



## DEPARTMENT OF FINANCIAL SERVICES

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State of Florida

The Florida 2003 Legislature required all Workers Compensation carriers to submit a series of statistical and narrative data on its experience and maintenance of its anti-fraud efforts. We created the Workers' Compensation Anti-Fraud (WCAF) Report filing system for WC carriers to report this data. The first thing you must do is activate a new account. This must be done every year. We ask for basic identifying information, including an email address and a password. You will receive an email that includes the account code and a link to the WCAF database. You will click on the link to begin the WCAF report filing. It is a simple report to complete. We provide Frequently Asked Questions which explains much of the process as well as provides definitions of the data required. Thank you for using this electronic report filing system.

### Workers' Compensation Annual Anti-Fraud Report Filing:

Effective August 1, of every year, each insurer writing workers' compensation insurance in Florida shall report to the Division of Insurance Fraud, Bureau of Workers' Compensation Fraud its experience in implementing and maintaining an anti-fraud special investigative unit (SIU) or an anti-fraud plan. DFS Informational Memorandum 04-002 describes the statistical data required pursuant to 626.9891 (6), Florida Statutes.

The time period for 201 reporting is July 1, 2009 through June 30, 2010.

### The report filing requires:

1. The dollar amount of recoveries and losses delineated by type of WC fraud.
2. The number of referrals submitted to the Bureau of Workers' Compensation Fraud delineated by type of WC fraud.
3. A description of the organization of the SIU or anti-fraud unit including position titles and descriptions of staffing.
4. The "rationale" for the level of staffing and resources being provided based on such criteria as the number of policies written for the above referenced report data period, the number of claims received for the report data period, the number of suspected fraudulent claims detected for the report data period, an assessment of optimal case load that can be handled by an SIU investigator for the report data period and other factors that explain the level of staffing and resources.
5. A description of education and training provided to underwriting and claims personnel to assist in identifying and evaluating instances of suspected fraudulent acts in underwriting or claims activities.
6. A description of a public awareness program focused on the costs and frequency of insurance fraud and methods by which the public can prevent it.

Please note that if an insurance carrier is licensed to insure workers' compensation coverage, but did not write WC coverage during the reporting period (7-1-2009 to 6-30-2010) the carrier will activate a new account, select the carrier and submit a "No Data to Submit" report filing.

The electronic Workers' Compensation Anti-Fraud (WCAF) report filing is accessible by July 1, 2010 and will be available until September 30, 2010. The WCAF report filing can be accessed via <http://www.myfloridacfo.com/fraud/>. On the QT with SIU, WCAF Report icon.

**WC Anti-Fraud Reporting System**

**Submit this WC Anti-Fraud Report to:**

**Denise Prather  
Fraud Division  
FL Dept of Financial Services  
200 E. Gaines Street  
Tallahassee, FL 32399-0324  
or  
Send via Facsimile # 850 414 5687**

**REPORTING DOCUMENT**

Please fill in the following fields to identify who you are.

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**Personal Information**

**First Name:** \_\_\_\_\_

**Last Name:** \_\_\_\_\_

**E-Mail Address:** \_\_\_\_\_

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**PHONE INFORMATION**

**Phone Number:** \_\_\_\_\_ **Extension:** \_\_\_\_\_

**Toll Free Phone:** \_\_\_\_\_ **Fax Number:** \_\_\_\_\_

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**Street Address**

**Street 1:** \_\_\_\_\_

**Street 2:** \_\_\_\_\_

**City:** \_\_\_\_\_ **State:** \_\_\_\_\_ **Zip / Postal Code:** \_\_\_\_\_

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**Position**

**User Type:**     **Workers' Compensation Company**                    **[Check One]**

**Third Party Contractor**

**Company Name:** \_\_\_\_\_

**Position:** \_\_\_\_\_





## DEPARTMENT OF FINANCIAL SERVICES BUREAU OF WORKERS' COMPENSATION FRAUD

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### OVERVIEW / PURPOSE STATEMENT

The 2003 Florida Legislature passed significant changes in the reporting requirements of carriers that write Workers' Compensation business in Florida. The requirements include an annual reporting provision for carriers that write Workers' Compensation to report on or before August 1 of each year, its "experience in implementing and maintaining an anti-fraud investigative unit or an anti-fraud plan". These reporting requirements are pursuant to 626.9891(6), Florida Statutes. If an insurer fails to submit a final anti-fraud plan or otherwise fails to submit a plan, fails to implement the provisions of a plan or an anti-fraud investigative unit, or otherwise refuses to comply with the provisions of this section, the department may:

- (a) Impose an administrative fine of not more than \$2,000 per day for such failure by an insurer, until the department deems the insurer to be in compliance;
- (b) Impose upon the insurer a fraud detection and prevention plan that is deemed to be appropriate by the department and that must be implemented by the insurer; or
- (c) Impose the provisions of both paragraphs (a) and (b).



**DEPARTMENT OF FINANCIAL SERVICES  
BUREAU OF WORKERS' COMPENSATION FRAUD**

Dollar Amount of recoveries and losses by type of workers' comp fraud  
for 7-1-2009 to 6-30-2010:

Fraud Type	<i>Losses</i>	<i>Recoveries</i>
Claimant		
Employer		
Provider		
Agent		
Other		
<b>TOTAL</b>		

Number of referrals by type of WC fraud to Workers Comp  
Fraud Bureau for 7-1-2009 to 6-30-2010:

Fraud Type	<i>Number of Referrals</i>
Claimant	
Employer	
Provider	
Agent	
Other	
<b>TOTAL</b>	





## DEPARTMENT OF FINANCIAL SERVICES BUREAU OF WORKERS' COMPENSATION FRAUD

THE "RATIONALE" OR EXPLANATION FOR THE LEVEL OF STAFFING AND RESOURCES BEING PROVIDED FOR THE SIU OR ANTI-FRAUD INVESTIGATIVE UNIT, WHICH MAY INCLUDE OBJECTIVE CRITERIA SUCH AS NUMBER OF POLICIES WRITTEN, NUMBER OF CLAIMS RECEIVED ON AN ANNUAL BASIS, VOLUME OF SUSPECTED FRAUDULENT CLAIMS CURRENTLY BEING DETECTED, AN ASSESSMENT OF OPTIMAL CASELOAD THAT CAN BE HANDLED BY AN INVESTIGATOR ON AN ANNUAL BASIS AND OTHER FACTORS THAT EXPLAIN THE LEVEL OF STAFFING AND RESOURCES.

Rationale or explanation using the above criteria that explains the level of staffing and resources  
(maximum 4000 characters)

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A DESCRIPTION OF IN-SERVICE EDUCATION AND TRAINING PROVIDED TO UNDERWRITING AND CLAIMS PERSONNEL TO ASSIST IN IDENTIFYING AND EVALUATING INSTANCES OF SUSPECTED FRAUDULENT ACTIVITY IN UNDERWRITING OR CLAIMS ACTIVITIES. PROVIDE EXAMPLES OF TRAINING THAT WILL BE GIVEN TO UNDERWRITING AND CLAIMS PERSONNEL.

Education and training (maximum 4000 characters)

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**DEPARTMENT OF FINANCIAL SERVICES  
BUREAU OF WORKERS' COMPENSATION FRAUD**

Provide a description of your public awareness program focused on the costs and frequency of WC fraud and the methods and measures that you can use to educate your customers to recognize it:

Description of public awareness program (maximum 4000 characters)

Methods and measures to educate your customers (maximum 4000 characters)



## DEPARTMENT OF FINANCIAL SERVICES BUREAU OF WORKERS' COMPENSATION FRAUD

### 626.9891, (6), Florida Statutes

(6) Each insurer writing workers' compensation insurance shall report to the department, on or before August 1 of each year, on its experience in implementing and maintaining an anti-fraud investigative unit or an anti-fraud plan. The report must include, at a minimum:

(a) The dollar amount of recoveries and losses attributable to workers' compensation fraud delineated by the type of fraud: claimant, employer, provider, agent, or other.

(b) The number of referrals to the Bureau of Workers' Compensation Fraud for the prior year.

(c) A description of the organization of the anti-fraud investigative unit, if applicable, including the position titles and descriptions of staffing.

(d) The rationale for the level of staffing and resources being provided for the anti-fraud investigative unit, which may include objective criteria such as number of policies written, number of claims received on an annual basis, volume of suspected fraudulent claims currently being detected, other factors, and an assessment of optimal caseload that can be handled by an investigator on an annual basis.

(e) The in-service education and training provided to underwriting and claims personnel to assist in identifying and evaluating instances of suspected fraudulent activity in underwriting or claims activities.

(f) A description of a public awareness program focused on the costs and frequency of insurance fraud and methods by which the public can prevent it.

(7) If an insurer fails to submit a final anti-fraud plan or otherwise fails to submit a plan, fails to implement the provisions of a plan or an anti-fraud investigative unit, or otherwise refuses to comply with the provisions of this section, the department may:

(a) Impose an administrative fine of not more than \$2,000 per day for such failure by an insurer, until the department deems the insurer to be in compliance;

(b) Impose upon the insurer a fraud detection and prevention plan that is deemed to be appropriate by the department and that must be implemented by the insurer; or

(c) Impose the provisions of both paragraphs (a) and (b).

(8) The department may adopt rules to administer this section.