

SENATE, No. 725
STATE OF NEW JERSEY
208th LEGISLATURE

INTRODUCED FEBRUARY 26, 1998

Sponsored by:

Senator ANDREW R. CIESLA

District 10 (Monmouth and Ocean)

SYNOPSIS

Concerns workers' compensation fraud.

CURRENT VERSION OF TEXT

As introduced.

An Act concerning workers' compensation fraud and supplementing chapter 15 of Title 34 of the Revised Statutes.

Be It Enacted *by the Senate and General Assembly of the State of New Jersey:*

1. The division shall order immediate termination or denial of benefits provided pursuant to this article with respect to any claim for which the division determines that the claimant has willfully obtained or attempted to obtain benefits by knowingly making, when making that claim, a false statement or representation concerning any fact or thing material to that claim for the purpose of obtaining those benefits and the division may order, with respect to the claim, a forfeiture of all rights of compensation or payments sought.

Notwithstanding any other provision of law, and in addition to any other remedy available under law, if an employee has received benefits pursuant to this article to which the employee is not

entitled, the employee is liable to repay that sum plus simple interest to the employer or the carrier or have the sum plus simple interest deducted from future benefits payable to the employee, and the division shall issue an order providing for the repayment or deduction.

2. This act shall take effect immediately.

STATEMENT

This bill requires the Division of Workers' Compensation to order an immediate termination or denial of workers' compensation benefits with respect to a claim if the division finds that the claimant has willfully obtained or attempted to obtain benefits by knowingly making, when making that claim, a false statement or representation concerning any fact or thing material to that claim for the purpose of obtaining those benefits. The division may order, with respect to the claim, a forfeiture of all rights of compensation or payments sought.

The bill requires an employee who receives benefits to which the employee is not entitled to repay the sum of the benefits plus simple interest to the employer or have it deducted from future benefits, and requires the division to issue an order providing for the repayment or deduction.

The bill requires the employee to repay or have deducted any benefits wrongly paid, not just indemnity benefits.