



San Bernardino County

Legislation Text

File #: 5522, Agenda Item #: 35

REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS OF SAN BERNARDINO COUNTY AND RECORD OF ACTION

February 8, 2022

FROM

JASON ANDERSON, District Attorney

SUBJECT

Grant Award Amendment for Workers' Compensation Insurance Fraud Prosecution Program

RECOMMENDATION(S)

1. Approve Grant Award Amendment No. 1 to Agreement No. 21-762 with the California Insurance Commissioner to accept an additional \$150,431, increasing the grant award from \$2,468,805 to a total award amount of \$2,619,236, to fund the San Bernardino County Workers' Compensation Insurance Fraud Program for the period of July 1, 2021 through June 30, 2022.
2. Adopt Resolution, as required by the California Department of Insurance, authorizing the District Attorney to execute and submit all documents in relation to the acceptance of this Grant Award Amendment, on behalf of the County, subject to review by County Counsel.
3. Authorize the Auditor-Controller/Treasurer/Tax Collector to post the necessary budget adjustments of \$150,431, as detailed in the Financial Impact Section, in the District Attorney's 2021-22 budget (Four votes required).
4. Direct the District Attorney to transmit all Grant Award Amendment documents to the Clerk of the Board of Supervisors within 30 days of execution.

(Presenter: Michael Fermin, Assistant District Attorney, 382-3662)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Provide for the Safety, Health and Social Service Needs of County Residents.

FINANCIAL IMPACT

Approval of the item will not result in the need for additional Discretionary General Funding (Net County Cost). The additional grant award of \$150,431 does not require a match and was not included in the District Attorney's Office (Department) 2021-22 budget. A budget adjustment for the additional \$150,431 is requested, as listed below:

Fund Center	Commitment Item	Description	Action	Amount
4500002672	40408955	State-Grants	Increase	\$150,431
4500002672	55405010	Salaries & Benefits Transfers Out	Increase	\$50,765
4500002672	55405012	Servs & Supply Transfers Out	Increase	\$99,666

4500001000	55415011	Salaries & Benefits Transfers In	Increase	(\$50,765)
4500001000	55415013	Servs & Supply Transfers In	Increase	(\$99,666)
4500001000	51001010	Salaries	Increase	\$50,765
4500001000	52002445	Professional Services	Increase	\$75,666
4500001000	52942941	Training	Increase	\$10,000
4500001000	52942946	Other Travel-Non-Taxable	Increase	\$14,000

BACKGROUND INFORMATION

Workers' compensation insurance fraud occurs in simple to complex schemes that often require difficult and lengthy investigations. Consequently, California Insurance Code Section 1872.83 authorizes the California Insurance Commissioner to annually distribute grant funds to agencies statewide for assistance with investigating and prosecuting workers' compensation insurance fraud cases. The Department has been receiving grant funds for this purpose since 1994. In addition to keeping the public safe, the Department vigorously investigates and prosecutes these cases because fraudulent workers' compensation claims are crimes that can inflate premiums for all consumers.

On October 26, 2021 (Item No. 36), the Board of Supervisors (Board) approved Grant Award Agreement No. 21-762 with the California Insurance Commissioner accepting \$2,468,805 for investigation and prosecution of workers' compensation insurance fraud cases. The grant is used to fund the following existing positions: three Deputy District Attorney IVs, six District Attorney Senior Investigators, 85% of one Supervising District Attorney Investigator, and one Secretary 1.

On January 6, 2022, the Department was notified of additional funding in the amount of \$150,431 which will fully fund grant operations, including operating expenses and the salaries and benefits of the staff assigned to this grant. The grant award letter references a return date of February 4, 2022, which has been extended to February 11, 2022 by the Insurance Commissioner's office in order to obtain all necessary approvals and signatures. The State California, Department of Insurance requires a resolution from the Board authorizing the District Attorney to execute and submit all documents in relation to the acceptance of the Grant Award Amendment.

PROCUREMENT

N/A

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Katherine Hardy, Deputy County Counsel, 387-5455) on January 12, 2022; Auditor-Controller/Treasurer/Tax Collector (Vanessa Doyle, Chief Deputy Controller, 382-3195) on January 13, 2022; Finance (Carol Lofton, Finance Analyst, 387-5405) on January 24, 2022; and County Finance and Administration (Robert Saldana, Deputy Executive Office, 387-5423) on January 24, 2022.