

THE INFORMATION IN THIS BOX IS NOT A PART OF THE CONTRACT AND IS FOR COUNTY USE ONLY



Contract Number

20-995

SAP Number

### District Attorney

Department Contract Representative Telephone Number Claudia Walker (909) 382-7689

Contractor Contractor Representative Telephone Number Contract Term Original Contract Amount Amendment Amount Total Contract Amount Cost Center California Department of Insurance Jennifer Tran, Program Specialist (916) 854-5708 July 1, 2020 – June 30, 2021 \$2,454,241 \$0 \$2,454,241 4500002672

**Briefly describe the general nature of the contract:**

California Insurance Code section 1872.83 authorizes the State Insurance Commissioner to distribute funds, assessed against insurers, for investigation and prosecution of Workers' Compensation Insurance cases.

The grant award in the amount of \$2,454,241 will support the Workers' Compensation Fraud Prosecution Program for 2020-21.

**FOR COUNTY USE ONLY**

Approved as to Legal Form

*[Signature]*  
Katherine Hardy, Deputy County Counsel

Date 10-6-20

Reviewed for Contract Compliance

*[Signature]*

Date

Reviewed/Approved by Department

*[Signature]*  
Jason Anderson, District Attorney

Date 10/20/2020

INSURANCE COMMISSIONER  
OF THE STATE OF CALIFORNIA

**GRANT AWARD AGREEMENT**

Fiscal Year 2020-21

**Workers' Compensation Insurance Fraud Program**



The Insurance Commissioner of the State of California hereby makes an award of funds to **San Bernardino County**, Office of the District Attorney, in the amount and for the purpose and duration set forth in this grant award.

This grant award consists of this agreement and the application for the grant and made a part hereof. By acceptance of the grant award, the grant award recipient agrees to administer the grant program in accordance with all applicable statutes, regulations, and Request-for-Application (RFA).


**Duration of Grant:** The grant award is for the program period **July 1, 2020 through June 30, 2021**.

**Purpose of Grant:** This grant award is made pursuant to the provisions of California Insurance Code Section 1872.83 and shall be used solely for the purposes of enhanced investigation and prosecution of workers' compensation insurance fraud cases.

**Amount of Grant:** The grant award agreed to herein is in the amount of **\$2,454,241**. This amount has been determined by the Insurance Commissioner with the advice and consent of the Fraud Assessment Commission based on the estimated funds collected pursuant to Section 62.6 of the Labor Code. However, the actual total award amount for the county is contingent on the collection of assessments and the authorization for expenditure pursuant to Government Code Section 13000 et seq. The grant award shall be distributed pursuant to Section 1872.83 of the Insurance Code and the California Code of Regulations Subchapter 9, Article 3, Sections 2698.53, 2698.54, and 2698.57.

Official Authorized to Sign for Applicant/Grant Recipient  Name: Jason Anderson Title: District Attorney Address: 303 West Third St., Sixth Floor San Bernardino, CA 92415 Date: <u>10/20/2020</u>	<b>RICARDO LARA</b> Insurance Commissioner  Name: <b>George Mueller</b> Title: Deputy Commissioner Date: <u>11/12/2020</u>
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I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purposes of this expenditure.

  
Crista Hill, Budget Officer, CDI

12/1/20  
Date

**DEPARTMENT OF INSURANCE  
WORKERS' COMPENSATION INSURANCE FRAUD PROGRAM**

<b>BUDGET CATEGORY AND LINE ITEM DETAIL</b>	<b>2020-21 AWARD BUDGET</b>
<b>A. Personnel Services - Salaries/Employee Benefits</b>	
All program salary and benefit rates are per the current Attorney, Safety, Safety Management, and General Memorandum of Understanding's with the County of San Bernardino.	
3.0 FTE DEPUTY DISTRICT ATTORNEY IV	<b>532,336</b>
6.0 FTE SENIOR INVESTIGATOR	<b>728,354</b>
.85 FTE SUPERVISING INVESTIGATOR	<b>132,025</b>
1.0 FTE SECRETARY I	<b>39,541</b>
<b>TOTAL SALARIES:</b>	<b>1,432,256</b>
<b>BENEFITS FOR 10.85 FTE EMPLOYEES FOR ONE YEAR:</b>	
3.0 FTE DEPUTY DISTRICT ATTORNEY IV	
Indemnification	
Indemnification Allowance/Cafeteria Plan	
Life Insurance	
Medical Insurance	
Retirement	
Short-term Disability	
Social Security Medicare	
Survivor's Benefits	
Vision Care	
Workers' Compensation	
6.0 FTE SENIOR INVESTIGATOR	
Indemnification	
Indemnification Allowance/Cafeteria Plan	
Life Insurance	
Long-Term Disability	
Medical Insurance	
Retirement	
Social Security Medicare	
Uniform	
Vision Care	
Workers' Compensation	
	<b>CONT'D</b>

**DEPARTMENT OF INSURANCE  
WORKERS' COMPENSATION INSURANCE FRAUD PROGRAM**

<b>BUDGET CATEGORY AND LINE ITEM DETAIL</b>	<b>2020-21 AWARD BUDGET</b>
<b>A. Personnel Services - Salaries/Employee Benefits cont'd.</b>	
.85 FTE SUPERVISING INVESTIGATOR Indemnification Indemnification Allowance/Cafeteria Plan Life Insurance Long-Term Disability Medical Insurance Retirement Social Security Medicare Uniform Vision Care Workers' Compensation	<b>113,542</b>
1.0 FTE SECRETARY Indemnification Indemnification Allowance/Cafeteria Plan Life Insurance Medical Insurance Retirement Short-Term Disability Social Security Medicare Survivor's Benefits Vision Care Workers' Compensation	<b>20,166</b>
<b>TOTAL BENEFITS:</b>	<b>938,856</b>
<b>TOTAL SALARIES AND BENEFITS:</b>	<b>2,371,112</b>

**DEPARTMENT OF INSURANCE  
WORKERS' COMPENSATION INSURANCE FRAUD PROGRAM**

<b>BUDGET CATEGORY AND LINE ITEM DETAIL</b>	<b>2020-21 AWARD BUDGET</b>
<b>B. Operating Expenses</b>	
<b>OFFICE EXPENSE</b>	<b>5,845</b>
Consumable office supplies necessary to administer and run program. Includes office supplies, stamps and software.	
<b>AUDIT ALLOWANCE</b>	<b>3,000</b>
Financial and compliance audit per guidelines.	
<b>MOTOR POOL</b>	<b>62,300</b>
2 hybrid sedans	
\$282/mo x 12 mo. x 2 vehicles	
1,000 mi x .49/mi x 12 mo. x 2 vehicles	
2 mid-size sedans	
\$282/mo x 12 mo. x 2 vehicles	
1,000 mi x .49/mi x 12 mo. x 2 vehicles	
1 full-size sedan	
\$330/mo x 12 mo x 1 vehicle	
1,000 mi x .49/mi x 12 mo. x 1 vehicle	
1 full-size SUV	
\$330/mo x 12 mo x 1 vehicle	
1,000 mi x .60/mi x 12 mo. x 1 vehicle	
<b>ADVERTISING COSTS</b>	<b>75,168</b>
Cost to run ad on public transportation	
<b>COMMUNICATIONS</b>	<b>3,750</b>
Communication services and long distance expenses necessary to administer and run program.	
<b>MEMBERSHIP</b>	<b>2,500</b>
Allowance for memberships in organizations that provide a network for obtaining new cases.	
<b>TRAINING</b>	<b>1,000</b>
Registration for training personnel on the Workers' Comp. Fraud system and the investigation and prosecution of Fraud.	
<b>TOTAL</b>	<b>CONT'D</b>

**DEPARTMENT OF INSURANCE  
WORKERS' COMPENSATION INSURANCE FRAUD PROGRAM**

<b>BUDGET CATEGORY AND LINE ITEM DETAIL</b>	<b>2020-21 AWARD BUDGET</b>
<b>B. Operating Expenses cont'd</b>	
<b>SUBSCRIPTIONS AND PUBLICATIONS</b> Legal updates and publications pertaining to Workers' Compensation Insurance Fraud.	<b>700</b>
<b>OTHER TRAVEL</b> Hotels, meals & travel for training, seminars and meetings for investigative and prosecution staff.	<b>1,000</b>
<b>PROFESSIONAL SERVICES</b> Expert witnesses to conduct evaluations and provide expert testimony in the courtroom.	<b>1,000</b>
<b>NON-INVENTORIAL EQUIPMENT</b> To replace office equipment necessary to administer and run the Workers' Compensation program efficiently.	<b>300</b>
<b>PRINTING SERVICES</b> Request based on program needs including quick copy costs, printed envelopes and forms. Publication of outreach materials.	<b>650</b>
<b>PRIVATE MILEAGE</b>	<b>1,034</b>
<b>POSTAGE</b>	<b>50</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>158,297</b>

DEPARTMENT OF INSURANCE  
WORKERS' COMPENSATION INSURANCE FRAUD PROGRAM

BUDGET CATEGORY AND LINE ITEM DETAIL	2020-21 AWARD BUDGET
<b>C. Equipment</b>	
<b>CATEGORY TOTAL</b>	-
<b>PROGRAM BUDGET</b>	<b>2,529,409</b>
<b>CARRYOVER TOTAL</b>	<b>75,168</b>
<b>INTEREST TOTAL</b>	-