



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

**KRISHNA A. ABRAMS  
DISTRICT ATTORNEY**

**Sharon S. Henry**  
Chief Deputy

**Paul D. Sequeira**  
Chief Deputy

**Ken L. Kramer**  
Chief Investigator

April 22, 2019

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

To Whom It Concern:

Enclosed is a copy of the Workers' Compensation Insurance Fraud Program's Request for Application For Fiscal Year 2019-2020, along with an electronic version of the application (CD/DVD). The DAR was submitted online line April 22, 2019. The Solano County Board of Supervisors Resolution will be submitted prior to the December 31, 2019 deadline.

Please 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 2019-2020**

### **SECTION II APPLICATION AND INSTRUCTIONS**

## APPLICATION TABLE OF CONTENTS

Each Application must include a Table of Contents

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**GRANT APPLICATION CHECKLIST and SEQUENCE  
FISCAL YEAR 2019-2020**

**THE APPLICATION MUST INCLUDE THE FOLLOWING:**

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

**GRANT APPLICATION TRANSMITTAL****WORKERS' COMPENSATION INSURANCE FRAUD PROGRAM****Grant Period: July 1, 2019 to June 30, 2020**

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 94533

Telephone: (707) 784-3267

(1) New Funds Being Requested: \$258,722

(2) Estimated Carryover Funds: \$ 0

Janice M. Williams

(3) *Program Director*

Gina Chen

(4) *Financial Officer*



(5) *District Attorney's Signature*

Name: Krishna A. Abrams

Title: District Attorney

County: Solano

Address: 675 Texas Street, Suite 4500

Fairfield, California 94533

Telephone: (707) 784-6800

Date: 4/22/19

**WORKERS' COMPENSATION INSURANCE FRAUD PROGRAM**  
**PROGRAM CONTACT FORM**  
**FISCAL YEAR 2019-2020**

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  
Fairfield, California 94533

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

e. 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  
Fairfield, California 94533

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

e. 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  
Fairfield, California 94533

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

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

**BOARD OF SUPERVISORS RESOLUTION  
FISCAL YEAR 2019-2020**

As indicated in the application cover letter, the Solano County Board of Supervisors Resolution will be submitted prior to December 31, 2019.

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**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 2019-2020****QUESTIONS**

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 the 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 insurance 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. Most of the deputy district attorneys have been with the consortium from its inception.

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 initially met every other month but now meets quarterly.

After research and discussion, the consortium decided in 2017, to target care homes who were in violation of premium insurance fraud throughout our various counties. The Golden Gate Division, premium insurance 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 that was investigated for premium insurance fraud.

The consortium is currently working on identifying another premium or medical provider insurance fraud target.

In February of 2019, the consortium hosted its third 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 attorneys and deputy district attorneys.



This year at the third annual joint training, Solano County Deputy District Attorney Janice Williams, Captain Eric Williams from the California Department of Insurance, Golden Gate Division and Fraud Assessment Commissioner and Vice President of the SIU at Zenith Insurance Company taught a two-hour class entitled "Claimant Fraud, Expectations....Reality, Understanding the Ingredients that Make Up a Prosecutable Case".

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 of 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 Anti-Fraud Alliance Investigators Association quarterly meetings in which Investigator Dave Jackson is a member.

- **Some of the Cases of FY 2018-2019**

This is an update on a working while collecting **medium claimant fraud case** referred by SCIF that was discussed last year in the RFA. The case involved a defendant roofer who claimed injury to his right wrist and hand from an air conditioning unit falling onto his hand while working on a roof. He was placed on temporary disability. Unbeknownst to the qualified medical examiner, (QME), the defendant began working a second job. The QME viewed several hours of sub-rosa video of the defendant performing various work-related activities and changed his disability rating. On March 13, 2019, the defendant pled to Insurance Code section 1871.4(a)(2) as a felony. On May 7, 2019, the defendant will be sentenced to 3 years formal probation, 137 days in county jail and ordered to pay \$32,766.68 in restitution to the State Compensation Insurance Fund, (SCIF).

One of the cases that is expected to be filed shortly is a **standard claimant fraud case** that was referred by Frasco Insurance Company. The suspect worked at Kaiser hospital as a medical assistant. She claimed to have fallen while entering work, breaking her hand. After an investigation, it was determined that she reported that she fell at a grocery store to her supervisor. The district attorney investigator confronted her with her inconsistencies and she ultimately admitted to the material misrepresentation.

Another case that is expected to be filed soon is a **standard uninsured fraud case** which stems from three unlicensed nursing care homes. The workers' compensation district attorney investigator accompanied the district attorney investigator that specializes in elder abuse during an inspection of a care home.

After an investigation, it was determined that the owner of the care home had three unlicensed care homes in Solano County and up to eight employees caring for 20 patients. Among other admissions, the owner acknowledged not having worker's compensation insurance for her employees. The district attorney investigator will be coordinating with EDD and DIR regarding this matter. Labor Code section 3700.5 and elder abuse charges are forthcoming.

- **Some of the Cases of FY 2017-2018**

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 insurance fraud 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 order was issued that day. The case is currently set for jury trial August 26, 2019.

2. Specify any unfunded contributions and support (i.e., financial, equipment, personnel, and technology) 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. 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 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 over the Financial Crimes Unit. The Workers' Compensation Insurance Fraud Unit is, one of the six units, Ms. Williams now supervises. In order for continuity to remain within the Workers' Compensation Insurance Fraud Unit, Ms. Williams continues to interact and maintain close working relationships with the above-mentioned organizations and continues to oversee the workers' compensation fraud cases.

Deputy District Attorney Irene Chew joined the unit on 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. At the time of writing this grant, Ms. Chew has handled over 19 workers' compensation fraud cases.

In August of 2016, District Attorney Investigator David Jackson joined the workers' compensation 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 Insurance Fraud and Automobile Insurance 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 insurance 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) California Contractor's Licensing Board
- f) California Department of Industrial Relations
- g) California 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 2019-2020**

**COUNTY OF SOLANO**

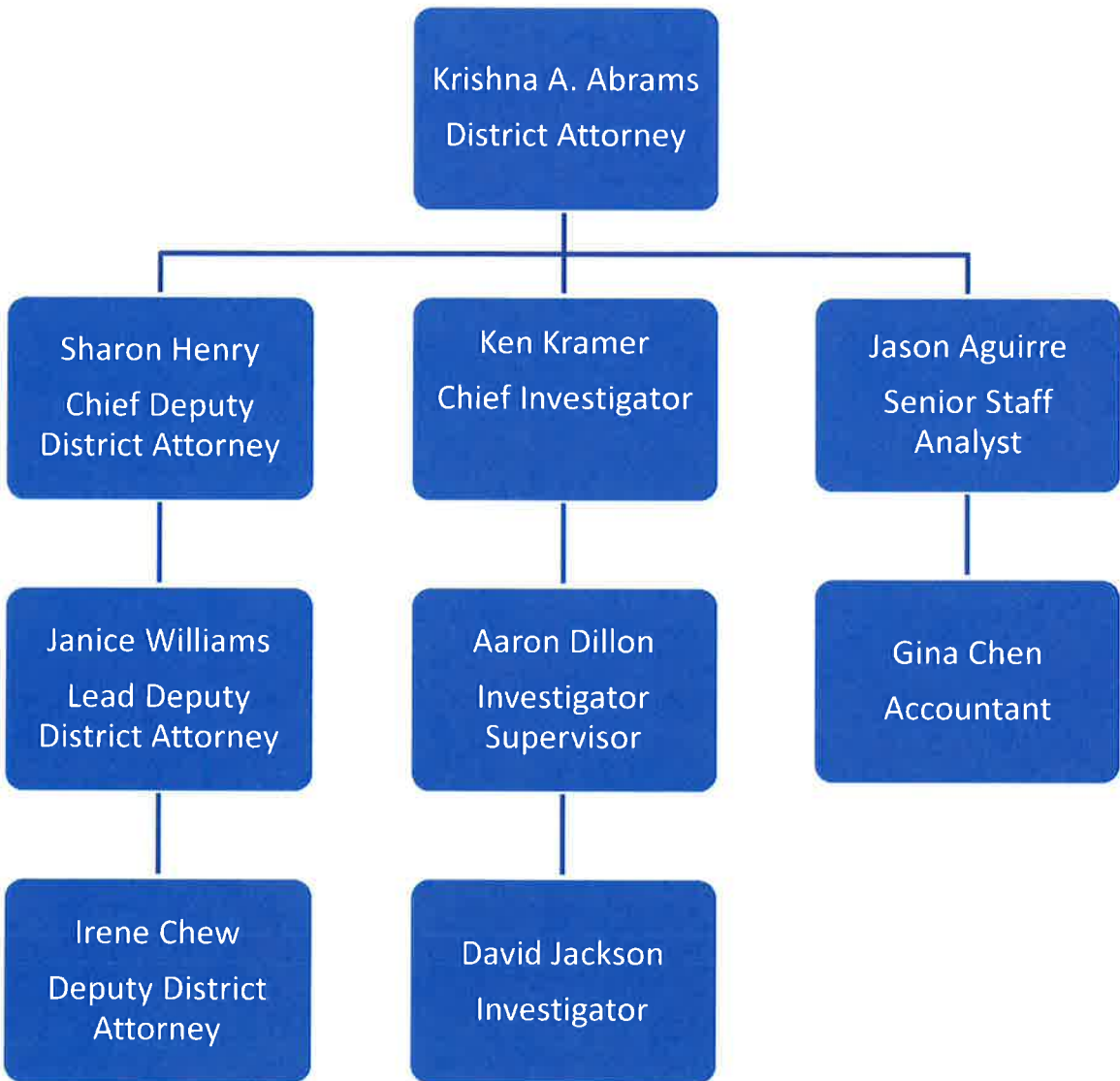
<b>Prosecutors</b>	<b>% Time</b>	<b>Time With Program Start Date/End Date</b>
Irene Chew, D.D.A.	60%	April 2017-Present

**COUNTY OF SOLANO**

<b>Investigators</b>	<b>% Time</b>	<b>Time With Program Start Date/End Date</b>
David Jackson, D.A. Investigator	100%	August 2016-Present

**COUNTY PLAN: ORGANIZATIONAL CHART**  
**FISCAL YEAR 2019-2020**

**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, 2018 TO APRIL 15, 2019**

To access the DAR webpage on the CDI website, click on the following link or copy the URL into your browser.

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



## COUNTY PLAN: PROBLEM STATEMENT

### FISCAL YEAR 2019-2020

#### 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 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 (7/1/17) Solano County has approximately 445,458 residents which is an increase from the 436,092 residents provided by the 7/1/15. 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 insurance fraud cases and willfully uninsured employer cases.

Solano County recognizes the negative impact workers' compensation insurance fraud has on the local and statewide economy. We also know that there are other

large premium insurance fraud and medical provider insurance fraud cases within our 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 insurance fraud and medical provider insurance fraud cases while continuing to balance the workable claimant, standard premium and willfully uninsured fraud cases.

## COUNTY PLAN: PROGRAM STRATEGY

### FISCAL YEAR 2019-2020

#### 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 Insurance Fraud and Premium Insurance 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, including sting operations, throughout the fiscal year.

Currently, there are several viable cases not being worked because of the lack of resources by both CDI and by having a part-time investigator. The unit hopes to expand by adding one additional part-time investigator. This would assist the unit in working the current viable cases, in investigating in the more complex cases and to continue to assist the NorthBay Consortium with joint ventures.

Also, it is important to continue our efforts at outreach. This past year the unit advertised on the back of the city buses in the City of Fairfield and the City of Vacaville. We developed an email for complaints to be sent directly to our investigator. The unit would like to issue more publications to distribute at the Solano County booth at the upcoming summer events.

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

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. Therefore, the unit's relationship with the NorthBay consortium is very important as well as the California Department of Insurance and the 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 she has continued to interact and maintain close working relationships with the 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 since 2012.

Ms. Irene Chew has been in the Workers' Compensation Insurance Fraud Unit since April 2017 and has also built work working relationships with the California Department of Insurance, the NorthBay High Impact Premium and Medical Provider Fraud Consortium, and SIU's.

In addition, Investigator David Jackson joined the Workers' Compensation Insurance Fraud Unit in August of 2016. Mr. Jackson brings with him years of experience of working in both police investigations and working workers' compensation insurance fraud cases in Napa County prior to joining the Solano County team. 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.

Solano County recognizes and agrees that the goal of **outreach** continues to be a major component of deterrence. To that end, this past year the unit advertised on the back of the city buses for two months in the City of Fairfield and the City of Vacaville. (see attached flyer). The company allowed the advertisements to run several months beyond the date of expiration. We developed an email for complaints to be sent directly to our investigator. The unit would like to also issue more publications to distribute at the Solano County booth at the upcoming summer events. In February of 2019, the consortium hosted its third 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.

This year at the third annual joint training, Deputy District Attorney Janice Williams, Captain Eric Williams from the California Department of Insurance, Golden Gate Division and Fraud Assessment Commissioner and Vice President of the SIU at Zenith Insurance Company taught a two-hour class entitled "Claimant Fraud, Expectations.....Reality, Understanding the Ingredients that Make Up a Prosecutable Case".

In terms of the goal of maintaining a **balanced caseload**, Solano County has and will continue to make a concerted effort with NorthBay High Impact Premium Fraud and Medical Provider 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. Through this collaborated effort, 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?

None anticipated at this time.

4. Training and Outreach

- List the **insurance fraud training received** by each county staff member in the workers' compensation fraud unit **during Fiscal Years 2017-2018 and 2018-2019.**

**Deputy District Attorney Irene Chew**

On September 21, 2017, NorthBay High Impact Premium Fraud and Medical Provider 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

On September 25, 2018, Northern California Fraud Investigators Association Quarterly Meeting in Lafayette, "Organized Crime Groups and Insurance Fraud"

On October 15, 2018, CDAA Anti-Fraud Conference in Garden Grove, CA

On December 4, 2018, Northern California Fraud Investigators Association Quarterly Meeting in Lafayette, "Civility Matters"

On February 27, 2019, CDI Grant Writing Webinar

On February 28, 2019, NorthBay High Impact Workers' Compensation Fraud Consortium Premium and Medical Provider Fraud Training in Dublin, CA

On March 19, 2019, Grant Writing Workshop in Sacramento, CA

### **District Attorney Investigator David Jackson**

On September 21, 2017, NorthBay High Impact Premium Fraud and Medical Provider 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

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

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On September 25, 2018, Northern California Fraud Investigators Association Quarterly Meeting in Lafayette, "Organized Crime Groups and Insurance Fraud"

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On February 27, 2019, CDI Grant Writing Webinar

On February 28, 2019, NorthBay High Impact Workers' Compensation Fraud Consortium Premium and Medical Provider Fraud Training in Dublin, CA

On March 19, 2019, Grant Writing Workshop in Sacramento, CA

- Describe what kind of training/outreach **you provided in Fiscal Year 2018-2019** 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. Do not include presentation materials (e.g., fliers, power points, sign in sheets).

In February of 2019, the consortium hosted its third 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.

This year at the third annual joint training, Solano County Deputy District Attorney Janice Williams, Captain Eric Williams from the California Department of Insurance, Golden Gate Division and Fraud Assessment Commissioner and Vice Present of the SIU at Zenith Insurance Company taught a two-hour class entitled "Claimant Fraud, Expectations....Reality, Understanding the Ingredients that Make Up a Prosecutable Case".

- Describe what kind of training/outreach **you plan to provide in Fiscal Year 2019-2020.**

This fiscal year, the Workers' Compensation Fraud Unit intends to continue to provide outreach and public awareness by contacting the local high schools to give presentations to the civic classes on "signs or red flags of fraud in the work place and what should you do when it happens" as well as to continue educate SIU's and the public at forums.

The NorthBay High Impact Premium Fraud and Medical Provider Fraud Consortium will be planning our fourth annual training next year.

5. 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 Insurance 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.



6. Identify the performance objectives that the county would consider **attainable** and would have a significant impact in reducing workers' compensation insurance fraud. Project a count you expect to **actively** investigate. Do not include cases that are open and assigned but have little or no expectation of being worked.

Projection for FY 2019-2020:

- a. 10 new investigations will be opened and worked during FY 2019-2020
- b. 18 new prosecutions will be initiated during FY 2019-2020

Prior year's projection from FY 2018-2019 submitted RFA:

- c. 30 new investigations will be initiated during FY 2018-2019
- d. 10 new prosecutions will be initiated during FY 2018-2019

7. 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.

\$258,722 FY 2019-2020 Grant REQUEST	\$ 190,000 FY 2018-2019 Grant AWARD	\$68,722 FY 2019-2020 Increase Requested
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Utilization Plan:

The Workers' Compensation Fraud Unit would like to expand by adding one additional part-time investigator. This would assist the unit in working the current viable cases, in investigating more suspected medical provider fraud and premium insurance fraud cases, and to continue to assist the NorthBay Consortium with joint ventures. Finally, we would like to utilize some of the money to update and publish the workers' compensation insurance fraud pamphlets.

8. 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 employers' 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.



## B. OPERATING EXPENSES

Liability Insurance	\$621
Memberships	\$185
Education & Training	\$2,400
Outreach - Public Transportation Advertising	\$5,000
Travel Expense	\$6,012
<b>-- October 2019 CDAA Fraud Symposium</b>	
Flight Cost: \$275 / person x 3 person = \$825	
Hotel: \$600 / person x 3 person = \$1,800	
Per Diem Meals: \$256 / person x 3 person = \$768	
<b>-- April 2020 Anti - Fraud Conference</b>	
Hotel: \$625 / person x 3 person = \$1,875	
Per Diem Meals: \$73 / person x 3 person = \$219	
Mileage: \$175 / person x 3 person = \$525	
Accounting & Financial Services	\$1,400

### B. OPERATING EXPENSES TOTAL

**\$15,618**

**WORKERS' COMPENSATION INSURANCE FRAUD PROGRAM  
PROGRAM BUDGET: EQUIPMENT  
FISCAL YEAR 2019-2020**

**COUNTY NAME: Solano County**

C. EQUIPMENT	<i><b>COST</b></i>
<b>C. EQUIPMENT TOTAL</b>	<b>0</b>
<b>D. PROGRAM BUDGET TOTAL</b>	<b>\$258,722</b>

[illegible]

**X No equipment purchased.**

Name: Janice M. Williams

Title: Lead Deputy District Attorney

Signature: Lance M. Williams

Date: 4/22/19







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

**KRISHNA A. ABRAMS  
DISTRICT ATTORNEY**

**Sharon S. Henry**  
Chief Deputy

**Paul D. Sequeira**  
Chief Deputy

**Ken L. Kramer**  
Chief Investigator

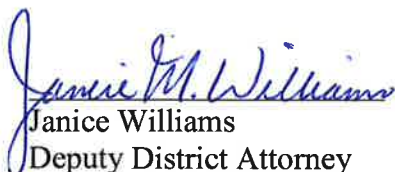
March 27, 2019

California Department of Insurance  
Captain Eric Williams  
Golden Gate Regional Office  
1100 Rose Drive, Suite 100  
Benicia, CA 94510

**RE: Penal Code Section 633 Authorization**

Pursuant to California Penal Code Section 633, I hereby authorize any Detective with the California Department of Insurance, Fraud Division to surreptitiously record any communication that can be lawfully overheard or recorded in connection with any Criminal investigation involving cases having jurisdiction with the Solano County District Attorney's Office. This authorization shall remain in effect for the 2019-2020 fiscal year.

Very truly yours,

  
Janice Williams  
Deputy District Attorney  
Solano County



# **ATTACHMENT A**

## **JOINT PLAN**

**FY 2019-2020**

### **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.

Upon the criminal conviction of any violation involving workers' compensation insurance, services, or benefits, the DA Fraud Unit agrees to provide CDI with a certified copy of the County of Solano Criminal Minute Order. Additionally, the DA Fraud Unit will provide CDI with any additional information required to assist CDI with their compliance of IC 1871.9.

For each grant period, the Solano County District Attorney's Office will provide a letter pursuant to PC 633 authorizing CDI investigators to surreptitiously record any communication that can be lawfully overheard or recorded and relating to any criminal investigation having jurisdiction within the Solano County District Attorney's Office.

### **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.

### **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**

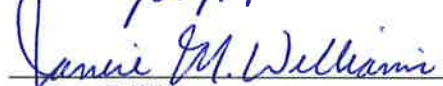
Prosecutors, investigators, and the DA Fraud Unit staff are sent to the annual California District Attorney Association Fraud Symposium and/or the Anti-Fraud Alliance training courses. The budget for the DA Fraud Unit covers this training, as well as the general office budget. We are available for joint 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: 4/22/19



Janice Williams  
Deputy District Attorney  
Solano County

Dated:



Eric Williams  
Captain  
State of California  
Department of Insurance  
Golden Gate Office