



RICARDO LARA
CALIFORNIA INSURANCE COMMISSIONER

July 22, 2020

The Honorable Jason Anderson
District Attorney
San Bernardino County District Attorney's Office
303 West Third St., Sixth Floor
San Bernardino, CA 92415

**RE: Grant Award for Workers' Compensation Insurance Fraud Program
Fiscal Year 2020-2021**

Dear District Attorney Anderson:

I am very pleased to report that, for Fiscal Year 2020-2021, \$45,889,371 is available in Workers' Compensation Insurance Fraud Program (Program) grant funds to distribute to 36 District Attorney Offices representing 46 counties, of which **San Bernardino County** has been awarded **\$2,454,241** for this important Program. This grant award is to be used for the investigation and prosecution of workers' compensation insurance fraud.

The decision to grant these funds was made by my Department staff, in consultation with the California Fraud Assessment Commission. Each application received for grant funding was thoroughly reviewed, with consideration given to the goals and objectives set by me and the Fraud Assessment Commission earlier this year.

It is my continuing intent that these funds be used effectively to pursue and investigate fraud across California. It is also important to focus these finite resources on combating fraud that continues to increase costs on the workers' compensation system, including medical provider insurance fraud, employer premium fraud, insider fraud, and claimant fraud, among others. Additionally, a coordinated and aggressive outreach program to all communities by your Office, including to diverse and underserved communities, with measurable outcomes remains a priority.

Thank you for submitting your application for grant funding. Please feel free to contact Eric Charlick, Fraud Division Chief, (559) 440-5922 should you have any questions regarding your application and award. I look forward to working together with you in our continuing pursuit against workers' compensation insurance fraud.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ricardo Lara".

RICARDO LARA
Insurance Commissioner

cc: Mr. Robert P. Brown, Chief Deputy District Attorney

White, Karen

From: Brown, Robert - DA
Sent: Tuesday, September 22, 2020 9:41 AM
To: Walker, Claudia; White, Karen; Medina, Malina
Subject: FW: FY 2020-21 GRANT AWARD AGREEMENT - Workers' Comp Insurance Fraud Program
Attachments: WC GAA 20-21 San Bernardino.pdf
Follow Up Flag: Follow up
Flag Status: Flagged

From: Local Assistance Unit <LocalAssistanceUnit@insurance.ca.gov>
Sent: Tuesday, September 22, 2020 9:39 AM
To: Walker, Claudia <CWalker@sbcda.org>; Brown, Robert - DA <RBrown@sbcda.org>
Subject: FY 2020-21 GRANT AWARD AGREEMENT - Workers' Comp Insurance Fraud Program

The process for the Grant Award Agreements has changed. Please read and follow these instructions.

FISCAL YEAR 2020-21 GRANT AWARD AGREEMENT: WORKERS' COMPENSATION INSURANCE FRAUD PROGRAM

Attached to this email is your Grant Award Agreement (GAA) for signature. You will NOT receive a paper copy in the mail.

Please have the official, designated in the Resolution from the Board of Supervisors, sign and date 2 copies of the GAA and return to the CDI Local Assistance Unit by Friday, **October 30, 2020**.

Signature Options (use only one):

- **Digital Signatures:**
 - For FY 2020-2021 certified digital signatures will be accepted.
 - **Acceptable digital signatures are:** Adobe certified signature, Docu-sign, or certified signature from comparable software.
 - Return two (2) digitally signed Grant Award Agreements to LAU@insurance.ca.gov.
- **Paper Signatures:**
 - Print two (2) copies of the attached Grant Award Agreement
 - Obtain an original signature on both
 - Return the two (2) Grant Award Agreements with original signatures to:

CDI Enforcement Branch Headquarters
Local Assistance Unit Manager
2400 Del Paso Road, Suite 250
Sacramento, CA 95834

Once all required signatures are obtained, a fully executed Grant Award Agreement will be returned to the County.

A Resolution from the Board of Supervisors authorizing the applicant to enter into a Grant Award Agreement with the California Department of Insurance (CDI) is required. The Resolution must designate, by title, the official authorized to sign the Grant Award Agreement and include a statement accepting liability for the local program. **The Resolution must be received by December 31, 2020.** Grant funds will not be distributed to the award recipient until the Resolution is received and the Grant Award Agreements are fully executed. Sample Resolution wording can be provided upon request.

Sincerely,

Jan Perschler

Janis Perschler
Manager, Local Assistance Unit

CALIFORNIA DEPARTMENT OF INSURANCE

Enforcement Branch, Local Assistance Unit
2400 Del Paso Road, Suite 250, Sacramento, CA 95834
Phone: (916) 854-5774 || Cell: (916) 436-6237
Janis.Perschler@insurance.ca.gov

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

BUDGET CATEGORY AND LINE ITEM DETAIL	2020-21 AWARD BUDGET
A. Personnel Services - Salaries/Employee Benefits	
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	532,336
6.0 FTE SENIOR INVESTIGATOR	728,354
.85 FTE SUPERVISING INVESTIGATOR	132,025
1.0 FTE SECRETARY I	39,541
TOTAL SALARIES:	
	1,432,256
BENEFITS FOR 10.85 FTE EMPLOYEES FOR ONE YEAR:	
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	236,063
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	569,085
CONT'D	

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

BUDGET CATEGORY AND LINE ITEM DETAIL	2020-21 AWARD BUDGET
A. Personnel Services - Salaries/Employee Benefits cont'd.	
.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	113,542
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	20,166
TOTAL BENEFITS:	938,856
TOTAL SALARIES AND BENEFITS:	2,371,112

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

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

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

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

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

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

**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 <hr/> Name: Jason Anderson Title: District Attorney Address: 303 West Third St., Sixth Floor San Bernardino, CA 92415 Date: _____	RICARDO LARA Insurance Commissioner <hr/> Name: George Mueller Title: Deputy Commissioner Date: _____
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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

Date