OCTOBER 2020 ISSUE #2165-2740 VOLUME 31 * IRLETTER.COM

Crypto Currency and the Great Double Dip

As the 'gig' economy goes into overdrive due to COVID layoffs, employee behavior regarding Crypto Currency has made a dramatic shift in a surprising direction. While you may assume that investing in bitcoin is on the rise, but that's only a small part of the story.

Crypto Currency is being used as a method of payment for persons on unemployment insurance or who have an open worker's comp claim. Because Crypto Currency is outside of the original employer's payroll system, injured workers can receive a full income stream from the gig economy while receiving benefits on a claim. The most popular apps for these cash exchanges include CashApp, followed by Venmo and Zelle.

Here's what it looks like:

1. Worker leaves day to day employment via furlough or injury claim
2. Worker hones a hobby of theirs into a marketable skill
3. Worker begins selling their services, with payment via Crypto Currency apps
4. Double dip for as long as possible

Just last week our company was in court testifying about an injured worker who had a full-fledged catering business up and running (including the use of a ghost kitchen) while she was on workers compensation. All payments were made via CashApp and we testified that the profile was open and active, but CashApp does not disclose the amounts of money being transferred from one entity to another.

How can an insured or an employer know if a worker is being compensated? The use of crypto currency is often displayed in claimants' social media profiles. The business that they are running as well as their preferred cryptocurrency app will be available either as announced entities or in comments below photos of the products or services offered.

As the work environment continues to evolve at a record pace, we have seen these crypto currency apps explode in popularity for wide variety of everyday financial transfers – music lessons, food sales, estate sales, swap meets, and arts/craft sales and festivals. We have also simultaneously seen the closure of stores, marketplaces and multiple businesses.

Because of these closures, the main venue for marketing the goods and services developed by claimants is social media. Facebook, TikTok, and Instagram are the new "malls, markets and trade shows." So, while cryptocurrency apps make people's finances less possible to track, their activities online make them much easier to discover. Social media is the common thread that ties everything together.

Therefore, as soon as workers' comp disability claims are made to an employer or TPA, it is more important than ever to start social media surveillance right away to capture the activity (both financial and otherwise) that will reduce claim exposure. The pandemic has moved us further and further online, allowing better and more comprehensive information about claimants via digital surveillance.

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Marci is the CEO of Fraud Sniffr, Inc., a software company that locates, downloads & distributes social media content about WC/liability claimants to their adjusters. Her online technical and linguistic algorithm skills predate Google, which has allowed her to launch and sell two search technology companies prior to starting Fraud Sniffr. She was also an adjunct professor of Marketing & Social Media for six years at The Johns Hopkins University Whiting Engineering School. Fraud Sniffr has been one of the 50 fastest growing companies in Maryland for the past three years.