

Expensive health care, uncertainty drive workers to cheat comp system

By: Louise Esola

Contributing to the problem of workers compensation fraud are the uncertainty of health care coverage with the new presidential administration, high-deductible insurance plans that call for an employee to spend at least \$1,000 before benefits kick in and the ever-increasing cost of doctor-visit copays, experts say.

“There’s a greater incentive to go through workers comp,” said Jim Marasco, a partner with Rochester, New York-based StoneBridge Business Partners, which provides litigation support for insurers on evaluating loss claims. “It’s always advantageous to say, ‘I got hurt at work.’ That’s the richer policy: workers comp.”

Under workers comp — a liability coverage — employees see all medical costs covered in most cases, along with indemnity payments and more.

“This problem is high on the radar for insurers,” a spokesman for the Washington-based Coalition Against Insurance Fraud said. “It will likely accelerate as the uncertainty in health care continues because workers are not counting on their health coverage any longer; increasingly we will likely see more nonwork claims being dumped onto workers comp insurers so that the people can have that certainty of coverage at far more affordable terms than they are getting with their traditional health coverage.”

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