

# **FRAUD**

## **CALIFORNIA LAW**

California law states: "Any person who files or contributes to the filing of a false workers' compensation claim is committing a felony punishable by a prison sentence for up to 5 years, or by a fine up to \$50,000 or both."

## **FRAUD EXAMPLES**

Examples of Fraudulent Activities:

- Filing a claim for an injury that does not exist. For example, John Doe pretends to have back pain, when in reality he is pain free.
- Filing a claim for an injury is not work-related. For example, Sally Smith twists her ankle playing softball in a neighborhood game on Sunday, and then she comes to work on Monday claiming she tripped in the company parking lot that morning.
- Aiding a coworker in filing a false claim. For example, Dave Brown's supervisor will commit fraud if he lets Dave go to the clinic for a non-existent injury so that Dave can leave work early on Friday.

## **REPORTING FRAUD**

To report a workers' compensation fraud, call the California Insurance Department's Workers' Compensation Fraud Investigation Unit at (800) 927-4357.

## **SUBROSA**

Subrosa is a Latin word meaning "under the rose" and it is used in workers' compensation to mean surveillance. Claims examiners use subrosa to:

- Determine if someone is working elsewhere while disabled
- Confirm or dispute the extent of permanent disability
- Review any information an injured employee provides at any time

Subrosa can only be used if there is a good reason. Frivolous use of subrosa is a misdemeanor.