

Work with your adjuster

Unfortunately, insurance adjusters may be assigned several hundred claims to manage at one time and may not have the time to give each claim individual attention. Maintain regular contact with the adjuster and share information you may have obtained through your contact with the injured worker. When the employee returns to work, be sure the adjuster is aware of this so that indemnity payments can be terminated or reduced.

Conduct exit interviews

Create a workers' compensation fraud prevention exit interview form. On this form, the employee who is being terminated or voluntarily resigns should attest that he has not been injured at your workplace. Have the employee sign the form. If the employee indicates that he has been injured, obtain all details and immediately set up a medical examination. If he refuses medical treatment, indicate that on the form and initiate an immediate investigation of the supposed circumstances of the injury.

Maintain a safe workplace

The main goal of your safety program should be geared towards the prevention of injuries to your employees by the removal of hazards, proper training, and the enforcement of safe work habits. Let your employees know that you have created and will maintain a safe working environment. Conduct regular safety meetings. Get your employees and employee union groups involved in identifying potential safety hazards. Fraud prevention starts with deterrence. Stop workers' compensation fraud before it happens.

If you need assistance in implementing an anti-fraud policy in your workplace or assistance with investigating what you feel may be a fraudulent workers' compensation claim, contact the Office of Workers' Compensation Fraud Section at 225-342-7558, or by calling our Nation-Wide Toll Free Fraud Hotline 1-800-201-3362. You may also email any questions you have to WCFraud@ldol.state.la.us.

For more information, visit our website www.LAWORKS.net.

Fighting Workers' Compensation Fraud in Louisiana

An Employer's Guide

An Employer's Guide to Fighting Workers' Compensation Fraud in Louisiana

Workers' compensation fraud is costing the insurance industry and employers billions of dollars each year. Louisiana's businesses are suffering the effects of workers' compensation fraud, spending more and more on higher premiums. Everyone is paying the bill. Businesses pass along the costs of higher premiums to consumers. Employers are robbed of funds for employee pay raises and bonuses. This crime has caused businesses to downsize, forcing some to close their doors.

Workers' Compensation fraud is the willful or intentional act of making a false statement or representation in order to obtain or defeat any benefit payment. The best tool for fighting workers' compensation fraud is prevention. The following basic elements will help you avoid questionable workers' compensation claims. By implementing these suggestions, you should be able to not only reduce exaggerated or abuse claims, but also bring down the costs from true workplace injuries.

Any questions you may have that are not covered here may be addressed to the Fraud Section by calling toll free 1-800-201-3362, or by visiting our website www.LAWWORKS.net. Copies of all forms mentioned in the text can be found by visiting the forms index of our website.

Develop a policy statement regarding workers' compensation fraud

Develop a clear and strong policy statement on the importance of promptly reporting all suspected accidents and injuries to supervisors or designated workers' compensation claims representatives. Make it clear in the statement that filing false claims is grounds for discharge and may subject the employee to criminal prosecution. Have your employees sign a copy of the policy statement. Post fraud awareness posters in your workplace. Make sure all employees know and understand the policy and rules. Emphasize the high cost of workers' compensation fraud and how it affects your business operations, their job security, and wages.

Make sure supervisors and managers are knowledgeable

Make sure that all supervisors and managers know how to handle workers' compensation claims, including:

- who to send the worker to for completing the report of injury,
- the importance of immediate investigation of the circumstances surrounding the injury, including witness statements,
- the supervisor's responsibility to make sure the employee gets appropriate medical care, and
- completing the employers first report of injury even though you may not believe there is a legitimate injury indicating "possible dispute" on the form.

Maintain current addresses for all employees

Make sure all personnel records are kept up to date. Have employees periodically update their personal information so that you will be able to maintain contact with them if they ever suffer a job-related injury.

Obtain accurate information

When an employee does report a job-related injury, ask for a statement about the nature of the accident and the injury suffered. Let them record the cause and nature of the accident in his or her own words. Encourage them to be specific. They should sign and date the statement. A signed statement should be obtained from any witnesses to the accident. **Note:** All forms should contain a paragraph stating the criminal penalties for making false statements.

Complete the first report of injury

Train your claims personnel on how to thoroughly document a reported injury. Unfortunately, filling out forms tends to be regarded as menial or undesirable work. As a result, inexperienced people complete them. Have an experienced person fill in the form and make sure the facts stated are accurate.

Report the injury to your carrier promptly

Promptly report the claim to your carrier along with any suspicious circumstances that may require further investigation. Late reporting of claims increase lost time and medical costs, fosters abusive claims, and increases the probability of expensive litigation.

Obtain prompt medical attention

If possible, have the employee's supervisor accompany him or her to the medical provider for emergency treatment, or with the employee's permission, to initial non-emergency treatment. The supervisor should observe the quality of treatment and report any problems to the company. Getting injured workers to high-quality doctors that are savvy to occupational medicine is one of your best means to avoiding exaggerated claims. The supervisor should speak with the provider about the nature of the injury and options for early return to work.

Stay in touch with your injured employees

Show concern for injured employees. Encourage them to stay faithful to the prescribed therapy. Encourage employees to keep medical appointments and to be available when you call. If feasible, deliver compensation checks to the employee's home and observe his surroundings and actions when you arrive. An employee who is allegedly disabled should not look as if he has just finished very strenuous work.