

Workers' Comp Fraud and How it Effects Today's Business Owners

John Morris, Head Deputy of the Los Angeles County District Attorney's Office spoke to Norwalk Chamber members and guests today on "Workers' Comp Fraud" and how it affects the business climate in California. To gain a little perspective many of you know that California has an economy that is larger than almost every nation in the world. At one time, California ranked 5th in the world with their economy, but over the last 10 years they have dropped down to 9th place. While California's economy has shown some growth, it has continued to struggle with issues such as the cost of workers' comp insurance which helps drive businesses out of California. States such as Texas, Arizona, Nevada and Utah have seen the benefit of this trend, while California has suffered from loss of jobs and businesses.

So you may ask, what exactly is workers' comp fraud? To start with let's review the history of why workers' comp insurance was created. Approximately 100 years ago California developed workers' comp insurance, first to protect employers from losing their businesses through lawsuits by employees who were injured on the job, and second to ensure that injured employees received good medical treatment so that they could get back to work. Unfortunately over time people have found ways to harm employers by taking advantage of the workers' comp system. Many times employees will have a legitimate injury but find ways to stay out of work longer than needed to continue to receive workers' comp benefits or they will collect workers' comp benefits from their employer and then go out and get another job while continuing to receive benefits. Employee fraud is just one aspect of workers' comp fraud. There are also Medical Professionals who commit fraud. By billing for unneeded procedures, submitting fake claims for people that don't exist and over writing prescriptions some Medical Professional are "milking" the system for millions of dollars each year which only increases the cost of workers' comp insurance for all businesses in California. Each year these crimes grow more widespread and sophisticated.

Investigating workers' comp fraud is what John Morris's office does to help protect businesses. There are ways business owners can help them with that process. To protect yourself and your

business when there is an injury at work DOCUMENT, DOCUMENT, DOCUMENT! Take notes on what happened yourself and if there are any witnesses have them write down what they witnessed. If English is their second language, have them write their statement in their native language. Keep these documents. If you have a security camera with video keep the video from the incident. Do not let it get taped over by something else, save it! You must report the injury to your workers' comp insurance immediately, the law requires this. You are taking a great risk with your business if you do not follow the law.

The "underground economy" is another factor in creating job loss in California. The underground economy refers to businesses that are lying about having workers' comp insurance, are not carrying sufficient workers' comp insurance or are not properly licensed to do business in California. Because they have less overhead in their business, they are able to unfairly compete for many projects by underbidding the competition. This takes work away from companies who follow the law. It also puts business owners and residents at risk. When you hire someone who is not covered correctly by workers' comp insurance or is not licensed properly and someone is injured on the job you can be sued and your insurance will have to cover the injury. This can cause increased premiums for you or the complete cancellation of your insurance policy. One way to overcome this potential problem is to always verify that a contractor has a license and workers' comp insurance. By obtaining their contractor's license number you can verify with the State License Board that it is valid and current. You can ask for the workers' compensation insurance name and policy number and contact them directly to ensure that it is correct. Or for non-contractors, ask for a copy of their business workers' compensation insurance certificate and follow the same procedures.

The District Attorneys office is committed to helping honest employers, but they can't do it alone. If you feel that your company is being victimized by workers' comp fraud, contact the District Attorneys office. Work with them on the investigation. Look for red flags on workers comp claims, such as the timing of when the injury occurred or the length of time someone has been employed

by your business. Protect your business by being proactive in every injury that occurs in the workplace. Right now Los Angeles County has the largest percentage of workers' comp fraud cases in California at 38 percent. The City of Los Angeles is one of the top three cities in the nation for workers' comp fraud. Protect yourself and your business by helping eliminate workers' comp fraud in Los Angeles County. To report workers' comp fraud, contact the Los Angeles District Attorney's Office Healthcare Fraud Division at 213-580-3350



Norwalk Mayor Cheri Kelley welcomes guest speaker John Morris, Head Deputy Los Angeles County District Attorneys Office to the Norwalk Chamber Networking Breakfast.

MESSAGE FROM THE PRESIDENT



Fall is here and it is the time to "showcase" your business by participating in Norwalk Chamber events. These events are designed to place you face to face with many potential clients and business partners! By spending a small amount of your time networking at Chamber events, you can create a positive business growth environment for your company.

And what exactly is showcasing you may ask? Showcasing is how the Norwalk Chamber of Commerce provides its members with a way to come together for a common purpose. Whether that purpose is to meet other local business and community leaders, to build business connections, or to bring the public together in one place to meet our Chamber members, each event is designed to provide you with a chance to grow your business.

Our "2012 Celebrate Norwalk Holiday Extravaganza" is a great place to start this process. This event takes place on Wednesday, October, 17th from 4:00pm to 7:00pm at the Norwalk Doubletree Hotel. Attendees at this event will have the opportunity to meet you at your table and find out about your business directly from the source, YOU! Attendees will also be able to try samples of great food from local restaurants, find out about holiday decorating ideas, obtain free health screenings, and much more. This event is open to the public, so plan on reserving your table soon, as space is limited.

Another opportunity to meet and mingle with other Norwalk Chamber members and guests takes place at the end of October. October 30th will be the next Norwalk Chamber evening mixer, co-hosted by Dunn-Edwards Paint and Applebee's Restaurant. Join our Chamber as we spend some time getting to know more about each other and our businesses while enjoying the hospitality of these two members.

Just think, if your business were to gain one or two new clients or customers from either of these events, then it will have been worth your time! Because that one or two new clients will speak to other potential clients and be a vehicle for you to grow your business even more! This is the purpose of networking and the reason why the Norwalk Chamber of Commerce continues to provide its members with these networking events.

Be sure and visit our Norwalk Chamber website at www.norwalkchamber.com or find us on Facebook and "like" our page. And if you have any questions about either of these events or future opportunities for you to grow your business, contact the Norwalk Chamber of Commerce at 562-864-7785 or by email at info@norwalkchamber.com.

Celebrate Fall!

Lynda Fisher
President
Norwalk Chamber of Commerce

Norwalk Chamber of Commerce
12040 Foster Road, Norwalk, CA 90650

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NEW & RENEWING MEMBERS

New Members

Irvine University
Calvin Bonds
10900 183rd Street #330
Cerritos CA 90703
562-865-7111
www.irvineuniversity.edu

One Stop Implants & Dental
Carmen Brown
11005 Firestone Blvd. #106
Norwalk CA 90650
562-863-8888
www.onestopimplants.com



Calvin Bonds of Irvine University receives their new member plaque from Ambassador Chair Joe Derthick of AFLAC.



Enrique Aranda of New Economy Strategies receives his new member plaque from Past President Joe Derthick of AFLAC.

Renewing Members

The following companies and individuals renewed their membership with the Norwalk Chamber of Commerce and the services we provide are made possible by their support.

35 Years
Norwalk Realty
Gordon Stefenhagen
562-868-3201

26 Years
Employment Development Department
Anna Hernandez
562-929-9147

Sonoco
Salvadore Juarez
562-921-0881

22 Years
Dr. John E. Larcabal, O.D.
John Larcabal
562-868-8233

21 Years
Budget Car Sales
Craig Wicks
562-407-2800

17 Years
Golden Trowel Norwalk Masonic Lodge #273
William Sizemore
562-863-9101

9 Years
Kelco Sales
Tracy Polley
562-868-9861

4 Years
Norwalk Collision & Glass
Christina Gutierrez
562-207-0870

3 Years
Soroptimist International of Norwalk
Marilee Stefenhagen
562-505-0633

2 Years
Walgreens
Michael Batory
562-864-8138

Downey Patriot Newspaper
Jennifer DeKay Givens
562-904-3668

MEMBER TO MEMBER DISCOUNTS

The Member-to-Member Discount Program is a special Chamber program that encourages members to do business with fellow Chamber members. The program helps our members to save money and to increase their exposure. These businesses are offering discounts to Norwalk Chamber Members. Your current Chamber Membership Card must be presented when requesting the discount

CAR SALES

BUDGET RENT-A-CAR AND TRUCK & SALES
Phil Arey OR Craig Wicks
12541 Rosecrans Ave.
Norwalk (562)407-2800
\$500 Gas Voucher with purchase of car.> While supplies last.

LODGING

RED LION HOTEL
Yani Lopez
1850 S. Harbor Blvd
Anaheim (714) 383-6185
\$79 Single-Double Occupancy + 17% Occupancy tax & \$1 CA Tourism Resort Fee. Includes 2 full breakfasts and Parking. Call: 1-800-733-5464 Pride Rate code: CM6

PAINT

DUNN EDWARDS PAINTS
Mark Campos
12125 Imperial Hwy, Unit B
Norwalk (562) 864-7162
(in Paddison Square - next to Applebee's)
A 40% discount on paint only. It's Simple - Just mention that you are a Norwalk Chamber Member

SEWING & VACUUM SERVICES

NORWALK VACUUM & SEWING MACHINE - SALES & SERVICE
Bill Sanning
14529 S. Pioneer Blvd.
Norwalk (562) 864-7781
15% OFF on service for vacuum & sewing machines.

FLORIST

NORWALK FLORIST
Gary Murphy
11947 Firestone Blvd.
Norwalk (562) 863-4478
www.floristnorwalk.com
15% discount off all telephone or walk-in floral orders.

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FIRST CLASS COPIERS
Isaac or Tammie
Downey (562) 928-5091
**10% off First Service Call
10% off 1st Supply Order**

PAYROLL SERVICES

PAY ADVANCE PAYROLL
Dean Harako
721 W. Whittier Blvd. Ste. O
La Habra (562) 697-7920
>New Clients receive one month of Free Payroll Services.

TIRE SERVICES

PRO TIRE & PREMIER TIRE
Rudy Garcia
16102 Pioneer Blvd
Norwalk (562) 404-8558
No Sales Tax on Purchases.

BICYCLE SHOP/PARTS

PAT'S 605 CYCLERY
Ron Patterson
12310 Studebaker Road
Norwalk (562) 864-0740
10% of all products. Show Chamber Membership Card for Discount.

HALL RENTAL

NORWALK MOOSE LODGE
Don Luepritz
11305 Imperial Hwy.
S. Whittier (562)864-6867
\$100 off Hall Rental + 1/2 off Yearly Membership - only \$30 Call for more details

OPTOMETRIST

Dr. PAUL S. CRISMAN, O.D.
Jackie Garcia
13800 San Antonio Dr.
Norwalk (562)864-6535
15% off Eye Exam & Glasses

PLUMBING HVAC

NORWALK/LA MIRADA PLUMBING HEATING & AIR CONDITIONING
Teri Bazen
11661 Firestone Blvd
Norwalk (562) 868-7777
5% off all work

TROPHIES/AWARDS

WEST GROVE TROPHIES
Esmeralda Gallardo
15602 Graystone Avenue
Norwalk (562) 650-0838
10% off first order. 15% off for schools & churches. On orders of \$100 & up.

DON'T MISS THESE UPCOMING EVENTS!

Tuesday - October 9, 2012 - 11:00am - Grand Opening & Ribbon Cutting - H2GO Express Car Wash
12616 Imperial Highway, Norwalk

Wednesday - October 17, 2012, 4:00pm - 7:00pm - "Celebrate Norwalk" Business & Community Expo
Norwalk Doubletree Hotel, 13111 Sycamore Drive, Norwalk

Tuesday - October 30, 2012 - After Hours Mixer - Applebee's and Dunn Edwards

For More Information, please call the Norwalk Chamber of Commerce at (562) 864-7785

MESSAGE FROM THE EXECUTIVE DIRECTOR



How Well Do You Market Yourself and Your Business?

When you talk to folks about your business at networking events, seminars or in even elevators – you are marketing! Are you a shameless, relentless, enthusiastic promoter of your services and products?

How often and what ways do you keep in touch with your customers? Never let them forget you. One or two months after you do business with them you might consider writing your customers a note, asking how they are enjoying their purchase or if they are benefiting from your service. Do you write a regular newsletter including information that is of value to them or have a website or Facebook page with news about you and your latest products/service/specials? Are you using social media to your best advantage? It works as a sales and marketing “person” 24 hours a day and never asks for overtime!

Be creative; make sure you are marketing your company where prospective customers are looking for your services or products – you may be offering your service or product at the precise moment a buyer needs it. Remember: It is not your clients’ job to remember you. It is your obligation and responsibility to make sure they don’t forget you! -Vivian Hansen

LABOR LAW CORNER

Terminating Employee: Who Give Notice Can Affect Your UI Obligations

Question: My employee just gave 2 week’s notice that she is quitting, but I want to terminate her today because I know she is going to work for a competitor. If I do so, will that change her voluntary quit to an involuntary termination such that she will now be able to collect unemployment insurance (UI) benefits? Will it make a difference if I pay her out for her notice period?

According to the Employment Development Department (EDD), when an employer terminates an employee before the effective date of a previously announced voluntary quit, the quit becomes a termination if the employee suffers a wage loss. Since it will be difficult for the employer to show that there was some sudden wrongdoing leading to the termination on the part of the employee who had just given notice, the employee will likely be eligible to collect UI benefits because she was not terminated for misconduct. If the employer pays the employee wages equal to what would have been earned through the end of the notice period, however, then there has been no wage loss and the separation from employment would remain a voluntary quit for UI purposes.

Quitting with “Good Cause” Employees who voluntarily quit often are eligible for UI benefits, as long as they have quit with good cause. “Good cause” means the reason for leaving must be something substantial and compelling that would cause a reasonable person who genuinely wanted to remain employed to quit anyway. Examples include moving out of the area for a spouse’s job, accepting a substantially better new job, or quitting to take care of a seriously ill child or parent where there is no one else available to do so. Before paying out an employee for a typical two-week notice period, the employer should consider whether the employee would nonetheless be eligible for UI benefits due to a voluntary quit with good cause.

UI Responsibility Continues If the employee is quitting to go to a new job, why would an employer even worry about a UI claim since the former employee will not be employed? Unfortunately, an employer can remain responsible for UI payment long after an employee leaves. If the former employee loses her new job working for the competitor, EDD will look to all base period employers and the reasons the employee separated from employment from them. Base-period employers can include employers the employee worked for more than a year before separation from the latest employment. If your former employee quits or get fired from her new job, you could bon on the hood for part of her UI payment.

Reprinted from ALERT – a CalChamber Publication, August 24, 2012 by Ellen Savage HR Advisor

The Labor Law Helpline is a service to California Chamber of Commerce preferred and executive members. For expert explanations of labor laws and Cal/OSHA regulations, not legal counsel for specific situations, call (800) 348-2262 or submit your question at www.hrcalifornia.com.

Southeast ROP Academy holds 9/11 Memorial Event

On Tuesday, September 11th, the skies were blue, the air was still and the voices quiet as cadets from the Southeast ROP Academy, John Glenn High School and Artesia High School ROP Theater Performers presented a tribute to honor and recognize those whose lives were taken so abruptly on September 11th, 2001. With clips of news stories from that day intermingled with music and words from those who were so close to these attacks, the presentation brought back many painful memories to the audience. It also reminded us that the true hero’s of that day: Firefighters, Law Enforcement, First Responders, passengers on planes and citizens, gave their lives to help others. From the flag folding ceremony to the playing of Taps and bringing the flag to half-staff, the assembly watched in quiet respect as our countries traditions were shared again to commemorate the 11th anniversary of this tragic and terrible event. Ironically those students who took part in the ceremony today were just toddlers and young children when these events unfolded in 2001. By keeping the tradition of the 9/11 Memorial Ceremony today the Southeast ROP Academy provides the means to a memorable statement, “May We Never Forget.” Thank you Superintendent Gil Montano and all of the Southeast ROP staff and cadets for your beautiful presentation and for reminding us to never forget.

Life Insurance is More Important Than Ever

If asked, most couples would say it’s important to protect the financial future of their families in the event of a spouse’s unexpected death.

Yet 74 percent of couples rarely or never discuss the topic of life insurance as part of their financial planning strategy, according to a 2010 State Farm® Life Insurance Study. A 2011 study from finance research firm LIMRA revealed that 41 percent of U.S. adults don’t even have life insurance.

That doesn’t mean it’s not on their minds. Sixty-two percent of respondents said uncertainty in the economy makes having life insurance even more important than it had previously been.

Bringing up the subject can be difficult. It may be that discussing the unexpected death of a spouse is awkward. Or that one spouse already feels the pressure of being the primary wage earner. Or that a spouse who has recently lost a job will react negatively to the topic.

But whatever the obstacles, talking about life insurance is critical to both partners -- even if one earns substantially more than the other, or one doesn’t earn an income. To start the discussion, try these tips:

- **Talk before you’re in a financial crisis.** Pick a time when you’re not stressed, and treat the topic as you would any other aspect of your financial planning.
- **Make a plan** that incorporates life insurance as a primary component of your overall financial strategy. Having a plan in place can be reassuring if your circumstances change.
- **Set a monthly budget** and learn what options you can afford. Schedule follow-up evaluations and adjust your coverage as your needs, family situation and income change.
- **Consult an insurance expert** who can provide an outside perspective and make the discussion less stressful.
- **Focus your discussion** on the love you have for your family and your desire to protect it from financial burdens, rather than on the possible death of a spouse.

Contributed by State Farm Insurance Beth Bettger 562-496-1000

Royal Garden Restaurant

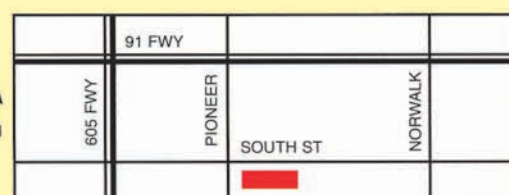


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