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Contra Costa County

To: Board of Supervisors

From: Diana Becton, District Attorney

Date: July 23, 2019

Subject: 2019/20 Workers' Compensation Insurance Fraud Prosecution Program Grant Application

## **RECOMMENDATION(S):**

ADOPT Resolution No. 2019/504 approving and authorizing the District Attorney, or designee, to submit an application and execute a grant award agreement and any extensions or amendments thereof, pursuant to State guidelines, with the California Department of Insurance for the 2019/20 Workers' Compensation Insurance Fraud Prosecution Program grant in an amount not to exceed \$1,214,842 for the investigation and prosecution of workers' compensation fraud cases for the period of July 1, 2019 through June 30, 2020.

## **FISCAL IMPACT:**

\$1,214,842. 100% State, no County match. The grant will fund salaries and benefits for Deputy District Attorneys, Senior Inspectors, a Legal Assistant, a Forensic Accountant, and small amounts of other staff time assigned to the program. Supplantation is prohibited.

#### **BACKGROUND:**

The State Legislature has determined that one of the significant factors driving up the cost of workers' compensation insurance is fraud. While fraud is recognized as a growing problem across the country, California is an area of concerted criminal activity in insurance

<b>✓</b> APPROVE		OTHER
▼ RECOMMENDATION OF CNTY ADMINISTRATOR		
Action of Board On: 07/23/2019   ✓ APPROVED AS RECOMMENDED   OTHER		
Clerks Notes:		
VOTE OF SUPERVISORS		
AYE:	Diane Burgis, District III Supervisor	
ABSENT:	Karen Mitchoff, District IV Supervisor	nereby certify that this is a true and correct copy of an action taken and entered on the minutes of the
	Federal D. Glover, District V Supervisor	Board of Supervisors on the date shown.
		ATTESTED: July 23, 2019
	John Gioia, District I Supervisor	David Twa, County Administrator and Clerk of the Board of Supervisors
	Candace Andersen, District II Supervisor	By: Laura Cassell, Deputy
Contact: Jason Chan, (925) 957-2234		

# BACKGROUND: (CONT'D)

fraud. The cost of insurance is a factor in the high cost of doing business in the State. SB 1218 (Presley) was enacted to provide resources for enforcement of current laws. If the grant is approved, the District Attorney will continue to place staff in the criminal fraud division, who will be able to concentrate on the growing problem of workers' compensation fraud.

## **CONSEQUENCE OF NEGATIVE ACTION:**

The District Attorney will be unable to apply for and accept the grant.

### **ATTACHMENTS**

Resolution 2019/504