



**OFFICE OF THE DISTRICT ATTORNEY
COUNTY OF SOLANO**

**KRISHNA A. ABRAMS
DISTRICT ATTORNEY**

Sharon S. Henry
Chief Deputy

Paul D. Sequeira
Chief Deputy

Ken Kramer
Chief Investigator

April 23, 2018

California Department of Insurance, Local Assistance Unit
Enforcement Branch Headquarters
2400 Del Paso Road, Suite 250
Sacramento, CA. 95834

To Whom It May Concern:

Enclosed is a copy of the Workers' Compensation Insurance Fraud Program's Request For Application for Fiscal Year 2018-2019, along with an electronic version of the application (CD/DVD). The DAR was submitted online on April 23, 2018. The Solano County Board of Supervisors Resolution will be submitted prior to the December 31, 2018 deadline.

Please feel free to contact me if you have any questions or concerns.

Sincerely,

Janice M. Williams,
Deputy District Attorney
Solano County District Attorney's Office
707-784-6830

CALIFORNIA DEPARTMENT OF INSURANCE FRAUD DIVISION



WORKERS' COMPENSATION INSURANCE FRAUD PROGRAM

**REQUEST FOR APPLICATION
FISCAL YEAR 2018-2019**

SECTION II APPLICATION AND INSTRUCTIONS

Pursuant to Insurance Code Section 1872.83(d),
the application for funding is a public document
and may be subject to disclosure.

However, information submitted to the
California Department of Insurance (CDI)
concerning criminal investigations,
whether active or inactive,
is considered confidential.

APPLICATION DEADLINE:

RECEIVED BY

5:00 p.m. on Wednesday, April 25, 2018

LOCATION:

**California Department of Insurance
Local Assistance Unit
Enforcement Branch Headquarters
2400 Del Paso Road, Suite 250
Sacramento, CA 95834**

***For assistance during this process contact
Workers' Compensation Program Analyst
(916) 854-5828
LocalAssistanceUnit@insurance.ca.gov***

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Each Application must include a Table of Contents

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GRANT APPLICATION CHECKLIST and SEQUENCE FISCAL YEAR 2018-2019

THE APPLICATION MUST INCLUDE THE FOLLOWING:

	<u>YES</u>	<u>NO</u>
1. GRANT APPLICATION TRANSMITTAL (FORM 02) completed and signed by the district attorney?	x	<input type="checkbox"/>
2. PROGRAM CONTACT FORM (FORM 03) completed?	x	<input type="checkbox"/>
3. Original or certified copy of the BOARD RESOLUTION (FORM 04) included? If NOT, the cover letter must indicate the submission date.	<input type="checkbox"/>	x
4. TABLE OF CONTENTS	x	<input type="checkbox"/>
5. The County Plan includes:		
a) COUNTY PLAN QUALIFICATIONS (FORM 05)	x	<input type="checkbox"/>
b) STAFF QUALIFICATIONS (FORM 06(A))	x	<input type="checkbox"/>
c) ORGANIZATIONAL CHART (FORM 06(B))	x	<input type="checkbox"/>
d) PROGRAM REPORT (DAR OR FORM 07)	x	<input type="checkbox"/>
e) COUNTY PLAN PROBLEM STATEMENT (FORM 08)	x	<input type="checkbox"/>
f) COUNTY PLAN PROGRAM STRATEGY (FORM 09)	x	<input type="checkbox"/>
6. Projected BUDGET (FORMS 10-12) included?	x	<input type="checkbox"/>
a) LINE-ITEM TOTALS VERIFIED?	x	<input type="checkbox"/>
b) PROGRAM BUDGET TOTAL (FORM 12) matches the amount requested on FORM 02?	x	<input type="checkbox"/>
7. EQUIPMENT LOG (FORM 13) completed and signed?	x	<input type="checkbox"/>
8. JOINT PLAN (Attachment A) completed and signed?	x	<input type="checkbox"/>
9. CONFIDENTIAL CASE DESCRIPTIONS (Attachment B) Is all content readable? A partial narrative is not acceptable.	x	<input type="checkbox"/>
10. ELECTRONIC VERSION (CD/DVD) included?	x	<input type="checkbox"/>

GRANT APPLICATION TRANSMITTAL

WORKERS' COMPENSATION INSURANCE FRAUD PROGRAM

Grant Period: July 1, 2018 to June 30, 2019

Office of the District Attorney, County of Solano,
hereby makes application for funds under the Workers' Compensation Insurance
Fraud Program pursuant to Section 1872.83 of the California Insurance Code.

Contact: Jason L. Aguirre

Address: 675 Texas Street, Suite 4500

Fairfield, California

Telephone: (707) 784-3267

(1) New Funds Being Requested: \$ 455, 878.72

(2) Estimated Carryover Funds: \$ 0

Janice M. Williams

(3) *Program Director*

Gina Chen

(4) *Financial Officer*

Krishna A. Abrams
(5) *District Attorney's Signature*

Name: Krishna A. Abrams

Title: District Attorney

County: Solano

Address: 675 Texas Street, Suite 4500

Fairfield, California

Telephone: (707) 784-6800

Date: 4/23/18

WORKERS' COMPENSATION INSURANCE FRAUD PROGRAM
PROGRAM CONTACT FORM
FISCAL YEAR 2018-2019

1. Provide contact information for the person with day-to-day operational responsibility for the program, who can be contacted for questions regarding the program.

a. Name: Jason L. Aguirre

b. Title: Senior Staff Analyst

c. Address: 675 Texas Street, Suite 4500

d. Fairfield, California 94533

e. E-mail address: JLAguirre@solanocounty.com

f. Telephone Number: (707) 784-3267 Fax Number: (707) 784-3267

2. Provide contact information for the District Attorney's Financial Officer.

a. Name: Gina Chen

b. Title: Accountant

c. Address: 675 Texas Street, Suite 4500

d. Fairfield, California 94533

e. E-mail address: GChen@solanocounty.com

f. Telephone Number: (707) 784-3436 Fax Number: (707) 784-3436

3. Provide contact information for questions regarding data collection/reporting.

a. Name: Janice M. Williams

b. Title: Lead Deputy District Attorney

c. Address: 675 Texas Street, Suite 4500

d. Fairfield, California 94533

e. E-mail address: JMWilliams@solanocounty.com

f. Telephone Number: (707) 784-6830 Fax Number: (707) 784-6830

**BOARD OF SUPERVISORS RESOLUTION
FISCAL YEAR 2018-2019**

As indicated in the application cover letter, the Solano County Board of Supervisors Resolution will be submitted prior to December 31, 2018.

NOTE: *CDI does not require a Board Resolution for submittal of the application for funding. However, a Board Resolution **is required** for a county to receive a distribution of funds.*

COUNTY PLAN: QUALIFICATIONS FISCAL YEAR 2018-2019

QUESTIONS

Answer the following questions to describe your experience in investigating and prosecuting workers' compensation insurance fraud cases during the last two (2) fiscal years, as specified in the California Code of Regulations, Title 10, Section 2698.55.

- The outcomes reported in Form 5 shall represent activities funded by this grant program.
- If a case is being reported in more than one insurance fraud grant program, clearly identify the component(s) that apply to this program.

1. What areas of your workers' compensation insurance fraud operation were successful and why?

The Solano County's workers' compensation insurance fraud program is successful because the unit has cohesive working relationships and regular communications with the NorthBay High Impact Medical Provider Fraud and Premium Fraud Consortium, California Department of Insurance, Golden Gate Division, and Department of Industrial Relations.

The purpose behind the NorthBay High Impact Premium Fraud and Medical Provider Fraud Consortium is to share resources in combating high impact premium and medical provider fraud cases. The consortium was developed in November of 2016 by Memorandum of Understanding and consists of the California Department of Insurance, Golden Gate Division and the district attorney offices of Alameda, Contra Costa, Marin, Napa, San Francisco, Solano and Sonoma.

There are also non-contractual members of various groups that attend, such as the Franchise Tax Board, the Department of Industrial Relations and occasionally other state or federal agencies.

The consortium meets every other month but, may soon move to quarterly meetings. Solano County is currently responsible for providing guest speakers for in-house training and presentations. Our previous responsibility was to prepare the agenda and take notes at the meetings. In 2016, Solano County did a presentation on solar panels.

After research and discussion, the consortium decided this year to target care homes who were in violation of premium fraud throughout our various counties. The Golden Gate Division, premium fraud investigators, identified and investigated those care homes that were in violation throughout the various counties. In December of 2017, Solano County assisted with the search warrant service in Contra Costa County, and Solano County. There were three care homes identified in Solano County for LC 3700.5 violations and one care home in Solano County currently being investigated for possible premium fraud and wage theft.

In February 2018, the consortium hosted its second annual joint training in the City of Dublin. There were over 250 people consisting of SIU's, third party administrators, self-insured employers, human resource personnel, private insurance companies, civil defense attorney's and deputy district attorneys.

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.

In March 2018, the Solano County workers' compensation fraud unit entered into a Data Sharing Agreement with the California Department of Industrial Relations. The purpose is to formalize a process of identifying suspected workers' compensation fraud within Solano County.

Solano County also attends the Northern California Fraud Investigators Association quarterly meetings in which Investigator Dave Jackson is a member.

- **Some of the NEW Cases FY 2017-18**

A **standard uninsured fraud case** was filed against the owners of a carpet cleaning company. The company had a contract with Solano County. Business cards were left on all of Solano County employees' desks after the carpets were cleaned. Our workers' compensation fraud district attorney investigator noticed that the company listed a contractor's license number on the business cards and became suspicious. The investigator learned that the owners claimed they had no employees, exempting them from having to pay workers' compensation insurance.

The investigator, along with several other investigators in our office, conducted a sting on the carpet company at their next job site. The sting revealed that the carpet company, in fact, had numerous employees. A stop work order was issued that day. The case is currently pending court dates.

A **medium claimant fraud case** was filed against an individual who was suspected of working while collecting. This case, referred by SCIF, started when the defendant roofer filed a claim for an injury sustained to his right wrist and hand from an air conditioning unit falling onto his hand while working on a roof.

An initial evaluation restricted him to no use of his right hand. He reported about six months later that he was unable to use his right hand to hold or open items due to the pain. The defendant's primary treating physician noticed multiple cuts, callouses, and grease under his nails. The physician released the defendant to full duty due to non-compliance with physical activity restrictions.

The defendant's Qualified Medical Examiner, (QME), disagreed with the treating physician and outlined restrictions for modified duty. However, when the QME viewed several hours of subrosa video of the defendant performing various work-related activities, he changed his disability rating of the defendant and assigned no disability at all.

The defendant's second employer identified the defendant as his employee. The defendant had been working for him for at least three months while the defendant was also receiving worker's compensation benefits from his first employer. The defendant had not reported to anyone that he was working a second job. Defendant's case is set for Preliminary Hearing May 30, 2018.

- **Some of the Cases of FY 2016-17**

One of the cases still currently in court is a **complex claimant fraud case** that was referred by SCIF. The defendant was a nurse at the California of Department of Corrections and Rehabilitations at the California Medical Facility,(CMF).

The defendant's primary treating physicians returned the defendant to work after a workers' compensation claim of a back injury that occurred while lifting an inmate with modified work restrictions. The defendant did return to work on two separate occasions but claimed he exacerbated his back injury when he had to avoid a battery by an inmate. Then the defendant never returned to work thereafter due to pain. The defendant then filed a psychiatric claim due to his work-related injury.

An investigation was conducted and it was discovered that the defendant had been receiving wages from a secondary employer while collecting IDL/TTD and failed to disclose to either the insurance company or his treating physicians. The defendant's second employment was working for a private family performing nursing functions, including lifting a hoist, for an extremely disabled child.

EDD Quarterly wages related to the defendant's secondary employment were obtained which showed the defendant receiving wages during the IDL/TDD timeframe. Furthermore, a search warrant was executed on the bookkeeper of the trust fund from which the defendant was paid.

During the defendant's visits with his psychiatrist regarding his psychiatric claim, the defendant made numerous false statements concerning his fear to leave the house or to work as a nurse again due to his traumatic experience with CMF. The psychiatrist later told investigators that had she known he was still working as a nurse, she would have rated his claim differently.

The defendant also filed for disability retirement with CalPers. He made numerous false statements on his application, including his failure to disclose his second employment. The loss is upward of \$83,000. The case is currently set for Readiness Conference on May 22, 2018.

Another case still currently in court is a **felony complex premium case** by SCIF. The defendant is a sole proprietor of a fire extinguisher company in Solano County. He had purchased workers' compensation insurance and filed periodic electronic payroll reports indicating that he did not any employees.

The fire department from a Southern California County cited one of the defendant's employees in a restaurant for using another company's business license number. The employee indicated that the defendant's company was his employer.

An investigation was conducted and it was determined that the defendant did, in fact, have employees, including the employee that was cited.

The defendant admitted to the underreporting to SCIF as well as not paying employment taxes or personal income taxes. The period of the underreporting is from 2009-2014 with an estimated loss of \$83,884.29. The case is currently set for Readiness Conference on April 19, 2018.

2. Specify any unfunded contributions (i.e., financial, equipment, personnel, and technology) and support your county provided to the workers' compensation insurance fraud program.

In an effort to ensure the success of this program, the Solano County District Attorney's Office has assigned Janice Williams to supervise the Workers' Compensation Fraud Unit and pay her salary outside the grant. The office also continues to provide all equipment that is necessary for the district attorney investigator and the deputy district attorney. County vehicles are also provided as needed. Every employee has a computer with access to network printers, and the internet access which Solano County requires that each employee sign and follow the County security protocol. All staff have access to the Just Ware database wherein all cases are entered with events, dispositions, sentencing criteria, witness information, etc. 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. M.C.L.E training and P.O.S.T. training is also provided by the District Attorney's Office. Also, when needed, other district attorney investigators will assist with in-field interviews and arrests.

3. 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.

Deputy District Attorney Janice Williams has been with the Solano County District Attorney's Office since November of 1994. She has been serving as the fraud prosecutor since May of 2012. Since May of 2012, Ms. Williams has been successful in reaching out and establishing cohesive working relationships with the members of the NorthBay High Impact Premium Fraud and Medical Provider Fraud Consortium, the CDI regional office, Golden Gate Division, Department of Industrial Relations, as well as the investigators with the internal Affairs Unit at the California Department of Corrections and Rehabilitations and several SIUs within the industry. She has successfully prosecuted numerous of fraud cases.

In April of 2017, Ms. Williams was promoted to Lead Deputy District Attorney over the Financial Crimes Unit. The Workers' Compensation Fraud Unit is, one of the six units, Ms. Williams now supervises. In order to maintain a smooth transition of the Workers' Compensation Fraud Unit, Ms. Williams continues to interact and maintain close working relationships with the above-mentioned organizations while training Deputy District Attorney Irene Chew on workers' compensation fraud cases.

Ms. Chew joined the unit in April of 2017 and has taken over the caseload. She has been with the Solano County District Attorney's Office since August 2000 handling various caseloads including welfare fraud.

In August of 2016, Investigator David Jackson joined the Workers' Compensation Fraud team at the Solano County District Attorney's Office. Investigator Jackson brings 35 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 assigned in the workers' compensation fraud and automobile fraud units. Investigator Jackson has worked closely with and developed 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 fraud cases.

4. List the governmental agencies you have worked with to develop potential workers' compensation insurance fraud cases.
- a) California Department of Insurance
 - b) State Compensation Insurance Fund
 - c) California Department of Corrections and Rehabilitation
 - d) NorthBay High Impact Premium Fraud and Medical Provider Fraud Consortium
 - e) State Contractor's Licensing Board
 - f) Department of Industrial Relations
 - g) Franchise Tax Board
 - h) Solano County Human Resources
 - i) Local Law Enforcement Agencies
 - j) California Division of Labor and Standards Enforcement
 - k) United Postal Service, Inspector General

5. Were any frozen assets distributed in the current reporting period? (Assets may have been frozen in previous years.) If yes, please describe. If no, state none.

None.

**COUNTY PLAN: STAFFING
FISCAL YEAR 2018-2019**

COUNTY OF SOLANO

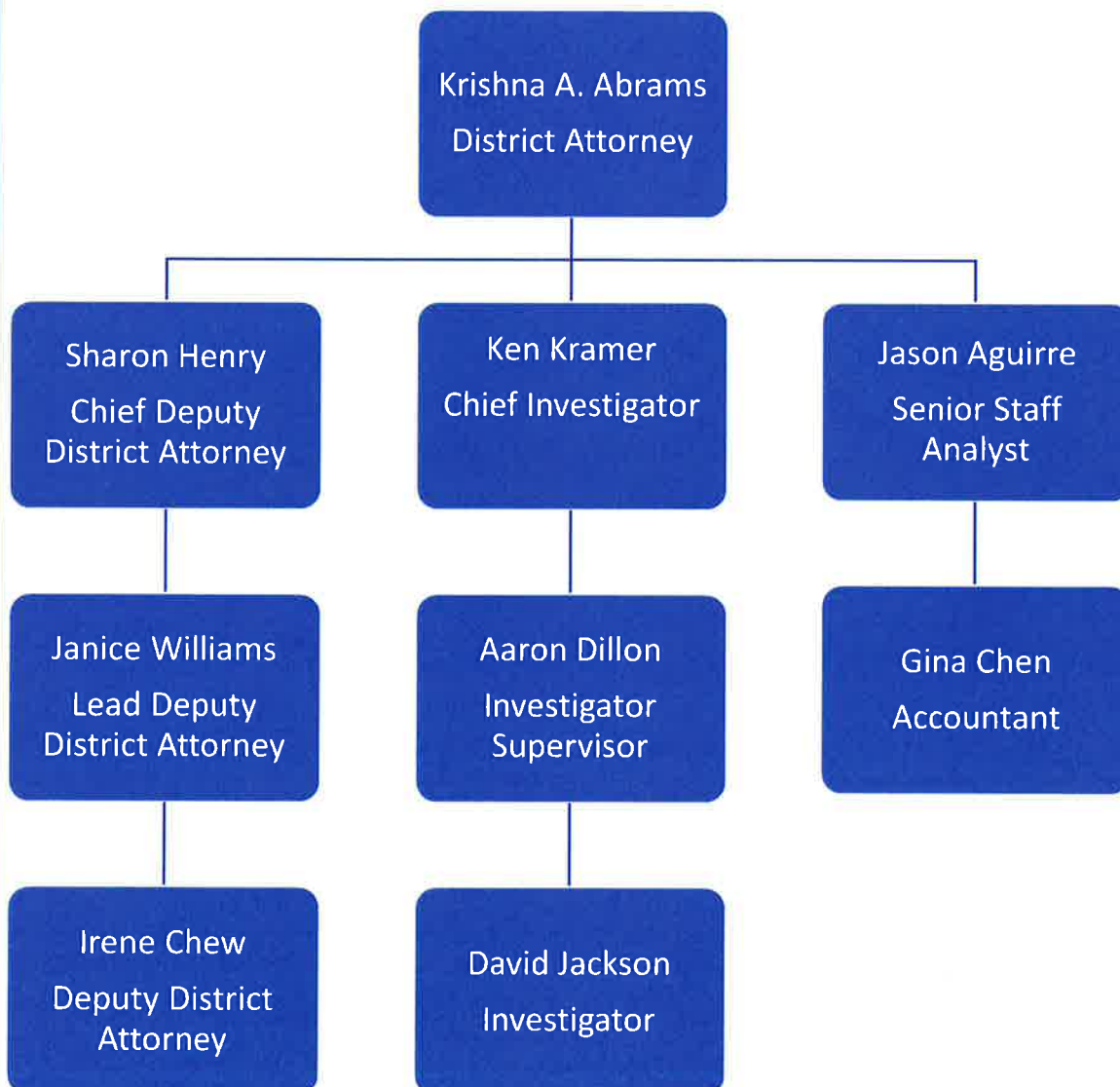
Prosecutors	% Time	Time With Program Start Date/End Date
Irene Chew	50%	April 2017-Present

COUNTY OF SOLANO

Investigators	% Time	Time With Program Start Date/End Date
David Jackson, DA Investigator	100%	August 2016-Present

**COUNTY PLAN: ORGANIZATIONAL CHART
FISCAL YEAR 2018-2019**

ORGANIZATIONAL CHART



**COUNTY PLAN: DISTRICT ATTORNEY PROGRAM REPORT
FISCAL YEAR 2018-2019**

DAR (FORM 07) is submitted online

**STATISTICAL INFORMATION WILL BE CAPTURED
FROM JULY 1, 2017 TO APRIL 15, 2018**

COUNTY PLAN: PROBLEM STATEMENT

FISCAL YEAR 2018-2019

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.

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 Napa and Yolo counties. Solano County houses a military base (Travis Air Force Base) and three state prisons (California Department of Corrections and Rehabilitation, California Medical Facility and Delta Conservation Camp) all of which attract populations of semi transient people in the families of prison inmates and service personnel. The County is centrally located for those working in the 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 (7/1/15) Solano County has approximately 436, 092 residents. In December of 2016, the labor force was 210, 100, with 199, 400 employed and 10,700 unemployed. Per the Solano Economic Development Corporation, the key to Solano County successful economy is the competitiveness to attract and retained businesses providing jobs for Solano County residents and affordable housing when compared to prices in the Bay area.

The County's workforce consists of a combination of large employers, including military and correctional institutions, healthcare, banking, retail, education, manufacturing and recreational and entertainment establishments.

It also consists of some smaller family owned businesses, including restaurants, hair and nail salons, and local markets. Solano County also has a significant amount of agriculture.

The business community creates an environment susceptible to fraud. The majority of cases referred to the unit are claimant fraud cases but there has been an increase in premium fraud cases and willfully uninsured employer cases.

Currently, CDI is investigating three premium fraud cases for Solano County with a fourth case pending. There are currently two premium cases, three claimant cases, and two underinsured cases in court.

Solano County recognizes the negative impact workers' compensation fraud has on the local and statewide economy. We also know that there are other large premium fraud and medical provider fraud cases within the community that are driving the cost of insurance higher for all of us.

Solano County would like to expand our efforts in combating the large premium and medical provider fraud cases while continuing to balance the workable claimant, standard premium and willfully uninsured fraud cases.

COUNTY PLAN: PROGRAM STRATEGY

FISCAL YEAR 2018-2019

PROGRAM STRATEGY

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

Solano County will continue to collaborate with the NorthBay High Impact Medical Provider Fraud and Premium Fraud Consortium, California Department of Insurance, Golden Gate Division, California Department of Corrections and Rehabilitations, SIUs, Department of Industrial Relations, third party administrators, and the United States Postal Service, Inspector General's Office to coordinate investigations, including sting operations, throughout the fiscal year.

Currently, there are a number of viable cases not being worked because of the lack of resources by both CDI and by having a part-time prosecutor and one part-time investigator. The unit hopes to expand by converting the prosecutor's position to full-time and by adding one additional part-time or full-time investigator. This would assist the unit in working the current viable cases, in investigating more suspected medical provider and premium fraud cases, and to continue to assist the NorthBay Consortium with joint ventures. Also, it is important to continue our efforts at outreach by requesting more funds to issue more publications, place advertisements on the back of the buses and to appear, again on our local radio station, KUIC, to inform employers/employees the "red flags" to susceptible fraud.

2. What are your plans to meet the announced goals of the Insurance Commissioner and the Fraud Assessment Commission? Copies have been provided for your reference.
 - If these goals are not realistic for your county, please state why they are not, and what goals you can achieve. What is your strategic plan to accomplish the goals?

The County of Solano District Attorney's office recognizes the goals put forth by the Insurance Commissioner and Fraud Assessment Commission.

In terms of meeting the goal of **Medical Provider Fraud**, Solano County realizes that it is important to have cohesive working relationships and continue to forge new partnerships with other key state and federal agencies, law enforcements and even other district attorney's offices. It is important because Solano County is a small county and recognizes that we need the

aid of other agencies to combat medical provider fraud. This is why the unit's relationship with the NorthBay consortium is very important as well as California Department of Insurance and Department of Industrial Relations.

Although in April 2017, Ms. Williams was promoted to Lead Deputy District Attorney over the Financial Crimes Unit, in terms of meeting the goal of **Performance and Continuity within the Program**, Ms. Williams continues to interact and maintain close working relationships with California Department of Insurance, the NorthBay High Impact Premium and Medical Provider Fraud Consortium, California Department of Corrections and Rehabilitations, SIU's Department of Industrial Relations, and other local, state and federal agencies while training and integrating Deputy District Attorney Irene Chew with the above agencies and the workers' compensation fraud industry.

In addition, in August of 2016, Investigator David Jackson joined the Workers' Compensation Fraud team at the Solano County District Attorney's Office. He brings with him years of experience of working in both police investigations and working workers' compensation fraud cases in Napa County prior to joining the Solano County team. Investigator Jackson has worked closely with and developed 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 fraud cases.

Solano County recognizes and agrees that the goal of **outreach** continues to be a major component of deterrence. To that end, the local newspapers continue to be present in court at the crucial stages of every workers' compensation case handled, including jury trials. (See attached local newspaper article from March 28, 2018 regarding a local business owner). Solano County continues to meet with SIUs to discuss cases and answer any questions regarding the "red flags" of fraud. Solano County will continue our efforts in outreach by publicizing instructional articles and advertisements that will educate the public regarding what signals to look for with our contact information if fraud is suspected. On February 24, 2018, the NorthBay High Impact Premium Fraud and Medical Provider Fraud Consortium hosted our second annual day long training to over 200 SIUs, third party administrators, self-insured employers, civil defense attorneys, and district attorneys. There are already discussions regarding a joint training for 2019.

In terms of the goal of maintain a **balanced caseload**, Solano County has and will continue to make a concerted effort to not only identify, investigate and prosecute employer premium fraud, claimant fraud and the willfully uninsured, but, with a collaborated effort of the NorthBay High Impact Premium Fraud and Medical Provider Fraud Consortium, California Department of Insurance and Department of Industrial Relations as well as

other governmental agencies, Solano County will be able to identify, investigate and prosecute the high impact premium fraud and medical provider fraud cases both in our county and assist in cases that evolve within the San Francisco Bay Area region.

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

The unit anticipates that the premium cases currently under investigation by the California Department of Insurance will take more than a single year to complete.

Another goal is to continue to train and work with SIUs and private investigators on how to develop prosecutable cases.

Finally, the unit would like to develop more outreach publications in which instructional articles could reach the general public.

4. Training and Outreach

- List the **training received** by each county staff member in the workers' compensation fraud unit **during Fiscal Years 2016-2017 and 2017-2018.**

Deputy District Attorney Janice Williams

On September 26, 2016, CDAA Anti-fraud Conference in Garden Grove, CA

On February 22, 2017, CDI Grant Writing Webinar

On March 8, 2017, CDI Grant Writing Workshop in Sacramento, CA

On April 11, 2017, the annual anti-fraud conference sponsored by NCFIA in Monterey, CA

On May 17, 2017, Workers' Compensation Fraud Training by CDI in Martinez, CA

On September 21, 2017 NorthBay High Impact Premium Fraud and Medical Provider Fraud Search Warrant Training by Contra Costa Investigator Jeff Swatman and Alameda Deputy District Attorney Bill Murphy

On September 28, 2017, Northern California Fraud Investigators Association Quarterly Meeting in Lafayette, CA, "P.G&E Company, the San Bruno Investigation"

On December 5, 2017, Northern California Fraud Investigators Association Quarterly Meeting in "Compounding Pharmaceuticals; Billing Misrepresentations"

On February 21, 2018, CDI Grant Writing Webinar

On March 13, 2018, CDI Grant Writing Workshop in Sacramento, CA

On April 10, 2018, the annual anti-fraud conference sponsored by NCFIA in Monterey, CA

Deputy District Attorney Irene Chew

On April 11, 2017, the annual anti-fraud conference sponsored by NCFIA in Monterey, CA

On May 17, 2017, Workers' Compensation Fraud Training by CDI in Martinez, CA

On September 21, 2017 NorthBay High Impact Premium Fraud and Medical Provider Fraud Search Warrant Training by Contra Costa Investigator Jeff Swatman and Alameda Deputy District Attorney Bill Murphy

On September 28, 2017, Northern California Fraud Investigators Association Quarterly Meeting in Lafayette, CA, "P.G&E Company, the San Bruno Investigation"

On October 2, 2017, CDAA Anti-Fraud Conference in Garden Grove, CA

On December 5, 2017, Northern California Fraud Investigators Association Quarterly Meeting in "Compounding Pharmaceuticals; Billing Misrepresentations"

On February 21, 2018, CDI Grant Writing Webinar

On March 13, 2018, CDI Grant Writing Workshop in Sacramento, CA

On March 27, 2018, Workers' Compensation Fraud Training for third party administrators by Dalene Bartholomew, Probe and Janice Williams, Solano County Deputy District Attorney

On April 10, 2018, the annual anti-fraud conference sponsored by NCFIA in Monterey, CA

District Attorney Investigator David Jackson

On February 22, 2017, CDI Grant Writing Webinar

On March 8, 2017, CDI Grant Writing Workshop in Sacramento, CA

On April 11, 2017, the annual anti-fraud conference sponsored by NCFIA in Monterey, CA

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On February 21, 2018, CDI Grant Writing Webinar

On March 13, 2018, CDI Grant Writing Workshop in Sacramento, CA

On March 27, 2018, Workers' Compensation Fraud Training for third party administrators by Dalene Bartholomew, Probe and Janice Williams, Solano County Deputy District Attorney

On April 10, 2018, the annual anti-fraud conference sponsored by NCFIA in Monterey, CA

Completed several internal P.O.S.T. perishable skill training courses, including firearms training, arrest and control techniques and defensive training.

- Describe what kind of training/outreach **you provided in Fiscal Year 2017-2018** to local Special Investigative Units, as well as, public and private sectors to enhance the investigation and prosecution of workers' compensation insurance fraud. Also describe any coordination with the Fraud Division, insurers, or other entities.

On July 17, 2017, provided outreach and workers' compensation fraud pamphlets at the Solano County Fair.

On November 8, 2017, Training at SCIF in Vacaville, CA for SIUs.-45-50 people.

On February 22, 2018, Consortium Training of SIUs, 3rd Party Administrators, insurance defense attorneys and district attorneys in Dublin, CA-over 200 people.

On March 27, 2018, Training with Probe to 3rd Party Administrators in Sonoma, CA.-30 people.

- Describe what kind of training/outreach **you plan to provide in Fiscal Year 2018-2019.**

The unit intends to continue to provide outreach and public awareness to SIUs, private insurance companies and third-party administrators in our efforts to obtain more prosecutable cases.

The North Bay High Impact Premium Fraud and Medical Provider Fraud Consortium is planning our annual third training next year.

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).

The Workers' Compensation Fraud Unit continues to monitor cases that have been resolved cases either by jury trial or by plea. In cases of delinquent payment, the unit files the appropriate paperwork to violate the defendant's probation grant. At times, negotiations are made either pre-plea or post plea for a reduction in a charge for full restitution and in some cases, full restitution and investigative costs.

5. Identify the performance objectives that the county would consider attainable and would have a significant impact in reducing workers' compensation insurance fraud.

Projection:

- a. 30 new investigations will be initiated during FY 2018-2019
- b. 10 new prosecutions will be initiated during FY 2018-2019

6. If you are asking for an increase over the amount of grant funds awarded last fiscal year, please provide a brief description of how you plan to utilize the additional funds.

\$ 455,878.72 FY 2018-2019 Grant REQUEST	\$173,510 FY 2017-2018 Grant AWARD	\$282,362 FY 2018-2019 Increase Requested
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Utilization Plan: The Workers' Compensation Fraud Unit would like to expand by converting the prosecutor's position to full-time and by adding one additional part-time or full-time investigator. This would assist the unit in working the current viable cases, in investigating more suspected medical provider and premium fraud cases, and to continue to assist the NorthBay Consortium with joint ventures. The unit would also like to utilize some of the money to expand outreach by advertising on the back of city busses and to send out publications to employers.

7. 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. Describe the county's efforts to address the uninsured employer's problem.

Solano County also believes in a level playing field for the honest businesses within the community and to discourage fraudulent activity. The unit will continue to be aggressive in investigating, charging and prosecuting employers deliberating avoiding premiums by committing wage theft and cash pay.

FORM 10

WORKERS' COMPENSATION INSURANCE FRAUD PROGRAM**BUDGET: PERSONNEL SERVICES****FISCAL YEAR 2018-2019****COUNTY NAME: SOLANO****A. PERSONNEL SERVICES: Salaries and Employee Benefits****COST****PROSECUTION**

Deputy District Attorney III - Step 5 1.0 FTE

Salary: \$5,342.72/Biweekly x 26 Pay Periods = \$138,910.72

138,910.72

Benefits: 37% of Salary

51,608.60

Retirement: \$24958.18

OPEB: \$2,778.10

Deferred Comp: \$130.00

FICA: \$10,690.16

Health: \$12,462.48

Vision: \$157.68

Dental: \$432.00

District Attorney Investigator. Step 5, 1.0 FTE

Salary: \$5,044.42/Biweekly x 26 Pay Periods = \$131,154.92

131,154.92

Benefits: 46% of Salary

60,922.84

Retirement: \$36,122.84

OPEB: \$2,623.14

FICA: \$2,075.90

Health: \$18,848.88

Vision: \$157.68

Dental: \$1,094.40

One District Attorney Investigator. Step 5, Extra Help

Salary: \$58.38 / hour x 999 hours = \$58,321.62

58,321.62

Benefits:

FICA @ 7.65% of total salary = \$4,461.60

4,461.60**A. PERSONNEL SERVICES TOTAL****445,380.30**

**WORKERS' COMPENSATION INSURANCE FRAUD PROGRAM
PROGRAM BUDGET: OPERATING EXPENSES
FISCAL YEAR 2018-2019**

COUNTY NAME: SOLANO

B. OPERATING EXPENSES		COST
Radio/Public Transportation Advertising and Printed Handout/ Flyers for Program Outreach	8,000.00	
Dell Latitude 14 Rugged 5414 Computer for DA investigator \$2,198.42 each x 1 staff = \$2,198.42	2,198.42	
One Cisco Telephone @ \$300.00 each	300.00	
B. OPERATING EXPENSES TOTAL	10,498.42	

WORKERS' COMPENSATION INSURANCE FRAUD PROGRAM
PROGRAM BUDGET: EQUIPMENT
FISCAL YEAR 2018-2019

COUNTY NAME: SOLANO

C. EQUIPMENT	COST
C. EQUIPMENT TOTAL	0
D. PROGRAM BUDGET TOTAL	\$455,878.72

[illegible]

XX No equipment purchased.

Name: Janice M. Williams

Title: Lead Deputy District Attorney

Signature: Lannie M. Williams

Date: 4/23/2018

ATTACHMENT A

JOINT PLAN

FY 2018-2019

Statement of Goals

The purpose of this plan is to formalize the continuing joint efforts between the Solano County District Attorney's Workers' Compensation Insurance Fraud Unit (DA Fraud Unit), and the California Department of Insurance (CDI) Fraud Division, to effectively cooperate in the investigation and prosecution of Workers' Compensation Insurance Fraud cases. The plan will ensure that the activities of CDI and the DA Fraud Unit are not duplicated and will allow investigators and prosecutors to coordinate their activities to ensure successful outcomes.

Receipt and Assignment of Cases

Workers' Compensation fraud cases are generally received via a Suspected Fraudulent Claim (SFC) reported on a Referral Form (FD-1). These referrals come from CDI or other outside sources which may include a Documented Case Referral (DCR). The DA Fraud Unit will assign an investigative file number when a case is accepted for investigation and/or prosecution.

Upon the receipt of information sufficient to open an investigative file, the DA Fraud Unit Investigator will contact his counterpart at CDI to determine if an investigative file has been opened by CDI as well. If CDI receives initial information in which the County of Solano is determined to be the venue county, CDI will contact the DA Fraud Unit Investigator.

If an insurance carrier wishes to make an oral presentation, an appointment will be established. Either the DA Fraud Unit Investigator or the CDI Investigator will make reasonable efforts to contact the other agency and advise them of the date and time of the oral presentation so that the other agency may attend if possible.

Cases will be jointly worked where appropriate. Decisions necessary for the successful outcome of any joint investigation will be made on a case-by-case basis by the two investigative units. Because of the volume of cases, it is anticipated meetings between CDI investigators and the assigned Deputy District Attorney will be held to discuss matters of mutual concern on a quarterly basis.

CDI will provide a copy of all FD-1's they receive to the DA Fraud Unit when Solano County is the venue. CDI will provide these whether an investigative file is contemplated or not. When Solano County receives FD-1's from the carrier directly, the DA Fraud Unit will forward a copy to CDI upon receipt.

Investigations

When the DA Fraud Unit receives a DCR for investigation or prosecution from a self-insured entity, the DA Fraud Unit will notify CDI of the request and then determine whether the assistance of CDI is required. If so indicated, the DA Fraud Unit Investigator and the

investigator assigned from CDI will meet and prepare an investigative plan. Every effort will be made to avoid duplication of investigative efforts. The time frame for initial and follow-up meetings between the assigned CDI investigators and the DA Fraud Unit will be determined on a case-by-case basis between the individuals.

The referring agency will be notified of any DCR rejected by the DA Fraud Unit in the form of a letter from the assigned Deputy District Attorney. CDI will be sent a copy of all letters. This notice will allow the referring agency future consideration of the case should additional evidence warrant such action. In addition, both CDI and the DA Fraud Unit will make themselves available to discuss the reconsideration of any rejected case with the referring agency.

Insurance carriers will be encouraged to personally appear at the District Attorney's Office for a presentation of a completed case for possible criminal filing. Representatives from both agencies will attend the presentation, when practicable, to discuss the merits of the case.

Undercover Operations

It is not anticipated that undercover operations will be conducted solely by the Solano County District Attorney's Office. The DA Fraud Unit will assist CDI in any undercover operation contemplated by CDI within Solano County on a case-by-case basis. The DA Fraud Unit will do all that it can to assist in the initiation of these cases if CDI conducts such operations in Solano County. Pursuant to Penal Code section 633, a Deputy District Attorney will review all requests by CDI for the recording of communications.

Case Filing Requirements

Filing criteria for any type of criminal prosecution is difficult to quantify. The same is true for insurance fraud cases. The District Attorney's Office's general filing guidelines require that a case should be filed where, in our opinion, the evidence is sufficient to convict an individual by a standard of proof beyond a reasonable doubt. As a general rule, the following information must be provided before a case filing decision can be made:

1. Complete investigative reports, including all search warrants and an index and summary of all documents, photographs, videos, and other evidence submitted, in triplicate;
2. Copies, or access to all documents that have been recovered in the course of the investigation, whether by search warrant or otherwise, and a contact person to assist in discovery requests regarding said materials;
3. A list of anticipated witnesses, including addresses, telephone numbers, and dates of birth (law enforcement personnel excepted);
4. DMV printouts and Soundexes on all suspects;
5. Information regarding any inducements or agreements regarding the giving of information or testimony that may have been made to witnesses;

6. Name and telephone number of the investigating officer who will be responsible for the signing of the declaration in support of arrest warrant and providing additional investigation, if warranted.

Training

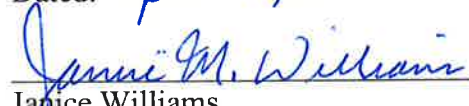
Prosecutors, investigators, and the DA Fraud Unit staff are sent to the annual California District Attorney Association Fraud Symposium and/or the Anti-Fraud Alliance training courses. The budget for the DA Fraud Unit covers this training, as well as the general office budget. We are available for joint training as the need arises. If present efforts to increase the size of the unit are successful, joint training and community outreach will be much more easily facilitated.

Problem Resolution

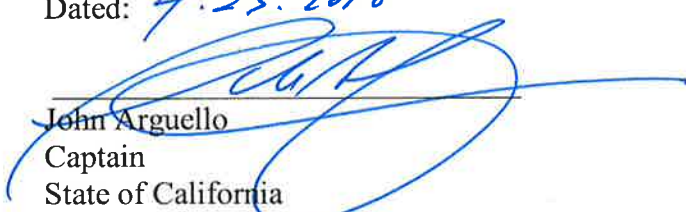
We encourage resolution of any problems at the earliest stages and at the lowest staff levels possible to ensure that all personnel continue to operate cooperatively and efficiently. Inter-office staff will be expected to resolve most problems at their level, with supervisory assistance if necessary. Any problem which cannot be solved at those levels will be handled by the Chief Deputy District Attorney.

Disputes involving prosecutorial decisions will be decided by the District Attorney. Disputes that deal with investigative issues will be decided by the investigative agency in charge of the investigation and the District Attorney.

Dated: *April 20, 2018*


Janice Williams
Deputy District Attorney
Solano County

Dated: *4.23.2018*


John Arguello
Captain
State of California
Department of Insurance
Golden Gate Office