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North Carolina Industrial Commission

First and Second Quarter Update: \$3.2 Million in Penalties Collected

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The Industrial Commission's Compliance and Fraud Investigative Division continues to identify businesses out of compliance with the Workers' Compensation Act. At the end of the first two quarters of Fiscal Year 2018-19, the Compliance and Fraud Investigative Division collected over \$3.2 million in penalties and issued 289 criminal charges. The Division is building on extraordinary numbers from last fiscal year, during which the Division collected over \$8 million in penalties and issued 696 criminal charges.

The Division's Compliance Unit handles civil cases and issues civil penalties to non-insured businesses for failure to carry the requisite workers' compensation insurance. The clear proceeds of the penalties collected go to the State's Civil Penalty and Forfeiture Fund to benefit North Carolina's public schools. "Businesses without proper workers' compensation insurance put North Carolina's workers at risk of not being promptly or adequately compensated for medical expenses incurred from workplace injuries," said Compliance and Fraud Director Bryan Strickland. "It may seem harmless to not have insurance, but it affects people every day."

The Division's Fraud Investigative Unit conducts criminal investigations of suspected workers' compensation fraud and violations related to workers' compensation claims. In addition to the 289 criminal charges issued thus far this fiscal year, the Fraud Investigative Unit had 640 active investigations at the end of the first two quarters.

To report a case of suspected fraud or noncompliance, please contact the Commission's Compliance and Fraud Investigative Division using the below contact information. The fraud and compliance checklist, available online at <http://www.ic.nc.gov/fraud.html>, provides a list of information helpful to investigators.

- By phone: 1-888-891-4895
- By email: fraudcomplaints@ic.nc.gov
- By mail: Fraud Investigations
Attn: Sam Constance
1233 Mail Service Center
Raleigh, NC 27699-1233