

**INSURANCE COMMISSIONER
OF THE STATE OF CALIFORNIA**

GRANT AWARD AGREEMENT

Fiscal Year 2024-25

Automobile Insurance Fraud Program

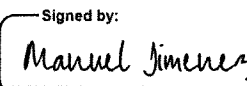
The Insurance Commissioner of the State of California hereby makes an award of funds to **Fresno County**, Office of the District Attorney, in the amount and for the purpose and duration set forth in this grant award.

This grant award consists of this agreement and the application for the grant and made a part hereof. By acceptance of the grant award, the grant award recipient agrees to administer the grant project in accordance with all applicable statutes, regulations and the grant application.

Duration of Grant: The grant award is for the program period, **July 1, 2024** through **June 30, 2025**.

Purpose of Grant: This grant award is made pursuant to the provisions of California Insurance Code §1872.8 and shall be used solely for the purposes of enhanced investigation and prosecution of automobile insurance fraud and economic car theft cases.

Amount of Grant: The grant award agreed to herein is in the amount of **\$406,296**. This amount has been determined by the Insurance Commissioner. However, the actual total award amount for the county is contingent on the collection and the authorization for expenditure pursuant to the Government Code §13000 et seq. The grant award shall be distributed pursuant to §1872.8 of the Insurance Code and to the California Code of Regulations Sub-Chapter 9, Article 4, §2698.65.

<p>Lisa Smittcamp District Attorney</p> <p>Signed by:  <small>8983838949814EA</small> Authorized Official</p> <p>Name: Manuel Jimenez Title: Chief Deputy District Attorney</p> <p>Date: <u>11/15/2024</u></p>	<p>RICARDO LARA Insurance Commissioner</p> <hr style="border: 0; border-top: 1px solid black; margin: 10px 0;"/> <p>Authorized Official</p> <p>Name: Crista Hill Title: Division Chief, Financial and Business Management Division</p> <p>Date: _____</p>
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I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purposes of this expenditure.

Megan Clarke, Chief Budget Officer,
Financial and Business Management Division

Date

Application Report



Applicant Organization:

Fresno

Project Name: 24-25 AUTO Fresno

Application ID: App-24-318

Funding Announcement: FY 24-25 Automobile Insurance Fraud Program

Requested Amount: \$620,964.00

Project Summary: 24-25 Fresno AUTO RFA

Authorized Certifying Official: Manuel Jimenez mcjimenez@fresnocountyca.gov (559) 600-2135

Project Director/Manager: Traci Fritzler-Kirkorian tfritzler-kirkorian@fresnocountyca.gov (559) 600-4412

Case Statistics / Data Reporter: Dustin Kirby dkirby@fresnocountyca.gov -

Compliance/Fiscal Officer: Ruth Falcon rfalcon@fresnocountyca.gov 559-600-4464

Section Name: Overview Questions

Sub Section Name: General Information

1. Applicant Question: Multi-County Grant

Is this a multi-county grant application request? If Yes, select the additional counties.

Applicant Response:

No

2. Applicant Question: FY 22-23 Audited Unexpended Funds

Excluding interest, what was the amount of your FY 22-23 Audited Unexpended Funds? If none, enter "0".

Applicant Response:

\$29,866.00

3. Applicant Question: FY 22-23 Audited Unexpended Funds Percentage of FY 22-23 Award

Your FY 22-23 Audited Unexpended Funds are what percentage of your FY 22-23 total award? If none, enter "0".

Total Award excludes interest earned and incoming carryover. To calculate percentage, divide your audited unexpended funds by your total award. Round to the nearest whole number.

Example:

FY 22-23 Total Award: \$100,000

FY 22-23 Audited Unexpended Funds: \$23,750

FY 22-23 Audited Unexpended Funds Percentage: 24%

Applicant Response:

7.00%

4. Applicant Question: Contact Updates

Has your county's Admin User updated the Contacts and Users for your Program?

- **Contacts** are those, such as your elected District Attorney, who need to be identified but do not need access to GMS.
- **Users** are those individuals who will be entering information/uploading into GMS for the application. **Confidential Users** have access to everything in all your grant applications. **Standard Users** do not have access to the Confidential Sections where Investigation Activity is reported. Typical Standard Users are budget personnel.

Applicant Response:

Yes

5. Applicant Question: Program Contacts

Identify the individuals who will serve as the Program Contacts and your Elected District Attorney. Your Program Contacts must be entered as a User and your Elected District Attorney may be a Contact or User in GMS. Contact your county's Admin User if an individual needs to be added or updated.

On the final submission page, you will link your Program Contacts to the application.

Project Director/Manager is the individual ultimately responsible for the program. This person must be a Confidential User.

Case Statistics/Data Reporter is the individual responsible for entering the statistics into the DAR (District Attorney Program Report). This person should be a Confidential User.

Compliance/Fiscal Officer is the individual responsible for all fiscal matters relating to the program. This person is usually a Standard User.

Elected District Attorney is your county's elected official. This person must be entered as a Contact or a User.

Applicant Response:

Program Contacts	Name
Project Director / Manager	Traci Fritzler
Case Statistics / Data Reporter	Dustin D. Kirby
Compliance / Fiscal Officer	Ruth Falcon
Elected District Attorney	Lisa A. Smittcamp

6. Applicant Question: Statistical Reporting Requirements

Do you acknowledge the County is responsible for separately submitting a Program Report using the CDI website, DA Portal?

To access the DAR webpage on the CDI website: right click on the following link to open a new tab, or copy the URL into your browser.

<http://www.insurance.ca.gov/0300-fraud/0100-fraud-division-overview/10-anti-fraud-prog/dareporting.cfm>

As a reminder, Vertical Prosecutions should not be counted as an Investigation, a Joint Investigation, or an Assist in the DAR.

Applicant Response:

Yes

7. Applicant Question: Required Documents Upload

Have you reviewed the Application Upload List and properly named and uploaded the documents into your Document Library?

To view/download the Application Upload List: go the Announcement, click View, and at the top of the page select Attachments. Items must be uploaded into the Document Library before you can attach them to the upcoming questions.

Applicant Response:

Yes

Sub Section Name: BOS Resolution

1. Applicant Question: BOS Resolution

Have you uploaded a Board of Supervisors (BOS) Resolution to the Document Library and attached it to this question?

A BOS Resolution for the new grant period must be uploaded to GMS to receive funding for the 2024-2025 Fiscal Year. If

the resolution cannot be submitted with the application, it must be uploaded no later than January 2, 2025. There is a sample with instructions located in the Announcement Attachments, 3b.

Applicant Response:

No

2. Applicant Question: Delegated Authority Designation

Choose from the selection who will be the person submitting this application, signing the Grant Award Agreement (GAA) in GMS, and approving any amendments thereof.

The person selected must be a Confidential User, who will attest their authority and link their contact record on the submission page of this application. A sample Designated Authority Letter is located in the Announcement Attachments, 3a. CDI encourages the contact named as Project Director/Manger be the designated authority, should that be your selection.

Applicant Response:

Designated Person named in Attached Letter

Attachment:

[24-25 AUTO Fresno Delegated Authority.pdf](#) - PDF FILE

Section Name: County Plan

Sub Section Name: Qualifications and Successes

1. Applicant Question: Successes

What areas of your automobile insurance fraud program were successful and why?

Detail your program's successes for ONLY the 22-23 and 23-24 Fiscal Years. It is not necessary to list every case. If a case is being reported in more than one insurance fraud grant program, clearly identify the component(s) that apply to this program. If you are including any task force cases in your caseload, name the task force and your county personnel's specific involvement/role in the case(s). Information regarding investigations should be given a reference number and details provided only in the Confidential Section, question 1 (County Plan Confidential Investigation Details).

Applicant Response:

Successes in Fiscal Year 2022-2023

In Fiscal Year 2022-2023, the Automobile Insurance Fraud Unit filed twenty-seven cases against thirty defendants; more than double from the previous fiscal year. Twenty-five cases were applicant fraud, and two were economic auto theft involving a chop shop. The Automobile Insurance Fraud Unit also secured seven felony convictions and fourteen misdemeanor convictions. The majority of criminal cases were resolved after full restitution was made. The Automobile Insurance Fraud Unit collected and dispersed \$23,221 in restitution to victims.

A notable case involved a defendant who had hidden his vehicle at his employer's warehouse. The defendant had reported his vehicle stolen and signed an Affidavit of Theft stating that he had both sets of keys with him. The fraud was discovered when the defendant's employer's warehouse was burglarized. While conducting the investigation for the burglary, officers from the Firebaugh Police Department located the defendant's vehicle. The employer confronted the defendant about leaving his vehicle in the warehouse where he was not supposed to have access to, to which the defendant did not deny. The defendant was subsequently convicted of felony Insurance Fraud and sentenced to a term of two years of formal probation.

Another notable case involves a fraudulent claim that was not discovered until approximately ten years later. In 2012, the defendant was involved in a single-vehicle collision while riding his motorcycle. He did not make an insurance claim for the collision. Instead, the defendant made a claim stating that the motorcycle was stolen from in front of his parents' home. The insurance company paid the claim for the full value of the motorcycle. In 2022, the defendant applied to become an officer with the California Highway Patrol. During the background investigation, the background officer discovered discrepancies with that stolen vehicle claim. During the interview with the background officer, the defendant admitted to committing insurance fraud. He further explained that the motorcycle was dismantled and the parts were disbursed amongst his friends. On May 23, 2024 the defendant was convicted of a misdemeanor and ordered to complete twenty days of service on the local adult offender work program.

Successes in Fiscal Year 2023-2024

In Fiscal Year 2023-2024, the Automobile Insurance Fraud Unit filed sixteen cases against seventeen defendants. Thirteen cases were applicant fraud, and three were economic auto theft involving a chop shop. The Automobile Insurance Fraud Unit also secured ten felony convictions and thirteen misdemeanor convictions. The majority of criminal cases were resolved after full restitution was made. The Automobile Insurance Fraud Unit collected and dispersed \$17,270 in restitution to victims.

One notable case that resolved during this fiscal year involved damage that occurred prior to the defendant purchasing auto insurance and the defendant claiming the damage occurred after the purchase. The defendant was involved in a domestic dispute where another person that was present threw an empty bottle of alcohol at the defendant's vehicle, causing damage to his front windshield. The defendant called police to make a report, but as defendant did not know the identity of the person that threw the bottle, it was logged as an incident only; no time of damage or time of call was listed on the incident report. After purchasing insurance for the vehicle, the defendant filed a claim, stating that the damage had occurred after he had purchased the insurance policy. Based on the claim being filed shortly after the policy was inception, this case was investigated for potential fraud by the Fresno County District Attorney's Office Auto Fraud Unit. As part of his investigation, Investigator Jody Flores discovered that the officer that took the incident report had recorded his interaction with the defendant on his department issued body-worn camera. The damage to the vehicle was observed on the video and proven to have occurred prior to the inception of the policy by the time and date stamp. The reason this case is notable is because the defendant had a lengthy prior criminal history, including a prior felony conviction for insurance fraud. Additionally, the defendant had been highly uncooperative with the judicial processes - specifically, he had failed to appear for court multiple times on days where the case had been set for a preliminary hearing. After about three years of litigation, the case had finally resolved in early June for 2024. Sentencing is set for July of 2024 and it is anticipated that the defendant will be ordered to serve one year in jail followed by one year of supervision.

Another notable case involved a lead defendant using his security guard company as a tool to aid in the commission of auto insurance fraud. The lead defendant had even enlisted two of his employees into his fraud ring. The lead defendant had committed a series of different fraudulent claims. In one example, one of his employees (a co-defendant) was involved in a not-at-fault collision while driving a security patrol vehicle. The lead defendant conspired with that employee to claim lost wages due to injury; however, it was discovered that she had actually been working and was using the claim to fraudulently "double dip." Although that employee had previously resolved her portion of the case, this fiscal year another co-defendant and the lead defendant both entered felony pleas. Additionally, during the course of the investigation it was discovered that the lead defendant had also committed worker's compensation fraud by under reporting the number of employees that he had in order to pay a lower premium. The lead defendant was also convicted of a felony in that case.

2. Applicant Question: Task Forces and Agencies

List the governmental agencies and task forces you have worked with to develop potential automobile insurance fraud cases.

Applicant Response:

California Department of Insurance

Fresno County District Attorney's Office

California Highway Patrol

Sanger Police Department

Fresno Police Department

NCIB

3. Applicant Question: Unfunded Contributions

Specify any unfunded contributions and support (i.e., financial, equipment, personnel, and technology) your county provided in Fiscal Year 23-24 to the automobile insurance fraud program.

Applicant Response:

The Fresno County District Attorney's Office assigns a Budget Analyst, Chief Deputy District Attorney, and a Commander of the Bureau of Investigations to oversee the Automobile Insurance Fraud Unit. The District Attorney's Office is currently providing a Legal Assistant who handles operations for the Automobile Insurance Fraud Unit.

4. Applicant Question: Personnel Continuity

Explain what your county is doing to achieve and preserve automobile fraud institutional knowledge in your grant program. Also detail and explain the turnover or continuity of personnel assigned to your automobile insurance fraud program. Include any rotational policies your county may have.

Applicant Response:

The Fresno County District Attorney's Office has continually staffed the Automobile Insurance Fraud Unit with dedicated and experienced investigators and prosecutors. These prosecutors and investigators are given the tools and resources they need to develop the specific expertise to effectively investigate and prosecute automobile insurance fraud, including complex cases that require additional time. The District Attorney's Office prioritizes continuity of staff in specialty assignments whenever possible.

The Automobile Insurance Fraud Unit is staffed by Deputy District Attorney Dustin D. Kirby. Deputy District Attorney Kirby is a seasoned prosecutor with significant trial experience, having previously handled assignments including Violent Crimes and Juvenile Justice. Deputy District Attorney Kirby has been a prosecutor for over eight years. Deputy District Attorney Kirby joined the Automobile Insurance Fraud Unit in July of 2021. Since joining the Automobile Insurance Fraud Unit, he has taken advantage of training opportunities specific to automobile insurance fraud. Deputy District Attorney Kirby attended the CDAA Fraud Symposium in 2021, 2023, and 2024 and the Anti-Fraud Conference in 2022 and 2024. He is a member of the Western States Auto Theft Investigators organization, and regularly attends their trainings. He also intends to participate in bi-monthly CDI-sponsored Special Investigations Unit roundtables when they resume after being paused due to the COVID emergency. In the meantime, Deputy District Attorney Kirby keeps an open line of communication with CDI investigators and regularly discusses investigations with specific regard to information required for successful prosecution. Additionally, Deputy District Attorney Kirby has demonstrated a passion for prosecuting insurance fraud and has personal hope to be a member of the Automobile Insurance Fraud Unit for the foreseeable future.

Senior District Attorney Investigator Jody Flores joined the Automobile Insurance Fraud Unit in February of 2020. He has nearly 22 years of law enforcement experience, both as a District Attorney Investigator and as a Deputy Sheriff with the Fresno County Sheriff's Office. He worked as a Deputy Sheriff from 2002 until 2014, and thereafter has been with the Fresno County District Attorney's Office. He has handled assignments including the investigation of robberies, assaults, criminal street gangs, narcotics, and homicides. He has received extensive training in computer forensics, criminal investigations, interview and interrogation techniques, and evidence collection. He has earned three specialty certificates from the Robert Presley Institute of Criminal Investigations, including Robbery Investigation, Homicide Investigation, and Computer Crime Investigations.

Senior Investigator Flores attended the 2021 CDAA Fraud Symposium and the 2022 Anti-Fraud Conference. Senior Investigator Flores also attended the 2022 Annual Auto Theft Training Seminar by WSATI, the 2023 CDAA Fraud Symposium and the 2023 Anti-Fraud Conference. He is a member of the Western States Auto Theft Investigators organization, and regularly attends their trainings. He also participates in bi-monthly CDI-sponsored Special Investigations Unit roundtables when they are being held.

Senior District Attorney Investigator Janette Cantu was assigned to the Auto Insurance Fraud unit on October 16, 2023. Senior Investigator Cantu has been a Sworn Investigator with the Fresno County District Attorney's Office since January 2006 and was an Extra Help Investigator prior to that when she was hired February 2005. Senior Investigator Cantu has handled multiple assignments within the financial crimes unit, including Welfare Fraud, Childcare Fraud, Forged check investigations. Additionally, Senior Investigator Cantu has previously been assigned to Felony investigations, Domestic Violence, Sexual Assault, and Child Abuse. Senior Investigator Cantu has received training in criminal investigations, interview and interrogation techniques, and evidence collection. Senior Investigator Cantu attended the California District Attorneys Association Fraud Symposium January 30, 2024 – February 02, 2024, and the Annual Anti-Fraud Alliance Conference, Monterey CA April 10, 2024 – April 12, 2024. Senior Investigator Cantu is a member of the Western States Auto Theft Investigators organization, and regularly attends their trainings.

5. Applicant Question: Frozen Assets Distribution

Were any frozen assets distributed in the current reporting period?

If yes, please describe. Assets may have been frozen in previous years.

Applicant Response:

No

Sub Section Name: Staffing

1. Applicant Question: Staffing List

Complete the chart and list the individuals working the program. Include prosecutor(s), investigator(s), support staff, and any vacant positions to be filled.

All staff listed in your application budget must be included in the chart.

For each person, list the percentage of time dedicated to the program and the start and end dates the individual is in the program. The entry in the "% Time" field must be a whole number, i.e. an employee who dedicates 80% of their time to the program but is only billed 20% to the program, would be entered as "80" in the "% time Dedicated to the Program".

Applicant Response:

Name	Role	Start Date	End Date (leave blank if N/A)	% Time Dedicated to the Program
Dustin D. Kirby	Deputy District Attorney	07/11/2021		100
Jody Flores	Senior Investigator	02/25/2020	10/13/2023	100
Janette Cantu	Senior Investigator	10/16/2023		100
Andrea Hill	Legal Assistant	10/31/2022	12/08/2023	50
Edna Calvillo	Legal Assistant	12/11/2023	03/29/2024	50
Kelly George	Legal Assistant	04/01/2024		50

2. Applicant Question: FTE and Position Count

The staff and FTE included in the chart below MUST MATCH the staff and FTE listed in your application budget. Do not include unfunded personnel.

The "# of Positions" field represents people and must be entered in whole numbers. The "FTE" field must be entered as a decimal and represents the Full Time Equivalent (FTE) for all budgeted personnel in that position.

E.g. Two Attorneys who are billed to the program at 80% each would be entered as "2" in the # of Positions field and "1.60" in the FTE field.

Reminder: This chart MUST match your application budget.

Applicant Response:

Salary by Position	# of Positions (whole numbers)	FTE (1.00 = 2080 hours/year)
Supervising Attorneys		
Attorneys	1	2080
Supervising Investigators		
Investigators (Sworn)	1	2080
Investigators (Non-Sworn)		
Investigative Assistants		
Forensic Accountant/Auditor		
Support Staff Supervisor		
Paralegal/Analyst/Legal Assistant/etc.	.50	1040
Clerical Staff		
Student Assistants		
Over Time: Investigators		
Over Time: Other Staff		
Salary by Position, other		
	Total: 2.50	Total: 5,200.00

3. Applicant Question: Organizational Chart

Upload and attach to this question an Organizational Chart; label it "24-25 AUTO (county name) Org Chart".

The organizational chart should outline:

- *Personnel assigned to the program. Identify their position, title, and placement in the lines of authority to the elected district attorney.*
- *The placement of the program staff and their program responsibility.*

Applicant Response:

[24-25 AUTO Fresno Org Chart.pdf](#) - PDF FILE

Sub Section Name: Problem Statement & Program Strategy

1. Applicant Question: Problem Statement

Describe the types and magnitude of automobile insurance fraud (e.g., applicant, medical/legal provider, staged collisions, insider fraud, fraud ring, capping, and economic car theft) relative to the extent of the problem specific to your county.

Use local data or other evidence to support your description.

Applicant Response:

CDI received and reviewed 48 Suspected Automobile Insurance Fraud claims in Fresno during Fiscal Year 2023-2024. Applicant fraud, vehicle arson, fraud rings, and economic car theft continue to greatly impact the residents of Fresno County.

Applicant Fraud

Fresno County is the tenth largest county in California based on its estimated population of 1,017,162 as of July 1, 2023, per the United States Census Bureau. Fresno County is also home to the fifth largest city in California based on population size, the city of Fresno. Fresno County's unemployment rate in Fiscal Year 2023-2024 has ranged from 6.5% in September of 2023, to a staggering high of 9.6% in February of 2024, according to the United States Bureau of Labor Statistics. This is compared to a statewide unemployment rate in California of 5.3% as of April of 2024, and 4.0% nationally as of May 2024.

Per the United States Census Bureau, the median household income in the County of Fresno from 2018 to 2022 was \$67,756, compared to a higher statewide median household income of \$91,905. In Fresno County, 18.6% of people lived below the poverty line from 2018 to 2022. The rate of people living below the poverty line increases to 22.1% if one were to look at the city of Fresno only. These rates are substantially above the poverty rates during the same time period of 12.2% for California, and 11.5% for the United States as a whole.

Fresno County's economy remains highly dependent on agriculture. Like everywhere else, it was also affected by the Covid pandemic, with unemployment peaking shortly before the 2020-2021 Fiscal Year at 17.10% in April of 2020. Since then, the unemployment rate had dropped, holding at about 10% in the first few months of 2021.

Meanwhile, the Consumer Price Index (which is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services), rose 4.2% from April 2020 to April 2021. This was the largest increase over a 12-month period since a 4.9% increase for the year ending September 2008, per the U.S. Bureau of Labor Statistics.

The above issues could potentially lead to individuals and families, squeezed on lower incomes and rising expenses, to forego automobile insurance, repairs on their vehicles, or falling behind on auto loans or leases, and ultimately resorting to applicant-type insurance fraud when involved in a car accident, or owner give-ups that are reported as thefts to insurance companies.

There are also many uninsured, unlicensed drivers in Fresno County. Typically, they obtain older, less expensive vehicles which are more easily stolen for parts, thus creating an environment for increased auto theft, chop shop operations, and insurance fraud.

Vehicle Arsons

Vehicle arsons are commonly committed for insurance fraud purposes, but they are difficult to prosecute. The insured has the vehicle burned, which is then deemed a total loss by the insurance company. Vehicle arsons are labor intensive to investigate. Due to lack of investigative resources to properly examine the vehicle at the time of recovery, valuable evidence is often lost. When fraud is ultimately suspected, it is frequently too late to conduct the proper investigation. Often the vehicle is recovered long after the arson has been committed due to Fresno County's vast farmlands where vehicles are easily disposed of with no witnesses.

Fraud Rings

Local automobile theft task forces focus on businesses, both legitimate and illegitimate, that promote economic car theft and automobile insurance fraud by dealing in stolen vehicles, stolen vehicle parts, and billing insurance companies for work not performed and parts not supplied to consumers. These businesses include metal recyclers, auto body repair shops, and auto parts shops. The Automobile Insurance Fraud Unit has filed cases in the past involving fraud rings comprised of the owners, employees, and customers of these businesses. The Bureau of Automotive Repair has in the past submitted cases where automobile repair shops are committing fraud by billing insurance companies for unperformed work on the customer's vehicles.

Economic Car Theft

Fresno County has an auto theft rate of 599 auto thefts per 100,000 people, according to statistics released by the Federal Bureau of Investigation for the 2019 calendar year, compared to 358.8 per 100,000 people in California, and 219.9 per 100,000 people nationally.

Despite efforts to educate the public, many drivers continue to leave their cars running while unattended, to either cool down in the summer or warm up in the winter. This creates easy opportunities for automobile theft.

A large part of Fresno's economic car theft problem revolves around chop shops. The local auto theft task forces investigate many cases where suspects are stealing vehicles, including older vehicles, and stripping them for parts. Many do so for profit, while others use the parts for their own vehicles. Investigations of chop shops have uncovered numerous owner give-up cases, as well as stolen vehicles.

The various law enforcement agency automobile theft task forces are fighting automobile theft crime every day. The Automobile Insurance Fraud Unit receives numerous cases from these task forces every year. The task force efforts and aggressive prosecution by prosecutors specializing in automobile theft cases do make an impact. Unfortunately, auto thefts increased in Fresno County from 2019 to 2020 by 5.3%. During the same time period, 6.9% more vehicles were recovered. It is imperative to continue funding experienced prosecutors and investigators dedicated to insurance fraud and economic car theft to provide for aggressive, specialized prosecution.

Medical Provider Fraud

Medical providers who commit billing fraud may cross over from the workers' compensation insurance arena into the automobile insurance fraud arena. The Automobile Insurance Fraud Unit recognizes the importance of investigating medical provider fraud and is committed to investigating these cases. The Automobile Insurance Fraud Unit continues to work closely with all local, state, and federal law enforcement agencies to combat medical provider fraud in Fresno County.

2. Applicant Question: Problem Resolution Plan

Explain how your county plans to resolve the problem described in your problem statement. Include improvements in your program.

Information regarding investigations should be given a reference number and details provided only in the Confidential Section, question 1 (County Plan Confidential Investigation Details).

Specify how the district attorney will address the automobile insurance fraud problem, defined in the Problem Statement, through the use of program funds. The discussion should include the steps that will be taken to address the problem, as well as the estimated time frame(s) to achieve program objectives and activities.

The response should describe:

- The manner in which the district attorney will develop his or her caseload;
- The sources for referrals of cases; and
- A description of how the district attorney will coordinate various sectors involved, including insurers, medical and legal providers, CDI, public agencies such as California Highway Patrol, Bureau of Automotive Repairs, U.S. Customs, and local law enforcement agencies.

Applicant Response:

Applicant Fraud

The Automobile Insurance Fraud Unit maintains excellent open communication with our various referral sources. Staff will continue to network and coordinate training with the Special Investigations Unit managers for the automobile insurance industry. These trainings for claims examiners focus on applicant fraud red flags and evidentiary requirements for successful criminal prosecutions as well as obtaining feedback on how we can better assist in case evaluations. The Automobile Insurance Fraud Unit continues to assist CDI with joint investigation as needed.

Fraud Rings

The Automobile Insurance Fraud Unit investigates all fraud ring referrals, including those involving large numbers of suspects and incidents. The Automobile Insurance Fraud Unit will continue to network with insurance companies in identifying and investigating all suspected fraud rings. The Automobile Insurance Fraud Unit maintains its commitment to prosecuting fraud ring cases, with the current goal to accelerate prosecution of fraud ring cases that stalled during the Covid pandemic.

Economic Car Theft

The Automobile Insurance Fraud Unit will continue to work closely with local law enforcement agencies, CDI, and Special Investigations Unit staff to prosecute chop shop cases, career automobile thieves, and owner give-ups masquerading as thefts. The Automobile Insurance Fraud Unit will continue to prosecute these cases as efficiently as possible.

Medical Provider Fraud

The Automobile Insurance Fraud Unit will work with the Workers' Compensation Insurance Fraud Unit, CDI, and the National Insurance Crime Bureau, as well as other law enforcement agencies, in investigating and combating medical provider fraud. Combating medical provider fraud is important due to its impact on the cost of automobile insurance for the consumer. Reducing medical provider fraud reduces insurance costs for consumers.

Automobile Insurance Fraud Unit Design

Fresno County is requesting sufficient funding to assign the following full-time positions: one Deputy District Attorney, one Senior District Attorney Investigator, and one half-time Legal Assistant.

It is essential to have a Senior District Attorney Investigator who can review referrals closed by CDI due to insufficient resources. The Senior District Attorney Investigator will conduct all requested pre-trial follow up investigations, serve subpoenas, prepare and execute search warrants, maintain evidence, and perform other required tasks to support the prosecutor.

The Deputy District Attorney will ensure that criminal cases, the success or failure of which has a significant impact on the program's mission, are successfully prosecuted. The Deputy District Attorney will appear in court for Automobile Insurance Fraud Unit cases, including Mandatory Supervised Release hearings, probation violation hearings, and restitution hearings.

The Automobile Insurance Fraud Unit Legal Assistant will maintain the database of restitution payments and help in the grant application process. The Legal Assistant will help prepare court documents, correspondence, and provide any other support for Automobile Insurance Fraud Unit staff as necessary.

The Automobile Insurance Fraud Unit continues to collect and track restitution ordered by the court. With the database, staff can collect restitution, forward payments to victims, and maintain contact with those defendants who fail to make restitution payments quickly and efficiently.

The Automobile Insurance Fraud Unit is responsible for outreach presentations to law enforcement and insurance industry personnel. The staff regularly meets with local law enforcement and private carriers as part of outreach efforts to discuss potential referrals.

Program Improvement Goals for Fiscal Year 2024-2025

The Automobile Insurance Fraud Unit will work toward filing high impact cases such as sophisticated fraud rings that will provide the greatest deterrent effect. The Automobile Insurance Fraud Unit will also aggressively pursue arson-related insurance fraud. Finally, it is the intent of the Automobile Insurance Fraud Unit to coordinate with CDI to provide training to local law enforcement agencies on the subject of recognizing potential staged collisions and other fraud schemes during their traffic collision investigations.

3. Applicant Question: Plans to Meet IC Goals

What are your plans to meet the announced goals of the Insurance Commissioner?

If these goals are not realistic for your county, please state why they are not, and what goals you can achieve. Include your strategic plan to accomplish these goals. *Copies of the Goals can be found in the Announcement Attachments, 4f.*

Applicant Response:

The Automobile Insurance Fraud Unit will continue to actively pursue cases with high fiscal impact. Staff is committed to reinforcing the message that automobile insurance fraud will not be tolerated in Fresno County.

The Automobile Insurance Fraud Unit is committed to providing continuity of staff. Continuity will allow expertise to grow and improve the performance of the Automobile Insurance Fraud Unit. This improvement will assist in addressing the serious fraud problem in Fresno County and thereby reduce the overall cost to insurance companies and the public.

The Automobile Insurance Fraud Unit will continue to provide outreach to the law enforcement community, the insurance industry, and the public. Staff remains committed to assisting with case evaluations and training. The Automobile Insurance Fraud Unit will continue to participate in Special Investigations Unit roundtables once they reconvene, Western State Auto Theft Investigators meetings, and local law enforcement task forces.

4. Applicant Question: Multi-Year Goals

What specific goals do you have that require more than a single year to accomplish?

Applicant Response:

Establishing and maintaining open communications with law enforcement agencies and insurance companies is an ongoing goal. The successful prosecution of complex cases often takes more than a year to investigate and prosecute. Additional funding and resources would allow for more complex investigations such as those showcased during training sessions at the 2024 CDAA Fraud Symposium. Additionally, the 2024 CDAA Fraud Symposium emphasized using technology to investigate automobile insurance fraud. This includes using the infotainment system to gather useful data regarding when, where, and how a collision might have actually occurred as opposed to when, where, and how a claimant says it occurred.

5. Applicant Question: Restitution and Fines

Describe the county's efforts and the district attorney's plan to obtain restitution and fines imposed by the court to the Automobile Fraud Account.

Applicant Response:

The Automobile Insurance Fraud Unit contacts victims to determine the amount of restitution and to have the amount fixed at the time of sentencing. In those cases where the restitution is unable to be paid upfront, the Automobile Insurance Fraud Unit will continue to monitor payments by individuals to ensure that full restitution is paid. The Legal Assistant will monitor restitution payments and will send reminder letters to those defendants who are delinquent on scheduled restitution payments. Where restitution is not being made and no extenuating circumstances apply, the prosecutor will actively seek judicial enforcement through probation violation hearings. As a matter of practice, Deputy District Attorney Kirby has made an emphasis on restitution being paid prior to resolution of appropriate cases.

6. Applicant Question: Restitution Numbers

Provide the amount of restitution ordered and collected for the past five fiscal years.

If this information is not available, provide an explanation.

Applicant Response:

Fiscal Year	Restitution Ordered	Restitution Collected
2023-24	\$17,650.00	\$17,270.00
2022-23	\$40,687.79	\$23,221.61
2021-22	\$42,047.88	\$30,019.75
2020-21	\$61,663.00	\$19,622.00
2019-20	\$26,892.00	\$15,102.00
	Total: \$188,940.67	Total: \$105,235.36

7. Applicant Question: Utilization Plan Related to Unexpended Funds

If you had unexpended funds from FY 22-23 (Overview Questions 2 & 3) that were 10% or more, address the below question(s). If your unexpended funds from FY 22-23 were under 10% of your FY 22-23 award, mark N/A.

- 1) You must address if you are on track to expend all of your FY 23-24 grant funding.
- 2) If you are not on track to expend all your funds and you are not asking for a corresponding reduction in your grant request, please explain.

Applicant Response:

Not Applicable

Applicant Comment:

Not Applicable

8. Applicant Question: Utilization Plan

Your budget provides the amount of funds requested for Fiscal Year 24-25.

Provide a brief narrative description of your utilization plan for the Fiscal Year 24-25 requested funds.

If an increase is being requested, please provide a justification. Any information regarding investigations should be given a reference number and details provided only in the Confidential Section, question 1 (County Plan Confidential Investigation Details).

Applicant Response:

An increase in funds is requested to pay salary and benefit increases for Automobile Insurance Unit fraud staff and enable continuity within the program.

Sub Section Name: Training and Outreach

1. Applicant Question: Training Received

List the **insurance fraud** training received by each county staff member in the automobile fraud unit during Fiscal Year 23-24.

If it is a multiple day training/conference (e.g. CDAA, AFA, etc.), only one entry is required; enter the first day for the "Training Date" field.

For the "Hours Credit" field, enter the combined total hours of credit for all attendees.

Applicant Response:

Number of Personnel	Training Date	Provider	Location	Topic	Hours Credit (combined total)
2	01/30/2024	CDAA	Newport Beach, CA	Fraud Symposium	24
2	04/10/2024	AFA	Monterey, CA	Anti-Fraud Alliance Conference	20

2. Applicant Question: Training and Outreach Provided

Upload and attach the Training and Outreach Provided form in Excel; label it "24-25 AUTO (county name) Training and Outreach Provided"

Do not include training *received*; **only list training and outreach provided during FY 23-24** as outlined in the outreach definition below.

- For the number of Attendees / Contacts list only **numbers**; no other characters. Estimate the number as best you can. The data provided on this Excel sheet is compiled and presented to the Insurance Commissioner as Outreach is a focus of the Commissioner’s Goals & Objectives.
- For the purposes of the insurance fraud grant programs, "outreach" is defined as: Any activity undertaken by a grant awardee to inform and educate the public on the nature and consequences of insurance fraud and the training and sharing of best practices with industry stakeholders and allied law enforcement agencies. The results will be crime prevention, the generation of quality referrals from the public, business community, insurance industry, and law enforcement, and improved strategies for the investigation and prosecution of insurance fraud.
- If, in the form, you listed any "Other, Specify" provide a brief explanation here; other additional comments are optional. The blank form is located in the Announcement Attachments, 1a.

Applicant Response:

Label attachment "24-25 AUTO (county) Training and Outreach"

Attachment:

[24-25 AUTO Fresno Training and Outreach Provided.xlsx](#) - EXCEL DOCUMENT

3. Applicant Question: Future Training and Outreach

Describe what kind of training/outreach you plan to provide in Fiscal Year 24-25.

Applicant Response:

The Automobile Insurance Fraud Unit's plan is to resume attending roundtable meetings with the Department of Insurance and Industry Special Investigative Units, as well as continue to explore different avenues to inform the public about automobile insurance fraud. The plan will also include resumptions of regular meetings with auto theft task forces working in the jurisdiction. Additionally, this fiscal year the Automobile Insurance Fraud Unit intends to conduct training with local law enforcement agencies on the topic of recognizing staged and intentional collisions during traffic collision investigations.

Sub Section Name: Joint Plan

1. Applicant Question: Joint Plan

Upload your AUTO Joint Plan and label it "24-25 AUTO (county name) Joint Plan".

Each County is required to develop a Joint Plan with their CDI Regional Office, to be signed and dated by the Regional Office Captain and the Prosecutor in Charge of the Grant Program. Additional information is in the Announcement Attachments, 3c, and also copied into the attached instructions to this question.

Applicant Response:

Confirm signed and dated by all parties.

Attachment:

[24-25 AUTO Fresno Joint Plan.pdf](#) - PDF FILE

Section Name: Investigation Case Reporting

Sub Section Name: Investigation Case Information Relating to Questions

1. Applicant Question: County Plan Confidential Investigation Details

If you discussed any confidential cases throughout the County Plan section and provided a reference number, please include additional confidential details on an attachment uploaded here.

The reference number/citation used in the County Plan narrative responses should be repeated in your document upload. Task Force cases should specifically name the task force and your county personnel's specific involvement / role in the case.

*Upload your own attachment and label it "24-25 AUTO (county name) County Plan Confidential Investigation Details" **upload and mark confidential**, then attach to this question. If no investigation information was referenced, mark the N/A response.*

Applicant Response:

Not Applicable

Applicant Comment:

Not Applicable

Sub Section Name: Reporting on All Investigations

1. Applicant Question: Investigation Case Activity Report (ICAR)

Upload, mark Confidential, and attach the completed 24-25 AUTO (county name) ICAR. This document requires information regarding each investigation case that was reported in the DAR, Section III C (Investigations). Two of the three reporting components ask for case counts only. The total of the case counts in Part 1 and Part 2, along with the number of case entries in Part 3, should equal your total investigation case count reported in the DAR section III (Investigations). The blank form is located in the Announcement Attachments, 1bii.

Do NOT substitute descriptions in Part 3 in lieu of case counts for Part 1 and Part 2.

Reminders:

1. The total of the case counts in the ICAR Parts 1, 2, and 3, should equal your total investigation case count reported in the DAR Section III.
2. Vertical Prosecutions should not be counted as an Investigation or a Joint Investigation.

Click the "SHOW INSTRUCTIONS" link above to view directions on how to properly complete the report.

Applicant Response:

[24-25 AUTO Fresno ICAR.pdf](#) - PDF FILE

Sub Section Name: New Investigation Information for Cases in Court

1. Applicant Question: Cases in Court - Investigation Case Activity

Do you have NEW Investigation Information for cases that started the year in prosecution that you want to include? This report is optional.

*If you do have cases to report, download Announcement Attachment 1c, label it "24-25 AUTO (county name) Cases in Court Investigation Case Activity" **upload and mark confidential, then attach to this question.** Provide only investigation information for case(s) that started the fiscal year in prosecution, but required additional investigation during the reporting period. **Other than current status, no prosecution case information should be included.***

Applicant Response:

No

For accounting use only:

Org No.: 1104

Account No.: 3575

Fund No.: 0060

Subclass No.: 17204