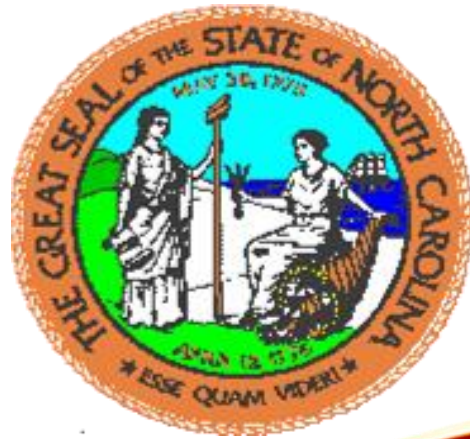


NORTH CAROLINA INDUSTRIAL COMMISSION

Compliance and Fraud Investigative Division





WHAT ARE THE COMPLIANCE AND FRAUD INVESTIGATION'S RESPONSIBILITIES

Ensure Compliance with the Workers' Compensation Act

- The Compliance Section works on the civil side to ensure that employers who should have workers' compensation coverage have it.
- We use a tool – NETS – Noncompliant Employer Targeting System – to identify potential noncompliant businesses and we work to determine if they have coverage, and if not we work to bring them back into compliance.



WHAT ARE THE COMPLIANCE AND FRAUD INVESTIGATION'S RESPONSIBILITIES, CONT'D

Ensure Compliance by Employers, Employees, and other related parties

- We think outside the box to identify potential industries where there may be high noncompliance.
- We investigate potential noncompliant businesses, and if they are found to be noncompliant, we have the authority to charge them criminally. It is a misdemeanor if the employer is negligent in their noncompliance and it is a felony if they are willful in their noncompliance.



WHAT ARE THE COMPLIANCE AND FRAUD INVESTIGATION'S RESPONSIBILITIES, CONT'D

- We also investigate potential noncompliant employees, doctors, attorneys, insurance agents and other related parties.
- This past fiscal-year, we issued 27 felony criminal charges against 7 different individuals that were involved in some type of workers' compensation fraud.

STAFF UPDATES & ADDITIONS

We started the 2017 year off with an important addition to the team.

- Lauren White was hired as the Assistant Director for the Compliance and Fraud Division.



- Lauren is a graduate of the College of William and Mary Law School. She is a licensed attorney in the State of North Carolina.

STAFF UPDATES & ADDITIONS

- We have been fully staffed with 6 Law Enforcement Officers for over a year, and they are supported by Catherine Ittermann.



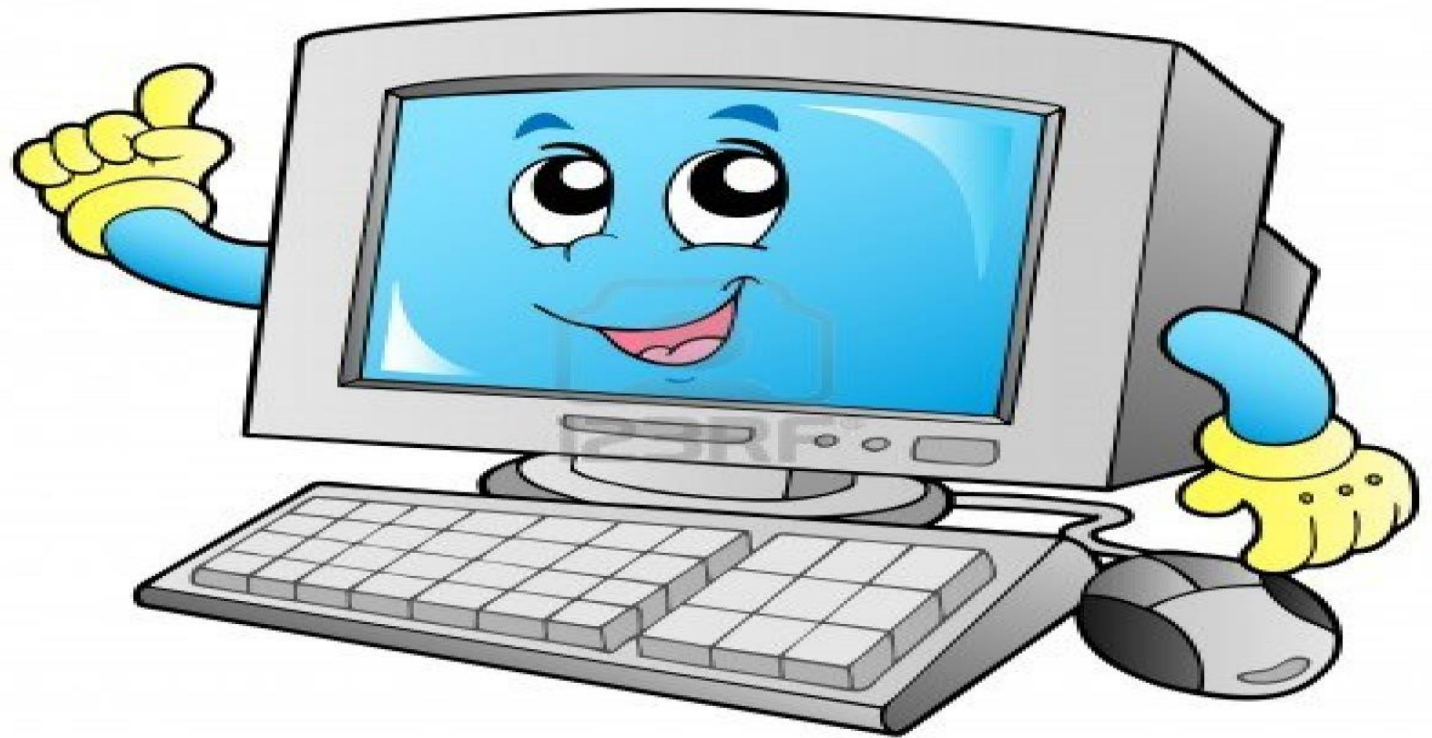
- We currently have 5 Compliance Officers and 2 Compliance Examiners.

- We have 2 Paralegals on staff that not only work with claims involving uninsured employers, but they are also heavily involved in our Penalty Enforcement and Collection Efforts.



CHANGES

- NETS Updates



CHANGES, CONT'D

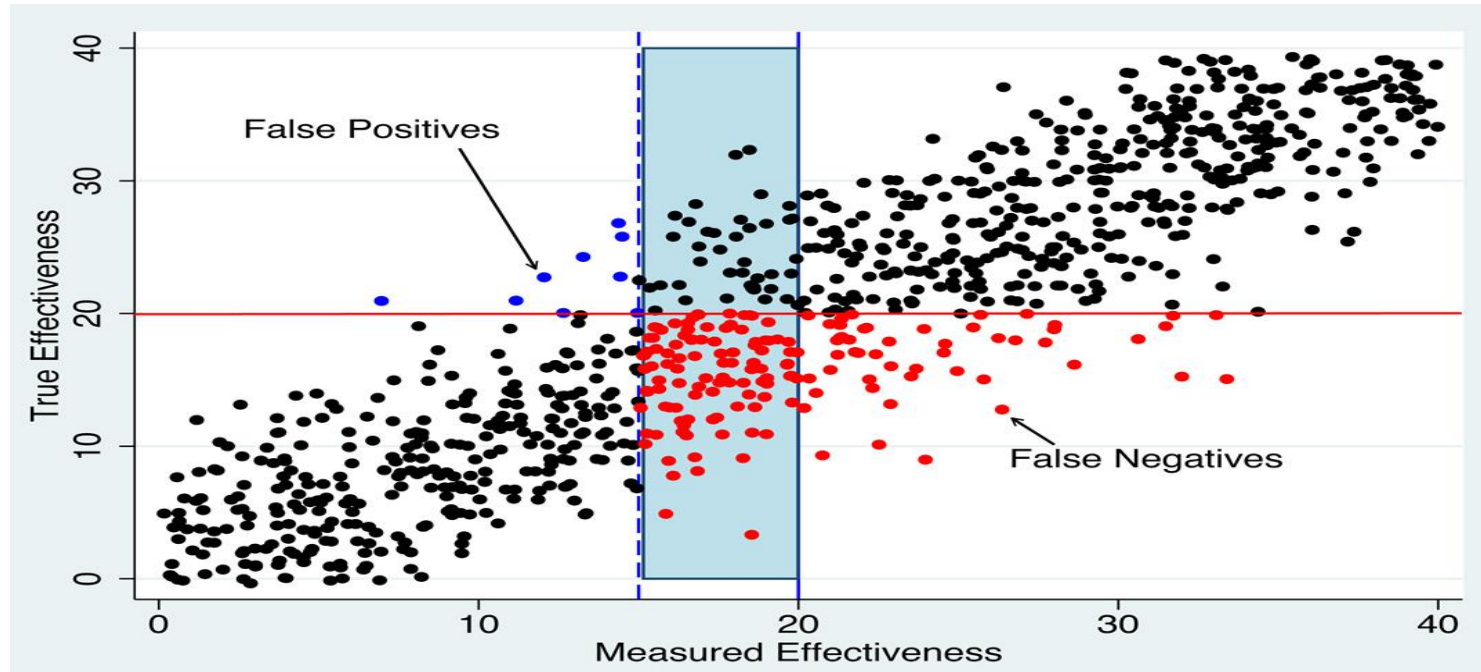
- We are now having Penalty Enforcement/Appeals Hearings twice per month.



- We will continue to have Penalty Contempt Hearings monthly.

LOOKING FORWARD

- How can we address misclassification issues? How can we make NETS more efficient and effective?



LOOKING FORWARD, CONT'D

- Are there industries that we need to make a concerted effort in to help address the problem?





YEARLY RESULTS

- Penalty Collections
 - FY 2014-15 we collected \$992,965.00
 - FY 2015-16 we collected \$1,495,963.00
 - FY 2016-17 we collected \$1,723,296.00
- Criminal Charges Filed
 - FY 2014-15 100 criminal charges filed for noncompliance
 - FY 2015-16 150 criminal charges filed for noncompliance
 - FY 2016-17 412 criminal charges filed for noncompliance

COMPLIANCE STAFF CONTACTS

Director of the Compliance and Fraud Investigations

- Bryan Strickland
- Bryan.Strickland@ic.nc.gov
- (919) 807-2525

Assistant Director of the Compliance and Fraud Investigations

- Lauren White
- Lauren.Halbert@ic.nc.gov
- (919) 807-2646

Counsel to the Industrial Commission from the Attorney General's Office

- Gwenda Laws
- Glaws@ncdoj.gov
- (919) 716-6831

COMPLIANCE STAFF CONTACTS, CONT'D

Compliance Officer

- Alicia O'Neal Ellis
- Alicia.ellis@ic.nc.gov
- (919) 807-2553

Compliance Officer

- Dianne Daniels
- Dianne.Daniels@ic.nc.gov
- (919) 807-2648

Compliance Officer

- Victoria Wise
- Victoria.Wise@ic.nc.gov
- (919) 807-2549

Compliance Officer

- Frank Ramirez
- Frank.Ramirez@ic.nc.gov
- (919) 807-2628

Compliance Officer

- Rene' Cossin
- Rene.Cossin@ic.nc.gov
- (919) 807-2671

Paralegal

- Barbara Jenkins
- Barbara.Jenkins@ic.nc.gov
- (919) 807-2569

Paralegal

- Coltrane Milholen
- Coltran.milholen@ic.nc.gov
- (919) 807-2669

Compliance Examiner

- Sheila Hall
- Sheila.Hall@ic.nc.gov
- (919) 807-2535

Compliance Examiner

- Carrie Wilson-Morris
- Carrie.wilsonmorris@ic.nc.gov
- (919) 807-2665

Administrative Assistant

- Vacant

FRAUD INVESTIGATION SECTION

- The Fraud Investigation Section consists of six Fraud Investigators and an Investigative Assistant. To report workers' compensation fraud, dial toll free or email:
(888) 891-4895 (in North Carolina), Fax: **(919) 715-0282**, fraudcomplaints@ic.nc.gov
- The telephone numbers and e-mail addresses for the Fraud Investigation Section are as follows:

Chief Fraud Investigator

- Samuel M. Constance Sam.Constance@ic.nc.gov (919) 807-2567

Fraud Investigators

- Joe Lynch Joe.Lynch@ic.nc.gov (919) 807-2568
- Angela G. Hayes Angela.Hayes@ic.nc.gov (919) 807-2654
- Chase Foss Chase.Foss@ic.nc.gov (828) 234-8733
- Gerald Stephens Gerald.Stephens@ic.nc.gov (336) 212-9669
- Stig Larson Stig.Larson@ic.nc.gov (910) 709-0053

Investigative Assistant

- Catherine Iftermann Catherine.ittermann@ic.nc.gov (919) 807-2682