

Workers' compensation fraud shows increase

By: Mark Douglas

Even during a troubled economy, and possibly because of it, business has never been better for Paul Colbert.

His Meridian Investigative Group in St. Petersburg grew 50 percent last year, snooping on workers who fake on-the-job injuries to get workers' compensation checks.

That tracks with figures from the Florida Division of Insurance Fraud, which reported double-digit increases in workers' compensation fraud during 2010.

"Some people make it a career," Colbert said. "They're career claimants."

Colbert has 100 investigators in 14 states, armed with covert cameras and producing about 100 surveillance tapes a week that show able-bodied workers who are suspected of pretending to be injured or sick.

One of Colbert's surveillance videos shows a woman barrel racing at the same time she was claiming neck and shoulder injuries at work.

Another video shows a man push-starting his pickup truck even though he was out of work for an ankle injury.

Still another shows a man who said he was blinded, using a white cane and dark glasses in one scene and driving a golf cart in another.

The **Coalition Against Insurance Fraud**, a nonprofit group funded by the insurance industry, says it's hard to put an exact figure on workers' compensation fraud but estimated the amount is in the billions every year.

"Those costs just get passed on to all of us in higher prices at department stores, grocery stores and other businesses," said James Quiggle, executive director of the Washington-based coalition.

In Florida, courts ordered restitution totaling more than \$63 million in 1,676 cases of workers' compensation fraud in 2010, according to a report for the Florida Division of Insurance Fraud.

Workers faking or exaggerating work-related injuries make up the biggest share of the fraud, 39 percent, though employer fraud -- including companies pretending to carry workers' compensation insurance when they don't -- is the fastest-rising.

Ken Carroso, 56, ended up in jail over his St. Petersburg injury claim.

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**Coalition Against
Insurance Fraud**

Carroso suffered a broken arm and other injuries while a passenger in a cement truck that rolled.

"Next thing I know, I was being strapped down to a gurney with the paramedics, going to the hospital," Carroso said.

No one disputed Carroso's injuries, but a few months ago -- six years after the accident -- he was sentenced to 15 months in jail after a jury convicted him of workers' compensation fraud.

The offense: While being questioned about the accident, Carroso lied about injuries he received in two crashes in 1995, investigators said.

Carroso's employer said the lie unfairly boosted benefits paid to him. Altogether, Carroso collected \$112,221.

Carroso blamed a poor memory for his failure to disclose.

"I can't remember last week, much less 10 years ago," he said during an interview in jail. "I don't think the average person could remember a fender-bender they had 10 years ago."

Colbert said most of the false claims his investigators hear are smaller than the blinded worker and the rodeo rider.

"Most of the time it's just the little white lies where people may have exaggerated the injury,"