



## **SCHOOLS INSURANCE PROGRAM FOR EMPLOYEES**

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# **MONTHLY SAFETY TOPIC – January 2014**

## **WeTip Program and Workers' Compensation Fraud**

### **WeTip Program for Schools**

WeTip is a non-profit organization that has been in operation since 1972 serving schools, cities, counties, insurance companies, and private businesses. WeTip has a School Safety Program, which is a unique nationwide program designed to provide a way for students and staff to give information anonymously regarding school crime and threats of violence. The WeTip hotline is a resource for people who have information about a crime or a threat, but may be afraid to tell anyone. WeTip hotlines are answered by bilingual tip operator's 24-hours a day, 365 days a year. All calls are completely anonymous, and no one will ever know who made the call. When a call is placed to WeTip, no one will ever ask who they are, or where they live, but WeTip operators will ask detailed questions about the crime and who may have been involved.

For the program to be successful, it must be promoted regularly. Every classroom and hallway should have a WeTip poster and it is especially important to hang incident specific posters around the school and community after an arson fire, vandalism, theft, or any other crime has been committed on the campus. Also consider posting WeTip information, phone number, and web address in the school newspaper, school website, and make it part of the morning announcement. Reporting may be done anonymously by phone (1-800-78-CRIME) or online ([tips.wetip.com](http://tips.wetip.com)).

**Crime – Arson – Drugs – Child Abuse – Welfare Fraud – Workers' Comp Fraud – Embezzlement – Vandalism – Hate Crimes – Bomb Threats – Gangs - Weapons**

### **Workers' Compensation Fraud**

In California, workers' compensation insurance is a no-fault system. Injured employees need not prove an injury was someone else's fault in order to receive workers' compensation benefits for an on-the-job injury. In addition to medical expenses being covered for injured employees, some injured workers are entitled to a portion of their wages lost due to not being able to work. These benefits make fraudulent workers' compensation claims an enticing target for criminals.

Workers' compensation insurance fraud occurs in simple to complex schemes that often require difficult and lengthy investigations. For example, an employee either inflates the extent of his/her injuries, or simply fabricates injuries altogether. At the other end of the spectrum, white-collar criminals, including doctors and lawyers, entice, pay, and conspire with other individuals in cheating the system through fraudulent activity and insurance companies "pick up the tab," passing the cost onto policyholders, taxpayers and the general public.

In 1991 through the passage of Senate Bill 1218, workers' compensation fraud became a felony and requires insurers to report suspected fraud. During fiscal year 2011-12, the CA Fraud Division received 5,207 reports, opened 556 new cases, made 132 arrests, and referred 168 submissions to prosecuting authorities. Potential loss amounted to \$361,962,663.

What can school employees do to help prevent fraud? 1) Report all injuries, no matter how minor, to your supervisor immediately upon realization that the injury or illness is work related. Failure to report in a timely manner will increase the cost of the incident due to possible penalties and additional administrative and investigation costs. 2) Report suspicious activity to your supervisor or anonymously by phone (1-800-78-CRIME) or online ([tips.wetip.com](http://tips.wetip.com)).

Anyone who makes or causes to be made any knowingly false or fraudulent material statements for the purpose of obtaining or denying workers' compensation benefits or payments is guilty of a felony. Fines can be up to \$150,000 and imprisonment up to five years.

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