



Board Agenda Item 26

DATE: October 22, 2019

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, 2019 through June 30, 2020 (\$1,429,879); and**
2. **Adopt a Resolution authorizing the District Attorney 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, 2019 through June 30, 2020 (\$1,275,026).**

There is no increase in Net County Cost associated with these actions, which will allow for the continuation of this program through June 30, 2020. To meet the grant filing deadline, the application was submitted to CDI contingent on your Board's approval. It should be noted that the CDI requires the District Attorney (DA) to be the designated official authorized to sign the Grant Award Agreement, including any extensions or amendments. This item is countywide.

ALTERNATIVE ACTION(S):

If the recommended actions are not approved, this program will not be funded for FY 2019-20. The loss of this grant will result in the elimination of the current positions as follows: one Senior Deputy District Attorney, one Deputy District Attorney, 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 DA did not receive the grant award agreement until September 6, 2019, precluding placement of this item on an earlier Board date.

FISCAL IMPACT:

There is no increase in Net County Cost associated with these actions. There is no match requirement for the receipt of funds. The Department submitted an application in the amount of \$1,429,879 to the CDI. The CDI awarded \$1,275,026 to Fresno County for the Workers' Compensation Insurance Fraud program for FY 2019-20, and when combined with Net County Cost of \$37,669, provides \$1,312,695 for FY 2019-20. This amount is included in the FY 2019-20 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 by District Attorneys in California, as defined in Insurance Code Section 1877 et seq. 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 one Senior Deputy District Attorney, one Deputy District Attorney, three Senior District Attorney Investigators, and one Legal Assistant to investigate and prosecute Workers' Compensation fraud in Fresno County.

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

REFERENCE MATERIAL:

BAI #22, October 23, 2018

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Grant Application / Agreement with CDI
On file with Clerk - Resolution

CAO ANALYST:

Jeannie Z. Figueroa