

FRAUD INDICATOR CHECKLIST

When two or more of the indicators are present, you may have legitimate reason to suspect the claim is fraudulent. It should be kept in mind, however, that the presence of one or more indicators is not proof of fraud, however, it gives the Fund's staff probable cause to conduct an investigation.

- 1) Injured worker is disgruntled, soon to retire, or facing imminent firing or layoff.
- 2) Injured worker is involved in seasonal work that is about to end.
- 3) Injured worker took unexplained or excessive time off prior to claimed injury.
- 4) Injured worker takes more time off than the claimed injury seems to warrant.
- 5) Injured worker is nomadic, history of short-term employment.
- 6) Injured worker is new on the job.
- 7) Injured worker is experiencing financial difficulties.
- 8) Accident occurs late Friday afternoon or shortly after the employee reports to work on Monday.
- 9) Accident is un-witnessed.
- 10) Fellow workers hear rumors that the accident was not legitimate or injured worker admits or boasts about the faked injury.
- 11) Details of the accident are vague.
- 12) Incident is not promptly reported by the employee to supervisor.
- 13) "TIP" reveals employee may be working elsewhere, self employed or observed doing activities that allegedly could not be performed at work.
- 14) After injury, injured worker is never home or spouse/relative answering the phone states the injured worker "Just stepped out."
- 15) Return calls to residence have strange or unexpected background noises.
- 16) A substantial delay occurred in reporting the incident or in filing of claim.



A.B.A. Bulletin

A NEWSLETTER OF THE ARIZONA BUSINESS ASSOCIATION, INC.

Fall 2001

President's Message

By now most of you have received your year 2000 Dividend Check from the State Compensation Fund. A portion of that check, 44% of the total dividend, was the direct result of you being a member of the Arizona Business Association, Inc. The bonus is pooled from all of our members and is based on how well the association did in terms of losses.

Unfortunately, our limited losses for the year 2000 were a dismal 55%. ABA, Inc. is working in conjunction with the State Compensation Fund and are in the process of correcting this situation through our Safety Committee. So far, as of June 30th, 2001 our losses are 33%. Our goal for the all of 2001 is under 40%.

In these uncertain economic times it is especially important to be aware of safety issues which could lead to accidents, which in turn leads to high losses, higher insurance rates and potential law suits, not to mention the possibility of being ineligible for a Bonus Dividend from the State Comp Fund.

If you did not receive a Dividend Check it was probably due to high losses within your company. If this is the case then you may have safety issues and need assistance in addressing these. For further assistance please contact:

ABA, Inc. Safety Committee

Phone: (602) 956-1911 or visit our website @ www.abasafety.com

~Or contact State Comp Fund Loss Prevention~

Carl Hamilton – SCF Loss Prevention Rep for ABA, Inc.

Phone: (602) 631-2956 or visit their website @ www.statefund.com

HISTORY AND PURPOSE OF ABA

Arizona Business Association, Inc. started in 1972 and currently has over 900 members. The original objective dealt only with workers compensation insurance through the State Fund but has been extended to include other benefits including group health insurance, group dental insurance, computer training and collection agency services.

Currently, ABA, Inc. is taking a more active role ensuring a higher degree of safety in the workplace which translates into lower losses and higher profitability for ABA Members. Our Safety Committee, which meets every quarter, monitors our members with high losses to assess their situation and assist in achievable solutions concerning safety and ascertaining possible fraud.

In an effort to provide insurance as reasonable as possible to employers and because they are non-profit, the State Fund HAS A POSSIBLE UP FRONT DISCOUNT OF 16.5% if you fit into their loss control criteria. After loss claims, contribution to claim reserves and surplus reserves, and administrative expenses, monies that remain are returned to the policy holders in the form of dividends.

Dividend checks over the past 5 years have averaged over 19 percent of the premium paid. AN ADDITIONAL BONUS IS PAID BY THE STATE FUND THROUGH THE ASSOCIATION AS AN INCENTIVE FOR SAFETY PROMOTION. The dividend/bonus checks last year totaled over \$3.7 million.

Our Association returns 100% of the Bonus Dividend to our members.

There is no enrollment fee or dues charged for the year you join.

Joseph P. Brown
President

Phoenix, AZ 85060-5950
P.O. Box 15950
ASSOCIATION, INC.
ARIZONA BUSINESS



**T. L. Martin
Insurance Agency**

Exclusive Agency for
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Special Rates for ABA
Members
(602) 276-7000
www.tlmia.com

We're on the Web!
www.abasafety.com

A NEWSLETTER OF
THE ARIZONA
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Fax: 602/954-6244
Email: cmark_01@hotmail.com

Safety Committee Volunteers

Arizona Business Association, Inc. is currently taking a more active role ensuring a higher degree of safety in the workplace which translates into lower losses and higher profitability for ABA Members. We are forming a new Safety Committee and need volunteers from our members to meet four times a year, once a quarter, and assist in our safety efforts.

If you are interested in becoming a Safety Committee Volunteer please fill out ALL of the information below and then either Phone, Fax or E-mail it to us. We will then contact you with information on our upcoming meetings. **Remember, that high losses from any member in our association have the effect of lowering the total Bonus Dividend from the State Comp Fund.**

Yes, I am interested in volunteering for the ABA Safety Committee:

Name: _____

Title: _____

Even if you are NOT interested in the Safety Committee we still need you to fill out the information BELOW so that we may better assist your business on current Safety Issues and upcoming Safety Courses & Seminars.

***Note:** This information is solely for the purpose of Safety Awareness by the Arizona Business Association, Inc. and is Absolutely Necessary for us to assist in lowering our members losses. It will not be used for marketing or junk mail.

Please Phone, Fax, Mail or E-mail this information:

Company Name: _____

ABA Member #: _____

Fax #: _____

E-mail Address: _____

If you have any questions please feel free to call us:
ARIZONA BUSINESS ASSOCIATION, INC.
www.abasafety.com

