Legislation Details (With Text)

File #:	21-0914	**Name:**	Retroactive Disability and Healthcare Insurance Fraud Program Grant Application and Agreement
		In control:	District Attorney
On agenda:	10/19/2021	**Final action:**	10/19/2021
Enactment date:		**Enactment #:**	Resolution No. 21-291, Resolution No. 21-292, Resolution No. 21-293

Title: 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 Disability and Healthcare Insurance Fraud Program for the period of July 1, 2021 through June 30, 2022 ($321,051); and adopt a Resolution authorizing the District Attorney to execute retroactive Grant Award Agreement, including any extensions or amendments, for continued funding of the Disability and Healthcare Insurance Fraud Program with the CDI, for the period July 1, 2021 through June 30, 2022 ($180,365); and adopt Budget Resolution increasing FY 2021-22 appropriations and estimated revenues in the amount of $2,013 in the District Attorney's Special Revenue Fund 0060, CDI Disability and Healthcare Fraud Program, Org 1102 (4/5 vote); and adopt Budget Resolution increasing FY 2021-22 appropriations and estimated revenues in the amount of $2,013 in the District Attorney-Grants Org 2862 (4/5 vote)

Sponsors:

Indexes:

Code sections:

Attachments: 1. Agenda Item, 2. Disability and Healthcare Fraud Application / Agreement, 3. Resolution No. 21-291, 4. Resolution No. 21-292, 5. Resolution No. 21-293

Date	Ver.	Action By	Action	Result
10/19/2021	1	Board of Supervisors	Consent Agenda be approved	Pass

DATE: October 19, 2021

TO: Board of Supervisors

SUBMITTED BY: Lisa A. Smittcamp, District Attorney

SUBJECT: Retroactive Disability and Healthcare 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 Disability and Healthcare Insurance Fraud Program for the period of July 1, 2021 through June 30, 2022 ($321,051); 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 Disability and Healthcare Insurance Fraud Program with the CDI, for the period July 1, 2021 through June 30, 2022 ($180,365); and**
3. **Adopt Budget Resolution increasing FY 2021-22 appropriations and estimated revenues in the amount of $2,013 in the District Attorney's Special Revenue Fund 0060, CDI Disability and Healthcare Fraud Program, Org 1102 (4/5 vote); and**
4. **Adopt Budget Resolution increasing FY 2021-22 appropriations and estimated revenues in the**

amount of $2,013 in the District Attorney-Grants Org 2862 (4/5 vote).

There is no increase in Net County Cost associated with these actions, which will allow for the continuation of the Disability and Healthcare Insurance Fraud Program through June 30, 2022. To meet the grant filing deadline, the application was submitted to the CDI contingent on your Board's approval. The CDI requires the District Attorney to be the designated official authorized to sign the recommended Grant Award Agreement, including any extensions or amendments, so the second recommended action authorizes the District Attorney to sign 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 2021-22. The loss of this grant will result in the elimination of one Senior District Attorney Investigator position, unless an alternative funding source is found.

RETROACTIVE AGREEMENT:

The request to approve and accept the CDI grant award is retroactive because the District Attorney did not receive the recommended grant award agreement until September 16, 2021, after the effective date of the recommended grant agreement This precluded placement of the 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 CDI awarded $180,365 to Fresno County for the Disability and Healthcare Insurance Fraud program, which, when combined with budgeted Net County Cost of $37,709, provides $218,074 for FY 2021-22. This total amount is $2,013 more revenue than the $216,061 that is included in the FY 2021-22 Adopted Budget for the District Attorney - Grants Org 2862. The third and fourth recommended actions are required to increase the FY 2021-22 appropriations and estimated revenues in the amount of $2,013 in the District Attorney's Special Revenue Fund 0060, CDI Disability and Healthcare Fraud Program, Org 1102 and the District Attorney- Grants Org 28623000. Increases to both Orgs are necessary to facilitate the transfer of funds from the Special Revenue Fund to the General Fund. Approval of the recommended actions will align appropriations and revenues with the funding amount received from the CDI this fiscal year.

DISCUSSION:

According to Section 1871(h) of the California Insurance Code, health insurance fraud is a particular problem for health insurance policyholders. Health insurance fraud causes losses in premium dollars and increases health care costs unnecessarily.

As mandated by California Insurance Code Section 1872.85(a), funding for the Disability and Healthcare Insurance Fraud Program is derived from an annual special purpose assessment for each insured under an individual or group insurance policy issued in the state. This funding supports criminal investigations statewide, and prosecution by the District Attorney of suspected fraud involving disability and healthcare. The CDI first approved Fresno County to receive funds pursuant to the program implemented by this legislation in FY 2013-14.

The proposed resolution in the second recommended action is required by the CDI for acceptance of grant funds. This program is currently staffed with one Senior District Attorney Investigator to investigate disability and healthcare insurance fraud in Fresno County.

If the grant funding is discontinued, the associated position will be deleted.

powered by Legistar™

REFERENCE MATERIAL:

BAI #25, November 3, 2020

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Disability and Healthcare Fraud Application / Agreement
On file with Clerk - Resolution
On file with Clerk - Budget Resolution (Org 1102)
On file with Clerk - Budget Resolution (Org 2862)

CAO ANALYST:

Yussel Zalapa