

The Center for Contract Compliance Sr. Investigator Frank Velazquez assisted a Sr. Investigator for State Fund Insurance leading to the arrest of Harry Minassian owner of Pacific Construction who denied Workers' Compensation Benefits to a seriously injured worker.

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NEWS RELEASE

Employer caught denying workers' comp benefits after employee loses limb

LOS ANGELES, Calif. – Harry Minassian, 55, of Granada Hills and owner of Pacific Construction was arrested on four felony counts of workers' compensation insurance fraud after refusing to report an employee's serious injury to the State Compensation Insurance Fund.

A Pacific Construction employee received a puncture wound to his foot while on a jobsite, which became infected. Unfortunately, the seriousness of the infection led to the employee's leg being amputated below the knee. The employee reported the injury to his employer but Minassian refused to report it to the State Compensation Insurance Fund, his workers' compensation carrier and denied workers' compensation coverage for his employee.

"Employers are responsible for ensuring their employees receive the benefits and treatment they are entitled to when they are injured on the job," said Commissioner Dave Jones. "In this case, the employer was negligent and allowed his employee to suffer unnecessarily and end up with a permanent disability."

The employee was awarded permanent disability after he filed a claim with the insurer. The department's investigation began after the State Compensation Insurance Fund reported Minassian and that he had a history of failing to report employee injuries. The investigation revealed Minassian owed nearly \$12,000 in workers' compensation insurance premiums and failed to deduct required payroll taxes and social security for all of his employees.

Minassian was booked at the Los Angeles County Jail Twin Towers Inmate Reception Center. His bail has been set at \$120,000. If convicted on all counts, Minassian faces a maximum of five years in county jail. This case is being prosecuted by the Los Angeles District Attorney's Office.

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Media Notes:

[Harry Minassian arrest photo](#) is also available on the Department's Flickr site: https://www.flickr.com/photos/ca_dept_insurance/16243351754/