



NEWS RELEASE

From New York State Workers' Compensation Fraud Inspector General
Catherine Leahy Scott

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BUFFALO WOMAN WITH INTERNET RETAIL OPERATION CHARGED WITH AND PLEADS GUILTY TO OVER \$48,000 WORKERS' COMPENSATION FRAUD

BUFFALO – New York State Inspector General Catherine Leahy Scott today announced the arrest and guilty plea of a City of Buffalo woman on charges she defrauded the Workers' Compensation system and stole over \$48,000 in insurance benefits to which she was not entitled by concealing her role in running an internet retail operation.

Caroline Jankowski, 44, of Jackson Avenue, Buffalo, was arrested and charged with Grand Larceny in the Third Degree and Perjury in the First Degree, felonies. At arraignment in Erie County Court, as part of a prearranged plea negotiation, Jankowski pleaded guilty to one count of Attempted Grand Larceny in the Fourth Degree. Jankowski also signed an order of judgment against her in the amount of \$48,023.77 for the total amount stolen.

An investigation by Inspector General Leahy Scott found that Jankowski had been receiving Workers' Compensation benefits since January 2012, when she injured her lower back and right elbow while attempting to lift a patient from the floor at the Absolut Care of Aurora Park nursing home. Jankowski collected benefits since that time, and most recently at a rate of \$319.00 per week.

Beginning in January of 2011, the defendant began an internet business on eBay selling items for both children and adults. From 2011 to 2015, the defendant earned nearly \$53,000.00 from this business. On November 25, 2015, while being questioned about her business activities during a New York State Workers' Compensation hearing, the defendant asserted that she made items for family members and friends but did not sell them. Her repeated failure to report her business earnings to her Workers' Compensation insurance carrier enabled her to collect more than \$48,000.00 in benefits to which she was not entitled.

“This defendant's unreported business activities and purposeful concealment of her work status enabled her to criminally abuse the Workers' Compensation system and pocket financial benefits to which she was not entitled,” said Inspector General Leahy Scott. “I will continue dedicating the resources of my position and office to protect the benefits meant to assist honest, hard-working New Yorkers.”

Under State law, employers are required to maintain Workers' Compensation coverage for their employees, and employees are expected to provide truthful information regarding their work activity to insurance carriers and the New York State Workers' Compensation Board during the time they are receiving benefits.

Jankowski was released pending her appearance at sentencing on May 29, 2018.

Inspector General Leahy Scott thanked the Alliance National Insurance Company for their assistance with the investigation, and Erie County District Attorney John J. Flynn and his office for prosecuting this matter.

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The New York State Office of the Workers' Compensation Fraud Inspector General investigates fraud, abuse and/or illegal acts against the New York State Workers' Compensation system, including fraud by medical service providers, employers seeking to evade appropriate Workers' Compensation charges, and employees who fabricate injuries to fraudulently receive system benefits. Complaints and referrals are kept confidential. We can be reached by calling toll free: 1-800-367-4448, utilizing our online complaint form at <http://www.ig.ny.gov> or sending an email to: inspector.general@ig.ny.gov. You also can write to our office at: Office of the Workers' Compensation Fraud Inspector General, Empire State Plaza, Agency Building 2, 16th Floor, Albany, New York 12223