



driving profits to your bottom line
newsflash

CRMBC Member saves thousands of dollars by pursuing claim fraud, resulting in conviction.

Sanjiv Bhagat, the President of Indo Cal Foods, Inc. dba Jack in the Box, along with Jyoti Madhura, Vice-President, and their team took decisive action in a workers' comp claim that has saved their company and the CRMBC thousands of dollars in claim costs.

The claimant, a 40 year old female assistant manager of a Jack in the Box located in Fresno, CA, was the victim of a robbery at the restaurant and filed a claim for acute stress disorder and insomnia. She received medical and temporary disability benefits for approximately 6 weeks. On August 31, 2011, she pled no contest to one count of insurance fraud.

Sanjiv and his team identified and examined red flags. By reviewing their surveillance film and interviewing other employees, they discovered that the claimant violated store policy by arriving to work early for her opening shift and entering the store without a fellow employee present. This information allowed them to assist local detectives, which resulted in the arrest of the employee and her boyfriend for staging the robbery.

Examiner Judy Ko of American Claims Management had identified the potential fraud early and made a referral to the Special Investigation Unit for ACM, Investigation Solutions, Inc. (ISI). ISI then prepared a submission to the District Attorney which was accepted, resulting in the employee's arrest for insurance fraud. It is often frustrating for employers when prosecutors do not pursue cases for fraud in Workers' Compensation. Success begins with good employer investigation and close work with the claim management team.

In an interview with Sanjiv, he was asked what specific actions he and his team took that aided in the prosecution of an employee who filed a fraudulent claim. He provided the following tips:

- Trust your intuition. Document "red flags" and follow up on them.
- Have surveillance cameras in the restaurant and take the time to review the surveillance tapes.
- Enlist the assistance of your local law enforcement. In this case, the local detectives were engaged in the incident because Sanjiv and his team were engaged.
- Respond to workplace accidents quickly. It sends a message to your employees that you take workplace injuries seriously, whether they are fraudulent or not.

California Restaurant Mutual Benefit Corporation (CRMBC)

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