

# 15 WARNING SIGNS OF WORKERS' COMPENSATION FRAUD



The workers' compensation (WC) insurance system is a no-fault method of paying workers for medical expenses and wage losses due to on-the-job injuries. While the majority of WC claims are truthful, the National Insurance Crime Bureau reports that billions of dollars of false claims are submitted each year. To help you detect possible WC fraud, experience shows a claim may be fraudulent if two or more of the following factors are present:

1. **Monday Morning:** The alleged injury occurs either “first thing Monday morning,” or late on a Friday afternoon but not reported until Monday.
2. **Employment Change:** The reported accident occurs immediately before or after a strike, a layoff, the end of a big project or at the conclusion of seasonal work.
3. **Job Termination:** If an employee files a post-termination claim:
  - Was the alleged injury reported by the employee prior to termination?
  - Did the employee exhaust his/her unemployment benefits prior to claiming workers' compensation benefits?
4. **History of Changes:** The claimant has a history of frequently changing physicians, addresses and places of employment.
5. **Medical History:** The employee has a pre-existing medical condition that is similar to the alleged work injury.
6. **No Witnesses:** The accident has no witnesses, and the employee's own description does not logically support the cause of injury.
7. **Conflicting Descriptions:** The employee's description of the accident conflicts with the medical history or First Report of Injury.
8. **History of Claims:** The claimant has a history of numerous suspicious or litigated claims.
9. **Treatment is Refused:** The claimant refuses a diagnostic procedure to confirm the nature or extent of an injury.
10. **Late Reporting:** The employee delays reporting the claim without a reasonable explanation.
11. **Hard to Reach:** You have difficulty contacting a claimant at home, when he/she is allegedly disabled.
12. **Moonlighting:** Does the employee have another paying job or do volunteer work?
13. **Unusual Coincidence:** There is an unusual coincidence between the employee's alleged date of injury and his/her need for personal time off.
14. **Financial Problems:** The employee has tried to borrow money from co-workers or the company, or requested pay advances.
15. **Hobbies:** The employee has a hobby that could cause an injury similar to the alleged work injury.

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*Remember, these warning signs are simply indicators. If you are suspicious of a claim, alert your insurance carrier.*  
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