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# Workers' compensation fraud

The Ohio Bureau of Workers' Compensation (BWC) is tasked with protecting the integrity of Ohio's workers' compensation system. One way BWC does this is by identifying and preventing fraudulent activities from workers, employers and health-care providers. Fraud undermines the financial stability of the system and impacts honest workers and businesses.

Fraudulent activities can come from multiple sources, including workers, employers and providers. Understanding the signs of fraud helps us all protect the system.

## **Worker fraud**

This is also known as claimant fraud. Do you suspect someone who is out of work and receiving BWC disability benefits is committing fraud?

Some red flags that may signal injured worker fraud include individuals who:

- Collect BWC total disability compensation benefits while working
- Work for cash under the table
- Are self-employed or work from home
- Are never available to answer calls at home or have limited availability for medical exams and/or appointments
- Perform seasonal work that is about to end when they file a claim
- Are on disability compensation but engage in physical activities inconsistent with the limitations they claim to have due to their injury
- Give their prescribed narcotics to others or deceive medical providers to get multiple prescriptions
- Claim to be injured at work but were injured elsewhere
- Grossly exaggerate the extent of their injury

## **Employer fraud**

Employers who commit fraud get an unfair advantage ultimately harming the honest employers' ability to compete. This can result in innocent, hard-working employees losing their jobs and business owners losing their business.

Some red flags that may signal employer fraud include:

- Someone who operates a business without workers' compensation coverage

- A competitor who frequently underbids contracts (due to not paying for workers' compensation coverage)
- If a certificate of BWC coverage is not visible or contains an outdated coverage period and/or incorrect name of the BWC administrator
- An employer who misreports the amount of payroll or shifts payroll to lower cost jobs to avoid paying its fair share
- An employer who represents/reports employees as independent contractors/subcontractors
- An employer who pays employees cash under the table

### **Provider fraud**

Nefarious health-care providers pose a risk to the well-being of their patients. They do this by misrepresenting treatments and conditions to get money to which they're not entitled.

Some red flags that can signal health-care provider fraud include if the:

- Provider bills for a more costly service than what was performed
- Provider misrepresents who provided the care
- Provider dispenses controlled substances with no legitimate medical purpose
- Provider consistently bills the same procedure codes across their entire patient base
- Provider bills a high number of units related to time-based codes
- Injured worker's treatment notes do not change from visit to visit
- Information contained in injured worker's treatment notes is incorrect

If you suspect workers' compensation fraud, you can report suspected fraud to BWC online at <https://www.bwc.ohio.gov/bwccommon/forms/Fraud/default.aspx> or by calling the BWC fraud hotline at 1.800.644.6292

If you have any questions, contact our Sedgwick program manager, Shane Castle at [shane.castle@sedgwick.com](mailto:shane.castle@sedgwick.com).