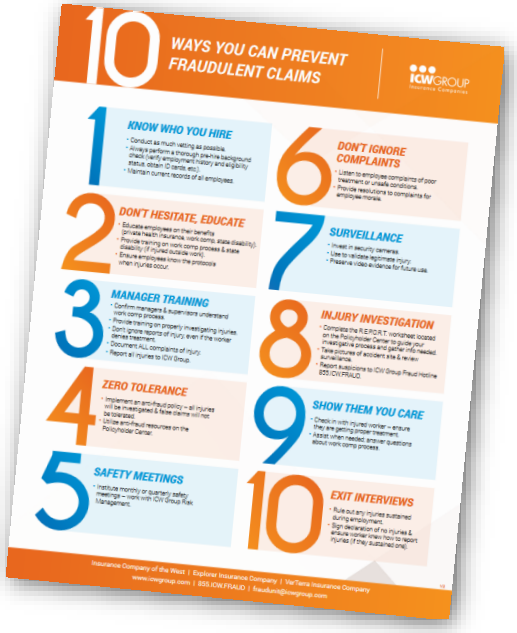
3

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.



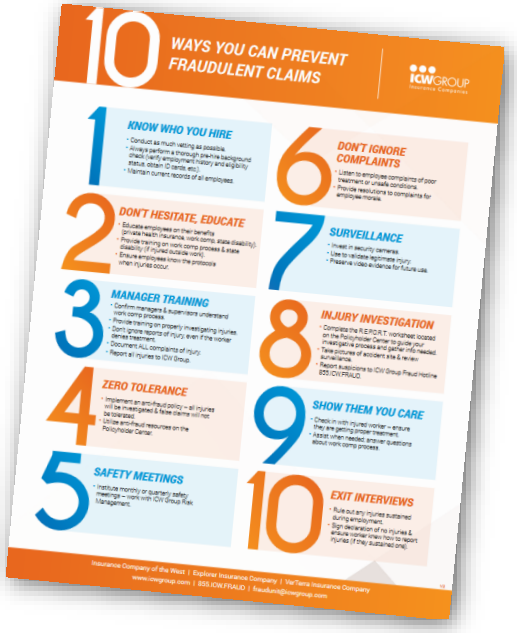
10 WAYS TO PREVENT FRAUD

4

ZERO TOLERANCE

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

icwgroup.com/fraud



10 WAYS TO PREVENT FRAUD

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5

SAFETY MEETINGS

- Institute monthly or quarterly safety meetings.
- Work with ICW Group Risk Management.

10 WAYS TO PREVENT FRAUD

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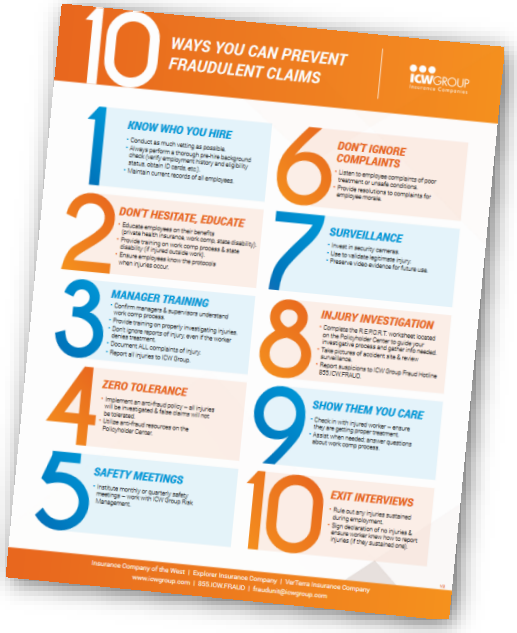
6

DON'T IGNORE COMPLAINTS

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



10 WAYS TO PREVENT FRAUD

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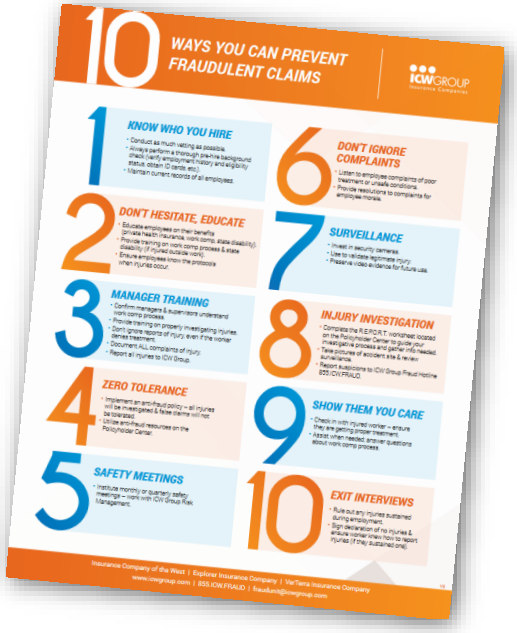
SURVEILLANCE

- Invest in security cameras.
- Use to validate legitimate injury.
- Preserve video evidence for future use.



10 WAYS TO PREVENT FRAUD

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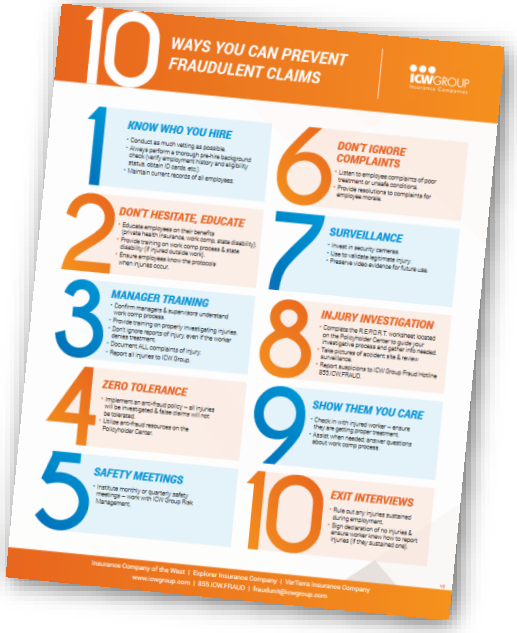
8

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



10 WAYS TO PREVENT FRAUD

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9

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

10 WAYS TO PREVENT FRAUD

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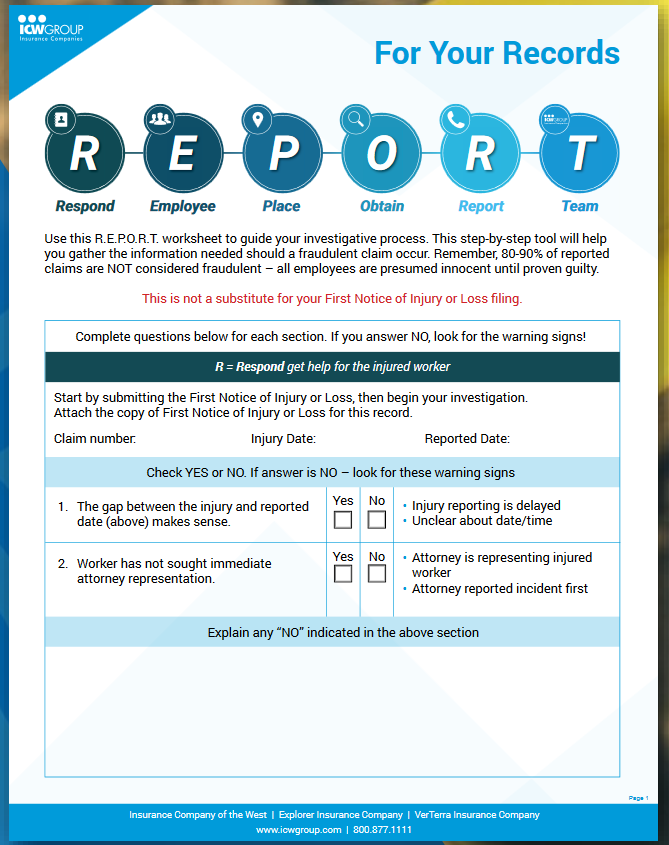
R.E.P.O.R.T.

Guiding your investigative process



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For Your Records

R	E	P	O	R	T
Respond	Employee	Place	Obtain	Report	Team

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, 80-90% 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

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

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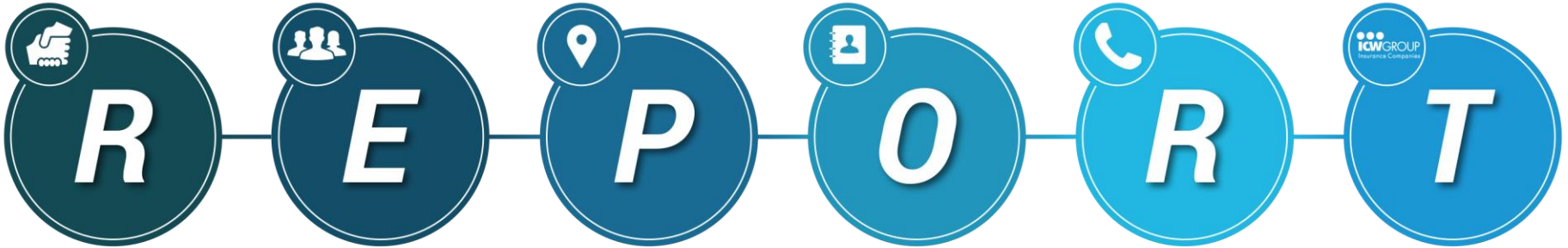
Six critical elements of your investigation



Respond
to get help for the injured

Employee
accounts, from the injured and witnesses

Place
that the accident occurred

Obtain
a full investigation of the accident

Report
if the NOs don't add up and you are suspicious

Team
up with ICW Group to help reduce fraud

ICW GROUP HAS YOUR BACK

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- **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

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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

ICW GROUP
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MULTI-LEVEL INVESTIGATIONS

1,000+
field investigators

24/7
unmanned surveillance

200+
social media site checks per claim

HOW WE'RE DIFFERENT

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A.I.M.

Analysis & Investigation Module

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

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YOUR ANTI-FRAUD RESOURCES

WORK COMP FRAUD: SPOT IT & STOP IT!

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WORKPLACE MATERIALS

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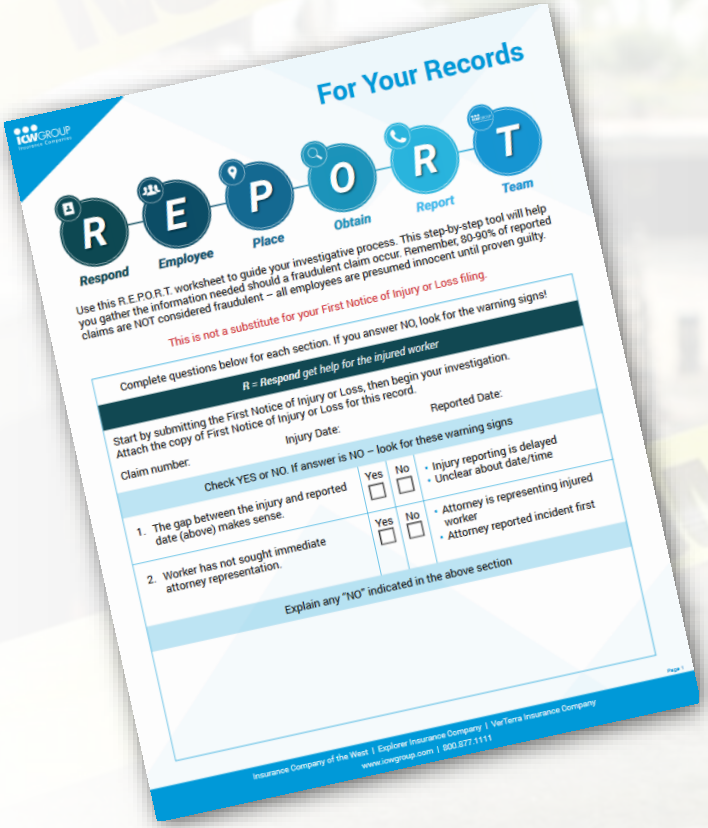

For Your Records

Respond **E**mployee **P**lace **O**btain **R**eport **T**eam

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, 80-90% of reported claims are NOT considered fraudulent – all employees are presumed innocent until proven guilty.

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Explain any "NO" indicated in the above section

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www.icwgroup.com | 800.877.1111

10 WAYS YOU CAN PREVENT FRAUDULENT CLAIMS

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1 KNOW WHO YOU HIRE
- 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

2 DON'T HESITATE, EDUCATE
- Educate employees on their benefits (private health insurance, workers' comp, state disability)
- Provide training on work comp process & state disability (if injured outside work)
- Ensure employees know the protocols when injuries occur.

3 MANAGER TRAINING
- 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.

4 ZERO TOLERANCE
- Implement an anti-fraud policy – all injuries will be investigated & false claims will not be tolerated.
- Utilize anti-fraud resources on the Policyholder Center.

5 SAFETY MEETINGS
- Institute monthly or quarterly safety meetings – work with ICW Group Risk Management.

6 DON'T IGNORE COMPLAINTS
- Listen to employee complaints of poor treatment or unsafe conditions.
- Provide resolutions to complaints for employee morale.

7 SURVEILLANCE
- Invest in security cameras.
- Use to validate legitimate injury.
- Preserve video evidence for future use.

8 INJURY INVESTIGATION
- 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.ICW.FRAUD.

9 SHOW THEM YOU CARE
- Check in with injured worker – ensure they are getting proper treatment
- Assist when needed and answer questions about work comp process

10 EXIT INTERVIEWS
- Rule out any injuries sustained during employment.
- Sign declaration of no injuries & ensure worker knows how to report injuries (if they sustained one).

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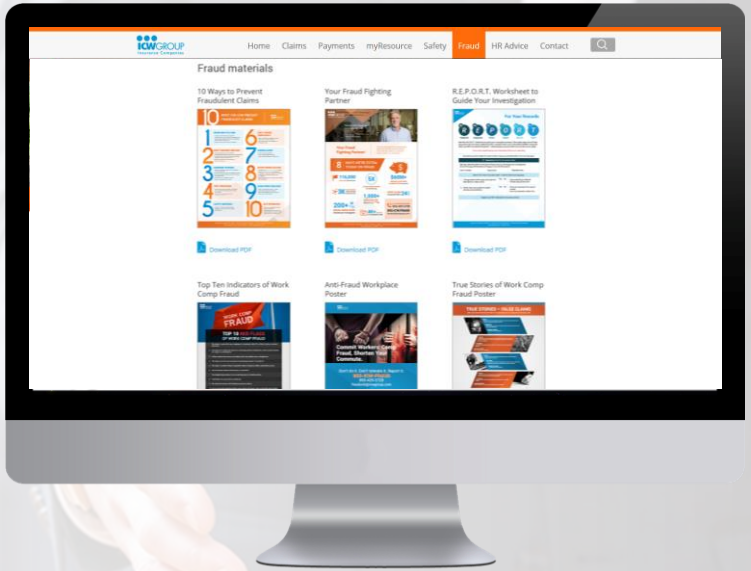
POLICYHOLDER WEBSITE

icwgroup.com/pc

RESOURCES:

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



POLICYHOLDER WEBSITE

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icwgroup.com/fraud

ANTI-FRAUD MATERIALS

- Workplace Posters
- Webinars
- Employee Campaign
- R.E.P.O.R.T
- “False Claims” Ticket

FRAUD FIGHTING PARTNERSHIP

ICW GROUP Insurance Companies

> Our culture was wrought with fraud until I partnered with ICW Group."
>
> *- Jerry Salveson, Andrew Lauren Interiors*

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QUESTIONS?

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

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THANK YOU!

Anti-fraud materials:
icwgroup.com/fraud