

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



**ITEM
3.9
(ID # 10753)**

MEETING DATE:

Tuesday, October 1, 2019

FROM : DISTRICT ATTORNEY:

SUBJECT: DISTRICT ATTORNEY - Approval of the Acceptance of the California Department of Insurance Disability and Healthcare Fraud Program Grant Award; and Adoption of Resolution No. 2019-202; All Districts [\$477,763; State of California 100%]

RECOMMENDED MOTION: That the Board of Supervisors:


1. Approve the acceptance of the California Department of Insurance Disability and Healthcare Fraud Program grant award from the Insurance Commissioner of the State of California in the amount of \$477,763 for the award period July 1, 2019 through June 30, 2020; and
2. Adopt Resolution No. 2019-202 authorizing the District Attorney or his designee to execute the Grant Agreement on behalf of the Board of Supervisors, including any extensions or amendments thereof, as approved by County Counsel.

ACTION:

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Perez, seconded by Supervisor Hewitt and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Washington, Perez and Hewitt
Nays: None
Absent: Spiegel
Date: October 1, 2019
xc: DA

Kecia R. Harper
Clerk of the Board
By: 
Deputy

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

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$477,763	\$0	\$ 477,763	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: State of California 100%			Budget Adjustment: No	
			For Fiscal Year: 19/20	

C.E.O. RECOMMENDATION: Approve

Summary

The Insurance Commissioner of the State of California has renewed awarded funding under the Disability and Healthcare Insurance Fraud Program to the District Attorney's Office in the amount of \$477,763 for the award period July 1, 2019 through June 30, 2020.

The Disability and Healthcare Insurance Fraud Grant Program funding is made pursuant to section 1872.85 of the California Insurance Code. Funding under this program will be used by the District Attorney for the enhanced investigation and prosecution of disability and healthcare insurance fraud cases.

The DA's Office budgeted revenue for this category based on an estimated award amount, and as a result, a budget adjustment is not necessary.

The attached resolution has been reviewed and approved as to form by County Counsel.

Impact on Residents and Businesses

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

ATTACHMENT A. Disability and Healthcare Insurance Fraud Grant Award Letter

ATTACHMENT B. County Board of Supervisors Resolution #2019-202


 Ryan Carter, Principal Management Analyst 9/24/2019

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3 RESOLUTION NO. 2019-202

4 RESOLUTION OF THE BOARD OF SUPERVISORS OF THE
5 COUNTY OF RIVERSIDE AUTHORIZING THE DISTRICT ATTORNEY TO EXECUTE THE GRANT
6 AGREEMENT FOR THE DISABILITY AND HEALTHCARE INSURANCE FRAUD PROGRAM
7

8 WHEREAS, the County of Riverside desires to undertake a certain program designated the
9 Disability and Healthcare Insurance Fraud Program to be funded by funds made available through
10 California Insurance Code Section 1872.85 and administered by the California Department of Insurance
11 (hereinafter referred to as "DOI"); and

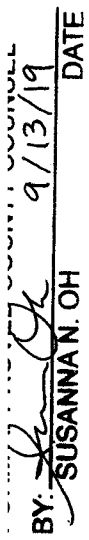
12 WHEREAS, the Office of the District Attorney works on behalf of the County to investigate and
13 prosecute disability and health insurance fraud cases.

14 NOW THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the Board of
15 Supervisors of the County of Riverside, in regular session assembled on October 1, 2019, located on the
16 first floor of the County Administrative Center, 4080 Lemon Street, Riverside, California, that the Board of
17 Supervisors hereby authorizes the District Attorney of the County of Riverside, or designee, on behalf of
18 the County, to sign and submit the Grant Agreement (the "Agreement") on behalf of the Board of
19 Supervisors, as well as related amendments or extensions with DOI, as approved by County Counsel.

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

23 BE IT FURTHER RESOLVED that this resolution shall be in effect for a three-year period
24 beginning July 1, 2019 and ending June 30, 2022.

25 BE IT FURTHER RESOLVED that grant funds received hereunder shall not be used to supplant
26 local expenditures controlled by this body.
27
28

BY:  DATE 9/13/19
SUSANNA N. OH

2 **RESOLUTION 2019-202**

3 **RESOLUTION OF THE BOARD OF SUPERVISORS OF THE**
4 **COUNTY OF RIVERSIDE, AUTHORIZING THE DISTRICT ATTORNEY TO EXECUTE**
5 **THE GRANT AGREEMENT FOR THE DISABILITY AND HEALTHCARE INSURANCE**
6 **FRAUD PROGRAM**

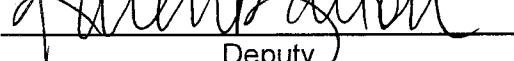
7 ADOPTED by Riverside County Board of Supervisors on October 1, 2019.

8 ROLL CALL:

9 Ayes: Jeffries, Washington, Perez and Hewitt
10 Nays: None
11 Absent: Spiegel

12
13 The foregoing is certified to be a true copy of a resolution duly adopted by said Board of
14 Supervisors on the date therein set forth.

15 KECIA R. HARPER, Clerk of said Board

16 By: 
17 Deputy

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RICARDO LARA
CALIFORNIA INSURANCE COMMISSIONER

July 25, 2019

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

**RE: Grant Award for Disability and Healthcare Insurance Fraud
Fiscal Year 2019-2020**

Dear District Attorney Hestrin:

I am very pleased to report that, for Fiscal Year 2019-2020, \$6,000,000 is available in Disability and Healthcare Insurance Fraud Program (Program) grant funds to distribute to 10 District Attorney Offices, of which **Riverside County** has been awarded **\$477,763** for this important Program. This grant award is to be used for the investigation and prosecution of Disability and Healthcare insurance fraud.

The appropriation is based on projected revenues, including the amount of restitution collected. Grant disbursements are contingent on actual revenues; therefore, if the amount of revenue collected is less than the projected amount, grant disbursements to counties will be adjusted accordingly.

Each application received for grant funding was thoroughly reviewed, with consideration given to the goals and objectives set by me 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 committed by individuals, medical providers, corporations, medical equipment dealers, hospitals, laboratories, nursing homes, pharmacies, and others who prey upon the system including particularly vulnerable patients.

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. As such, I have tasked the Department's Fraud Division with developing improved methods to track and measure your proposed outreach efforts and I invite you and your office to work with them towards this goal.

Thank you for submitting your application for grant funding. Please feel free to contact Assistant Chief Eric Charlick at (559) 440-5922 if you want to discuss your application and award. I look forward to working together with you in our continuing pursuit against Disability and Healthcare insurance fraud.

Sincerely,

RICARDO LARA
Insurance Commissioner

cc: Mr. Michael Silverman, Chief Deputy District Attorney

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