



Midland man convicted of workers' compensation fraud

AUSTIN, Texas— Texas Mutual Insurance Company recently reported that a Travis County district court sentenced Joe D. Lozano, Sr. of Midland, Texas, on workers' compensation fraud-related charges.

Lozano reported a job-related injury while working as an appliance repairman for A & A Appliance in Midland, Texas, and claimed he was unable to work because of his injury. Texas Mutual began paying income benefits to him, but then discovered Lozano was working as a self-employed appliance repairman. Investigators call this type of scam double dipping because the claimant collects benefits for being too injured to work when he or she is, in fact, gainfully employed.

The Texas Department of Insurance, Division of Workers' Compensation, prosecutor in Travis County handled the case. The court sentenced Lozano to a Class A misdemeanor. He served one day in jail and paid \$6,049 in restitution to Texas Mutual.

Texas law requires claimants to contact their workers' comp carrier when they return to work. Left unchecked, double-dipping and other workers' comp fraud can lead to higher premiums for all Texas employers.

About Texas Mutual Insurance Company

Austin-based Texas Mutual Insurance Company, a policyholder-owned company, is the state's leading provider of workers' compensation insurance. Texas Mutual provides coverage to 43 percent of the market, representing over 70,000 companies, many of which are small businesses. Since 1991, the company has provided a stable, competitively priced source of workers' comp insurance for Texas employers. Helping employers prevent workplace accidents is an important part of Texas Mutual's mission.