

Application Report



Applicant Organization:

Solano

Project Name: 22-23 WC Solano County
Application ID: App-22-85
Funding Announcement: FY 22-23 Workers' Compensation Insurance Fraud Program
Requested Amount: \$270,677.00

Project Summary: Solano County Workers' Compensation Fraud Grant Application to California Department of Insurance

Authorized Certifying Official: Matt Olsen MKOlsen@solanocounty.com -

Project Director/Manager: Matt Olsen MKOlsen@solanocounty.com -

Case Statistics / Data Reporter: Irene Chew IMChew@solanocounty.com -

Compliance/Fiscal Officer: Jason Aguirre jlaguirre@solanocounty.com 707-784-3267

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: Estimated Carryover

Enter the estimated carryover funds from the previous fiscal year. If none, enter "0".

Applicant Response:

\$0.00

3. Applicant Question: Contact Updates

Have you updated the Contacts and Users for your Program? Did you verify the Contact Record for your County's District Attorney?

- **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
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access to the Confidential Sections where Investigation Activity is reported. Typical Standard Users are budget personnel.

Applicant Response:

Yes

4. Applicant Question: Program Contacts

Identify the individuals who will serve as the Program Contacts. These individuals shall be entered as a User or Contact in GMS.

On the final submission page, you will link these individuals' contact records 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 must be someone other than the Project Director/Manager. This person is usually a Standard User.

Applicant Response:

| Program Contacts | Name |
|---------------------------------|---------------|
| Project Director / Manager | Matthew Olsen |
| Case Statistics / Data Reporter | Irene Chew |
| Compliance / Fiscal Officer | Jason Aguirre |

5. 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>

Applicant Response:

Yes

6. 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 2022-2023 Fiscal Year. If the resolution cannot be submitted with the application, it must be uploaded no later than January 2, 2023. 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:

[22-23 WC Solano County Designated Authority Letter.pdf](#) - PDF FILE

Section Name: County Plan

Sub Section Name: Qualifications and Successes

1. Applicant Question: Successes

What areas of your workers' compensation insurance fraud program were successful and why?

Detail your program's successes for ONLY the 20-21 and 21-22 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.

Applicant Response:

The Solano County's Workers' Compensation Insurance Fraud program remains committed to producing successful case outcomes and fostering cohesive working relationships through regular communications with our partners at the Golden Gate Workers' Compensation Fraud Consortium, California Department of Insurance - Golden Gate Division, and the Department of Industrial Relations.

The Consortium was initiated in November 2016 via an MOU between the California Department of Insurance - Golden Gate Division and the District Attorney's offices of Alameda, Contra Costa, Marin, Napa, San Francisco, Solano and Sonoma. The purpose behind the Golden Gate Workers' Compensation Fraud Consortium is to develop a multi-agency approach and share resources in combating high impact premium and medical provider insurance fraud cases. Many of the assigned prosecutors have been a part of the Consortium from its inception. The combined levels of experience and coordination from the participating offices renders the Consortium an indispensable tool in the ongoing fight against high impact premium and medical provider insurance fraud. In addition to the agencies listed above, several non-contractual members participate in the Consortium, including the Franchise Tax Board, the Department of Industrial Relations and occasionally other state or federal agencies.

By Joint Agreement, the Solano County Workers' Compensation Fraud Unit meets regularly with the California Department of Insurance - Golden Gate Division to discuss cases, eliminate wasteful downtime, minimize redundant efforts and equitably assign investigation action plans. The Consortium meets quarterly and provides an invaluable source of ongoing training and case round tabling for all parties involved. The Consortium continues to work in identifying premium and/or medical provider insurance fraud targets and target care homes that are in violation of premium insurance fraud throughout our various member counties. As a result of our continued work with the Consortium, Solano County has participated in multiple successful investigations with our partners, which have identified Labor Code §3700.5 violations and premium insurance fraud violations within our jurisdiction.

Additionally, the Consortium has been hosting a yearly joint training course since 2017. On February 16, 2022, the Consortium hosted its sixth annual joint training. This year's topic was Premium and Medical Provider Fraud training. The training was held remotely and again had tremendous attendance. Over 700 professionals from across the country registered to attend which included SIU's, third party administrators, self-insured employers, human resource personnel, private insurance companies, civil defense attorneys and deputy district attorneys.

At the 2022 joint training, Solano County Deputy District Attorney Irene Chew once again served as an expert panelist, along with several other Consortium attorneys. The topic of the discussion was "FD-1's: A Law Enforcement Perspective".

Solano County personnel also regularly attend the Anti-Fraud Alliance (AFA) Investigators Association quarterly meetings, and this fiscal year we returned to two in-person conferences, which included the CDAA Fraud Conference in Carlsbad, CA and the AFA Conference in Monterey, CA. DA Investigator Dave Jackson is an AFA member.

Solano County's Worker's Compensation Insurance Fraud Unit continues to receive case referrals for review, although we continue to see a downturn in the number of viable referrals, which we attribute to the lingering effects of the COVID-19 pandemic. The Contractor's State Licensing Board is still working remotely and has not performed any stings during FY

2021-22.

Many of the unit's cases were subject to automatic continuances during FY 20-21 and FY 21-22 due to orders issued by the Solano County Superior Courts. The latest order expired in February 2022 after a surge in COVID cases related to the Omicron variant. Many cases were automatically continued, and we are still suffering the after effects. This has created a significant backlog in the courts, and the ultimate effects of those continuances on our cases is yet unknown.

One investigation that led to a filing during FY 21-22 involved a **complex claimant fraud case** where a nurse injured his back, filed a workers' compensation claim, was placed off work, and received Total Temporary Disability and Industrial Disability Leave payments. After receiving a routine letter titled Notice Regarding Industrial Disability Leave Benefits notifying him that if he became employed, he needed to notify State Fund, he became employed and started receiving wages, but did not report it. A check with the Employment Development Department provided wage information indicating he was being paid wages during the time he was also receiving Workers' Compensation payment benefits. He has been arraigned and is currently in the court system.

One other case that has been in the investigation stage with voluminous medical records that will be filed within the next several months is a **medium claimant fraud case** involving malingering where much of the fraud is observed in non-verbal actions that were not disclosed to the medical provider recommending continued time off work. The case involves a maintenance worker who reported an injury to his knee and neck after falling down stairs. Treatment included steroid injections, a knee brace, and an assistive device of a crutch or cane. He had been recorded doing numerous activities and movements that did not appear to be consistent with the limitations and pain he reported, but ultimately, he did have knee joint replacement surgery. One of the difficulties encountered with this investigation has been obtaining sufficient medical documents from providers as the worker had received different treatment from numerous medical providers, some who have not all been identified and/or are uncooperative.

During FY 2021-2022, the unit continued its work on a **very complex medical provider fraud** case. The case has officially been transferred to CDI. This case involves potential fraud referrals on a publicly traded national company. Our office continues to receive FD1 referrals about this company. Our SCDA investigator has continued reviewing these referrals, consulted with our DDA and other members of the Golden Gate Workers' Compensation Consortium, and has conducted interviews of a prescribing doctor, a physical therapy clinic officer manager, and various patients. As this investigation has proven to have national implications, it has become apparent to us that a prosecution in our jurisdiction will exceed our capacity. As such, we continue to have dialog with CDI, NICB, and recently the FBI to ensure they have the content of our investigation.

In addition to other cases, the unit initiated two notable investigations. The first one is a **complex medical provider fraud** case. The original referral involves an interpreting service who submitted just under 300 invoices to a carrier for interpreting services. Because there were no corresponding medical bills, it was believed the company was involved in "phantom" billing. The carrier paid some of these bills. As part of his investigation, our SCDA investigator interviewed the treating chiropractor where the interpreting services allegedly occurred. It appears that some level of interpreting services may have been provided by the interpreting company.

Additionally, our investigator interviewed the owner of the interpreting company and two of his employees. It was determined that the owner of the interpreting company also works as a "Client Coordinator" at a local law firm specializing in workers' compensation claims. His interpreting services company is a secondary unrelated entity. It was found that no one associated with the interpreting company (including the owner) had any level of certification necessary to provide med-legal interpreting. Liens have been filed with WCAB against many carriers for interpreting services provided by this company. The owner of this company has acknowledged that his company has performed med-legal interpreting services and that he is required to be certified to perform such services. We are beginning to work with DIR to identify liens

associated with med-legal services provided by this company.

The other notable case involves a **very complex premium fraud** case that our DDA and DA investigator have been working along with a CDI detective. This case involves a local contractor who had a workers' compensation policy in place with a carrier for many years. For at least 12 years, the owner of the company reported zero payroll. A few years ago, an employee suffered a significant injury. Ultimately, the injured employee obtained an attorney and filed a WC claim with the carrier. The carrier performed a payroll audit for one of the years the contractor claimed to have zero payroll. During this audit, the contractor acknowledged paying employees in cash, having 14 employees, and over \$200,000.00 in payroll for the audited year. Our DA investigator conducted interviews of the local government officials who issued building permits, the entities that hired this contracting firm, and the employee who conducted the audit of the contractor's company.

Additionally, our investigator interviewed the original injured worker along with his partner. They said after the injury occurred, the owner of the company, along with a foreman, showed up at the injured worker's house. The owner and the foreman told the employee that the company did not have a workers' compensation policy and, because they paid the employee in cash, it was his responsibility to pay for any medical treatment needed. The foreman threatened to "ruin" the employee's life if he retained an attorney. Ultimately, the owner of the company offered to "loan" the employee \$500.00, which the employee rejected. After receiving initial bank records pursuant to a search warrant, our unit assisted in the drafting of three additional roll-over search warrants, and we are currently awaiting those records

Additionally, in FY 21-22, a local police department's investigation into a towing company for various vehicle code violations and illegal towing practices resulted in a multiple felony count complaint being charged. DAI Jackson assisted the local agency by conducting interviews regarding potential Labor Code §3700.5 violations. DAI Jackson has also issued an LC §3711 demand letter to the business owner and has coordinated with the Dept. of Industrial Relations, who have also opened a parallel investigation regarding wage claims. The case resulted in one misdemeanor and fifteen felony counts being filed, which included Labor Code §3700.5, Vehicle Code §10851, Penal Code §487, Penal Code §118, Penal Code §115, Penal Code §136.1, Unemployment Insurance Code §2118.5, and Unemployment Insurance Code §2117.5.

The second case involves an in-home care agency that was initially accused of financial elder abuse. The investigation into the financial crimes revealed potential LC §3700.5 claims against the business with over 80 health care workers and approximately 21,000 hours of billed services. DAI Jackson has issued an LC §3711 demand letter to the business owner in this case as well, and has coordinated with the Department of Social Services, who have also opened an administrative investigation. This investigation continues and will be submitted for charging in 2022.

2. Applicant Question: Task Forces and Agencies

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

Applicant Response:

- California Department of Insurance
- State Compensation Insurance Fund
- California Department of Corrections and Rehabilitation
- Golden Gate Workers' Compensation Fraud Consortium
- California Contractors State Licensing Board
- California Department of Industrial Relations
- California Franchise Tax Board
- Solano County Human Resources
- Local Law Enforcement Agencies
- California Division of Labor and Standards Enforcement
- United States Postal Service, Inspector General

3. Applicant Question: Unfunded Contributions

Specify any unfunded contributions and support (i.e., financial, equipment, personnel, and technology) your county provided in Fiscal Year 21-22 to the workers' compensation insurance fraud program.

Applicant Response:

On April 6, 2020, Lead Deputy District Attorney Matthew K. Olsen was appointed to supervise the Financial Crimes Division, which oversees the Workers' Compensation Insurance Fraud Unit. Mr. Olsen replaced former unit supervisor Deputy District Attorney Janice Williams, who has since gone on to become a Superior Court Judge. Senior Staff Analyst Jason Aguirre and Accountant Gina Chen are directly employed by the department of the District Attorney and provide assistance and support in the administration of the grant. Additionally, legal secretary Rebecca Ulloa-Villagrana serves as support staff to the Deputy District Attorney and District Attorney Investigators assigned to the Worker's Compensation Insurance Fraud Unit. All the aforementioned positions are currently funded outside the grant program.

Solano County also continues to equip our District Attorney Investigator and Deputy District Attorney with all the hardware that is necessary for their continued success in the Workers' Compensation Insurance Fraud program. County vehicles are also provided as needed in support of ongoing investigations and/or supplemental activities, such as trainings and meetings with neighboring jurisdictions or allied agencies. All members of the unit are provided a computer with access to network printers at county expense. Internet access via the county network is also provided, and each authorized employee must sign and follow the accompanying County security protocol. All staff have access to the JustWare case management database wherein all cases are entered with events, dispositions, sentencing criteria, witness information, etc., which are updated as they occur. The Solano County District Attorney's Office also continues to provide photocopy, telephone, central duplicating, and paging services which are all directly related to the daily needs of the unit. Also, when needed, other district attorney investigators will assist with in-field interviews and arrests. Lastly, transcription services and foreign language interpretation services are provided at county expense when needed to assist in a Workers' Compensation Insurance Fraud Unit investigation.

4. Applicant Question: Personnel Continuity

Detail and explain the turnover or continuity of personnel assigned to your workers' compensation insurance fraud program. Include any rotational policies your county may have.

Applicant Response:

Lead Deputy District Attorney Matthew K. Olsen has supervised the Financial Crimes Division, which oversees the Workers' Compensation Fraud Unit, for over two years now. Mr. Olsen has spent over 17 years as a criminal prosecutor with Solano County. Mr. Olsen has an extensive experience in multiple areas of practice which include complex civil enforcement litigation, criminal felony prosecutions and grand jury investigations. Mr. Olsen has been successful in establishing cohesive working relationships with the members of the Golden Gate Workers' Compensation Fraud Consortium, the CDI regional office - Golden Gate Division, the Department of Industrial Relations, as well as the investigators with the Internal Affairs Unit at the Department of Corrections and Rehabilitations and several SIUs within the industry. During FY 2021-22, Mr. Olsen worked to continue fostering close working relationships with his counterparts in the Consortium, as well as ongoing and cooperative associations between Solano County and the aforementioned agencies/departments. Mr. Olsen was active in the planning of the 2022 Consortium training conference, and he regularly attends Consortium meetings, case filing meetings and case update meetings with his attorneys and investigators, both inside and outside his agency

Deputy District Attorney Irene Chew joined the unit in April 2017 and has been with the Solano County District Attorney's Office since August 2000, handling various caseloads during that time. At the time of writing this grant, Ms. Chew has handled over 31 workers' compensation insurance fraud cases. As a result of her tenure within the unit, Ms. Chew has developed a highly-specialized skill set related to the prosecution of these types of cases. She has also established herself as a well-respected member of the insurance fraud prosecution community.

In August 2016, District Attorney Investigator David Jackson joined the workers' compensation fraud unit at the Solano County District Attorney's Office. Investigator Jackson brings 36 years of law enforcement experience to the team. He retired as a Captain with the Vallejo Police Department in 2011. While employed with the City of Vallejo, Investigator Jackson managed the workers' compensation program within the department. After retiring in 2011, Investigator Jackson went to work as a part-time investigator for the Napa County District Attorney's Office and was assigned to the Workers' Compensation Insurance Fraud and Automobile Insurance Fraud Units. Investigator Jackson has worked closely and established relationships with many members of the California Department of Insurance, local law enforcement and individuals within private fraud investigative units. Investigator Jackson has been involved in the investigation and successful prosecution of dozens of workers' compensation insurance fraud cases.

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 billed to the program, including prosecutor(s), investigator(s), and support staff. Include any vacant positions to be filled.

For each, list the percentage of time devoted to the program and the start and end dates the individual is billed to the program.

Applicant Response:

| Name | Role | Start Date | End Date (leave blank if N/A) | % Time |
|--------------|-----------------|------------|-------------------------------|--------|
| Irene Chew | DDA | 04/10/2017 | | 60 |
| Dave Jackson | DA Investigator | 08/10/2016 | | 100 |

2. Applicant Question: FTE and Position Count

Complete the FTE and Position Chart, summarizing the positions listed in the previous question.

The chart should match what you will be entering in the budget. The budget entry will roll over into Post Award.

Applicant Response:

| Salary by Position | # of Positions | FTE (1.00 = 2080 hours/year) |
|--|--------------------|------------------------------|
| Supervising Attorneys | | |
| Attorneys | 1 | 0.60 |
| Supervising Investigators | | |
| Investigators (Sworn) | 1 | 1.00 |
| Investigators (Non-Sworn) | | |
| Investigative Assistants | | |
| Forensic Accountant/Auditor | | |
| Support Staff Supervisor | | |
| Paralegal/Analyst/Legal Assistant/etc. | | |
| Clerical Staff | | |
| Student Assistants | | |
| Over Time: Investigators | | |
| Over Time: Other Staff | | |
| Salary by Position, other | | |
| | Total: 2.00 | Total: 1.60 |

3. Applicant Question: Organizational Chart

Upload and attach to this question an Organizational Chart; label it "22-23 WC (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:

[22-23 WC Solano County Org Chart.pdf](#) - PDF FILE

Sub Section Name: Problem Statement & Program Strategy

1. Applicant Question: Problem Statement

Describe the types and magnitude of workers' compensation insurance fraud (e.g., claimant, single/multiple medical/legal provider, premium/employer fraud, insider fraud, insurer fraud) relative to the extent of the problem specific to your county.

Use local data or other evidence to support your description.

Applicant Response:

Central Solano County is located 35 miles from Sacramento and approximately 32 miles northeast of San Francisco and Oakland. Interstate 80 bisects Solano County North and South. Interstate 680, Highway 12 and Interstate 505 also connect Solano with Contra Costa, Napa, Sacramento and Yolo counties. Solano County houses a military base (Travis Air Force Base) and three state prisons (California Department of Corrections and Rehabilitation, CSP- Solano, California Medical Facility and Delta Conservation Camp) all of which attract populations of semi transient people, including families of prison inmates and service personnel. The County is centrally located for those working in construction trades in the outlying counties and is home to many commuters to the Bay Area and Sacramento Metropolitan locales.

According to data provided by the US Census Bureau updated 7/1/2021, Solano County has approximately 451,716 residents, which is an increase from the data provided in July 2019 (447,643 residents). The monthly labor force data from December 2021 indicates that Solano County has a civilian labor force of 203,100, an unemployment rate of 5.2%, and a median per capita income of \$84,638. The total number of employers in Solano County is 7,250 as of 2019. Per the Solano Economic Development Corporation, the key to Solano County's successful economy is the competitiveness to attract and retain businesses providing jobs for Solano County residents and affordable housing when compared to prices in the Bay Area.

The majority of cases referred to our office involve claimant fraud; however, we also commonly receive willfully uninsured employer cases and premium fraud cases. The County's workforce consists of a combination of large employers, including military and correctional institutions, healthcare, banking, retail, education, manufacturing and recreational/entertainment establishments. It also consists of some smaller family owned businesses, including restaurants, hair/nail salons, and local markets. Solano County additionally provides significant agriculture, resulting in both seasonal and year-round agricultural employment opportunities. The diverse business community within Solano County therefore creates an environment susceptible to fraud.

The unit currently has one prosecutor assigned who divides her time between Workers' Compensation Insurance Fraud and Auto Insurance Fraud (60/40% respectively). In addition to our prosecutor, the unit has a part-time District Attorney Investigator, who exclusively handles Worker's Compensation Fraud cases.

Solano County recognizes the negative impact Workers' Compensation Insurance Fraud has on the local and statewide economy. We are also aware that large premium insurance fraud and medical provider insurance fraud cases exist within our community and are driving the cost of insurance higher for all consumers. We believe our current resources, combined with our continued collaboration in the Golden Gate Worker's Compensation Fraud Consortium will assist in expanding our efforts to combat large premium insurance fraud and medical provider insurance fraud cases, while continuing to balance cases involving the workable claimant, standard premium and willfully uninsured fraud.

The Solano County District Attorney's Office has several long-term goals, which include continuing to increase awareness of Workers' Compensation Insurance Fraud and its consequences for local employers, employees, and law enforcement. As a result, we continue to work towards engaging the community through training and outreach.

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 2, and marked "Problem Resolution".

Applicant Response:

Solano County continues to collaborate with the Golden Gate Workers' Compensation Fraud Consortium, California Department of Insurance - Golden Gate Division, California Department of Corrections and Rehabilitations, SIUs, Department of Industrial Relations, third party administrations, and the United States Postal Service Inspector General's Office to coordinate investigations. We also continue to make our resources available to participate in multi-jurisdictional efforts, including sting operations, throughout the fiscal year.

At our last case review meeting on April 5, 2022, at CDI Golden Gate Headquarters in Benicia, Lead DDA Matthew Olsen and CDI Captain Eric Williams discussed collaborating on an educational outreach operation specifically geared towards cannabis businesses. We recognize that the regulation of this industry is still in its infancy, however we are beginning to identify certain trends, specifically the misclassification of employees, that can be addressed with an educational campaign, prior to bringing in our enforcement options. Additionally, Lead DDA Olsen is currently working with DIR's Anti-Fraud Unit in order to draft a Joint Action Plan which would allow the sharing of critical case information between the two agencies.

We also recognize that we continue to encounter viable cases that cannot be properly worked because of the lack of resources by both CDI and only having one part-time investigator assigned to the unit. Therefore, we would like to work on developing further resources that could be devoted to the investigation of more complex cases, and to assisting the Golden Gate Consortium with joint ventures.

Equally important are our continued outreach efforts. Prior to the public health emergency, these efforts were beginning to produce tangible results. Although the unit's physical presence at in-person events was curtailed over the last fiscal year, outreach efforts continue nevertheless. The unit will be present at several in-person events this spring and summer handing out educational materials at events including the Dixon Mayfair, Vacaville Fiesta Days and the Travis AFB Air Show.

The unit's bus advertising campaign in the City of Fairfield and the City of Vacaville detailed in last year's RFA was extended into the first half of 2022, providing continued visibility. Moreover, the unit was able to successfully develop video ad campaigns to run at local DMV field offices, which are currently being broadcast in Vallejo, Vacaville and Fairfield. The unit continues to maintain an email account specifically for complaints to be sent directly to our assigned investigator. The unit also continues to work at updating new publications and outreach materials for distribution at in-person events where the District Attorney's Office will staff outreach booths.

3. Applicant Question: Plans to Meet IC and FAC Goals

What are your plans to meet the announced goals of the Insurance Commissioner and the Fraud Assessment Commission?

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, 4g and 4h.*

Applicant Response:

The Solano County District Attorney's Office recognizes that the effective and efficient prosecution of **Medical Provider Fraud** continues to be an important priority. The significant spike in use of telehealth services as a result of the COVID-19 pandemic has exacerbated the problem and emerged fairly recently as an incredibly significant source of fraud. This particular type of fraud often harms some of our most susceptible community members. Therefore, Solano County continues to foster cohesive working relationships and forge new partnerships with other key state and federal agencies, law enforcement agencies and other district attorney's offices. The District Attorney's office is cognizant that the size and available resources in Solano County may result in the need for aid to/from other agencies to combat medical provider fraud. As a result, maintaining the unit's relationships with the Golden Gate Consortium, the California Department of Insurance and the Department of Industrial Relations is absolutely vital in attaining this goal.

The Solano County District Attorney's Office is committed to consistency when addressing **Performance and Continuity within the Program**. Continuity and stability in funding will help all grant recipients in furthering this goal. Since 2022, unit supervisor DDA Matthew Olsen has worked very hard to establish and maintain close working relationships with many outside agencies and organizations, including the California Department of Insurance, the Golden Gate Workers' Compensation Fraud Consortium, the California Department of Corrections and Rehabilitations, SIU's, the Department of Industrial Relations, and other local, state and federal agencies. Additionally, Mr. Olsen has become intimately familiar with the grant RFA process and has led the transition into the online grant management system. More importantly, the unit is supported by a DDA and DA Investigator that collectively have over a decade of experience operating the Unit in this county. Through teamwork and initiative, the unit intends to maintain a high level of communication, coordination, and cooperation with all allied agencies, which they have grown accustomed to receiving from Solano County in the past.

As a matter of internal policy, Mr. Olsen will continue to lead regular meetings with investigators and prosecutors to discuss ongoing investigations, filing decisions and progress reports on active cases. Previously assigned tasks will be monitored, and all interested parties will be included in the case discussions, including SIU investigators and adjusters when appropriate. Mr. Olsen will also be available to travel throughout the Bay Area and greater Sacramento metropolitan area in order to meet with any outside agency personnel handling investigations and/or members of the Golden Gate Workers' Compensation Fraud Consortium for any other purposes.

Ms. Irene Chew has been in the Workers' Compensation Insurance Fraud Unit since April 2017 and has also built strong working relationships with the California Department of Insurance, the Golden Gate Workers' Compensation Fraud Consortium, and SIUs.

Investigator David Jackson joined the Workers' Compensation Insurance Fraud Unit in August 2016 and brings with him years of experience of working in both police investigations and working workers' compensation insurance fraud cases previously in Napa County. Investigator Jackson has, over the years, worked closely with and developed relationships with many members of the California Department of Insurance, local law enforcement and individuals within private investigative units.

Outreach continues to be a major component of deterrence and had undoubtedly suffered some significant setbacks due to the COVID-19 pandemic. Prior to the 2020 shutdown, Solano County's Community Prosecution Team participated in approximately 25 large scale events each year in efforts to educate the public on victim's rights and crime prevention. Members of Solano County's Workers' Compensation Fraud Unit would consistently attend these events in conjunction with the Community Prosecution Team to educate the public on the wide array of negative impacts fraud has on the community. The unit is proud to announce an immediate return to in-person events during FY 2022-2023 and already has several events scheduled beginning in May 2022, which include the Dixon Mayfair, Vacaville Fiesta Days and the Travis AFB Air

Show. The unit remains committed to broadening the public's awareness and encouraging the reporting of workers' compensation insurance fraud. The unit believes these efforts will serve to benefit the public and likely result in the generation of more local cases that are well-suited for successful prosecution.

The unit has also continued their advertising campaign that originally began in FY 2018-2019. Print ads have once again been featured on city buses in the City of Fairfield and the City of Vacaville, and this campaign continued into the early part of 2022. Furthermore, the unit has produced and deployed multiple video ads, which are currently running at all three local DMV field offices in Solano County. These ads are anticipated to continue to run through FY 22-23, assuming the funding is secured. The unit continues to maintain a dedicated email address for complaints to be sent directly to our investigator. The unit has also worked to develop updated publications for distribution at upcoming community outreach events in anticipation of the return to in-person gatherings.

On February 16, 2022, the Consortium hosted its sixth annual joint training. Solano County Deputy District Attorney Irene Chew served as an expert panelist in a roundtable session, along with several other Consortium attorneys. The topic of the discussion was "FD-1's: A Law Enforcement Perspective". The training was held remotely, however there were over 700 people registered from around the country consisting of SIUs, third party administrators, self-insured employers, human resource personnel, private insurance companies, civil defense attorneys and deputy district attorneys. This platform allowed us to both reach our local community, and also impact a national audience.

The unit recognizes the importance of maintaining a **Balanced Case Load** and is working diligently to uphold this goal. Achieving a reasonable balance is integral to sustaining a successful Workers' Compensation Fraud Unit in Solano County. The District Attorney's Office has and will continue to make a concerted effort with Golden Gate Workers' Compensation Fraud Consortium, the California Department of Insurance, the Department of Industrial Relations, as well other governmental agencies, to identify, investigate and prosecute employer premium fraud, claimant fraud and the willfully uninsured. Using a multi-agency approach, Solano County will be able to efficiently and effectively identify, investigate and prosecute the high impact premium fraud and medical provider fraud cases both in our County and assist in cases that develop within the San Francisco Bay Area region.

4. Applicant Question: Multi-Year Goals

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

Applicant Response:

Solano County continues to collaborate with the Golden Gate Workers' Compensation Fraud Consortium. By leveraging and taking full advantage of the resources available through our law enforcement partners, we believe we can take a multi-agency, multi-jurisdictional approach to complex medical provider fraud cases, which could benefit all involved counties and result in a more effective and efficient prosecution. Medical provider fraud continues to present a significant risk of monetary loss and exact a human cost. With the rise in telehealth services, this is a trend we can only expect to see increase, and these cases regularly present large-scale restitution amounts with conduct that is not necessarily limited to one particular county or geographical area. A multi-agency, multi-jurisdictional task-force model could potentially be implemented as a means of managing all available prosecutorial resources in a given case or against a particular suspect/target. Moreover, with pandemic restrictions being lifted, we expect to be able to commit more resources to field operations, as well as reviewing more submitted cases that are a result of the resumption of field operations by allied agencies.

Another long-term goal involves continued outreach efforts to increase awareness of workers' compensation fraud and its negative consequences for employers, employees and the local economy. We will be directly engaging in-person with the community in the coming days. Therefore, Solano County remains committed to expanding the available training, outreach and educational opportunities to our community. Given the significant agricultural activity within Solano County, we are uniquely positioned to provide outreach to a potentially under-served and overlooked segment of businesses and employees. By expanding these outreach efforts to include those operating in the rural segments of the county, we hope to reach an audience that would not otherwise be in a position to receive our message.

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 Workers' Compensation Fraud Account pursuant to California Insurance Code Section 1872.83(b) (4).

Applicant Response:

The collection of restitution remains an important priority and consideration when negotiating dispositions of Workers' Compensation Insurance Fraud cases. The Unit's standing policy is to incorporate this consideration into all plea agreements when appropriate. Once cases have been resolved, either by trial or plea, the Unit continues to monitor the collection of restitution, investigative costs and fines deemed payable to the Workers' Compensation Fraud Account. In cases of delinquent payment, the unit files the appropriate paperwork to violate the defendant's probation grant.

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 |
|-------------|----------------------------|----------------------------|
| 2021-22 | \$0.00 | \$12,383.00 |
| 2020-21 | \$0.00 | \$4,500.00 |
| 2019-20 | \$106,147.00 | \$94,147.00 |
| 2018-19 | \$58,349.00 | \$18,253.00 |
| 2017-18 | \$23,704.00 | \$21,204.00 |
| | Total: \$188,200.00 | Total: \$150,487.00 |

Applicant Comment:

During FY 2018-19, several defendants with significant restitution amounts were determined by the Probation Department to not have the ability to pay their respective balances. During FY 2020-21, and most of FY 2021-22, nearly all worker's compensation insurance fraud cases were continued due to a standing order issued by the Solano County Superior Court. Therefore, no cases were resolved that resulted in restitution orders being issued. Nonetheless, we still continue in our efforts to collect on previously issued restitution orders from past fiscal years, resulting in several additional recoveries to date.

7. Applicant Question: Utilization Plan

Your budget provides the amount of funds requested for Fiscal Year 22-23.

Provide a brief narrative description of your utilization plan for the Fiscal Year 22-23 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 2, and marked "Utilization Plan."

Applicant Response:

The primary use of increased funding will go to personnel costs. However, remaining funds will be deployed to expand and enhance Outreach activities beyond the current campaigns.

8. Applicant Question: Uninsured Employers

Describe the county's efforts to address the uninsured employers' problem.

Local district attorneys have been authorized to utilize Workers' Compensation Insurance Fraud funds for the investigation and prosecution of an employer's willful failure to secure payment of workers' compensation as of January 2003.

Applicant Response:

The Unit has made significant outreach efforts to both educate the public and create a safe and positive environment where citizens can report suspected fraud. Solano County has a diverse population and a mixture of both urban and agricultural workers. The unit recognizes that uninsured employers have an ongoing negative fiscal impact and end up damaging the local business community. Solano County is committed to discouraging fraudulent activity by effectively and efficiently investigating employers engaging in such conduct. Employers that are found to be deliberately avoiding premiums by committing wage theft and/or cash pay will be aggressively charged and prosecuted in a sustained effort to create a fair and just business community within Solano County. Additionally, DAI Jackson is currently proposing a collaboration with CSLB's Statewide investigative Fraud Team (SWIFT) in an effort to prosecute an increased number of LC 3700.5 cases.

Sub Section Name: Training and Outreach

1. Applicant Question: Training Received

List the insurance fraud training received by each county staff member in the workers' compensation fraud unit during Fiscal Year 21-22.

Applicant Response:

| Name | Training Date | Provider | Location | Topic | Hours Credit |
|--------------|---------------|---------------------------------------|--------------|---------------------------------------|--------------|
| Irene Chew | 04/13/2022 | Anti-Fraud Alliance Annual Conference | Monterey, CA | Insurance Fraud | 11 |
| Dave Jackson | 04/13/2022 | Anti-Fraud Alliance Annual Conference | Monterey, CA | Insurance Fraud | 9 |
| Irene Chew | 10/19/2022 | CDAAs Fraud Symposium | Carlsbad, CA | WC/Auto Fraud | 18.5 |
| Dave Jackson | 10/19/2022 | CDAAs Fraud Symposium | Carlsbad, CA | WC/Auto Fraud | 18.5 |
| Irene Chew | 03/22/2022 | GGWCF Consortium | Virtual | WC Fraud in Cannabis Business | 1 |
| Dave Jackson | 03/22/2022 | GGWCF Consortium | Virtual | WC Fraud in Cannabis Business | 1 |
| Irene Chew | 03/15/2022 | CDI | Virtual | Grant Workshop | 3.5 |
| Dave Jackson | 03/15/2022 | CDI | Virtual | Grant Workshop | 3.5 |
| Irene Chew | 03/08/2022 | AFA | Virtual | Metadata & Open Source Investigations | 2 |
| Dave | | | | Metadata & Open Source | |

| | | | | | |
|--------------|------------|------------------|------------|------------------------------------|---|
| Jackson | 03/08/2022 | AFA | Virtual | Investigations | 2 |
| Irene Chew | 02/16/2022 | GGWCF Consortium | Virtual | Premium and Medical Provider Fraud | 4 |
| Irene Chew | 01/25/2022 | GGWCF Consortium | Virtual | Forged Documents | 1 |
| Dave Jackson | 01/25/2022 | GGWCF Consortium | Virtual | Forged Documents | 1 |
| Irene Chew | 01/10/2022 | CDA | Self Study | Elimination of Bias | 1 |
| Irene Chew | 12/16/2021 | AFA | Virtual | COVID-19 & Telemedicine | 2 |
| Dave Jackson | 12/16/2021 | AFA | Virtual | COVID-19 & Telemedicine | 2 |
| Irene Chew | 09/22/2021 | GGWCF Consortium | Virtual | Wage Theft & Human Trafficking | 1 |
| Dave Jackson | 09/22/2021 | GGWCF Consortium | Virtual | Wage Theft & Human Trafficking | 1 |
| Irene Chew | 09/14/2021 | AFA | Virtual | Forged Documents | 2 |
| Dave Jackson | 09/14/2021 | AFA | Virtual | Forged Documents | 2 |
| Irene Chew | 07/14/2021 | GGWCF Consortium | Virtual | Seize & Freeze laws | 1 |
| Dave Jackson | 07/14/2021 | GGWCF Consortium | Virtual | Seize & Freeze laws | 1 |

2. Applicant Question: Training and Outreach Provided

Upload and attach the Training and Outreach Provided form in Excel; label it "22-23 WC (county name) Training and Outreach Provided"

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 "22-23 WC (County) Training and Outreach"

Attachment:

22-23 WC Solano County Training and Outreach Provided.xlsx - EXCEL DOCUMENT

Applicant Comment:

As stated previously, the Unit will immediately be resuming in-person events and has three large-scale events scheduled for May 2022.

3. Applicant Question: Future Training and Outreach

Describe what kind of training/outreach you plan to provide in Fiscal Year 22-23.

Applicant Response:

With the return of large scale community events, the Unit will prioritize our in-person outreach efforts for FY 22-23. There are already several events scheduled where the Unit will participate in community outreach booths on behalf of the District Attorney's Office, including several festivals and the Travis AFB Air Show. The unit will also continue to prioritize all other efforts to provide outreach, awareness, and education to SIU's and the public at large. The Golden Gate Workers' Compensation Fraud Consortium has also already begun planning the seventh annual training for 2023. Additionally, the unit has discussed an educational outreach campaign with our partners at CDI Golden Gate. Finally, Mr. Olsen has begun discussions with the Consortium partners about conducting a training for members at our regular meeting which covers basic courtroom procedure for witnesses from a DA's perspective. This training recognizes that certain witnesses may not have significant experience testifying in a courtroom and is designed to walk them through what to expect, as well as what will be expected of them. If successful, this training can be expanded to other audiences, including the Anti-Fraud Alliance.

Sub Section Name: Joint Plan**1. Applicant Question:** Joint Plan

Upload your WC Joint Plan and label it "22-23 WC (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:

[22-23 WC Solano County Joint Plan.pdf](#) - PDF FILE
