

# FRAUD

## COMMIT WORKERS' COMP FRAUD AND YOU'LL HAVE A LOT OF TIME ON YOUR HANDS

Workers' compensation fraud is now illegal in California. As of January 1, 1994 any person who files or contributes to the filing of a false workers' comp claim is committing a crime punishable by a prison sentence and/or a penalty fine.

### **What is a fraudulent claim?**

Here are some examples of activities for which you can be prosecuted:

#### **•Filing a claim for a non-existing injury**

If you file a claim for an injury or illness that does not exist, you are guilty of workers' compensation fraud.

#### **•Filing a claim for a non-work related injury**

If you are injured off the job, but pretend it happened at work so you can collect workers' comp benefits, you are committing a felony.

#### **•Aiding a co-worker in filing a false claim**

If you make a false statement to support a fellow employee's claim for benefits, you are participating in a crime.

The law also applies to other participants in the workers' compensation systems:

#### **•Attorneys**

If an attorney knowingly makes fraudulent statements for the purpose of obtaining workers' comp benefits for his or her client, he or she is guilty of a felony. If an attorney who negotiates workers' comp claims offers commissions to any person for the referral or solicitation of clients, he or she can face suspension or disbarment and a prison term.

#### **•Doctors**

If a doctor knowingly prepares false written reports in order to obtain payments, he or she can lose his or her medical license. It is a crime to assist or conspire with any person who engages in fraudulent activity.

Fraud harms employers by contributing to the increasingly high cost of insurance and harms employees by undermining the legitimacy of all workers' compensation claims. Do your part to halt fraud today!

"Any person who knowingly presents a false or fraudulent claim for the payment of a loss is guilty of a crime, and may be subject to imprisonment in the state prison for up to 5 years, or by a fine up to \$150,000, or both."

*Insurance Code Section 1871-2*