

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



**ITEM**  
3.10  
(ID # 10830)

**MEETING DATE:**

Tuesday, October 1, 2019

**FROM :** DISTRICT ATTORNEY:

**SUBJECT:** DISTRICT ATTORNEY: Approval of the Acceptance of the California Department of Insurance Workers' Compensation Insurance Fraud Program Grant Award; and Adoption of Resolution No. 2019-201. All Districts [\$2,680,008; State of California 100%]

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Approve acceptance of the California Department of Insurance Workers' Compensation Insurance Fraud Program grant award from the Insurance Commissioner of the State of California in the amount of \$2,680,008 for the award period July 1, 2019 through June 30, 2020; and
2. Adopt Resolution 2019-201 authorizing the District Attorney or designee to execute the Grant Agreement on behalf of the Board of Supervisors, including any extensions or amendments thereof, as approved by County Counsel.

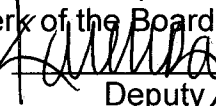
**ACTION:**

---

**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**

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$2,680,008	\$ 0	\$2,680,008	\$ 0
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS:</b> State of California 100%			<b>Budget Adjustment:</b> 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 Workers' Compensation Insurance Fraud Program ("WC") for the program period of July 1, 2019 through June 30, 2020.

The Workers' Compensation Insurance Fraud Program funding is made pursuant to Section 1872.83 of the California Insurance Code. Funding under this program is to be used by the District Attorney for the purpose of enhanced investigation and prosecution of workers' compensation 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.** Workers' Compensation Insurance Fraud Program Award Letter

**ATTACHMENT B.** County Board of Supervisors Resolution # 2019-201

  
 Ryan Carter, Principal Management Analyst      9/24/2019

2  
3 RESOLUTION NO. 2019-201

4 RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE,  
5 AUTHORIZING THE DISTRICT ATTORNEY TO EXECUTE THE GRANT AGREEMENT FOR THE  
6 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  
10 California Insurance Code Section 1872.85 and administered by the California Department of Insurance  
11 ("DOI"); and

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

14 NOW THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the Board of  
15 Supervisors of the County of Riverside, State of California, in regular session assembled on October 1,  
16 2019, located on the first floor of the County Administrative Center, 4080 Lemon Street, Riverside,  
17 California, that the Board of Supervisors hereby authorizes the District Attorney of the County of  
18 Riverside, or his designee, on behalf of the County, to sign and submit the Grant Agreement (the  
19 "Agreement") on behalf of the Board of Supervisors, as well as related amendments or extensions with  
20 DOI, as approved by County Counsel. This resolution shall be in effect for a three-year period beginning  
21 July 1, 2019 and ending June 30, 2022.

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

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

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

2 **RESOLUTION 2019-201**

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 WORKERS' COMPENSATION 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:  Deputy

17  
18  
19  
20  
21  
22  
23 10.01.19 3.10  
24  
25



**RICARDO LARA**  
CALIFORNIA INSURANCE COMMISSIONER

July 2, 2019

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  
Fiscal Year 2019-2020**

Dear District Attorney Hestrin:

I am very pleased to report that, for Fiscal Year 2019-2020, \$42,440,580 is available in Workers' Compensation Insurance Fraud Program (Program) grant funds to distribute to 36 District Attorney Offices representing 46 counties, of which **Riverside County** has been awarded **\$2,680,008** 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. 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 workers' compensation insurance fraud.

Sincerely,

**RICARDO LARA**  
Insurance Commissioner

cc: Mr. Michael Silverman, Chief Deputy District Attorney

**PROTECT • PREVENT • PRESERVE**  
300 CAPITOL MALL, 17TH FLOOR  
SACRAMENTO, CALIFORNIA 95814  
TEL: (916) 492-3500 • FAX: (916) 445-5280  
COMMISSIONERLARA@INSURANCE.CA.GOV