

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

(2282)



FROM: District Attorney

SUBMITTAL DATE:
09/02/16

SUBJECT: Acceptance of the FY 2016-17 Department of Insurance Workers' Compensation Insurance Fraud Program Grant ("WC") Award with Budget Adjustments and Adoption of Resolution No.2016-207. All Districts [\$2,084,970; State of California 100%]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve acceptance of the Workers' Compensation Insurance Fraud Program Grant ("WC") Award from the Insurance Commissioner of the State of California Department of Insurance in the amount of \$2,084,970 for the grant period July 1, 2016 through June 30, 2017.
2. Approve and direct the Auditor-Controller to make the budget adjustments as specified on the attached Schedule A.
3. Adopt Resolution 2016-207 authorizing the District Attorney and/or his designee to sign the Grant Award Agreement on behalf of the Board.

BACKGROUND:

Summary

The Insurance Commissioner of the State of California has renewed the Workers' Compensation Insurance Fraud Program Grant ("WC") Program for the July 1, 2016 through June 30, 2017 grant period.

(Background cont. on page 2)

Elaina Bentley
Elaina Bentley, Assistant District Attorney for;
Michael Hestrin, District Attorney

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 2,084,970	\$ 0	\$ 2,084,970	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	

SOURCE OF FUNDS: State of California 100% Budget Adjustment: Yes
For Fiscal Year: 16/17,17/18,18/19

C.E.O. RECOMMENDATION:

APPROVE

BY: *Doug Cady*
Doug Cady

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Tavaglione, seconded by Supervisor Jeffries and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Washington, Benoit and Ashley
Nays: None
Absent: None
Date: October 4, 2016
xc: DA, Auditor

Kecia Harper-Ihem
Clerk of the Board
By: *Kecia Harper-Ihem*
3-5

Prev. Agn. Ref.: 10/22/13 3-14 | District: ALL | Agenda Number:

MT 2282

FORM APPROVED COUNTY COUNSEL
BY: *Karin L. Watts* 9/13/16
DATE: KARIN L. WATTS-BAZAN

FISCAL PROCEDURES APPROVED
PAUL ANGLMO CPA, AUDITOR-CONTROLLER
BY: *Tanya S. Harris* 9/15/16
TANYA S. HARRIS, CPA

Departmental Concurrence

- A-30
- Positions Added
- 4/5 Vote
- Change Order

REC'D SEP 15 10 11:12Z

RECEIVED

CLERK / BOARD OF SUPERVISORS

RECEIVED RIVERSIDE COUNTY
CLERK / BOARD OF SUPERVISORS
2016 SEP 27 PM 2:16

M 2282

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: Acceptance of the FY 2016-17 Department of Insurance Workers' Compensation Insurance Fraud Program Grant ("WC") Award with Budget Adjustments and Adoption of Resolution No.2016-207. All Districts [\$2,084,970; State of California 100%]

DATE: 09/02/16

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BACKGROUND (cont):

Summary

The grant, awarded under the provision of Section 1872.83 of the California Insurance Code, is to be used by the District Attorney solely for the purpose of enhanced investigation and prosecution of workers' compensation fraud cases.

Based on an estimated award, the DA's Office budgeted \$2,020,000 for FY16-17 in this revenue category. We are requesting a budget adjustment of \$64,970 to bring the budgeted revenue to \$2,084,970 for FY16-17.

The attached grant award and resolution have been reviewed and approved as to form by County Counsel.

Impact on Citizens and Businesses

All costs under this program will be recovered through grant funding.

Attachments:

Grant Award Letter

Schedule A Budget Adjustments

Resolution #2016-207

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: Acceptance of the FY 2016-17 Department of Insurance Workers' Compensation Insurance Fraud
Program Grant ("WC") Award with Budget Adjustments and Adoption of Resolution No.2016-207. All Districts
[\$2,084,970; State of California 100%]

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Schedule A

Increase Appropriations:

10000-2200100000-510040 Regular Salaries	\$60,000
10000-2200100000-521100 Expert Witness Fees	<u>4,970</u>
Total	<u>\$64,970</u>

Increase Estimated Revenues:

10000-2200100000-755360 CA-Workers Comp Ins Fraud	\$64,970
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3 RESOLUTION NO. 2016-207

4 RESOLUTION OF THE BOARD OF SUPERVISORS OF THE
5 COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, REGARDING
6 THE WORKERS' COMPENSATION INSURANCE FRAUD PROGRAM
7

8 WHEREAS, the County of Riverside desires to undertake a certain program designated the
9 Workers' Compensation Insurance Fraud Program to be funded by funds made available through and
10 administered by the California Department of Insurance (hereinafter referred to as "DOI"); now therefore,

11 BE IT RESOLVED AND ORDERED by the Board of Supervisors of the County of Riverside, State
12 of California, in regular session assembled on October 4, 2016, that the District Attorney
13 of the County of Riverside, State of California and/or his designee is authorized, on its behalf, to submit
14 and to sign the Grant Award Agreement as well as related contracts, amendments, or extensions with
15 DOI that do not significantly change the grant or contract. This resolution shall be in effect for a three-
16 year period beginning July 1, 2016 and ending June 30, 2019.

17 IT IS AGREED that any liability arising out of the performance of this contract, including civil court
18 actions for damages, shall be the responsibility of the grant recipient and the authorizing agency. The
19 State of California and DOI disclaim responsibility of any such liability.

20 BE IT FURTHER RESOLVED that grant funds received hereunder shall not be used to supplant
local expenditures controlled by this body.

21 ROLL CALL:

22
23 Ayes: Jeffries, Tavaglione, Washington, Benoit and Ashley
24 Nays: None
Absent: None

The foregoing is certified to be a true copy of a resolution duly adopted by said Board of Supervisors on the date therein set forth.

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3010 26b SJ 54 5/16
By Kecia Harper-Ihem
Deputy

FORM APPROVED COUNTY COUNSEL 1/16
BY [Signature] DATE
BY [Signature] DATE



DAVE JONES
Insurance Commissioner

August 23, 2016

The Honorable Michael A. Hestrin, District Attorney
Riverside County District Attorney's Office
3960 Orange Street
Riverside, CA 92501

Re: Grant Award for Workers' Compensation Insurance Fraud
for Fiscal Year 2016-2017

Dear District Attorney Hestrin:

I am pleased to report that for Fiscal Year 2016-2017, \$34,951,831 is available to distribute to 37 District Attorney Offices representing 44 counties. **Riverside County** has been awarded **\$2,084,970** for the Fiscal Year 2016-2017 Workers' Compensation Insurance Fraud 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, in consultation with the Fraud Assessment Commission. Each application for grant funding was thoroughly reviewed, with consideration given to the goals and objectives set by me and the Fraud Assessment Commission.

It is my continuing intent that these funds be used effectively to pursue and investigate fraud across California. It is also important to focus resources in areas of fraud that have a continuing fiscal impact on the workers' compensation system. Medical provider insurance fraud should continue to be a priority of this program. To that end, for Fiscal Year 2016-17, I ask that you separately track investigations, arrests, convictions, and restitution efforts for medical provider fraud. Future grant applications will require you to report these figures.

Thank you for your efforts in submitting your application for grant funding. Please feel free to contact Bureau Chief Laureen Pedroza at (916) 854-5810 if you want to discuss 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 black ink, appearing to read "Dave Jones".

DAVE JONES
Insurance Commissioner

cc: Ms. Vicki Hightower, Chief Deputy District Attorney