



*EMPLOYERS® Anti-Fraud Success Story:
The Case of the Slippery Employee (2014)*

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In January 2014, a restaurant cook alleged that he fell off a ladder while performing work-related tasks at a family-style restaurant. The worker claimed that as a result of his fall he suffered multiple injuries to the right side of his body, including his right hand, ribs and neck.

The restaurant owner reviewed video footage from the security camera mounted in the area of the alleged fall. He observed that the employee had been sitting on the floor when he kicked a nearby ladder, creating the illusion that he had fallen off the ladder. A co-worker responded to the noise of the ladder falling and found his colleague lying on the floor, appearing as though he had just fallen from the ladder.

A video DVD was created from the security camera footage and provided to the EMPLOYERS Fraud Investigations Department by the insured. The footage suggested that the employee fabricated the circumstances of his alleged job-related injury. The video was reviewed by EMPLOYERS Fraud Investigations Department personnel who observed the employee strategically place a step ladder in



the area where he was standing. He is then seen casually sitting down on the floor, eventually lying down on the right side of his body. The employee appeared to use the angle of his position to forcefully extend his left leg, kicking over the step ladder, which landed several feet away. He remained in the supine position on the floor until a female co-worker walked into the area.

Interestingly enough, the employee had previously filed a cumulative trauma injury claim in November 2012 alleging injuries to the same affected body parts as those identified within his newly submitted claim. In the 2012 injury report, the employee attributed his alleged injuries to

repetitive movement associated with performing his routine duties at the restaurant during the period from October 1996 through October 2012. It was reported by the company's owner that at the same time the employee had filed his cumulative trauma claim in 2012, he was encouraging another employee to also file a fraudulent workers' compensation claim because "she would be able to get money."

After reviewing all available information, the EMPLOYERS Fraud Investigations Department determined that the employee falsely reported the alleged injury to obtain monetary benefits. The EMPLOYERS Fraud Investigations Department referred the case to law enforcement for further



criminal investigation and the potential criminal prosecution of the worker. In July 2014, the employee was convicted of committing felony insurance fraud. He was ordered to pay total restitution in excess of \$10,000, placed on three years formal probation, and ordered to complete 80 hours of community service. He was given credit for time served in jail, and also ordered to successfully complete an anti-theft counseling program.

This success was due to the proactive and cooperative effort by all parties involved. Most importantly, because of the quick action by the policyholder in reporting the suspected fraud to its insurance carrier, the EMPLOYERS Claims and Fraud Investigations Departments coordinated a timely and thorough fraud investigation that facilitated the law enforcement's expedient criminal prosecution. This fraudulent claim will never adversely impact the cost of workers' compensation insurance for the restaurant owner, nor will it adversely impact the state's workers' compensation rates for other such businesses. In addition, the criminal prosecution of this case may also serve as a deterrent to others who might consider committing similar crimes in the future.