

Feigning Disability One Day, Out and About the Next

Fraudsters Risk Increased Prosecution and Stiffer Penalties for Disability Insurance Fraud

These criminals aren't your typical suspects. They may be the doctor around the corner or your neighbor down the street. You might see them at the local gym, in the mall or at the beach. They just also happen to be on disability insurance under false pretenses.

From doctors and lawyers to construction workers and cab drivers, disability insurance fraud is a crime many people think they can get away with - and many do. Nearly \$80 billion in fraudulent claims are made annually in the U.S., according to the [Coalition Against Insurance Fraud](#). This includes all types of insurance, and is a conservative estimate considering insurance fraud often goes undetected and unreported.

"It's unfortunate because everyone pays for disability insurance fraud," says Theresa Dalen, vice president, life and disability claims at Assurant Employee Benefits. "It is meant to help people and provide financial assistance for those who can no longer work due to a disability or unexpected illness. It isn't meant to supplement someone's income while they secretly work a side job instead of returning to work."

Arrogant enough to feign disability for years at a time, many fraudsters eventually reveal their true abilities and ultimately get caught. For example, it's not easy to substantiate a claim about a bad back pain if you are found working at a new job.

According to [CBS News](#), some offenders inadvertently share the truth about their health via social media, exposing the fact that they not only can walk, but can dance and work, too. Using advanced data mining software to search through online profiles, investigators are able to build incriminating evidence against perpetrators - all due to shared photos of gym workouts and outdoor activities.

"We take fraud very seriously at Assurant Employee Benefits, because it drives up costs for legitimate customers. Our mission is to protect our customers, help them recover and return to work, and provide benefits for those who experience legitimate disabilities," says Dalen.

Federal and state governments are also serious about disability fraud and are taking action to emphasize the severity of this crime, according to the [Coalition Against Insurance Fraud](#). The FBI, U.S. Postal Service, Medicare, Medicaid and other federal agencies are combating insurance fraud by seeking stronger punishment.

As noted by the [Social Security Administration](#), penalties for Social Security and disability fraud are getting stiffer: felony criminal penalties can result in large fines and time in jail. Civil penalties could also be brought against defendants.

For more information on disability insurance fraud and how to help identify and report it, visit www.insurancefraud.org.