



Contract Number

21-762 A1

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 Analyst
(916) 854-5708
July 1, 2021 – June 30, 2022
\$2,468,805
\$150,431
\$2,619,236
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 Amendment increases the award by \$150,431 for a total award of \$2,619,236, which will support the Workers' Compensation Fraud Prosecution Program for 2021-22.

FOR COUNTY USE ONLY

Approved as to Legal Form

Katherine Hardy, Deputy County Counsel

Date 2-1-22

Reviewed for Contract Compliance

Date

Reviewed/Approved by Department

Jason Anderson, District Attorney

Date 2/1/22



RICARDO LARA
CALIFORNIA INSURANCE COMMISSIONER

January 5, 2022

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 2021-22 Additional Funding**

Dear District Attorney Anderson:

I am pleased to report that there is a Fiscal Year (FY) 2020-21 Year-End Balance in the Workers' Compensation Insurance Fraud Program (Program) grant funds available to distribute to participating District Attorney Offices. We are proceeding with a disbursement of an additional **\$2,564,000** of which an additional **\$150,431** will be awarded to **San Bernardino County** for this important Program. This additional grant award is to be used in FY 2021-22 for the investigation and prosecution of workers' compensation insurance fraud.

It is Commissioner Lara's 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.

Please feel free to contact Assistant Chief Victoria Martinez at (323) 278-5062 should you have any questions regarding your amended award. I look forward to working together with you in our continuing pursuit against workers' compensation insurance fraud.

Sincerely,

George Mueller
Deputy Commissioner, Enforcement Branch

cc via email: Mr. Robert P. Brown, Chief Deputy District Attorney
Ms. Claudia Walker, Chief, Bureau of Administration

CALIFORNIA DEPARTMENT OF INSURANCE
PROTECT • PREVENT • PRESERVE
Enforcement Branch Headquarters
2400 Del Paso Road, Suite 250
Sacramento, California 95834
Tel: (916) 854-5760 • Fax: (916) 854-5848

Medina, Malina

From: White, Karen
Sent: Thursday, January 6, 2022 2:28 PM
To: Medina, Malina
Subject: FW: WC FY 21-22 Additional Funding Award & Grant Award Amendment - San Bernardino
Attachments: WC Additional Funding Letter 21-22 - San Bernardino.pdf; WC Amended GAA 21-22 San Bernardino.pdf

From: Brown, Robert - DA <RBrown@sbcda.org>
Sent: Thursday, January 6, 2022 2:27 PM
To: Walker, Claudia <CWalker@sbcda.org>; White, Karen <KWhite@sbcda.org>
Cc: Lee, William <WLee@sbcda.org>
Subject: FW: WC FY 21-22 Additional Funding Award & Grant Award Amendment - San Bernardino

We receive an additional \$150,431 for Workers'.

From: Local Assistance Unit <LocalAssistanceUnit@insurance.ca.gov>
Sent: Thursday, January 6, 2022 2:22 PM
To: Brown, Robert - DA <RBrown@sbcda.org>; Walker, Claudia <CWalker@sbcda.org>
Subject: WC FY 21-22 Additional Funding Award & Grant Award Amendment - San Bernardino

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Hi Robert & Claudia,

CDI is pleased to announce that at the end of Fiscal Year (FY) 2020-21 there was a balance in the Program's Insurance Fraud Account. We have received additional budget authority and are using the pro-rata approach to distribute these funds based on the applications for funding received for FY 2021-22.

Attached is your copy of the Workers' Compensation FY 2021-22 Additional Funding letter. This letter was mailed to your elected official on January 5, 2022. Also attached is a Grant Award Amendment for the amended amount of your award.

Please read and follow these instructions for the FISCAL YEAR 2021-22 GRANT AWARD AMENDMENT

Attached to this email is your Grant Award Amendment (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 the GAA and return to the CDI Local Assistance Unit by **Friday, February 4, 2022**.

Signature Options (use only one):

- **Digital Signatures:**
 - Certified digital signatures will be accepted.
 - **Acceptable digital signatures are:** Adobe certified signature, Docu-sign, or certified signature from comparable software.

- Return one (1) digitally signed Grant Award Amendments to LAU@insurance.ca.gov.

- **Paper Signatures:**

- Print two (2) copies of the attached Grant Award Amendment
- Obtain an original signature on both
- Return the two (2) Grant Award Amendments 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 Amendment will be returned to the County.

Please review your County's Board of Supervisors (BOS) Resolution to ensure it includes authority to enter into a Grant Award Amendment with the California Department of Insurance (CDI). Grant funds will not be distributed to the award recipient unless a BOS Resolution has been received with the authority to accept the funding and the Grant Award Amendments are fully executed. Sample Resolution wording can be provided upon request.

Thanks,

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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INSURANCE COMMISSIONER
OF THE STATE OF CALIFORNIA

GRANT AWARD AGREEMENT
of Additional Funds for Fiscal Year 2021-22
Workers' Compensation Insurance Fraud Program

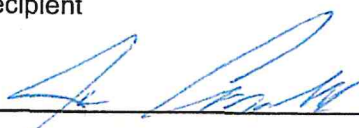
The Insurance Commissioner of the State of California hereby makes an amendment to the award of funds to **San Bernardino County**, Office of the District Attorney, in the amount and for the purpose and duration set forth in this grant award.

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 Amended Grant: The grant award is for the program period **July 1, 2021** through **June 30, 2022**.

Purpose of Amended 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 Amended Grant: The grant award agreed to herein is in the amount of **\$2,619,236** which is an increase of **\$150,431** above the initial funding amount. 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 	RICARDO LARA Insurance Commissioner 
Name: Jason Anderson Title: District Attorney	Name: George Mueller Title: Deputy Commissioner
Address: 303 West Third St., Sixth Floor San Bernardino, CA 92415	
Date: <u>2/9/22</u>	Date: <u>3-8-22</u>

I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purposes of this expenditure.

Crista Hill
Crista Hill, Budget Officer, CDI

3/12/22
Date

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

1/11/2022

BUDGET CATEGORY AND LINE ITEM DETAIL	2021-22 AMENDED BUDGET
A. Personnel Services - Salaries/Employee Benefits	
All program salary and benefit rates are per the current Attorney, Safety, Safety Management, and General Memoranda of Understanding with the County of San Bernardino.	
3.0 FTE DEPUTY DISTRICT ATTORNEY IV	547,335
6.0 FTE SENIOR INVESTIGATOR	755,000
.85 FTE SUPERVISING INVESTIGATOR	148,720
1.0 FTE SECRETARY I	43,000
TOTAL SALARIES:	1,494,055
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	262,096
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	630,000
	CONT'D

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

1/11/2022

BUDGET CATEGORY AND LINE ITEM DETAIL		2021-22 AMENDED BUDGET
A. Personnel Services - Salaries/Employee Benefits cont'd.		
.85 FTE SUPERVISING INVESTIGATOR		110,419
Indemnification		
Indemnification Allowance/Cafeteria Plan		
Life Insurance		
Long-Term Disability		
Medical Insurance		
Retirement		
Social Security Medicare		
Uniform		
Vision Care		
Workers' Compensation		
1.0 FTE SECRETARY		23,000
Indemnification		
Indemnification Allowance/Cafeteria Plan		
Life Insurance		
Medical Insurance		
Retirement		
Short-Term Disability		
Social Security Medicare		
Survivor's Benefits		
Vision Care		
Workers' Compensation		
TOTAL BENEFITS:		1,025,515
TOTAL SALARIES AND BENEFITS:		2,519,570

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

1/11/2022

BUDGET CATEGORY AND LINE ITEM DETAIL	2021-22 AMENDED BUDGET
B. Operating Expenses	
OFFICE EXPENSE Consumable office supplies necessary to administer and run program. Includes office supplies, stamps and software.	6,000
AUDIT ALLOWANCE Financial and compliance audit per guidelines.	3,000
MOTOR POOL 3 full-size sedans 3 x \$78 x 12 months 35,000 miles x 0.60 per mile 1 compact SUV 1 x \$78 x 12 months 13,500 miles x 0.60 per mile 2 mid-size SUV's 2 x \$78 x 12 months 25,000 miles x 0.65 per mile All vehicle mileage charges are established by San Bernardino County Fleet Services and approved by the Board of Supervisors for fiscal year 2021-22 during the budget cycle. The department has no control over the per mile charge for vehicles.	50,966
ADVERTISING COSTS Cost to run ad on public transportation	-
COMMUNICATIONS Communication services and long distance expenses necessary to administer and run program.	6,750
MEMBERSHIP Allowance for memberships in organizations that provide a network for obtaining new cases.	2,500
TRAINING Registration for training personnel on the Workers' Comp. Fraud system and the investigation and prosecution of Fraud.	10,000
DATA PROCESSING County mandated charges for payroll processing.	2,100
TOTAL	CONT'D

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

1/11/2022

BUDGET CATEGORY AND LINE ITEM DETAIL	2021-22 AMENDED BUDGET
B. Operating Expenses cont'd	
SUBSCRIPTIONS AND PUBLICATIONS Legal updates and publications pertaining to Workers' Compensation Insurance Fraud.	-
OTHER TRAVEL Hotels, meals & travel for training, seminars and meetings for investigative and prosecution staff. All travel is within California.	11,000
PROFESSIONAL SERVICES Expert witnesses to conduct evaluations and provide expert testimony in the courtroom.	3,000
NON-INVENTORIAL EQUIPMENT To replace office equipment necessary to administer and run the Workers' Compensation program efficiently.	500
PRINTING SERVICES Request based on program needs including quick copy costs, printed envelopes and forms. Publication of outreach materials.	800
PRIVATE MILEAGE	3,000
POSTAGE	50
TOTAL OPERATING EXPENSES	99,666

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

1/11/2022

BUDGET CATEGORY AND LINE ITEM DETAIL	2021-22 AMENDED BUDGET
C. Equipment	
CATEGORY TOTAL	-
PROGRAM BUDGET	2,619,236
CARRYOVER TOTAL	
INTEREST TOTAL	-