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Jury Convicts Belleville Woman
for Mail Fraud in Worker's Compensation Scheme

SPRINGFIELD, Ill. – A jury deliberated for approximately one hour on Friday, March 6, 2020, before returning guilty verdicts against a Belleville, Ill. woman, Paula Klaustermeier, 53, charged with three counts of mail fraud. U.S. District Judge Sue E. Myerscough presided over the trial which began March 3. Sentencing is scheduled on July 10, 2020.

After sustaining a workplace injury in 1998 as a seasonal federal employee, Klaustermeier collected wage replacement benefits and medical benefits through the Department of Labor, Office of Workers' Compensation Program. At trial, the government presented evidence to show that, starting in approximately 2005, Klaustermeier began fraudulently altering medical documentation, or wholly creating fraudulent medical documents, in an effort to support her claim of ongoing disability. Starting in at least 2008 and continuing into 2013, she submitted travel reimbursement requests, claiming she traveled between 30 and 80 miles, almost daily, in order to engage in a therapy treatment at a variety of health club facilities. The evidence showed that Klaustermeier did not, in fact, have valid health club memberships during the time frame in question; it also showed that one of the health club facilities she claimed to travel to for therapy treatments was actually the private residence of her parents. Through these fraudulent travel reimbursements, Klaustermeier received more than $53,000 in benefits.

The Department of Labor, Office of Inspector General, and the U.S. Postal Inspection Service conducted the investigation. Assistant U.S. Attorneys Victor B. Yanz and Tanner K. Jacobs represented the government at trial.

At sentencing, the offense of mail fraud carries a maximum statutory penalty of 20 years in prison.