



Board Agenda Item 20

DATE: January 24, 2023

TO: Board of Supervisors

SUBMITTED BY: Lisa A. Smittcamp, District Attorney

SUBJECT: Retroactive Workers' Compensation Insurance Fraud Program Grant Application and Agreement

RECOMMENDED ACTION(S):

- 1. Retroactively authorize the District Attorney's previous submittal of a grant application to the State of California, Department of Insurance (CDI) for continuation of the Workers' Compensation Insurance Fraud Program, for the period July 1, 2022 through June 30, 2023 (\$1,357,510); and**
- 2. Adopt a Resolution authorizing the District Attorney, or her designee, to execute retroactive Grant Award Agreement, including any extensions or amendments, for continued funding of the Workers' Compensation Insurance Fraud Program with the CDI, for the period July 1, 2022 through June 30, 2023 (\$1,357,510).**

There is no increase in Net County Cost associated with these actions, which will allow for the continuation of this program through June 30, 2023. To meet the grant filing deadline, the application was submitted to CDI, contingent on your Board's approval. The CDI requires the District Attorney (DA), or her designee, to be the designated official authorized to sign the recommended grant award agreement, including any extensions or amendments, so the second recommended action would adopt a resolution authorizing the District Attorney, or her designee, to execute the grant agreement. This item is countywide.

ALTERNATIVE ACTION(S):

If the recommended actions are not approved, this program will not be funded for FY 2022-23. The loss of this grant will result in the elimination of the current positions as follows: two Deputy District Attorneys, three Senior District Attorney Investigators, and one Legal Assistant.

RETROACTIVE AGREEMENT:

The request to approve and accept the CDI grant award is retroactive because the District Attorney did not receive the recommended Workers' Compensation Insurance Fraud grant award agreement until December 21, 2022, after the effective date of the grant. This precluded placement of the item on an earlier Board date.

FISCAL IMPACT:

There is no Net County Cost associated with these actions. There is no match requirement for the receipt of funds. The Department submitted a proposed budget to CDI and was awarded the amount of \$1,357,510 for the Workers' Compensation Insurance Fraud Program, which is included in the FY 2022-23 Adopted Budget for the District Attorney - Grants Org 2862.

DISCUSSION:

Senate Bill 1218 and Assembly Bill 1673, enacted in January of 1992, provided for a program to fund investigation and prosecution of Workers' Compensation Insurance Fraud. This legislation provided assessments in Workers' Compensation insurance premiums to fund enhanced prosecution and incarceration of individuals involved in Workers' Compensation insurance fraud, as defined in Insurance Code § 1877 et seq, by District Attorneys in California. The CDI has approved Fresno County to receive funds pursuant to the program implemented by that legislation, and Fresno County's Workers' Compensation Insurance Fraud Program has been in place since 1992.

This program is currently staffed with two Deputy District Attorneys, three Senior District Attorney Investigators, and one Legal Assistant to investigate and prosecute Workers' Compensation fraud in Fresno County.

The resolution required by this grant requires that the County accept all liability arising out of the performance of the grant award agreement, including civil court actions for damages, and the State of California and the CDI disclaim responsibility for any such liability.

If grant funding for this program is discontinued, all associated positions will be deleted.

REFERENCE MATERIAL:

BAI #20, October 19, 2021

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Grant Application / Agreement with CDI

On file with Clerk - Resolution

CAO ANALYST:

Samantha Buck