



**State of Vermont
 Department of Labor
 Workers' Compensation and Safety Division
 5 Green Mountain Drive P.O. Box 488
 Montpelier, VT 05601-0488**



Report of Suspected Workers' Compensation Insurance Fraud

- Suspected fraud by
- an employee (obtaining benefits by willful false representation)
 - an employer (obtaining lower premiums by willful false representation or misclassification)
 - other: Please describe below
-

Person or Business Suspected of Committing Fraud

Name _____
 Phone Number _____
 Physical Address _____
 Mailing Address _____
 Email Address/Web Page _____

Employee Information

Date of Injury _____
 Injury Description _____
 Employer At Time of Injury _____
 Date of Birth _____

Employer Information

Person's Position in the Business _____
 Type of Business _____
 Number of Employees _____
 Workers' Compensation Insurer _____

Describe the suspected fraud; attach additional page(s) if necessary, and attach any relevant documentation*

Have you notified the insurance carrier that you suspect fraud in this matter? Yes No

In order for us to follow up with you, please provide the following information. This information is not confidential and may be released under certain circumstances.

Your Name _____
Phone Number _____
Mailing Address _____
E-mail Address _____
Date of this report _____

Your Relationship to the Person Suspected of Committing Fraud:

Coworker Employee Former Employee Competitor Neighbor Family
 Other _____

Please return the completed form to the mailing address above, or by FAX to (802) 828-2195

*please refer to supplemental page/reverse side for additional information and suggestions
SUSPECTED WORKERS' COMPENSATION FRAUD—SUPPLEMENTAL INFORMATION

VERMONT STATUTES

21 V.S.A. §708 Penalty for False Representation

- (a) A person who **willfully** makes a **false statement or representation**, for the **purpose of obtaining any benefit or payment** under the provisions of this chapter, either for her or himself or for any other person, after notice and opportunity for hearing may be assessed an administrative penalty of not more than \$5,000.00 total, and shall forfeit all or a portion of any right to compensation under the provisions of this chapter, as determined to be appropriate by the commissioner after a determination by the commissioner that the person has willfully made a false statement or representation of material fact.
- (b) An employer who **willfully** makes a **false statement or representation** for the **purpose of obtaining a lower workers' compensation premium**, after notice and opportunity for hearing before the commissioner of banking, insurance, securities and health care administration, may be assessed an administrative penalty of not more than \$5,000.00 in addition to any other appropriate penalty.

Examples of workers' compensation insurance fraud

Employer: An employer intentionally under-reports payroll or intentionally misclassifies an employee as an "independent contractor" or "subcontractor" in order to lower the workers' compensation insurance premium.

Employee: An injured worker earns wages while receiving Temporary Total Disability (TTD) benefits. When asked by the claim adjuster or doctor if s/he is working, the injured worker denies it.

Adjuster: An insurance adjuster intentionally misinforms a company physician that an injured worker has a prior history of the current medical problem.

Physician: A doctor treats a patient for an injury. The patient has no health insurance coverage. The patient does not indicate that work caused the injury but the doctor states in the record that work caused the injury in order to ensure bill payment.

It is necessary for **all** elements to be met in order for an action to rise to the level of "fraud".

Your complaint should address **all** the elements of the law:

Willful	<i>means</i>	intentional, deliberate; not inadvertent
False	<i>means</i>	untrue
Statement or representation	<i>means</i>	written, spoken, action
Material fact	<i>means</i>	significant or essential to the matter at hand
For the purpose of	<i>means</i>	motivating reason
Obtaining workers' compensation benefit for self or other	<i>means</i>	intended outcome

DESCRIBE:

- What is the statement?
- Who made it?
- How was the false statement given—written, spoken, action—when, and to whom?
- Why is it false?
- Why do you suspect the false statement was intentional and deliberate?
- Could the statement have been inadvertent?
- Was the false statement given to obtain benefits or a lower premium – how do you know?
- How is this false information important?

ATTACH RELEVANT DOCUMENTATION AND INFORMATION, SUCH AS

- Identification and contact information for subjects, witnesses, others who may have information
- Witness statements, investigative reports, surveillance reports, recorded statements, affidavits, video
- First Report of Injury, accident reports, wage statements, employee earnings reports, job search logs
- Report of indemnity, medical, permanency, other benefits paid, amount(s) and date(s)
- Medical documentation, activity restrictions, removal from work, statements to medical providers
- Communications between adjuster and claimant
- Insurance coverage documents and reports, classification statements
- Legal counsel name, address and telephone number