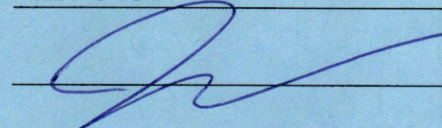


Contract #: Workers' Compensation Insurance Fraud Grant FY 14/15  
**CONTRACT ROUTING SHEET**

Date Prepared: 8/25/14

Need Date: ASAP

**PROCESSING DEPARTMENT:**

Department: District Attorney  
Dept. Contact: Nancy Anderson  
Phone #: 621-6484  
Department  
Head Signature: 

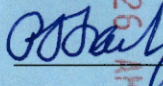
**CONTRACTOR:**

Name: Department of Insurance  
Address: \_\_\_\_\_  
Phone: \_\_\_\_\_

**CONTRACTING DEPARTMENT:** District Attorney

Service Requested: FY 2014-2015 Resolution  
Contract Term: 1 year Contract Value: \$248,088  
Compliance with Human Resources requirements? Yes: \_\_\_\_\_ No: \_\_\_\_\_  
Compliance verified by: \_\_\_\_\_


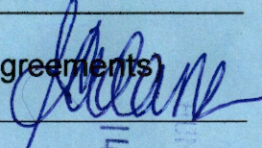
**COUNTY COUNSEL:** (Must approve all contracts and MOU's)

Approved: X Disapproved: \_\_\_\_\_ Date: 8/26/14 By:   
Approved: \_\_\_\_\_ Disapproved: \_\_\_\_\_ Date: \_\_\_\_\_ By: \_\_\_\_\_

PLEASE EXPEDITE

PLEASE FORWARD TO RISK MANAGEMENT. THANKS!

**RISK MANAGEMENT:** (All contracts and MOU's except boilerplate grant funding agreements)

Approved:  Disapproved: \_\_\_\_\_ Date: 8/26/14 By:   
Approved: \_\_\_\_\_ Disapproved: \_\_\_\_\_ Date: \_\_\_\_\_ By: \_\_\_\_\_

**OTHER APPROVAL:** (Specify department(s) participating or directly affected by this contract):

Departments: \_\_\_\_\_  
Approved: \_\_\_\_\_ Disapproved: \_\_\_\_\_ Date: \_\_\_\_\_ By: \_\_\_\_\_  
Approved: \_\_\_\_\_ Disapproved: \_\_\_\_\_ Date: \_\_\_\_\_ By: \_\_\_\_\_

EL DORADO COUNTY COUNSEL  
14 AUG 26 AM 9:22  
14 AUG 26 PM 4:47  
HUMAN RESOURCES DEPT.



**CALIFORNIA DEPARTMENT OF INSURANCE  
FRAUD DIVISION**

**WORKERS' COMPENSATION  
INSURANCE FRAUD PROGRAM**

**REQUEST-FOR-APPLICATION**

**FISCAL YEAR 2014-2015**

**SECTION III  
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 concerning criminal investigations, whether active or inactive, is considered confidential.**

**WORKERS' COMPENSATION INSURANCE FRAUD  
INVESTIGATION/PROSECUTION PROGRAMS  
FISCAL YEAR 2014-2015 GRANTS**

**Grant Application  
Checklist and Sequence**

*The Application MUST include the following:*

	<u>YES</u>	<u>NO</u>
1. Is the Grant Application Transmittal sheet (Form 02) completed and signed by the district attorney?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Table of Contents	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Is the Program Contact Form (Form 03) completed?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. Is an original or certified copy of the Board Resolution (Form 04) included? If NOT, the cover letter must indicate the submission date.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5. The County Plan includes:		
a) County Plan Qualifications (Form 05)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Staff Qualifications (Form 06(a))	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Organizational Chart (Form 06(b))	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Program Report (DAR or Form 07)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) County Plan Problem Statement (Form 08)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
f) County Plan Program Strategy (Form 09)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. Is the projected Budget (Forms 10-12) included?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
a) Are line-item totals verified?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
7. Is the Equipment Log (Form 13) completed and signed?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Joint Plan (Attachment A)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. Case Descriptions (Attachment B)	<input checked="" type="checkbox"/>	<input type="checkbox"/>

# **GRANT APPLICATION TRANSMITTAL**

## **Instructions for Fiscal Year 2014-2015**

### **GRANT APPLICATION TRANSMITTAL**

The Grant Application Transmittal is the cover page for the application. The official signing the face sheet for the applicant must be the district attorney for the county. The Grant Application Transmittal must also name the contact person who is designated to answer any questions about the proposed program.

1. Program Title: Enter the complete title of the program.
2. Grant Period: Enter the beginning and ending dates of funding as specified in the grant application instructions.
3. Grant Amount: Enter the total amount of state funds requested.
4. Estimated Carryover Funds: Enter the estimated carryover funds from the previous fiscal year(s).
5. Program Director: Enter the name and title of the individual ultimately responsible for the program.
6. Financial Officer: Enter the name and title of the person who will be responsible for all fiscal matters relating to the program. This person must be someone other than the program director.
7. Official Submitting Application: Enter the name, title, county, address and telephone number of the district attorney submitting the application. The district attorney's original signature (not a stamped, photocopied or faxed version) must be on the Grant Application Transmittal.



DEPARTMENT OF INSURANCE  
GRANT APPLICATION TRANSMITTAL

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

Contact: JAMES A. CLINCHARD, ASSISTANT DISTRICT ATTORNEY

Address: 515 MAIN STREET, PLACERVILLE, CA 95667

Telephone: (530) 621-6472

WORKERS' COMPENSATION INSURANCE FRAUD 7/1/2014 - 6/30/2015

(1) *Program Title*

(2) *Grant Period*

(3) New Funds Being Requested: \$ 271,156

(4) Estimated Carryover Funds: \$ 0

VERN R. PIERSON  
(5) *Program Director*

STEVE MILLER  
(6) *Financial Officer*



(7) District Attorney's Signature

Name: VERN R. PIERSON

Title: DISTRICT ATTORNEY

County: EL DORADO

Address: 515 MAIN STREET

PLACERVILLE, CA 95667

Telephone: (530) 621-6472

Date: 4/30/2014

## **TABLE OF CONTENTS**

APPLICATION AND INSTRUCTIONS	1
FORM 01: Grant Application Checklist and Sequence	2
GRANT APPLICATION TRANSMITTAL	3
FORM 02: Grant Application Transmittal	4
TABLE OF CONTENTS	5
PROGRAM CONTACT FORM	
FORM 03: Department of Insurance Program Contact Form	7
BOARD OF SUPERVISORS' RESOLUTION	8
FORM 04: Board of Supervisors' Resolution	9
COUNTY PLAN INSTRUCTION	10
Definitions	11
The Documented Referral	13
Case Categories	17
QUALIFICATIONS COUNTY PLAN	18
FORM 05: Introduction	19
FORM 06(a): Qualifications	24
ORGANIZATIONAL CHART INSTRUCTIONS	25
FORM 06(b): Organizational Chart	26
DISTRICT ATTORNEY PROGRAM REPORT (DAR) INSTRUCTION	27
FORM 07: Program Report	28
PROBLEM STATEMENT INSTRUCTION	29
FORM 08: County Plan Problem Statement	30



PROGRAM STRATEGY INSTRUCTIONS	32
FORM 09: County Plan Program Strategy	33
BUDGET INSTRUCTIONS	44
FORM 10: Budget Category – Personnel Services	49
FORM 11: Budget Category – Operating Expenses	50
FORM 12: Budget Category – Equipment	51
FORM 13: Equipment Logs	52
ATTACHMENT A – JOINT INVESTIGATIVE PLAN	53
ATTACHMENT B – INVESTIGATION CASE LIST	61

# PROGRAM CONTACT FORM

FORM 03

1. Provide the name, title, address and telephone number of the person having day-to-day operational responsibility for the program, and who can be contacted with questions regarding the program.

Name: JAMES A. CLINCHARD

Title: ASSISTANT DISTRICT ATTORNEY

Address: 515 MAIN STREET

PLACERVILLE, CA 95667

E-mail address: james.clinchard@edcgov.us

Telephone Number: (530) 621-6405 Fax Number: (530) 621-1280

2. Provide the name, title, address and telephone number of the District Attorney's Financial Officer.

Name: STEVE MILLER

Title: ACCOUNTING SYSTEMS ADMINISTRATOR

Address: 515 MAIN STREET

PLACERVILLE, CA 95667

E-mail address: steve.miller@edcgov.us

Telephone Number: (530) 621-5536 Fax Number: (530) 621-1280

3. Provide the name, title, address and telephone number of the person who may be contacted for questions regarding data collection/reporting for the applicant agency.

Name: SHANEEN A. MAY

Title: LEGAL SECRETARY

Address: 515 MAIN STREET

PLACERVILLE, CA 95667

E-mail address: shaneen.may@edcgov.us

Telephone Number: (530) 621-6701 Fax Number: (530) 621-1280



## **BOARD OF SUPERVISORS RESOLUTION**

### **RESOLUTION**

Commitment to funding shall be in the form of a Grant Award Agreement and shall require an enabling Resolution from the County Board of Supervisors approving and authorizing execution of the agreement. The County Board of Supervisors Resolution must specify the Board's desire to participate in the program and should delegate authority to the district attorney (or other county official) to execute the Agreement and any modifications thereof.

A Resolution from the Board of Supervisors authorizing the applicant to enter into a Grant Award Agreement with the CDI is required. An original or a certified copy of the current Board Resolution for the new grant period must be submitted to receive funding for the 2014-2015 fiscal year. If the Resolution cannot be submitted with the application, a letter must be included which indicates when the CDI can expect to receive it (**no later than December 31, 2014**). *Grant funds for that particular county will not be released until the CDI receives the Resolution and properly executed Grant Award Agreement.*

The Board Resolution must designate the official authorized by title to sign the Grant Award Agreement for the applicant. Additionally, the Resolution must include a statement accepting liability for the local program. A sample Resolution follows on page 9.

**NOTE: The Resolution must include all of the elements contained in the sample.**

1. Enter the full names of the County Board of Supervisors making the Resolution.
2. Enter the proposed program. This should be the same as the title of the proposed program on the Grant Application Transmittal.
3. Enter the funding source (*Workers' Compensation-California Insurance Code Section 1872.83, California Code of Regulations, Title 10, Section 2698.55 et. seq.*).
4. Enter the full title of the administrator or executive (e.g., district attorney) that is authorized to submit the application, including any extensions or amendments. This person will sign the Grant Award Agreement.
5. Enter the full title of the organization that will submit the application.
6. Enter the same as item (1).
7. Enter the date of the meeting in which the Resolution was adopted.
8. Enter the votes of the members in the appropriate category.
9. Enter the signature of the person signing on behalf of the Board.
10. Enter the date of certification.
11. Enter the typed name and title of the person making the certification.
12. Enter the signature of the person attesting that this is a true copy of the Resolution. This must be a person other than the person who signed on behalf of the Board or Council (see item 9).
13. Enter the date attested.
14. Enter the typed name and title of the person attesting.

***BOARD OF SUPERVISORS RESOLUTION***

**The Resolution will be sent to the Department of Insurance after it is received. The Board of Supervisors will not accept the Resolution without County Counsel approval / review of the grant Application. The Resolution will be forwarded by December 31, 2014.**



# **COUNTY PLAN**

## **Overall Instructions for Fiscal Year 2014-2015**

### COUNTY PLAN

The County Plan is the main body of information about the local program. It describes the need for funding to address investigation and prosecution of insurance fraud demands through appropriate and achievable objectives and activities. **Each district attorney's program award shall be based on the evaluation of the County Plan.** The County Plan shall be evaluated by a Review Panel which is composed of two members of the Fraud Assessment Commission, the Chief of the Fraud Division or his or her designee, the Director of the Department of Industrial Relations or his or her designee, and an expert in consumer crime investigation and prosecution who is designated by the Insurance Commissioner.

The County Plan:

- **Shall include** elements describing the county's qualifications and the manner in which the district attorney will use grant funds to investigate and prosecute workers' compensation insurance fraud.
- **Will address** the applicability of the Insurance Commissioner's strategic initiatives and the Fraud Assessment Commission's objectives.
- **Shall contain the forms** included in the application forms package.

The County Plan consists of the following sections:

- **QUALIFICATIONS** (Forms 05, 06(a), 06(b) and 07)
- **PROBLEM STATEMENT** (Form 08)
- **PROGRAM STRATEGY** (Form 09)

In order to complete the County Plan, reference the definitions on pages 11 and 12.

## Definitions

**For purposes of program reporting and grant applications, terms and concepts are defined as follows:**

**Arrest** = For purposes of the grant application and reporting, arrests include surrenders and citations.

**Cases** = Multiple defendant cases should be counted as single cases, not a separate case for each defendant unless the number or names of the individual defendants are specified.

**Cases in court** = Filed cases, up to and including sentencing hearing, excluding warrants and appeals.

**Chargeable fraud** = The total amount of fraud that would result from all the counts actually charged or that would be charged.

**Claimant Fraud** = Any person who knowingly makes a false statement or representation, deliberately fails to disclose material facts, or knowingly withholds information in order to obtain benefits.

**Documented Case Referral** = Cases received through specified dates that substantially comply with the documented case referral protocol. FD-1s/SFCs in and of themselves do not constitute a documented case referral.

**Documented Case Referrals are classified as:**

- Pending - cases awaiting review
- Accepted - cases that are opened and assigned for investigation
- Rejected - no further action will occur

**Fines** = Fines imposed by the court. Penalty assessments may be included. Do not include booking fees, probation or supervision fees, or restitution.

**Insider fraud** = Fraud committed by employees or agents of an insurance company, self-insured employer, or third-party administrator as defined in California Insurance Code Section 1877.

**Investigations** = Investigation opened means cases in which an investigator or DDA has been assigned. It does not include screening activities such as the initial review of SFCs or phone call referrals, initial California Insurance Code 1877.3 referrals, probation violations, or due diligence searches.

**Premium Fraud** = Acts of fraud, including but not limited to under-reporting payroll, misclassification of employees' duties, experience modification evasion committed by or at the direction of an employer, for the purpose and with the effect of reducing premium liability.



**Provider fraud** = A provider is defined as an individual or entity claiming to supply medical, legal, or other services in connection with a workers' compensation claim. Include in this category items such as capping, billing services, transportation and translation services.

**Suspected Fraudulent Claim (SFC)** = A method established for insurers to report suspected insurance fraud

**Uninsured Employer** = Employers that willfully fail to obtain workers' compensation insurance.

# THE DOCUMENTED REFERRAL

<b>Summary</b>	<p>This section covers the reporting of <i>substantiated</i> fraud cases. Once all four (4) elements of fraud are identified, a documented referral is warranted. The entire documented referral protocol is included below.</p>
<b>When is a Documented Referral Necessary?</b>	<p>As covered in the previous chapter, anytime there is suspected fraud within the workers' compensation insurance arena, it is required by law that a Suspected Fraudulent Claims report (SFC/FD-1) be submitted to the authorities.</p> <p>After further investigation, more evidence to substantiate the suspicion may be found. In those cases, consider submitting a "documented referral" to law enforcement. A documented referral assists law enforcement and increases the chances of prosecution.</p>
<b>What is a Documented Referral?</b>	<p>A documented fraud referral entails much more information than allowed for on the SFC/FD-1. While each case of suspected fraud is unique, most experts in law enforcement have agreed that the items of information discussed below, in the documented referral protocol, cover the necessary items. However, be aware that individual district attorney offices may have other items that they will request based on the facts of the case.</p>
<b>Documented Referral Outline</b>	<p>Below is a suggested outline of the items and information that make up a documented referral. Note that not all the items may be applicable to each claim. However, the more developed the case, the greater the possibility that there will be enough information for law enforcement to open a criminal investigation.</p> <p>The California District Attorneys Association and the California Department of Insurance have approved the following protocol.</p>
<b>Section I. General Identification Information</b>	<p>Include the following general items in the report:</p> <ul style="list-style-type: none"><li>• <b>Case Synopsis:</b> A short, one-paragraph summary of the case. Include general identification information, including all information available on the suspect and a short summary of the case.</li><li>• <b>Suspect's Information:</b> Suspect's name, alias, address, telephone number, employer, employer's address, employer's telephone number, suspect's employment position, DOB, POB, sex, race, height, weight, hair color, eye color, social security number, DMV number and prior claim history.</li><li>• <b>Insurance Information:</b> Insurance company name, address, adjuster's name and telephone number, SIU investigator's name and telephone number, insurance company file number.</li><li>• If reporting a policy or premium fraud case, you may want to provide the name of the auditor, underwriter, etc., in lieu of, or in addition to, the adjuster name/address/phone number.</li><li>• <b>Other Agencies:</b> Any other agencies working on the case, along with the contact name and telephone number.</li></ul>



- **Referral Form:** Include a copy of the previously submitted Suspected Fraudulent Claim (SFC/FD-1) form.

**Section II.  
Narrative  
Statement**

After the general identification section, complete a narrative statement of the facts of the case. Here are some tips for writing a complete narrative statement:

- The statement should be written in chronological order. Start with the beginning of the case, include the investigation conducted, and conclude with the current status of the fraudulent claim.
- When necessary, each statement should reference exhibits that support the statement.
- Make specific reference to relevant documents in the insurance company or claims files (i.e., reports, interviews, witnesses, medical files, depositions, videotapes, etc.). For every document described in the narrative statement, there should be an explanation of the document's origin (i.e., where it came from, where it was found). Specify which witnesses can testify to its authenticity.
- The narrative should include all the facts, both good and bad.
- If aware of any potential defenses the suspect might assert, those should be included in your narrative.
- Omit opinions; use only facts.
- If a timeline would be helpful to explain the chronological order of events, it should be included in the exhibit section and referenced in the narrative statement.

For every misrepresentation alleged, the following information should be provided:

- The exact statement (misrepresentation) made;
- The date the misrepresentation was made;
- Where it was made and to whom;
- Identification of the exhibit where the misrepresentation is contained (e.g., WC claim, letter from Dr. "A," report of interview of "B," computer printout, application for insurance, etc.);
- Evidence which proves the representation is untrue (e.g., deposition pg. 1, line 15; sub rosa videotape at 2349-3542; Dr. "C" letter, dated 4/3/92; report of interview with "D");
- An explanation of why the misrepresentation is important to the case; and
- Identification of witnesses who will testify to this conclusion.

**Section III.  
Date of  
Discovery of  
Suspected Fraud**

In the documented referral, it is imperative that the earliest date the possible criminal activity was discovered be provided. Include specific statements about when and how the fraud was discovered, who discovered it, and why it was not discovered earlier.

**Section IV.  
Exhibit List**

Every exhibit referenced in the narrative statement should have a number and be listed in the order the exhibits are referenced in the narrative statement. This list should be placed just following the narrative statement of the case. Audiotapes, videotapes, transcripts and any available



photographs of the suspect should be included. If a statement is attributed to a witness in the narrative statement, there should be a report of interview for that witness in the exhibits. The report of interview should state who is being interviewed, the date, time and location of the interview. All persons present during the interview should be noted. If it is taped, this should be noted in the report or interview. For documents listed in the Exhibit List, there should be an indication of where each document came from.

**Example:** Exhibit 1 - Application for insurance policy on 1994 Toyota Tercel, contained in underwriting file for "X" Insurance Company for policy number 123456; Exhibit 2 - Faxed letter sent by Joe Suspect to "X" Insurance Company on March 5, 1993 and placed in "X" Insurance Company's claim file No. 654321 by adjuster Mary Jones.

**Section V.  
Crimes  
Requested  
to be Charged**

For each crime sought to be charged, there should be a short statement explaining the basis for this request.

**Example:** Insurance Code 1871.4(a)(1) – Claimant stated there were no prior injuries to his back during an appointment with Dr. Jones (See Exhibit 8 - Dr. Jones' report, dated January 15, 1996). In fact, claimant had seen Dr. Smith previously and told him that he had injured his back in an auto collision (See Exhibit 11 - Dr. Smith intake report, dated March 20, 1995).

**Section VI.  
Loss and  
Restitution**

There should be a summary of the monetary loss to all victims (i.e., insurance company, employer, etc.) and the basis for the computation of the loss. The total loss should also be contained in the narrative, but the computation should appear in more detail in this section. In addition to the total losses, also include the costs incurred by your company to investigate the claim.

If you have information regarding assets of the suspect, place that information here. This is particularly important if the loss exceeds \$100,000.00.

**Section VII.  
Witness List**

There should be a section that lists the names of all witnesses, their addresses, phone numbers, and any identification information available to the investigator (date of birth, social security number, driver's license information) in case the witness moves. This section should also reveal the importance of the witness by explaining, in one or two sentences, what he/she will be able to testify to.

**Example:  
Claimant Fraud**

An example of a typical claimant workers' compensation documented case referral should include, but is not limited to, the following information:

- Suspected Fraudulent Claim Report (SFC/FD-1)
- Employee Claim Form (DWC-1)
- Employers First Report of Injury (DSL5020)
- Doctors First Report of Injury (DSL5021)
- Medical reports that focus on the claimant's current disabling condition and/or past medical history
- Documentation in support of the claim submitted by the claimant (e.g., letters, affidavits, medical bills, etc.)

- Copies of deposition transcription
- Copies of reports of interviews and/or recorded statements
- Photographs and/or videotapes along with investigative reports
- All claims database information
- Substantiation of employment while disabled
- Substantiation of prior claims from other insurers
- DO NOT send attorney-client privileged communications

**Example:** An example of a typical premium fraud documented referral should include, but is not limited to, the following information:  
**Premium Fraud**

- Suspected Fraudulent Claim Report (SFC/FD-1)
- Application
- Payroll Reports
- Audits
- Certificate of Insurance
- Claims Information
- Secretary of State Information
- Department of Corporations
- Contractors State License Board
- Quarterly Employee Tax Statements
- Employee Wage Reports
- Prevailing Wage Statements
- Policy Information
- DO NOT send attorney-client privileged communications

**Other Types of Suspected Fraud** For other types of suspected fraud (e.g., medical, legal, pharmacy, employer, agent/broker, embezzlement), use the guidelines contained in this protocol.

**Sending the Documented Referral** These documented referrals should be simultaneously submitted to the California Department of Insurance, Enforcement Branch, Fraud Division and the local district attorney's office.

Include complete addresses of all agencies/entities referral information is sent to.

Do not send original documents or a copy of the entire investigative file until requested to do so.

**Questions?** For questions regarding this process, please contact the local California Department of Insurance, Fraud Division Regional office or the local district attorney.



### \*\*\* CASE CATEGORIES

#### Standard Case:

- One defendant
  - Loss under \$10,000
  - One employer victim
- Loss = Amount of chargeable fraud

#### Medium Case:

- Loss from \$10,000 up to \$49,999

#### Complex Case:

- Loss from \$50,000 up to \$250,000

#### Very Complex Case:

- Loss greater than \$250,000

The above-stated loss amounts are only guidelines for each category. Notwithstanding the guidelines, a case shall be elevated from one category to any other higher category if the necessary number of aggravating factors, as stated below, exist:

A Standard case + at least 2 Aggravating factors = A Medium case

A Medium case + at least 2 Aggravating factors = A Complex case

A Complex case + at least 2 Aggravating factors = A Very Complex case

For example, a Standard case with at least six aggravating factors becomes a Very Complex case.

#### AGGRAVATING FACTORS:

1. Multiple defendants or suspects
2. Multiple claims by a single defendant or suspect
3. More than 2,000 pages of reviewable material
4. More than 20 witnesses (excluding non-suspect medical providers)
5. More than 6 non-suspect medical providers or other experts
6. A case involving a suspect legal provider(s) or a suspect medical provider(s)
7. More than 2 insurance carriers/self-insurers involved
8. Search warrant(s) involving 2 or more search locations
9. Special Master Warrant involved
10. A search warrant that requires assistance of an expert in its execution (e.g., computer expert, auditor, etc.). This does not refer to the typical expertise of the searching police officer(s).
11. More than 2 public agencies (excluding D.A.) involved
12. Undercover operation by law enforcement
13. Grand Jury Proceedings
14. One or more Motions (other than a P.C. 995 motion) requiring a filed response
15. More than 2 contested Court hearings, not including arraignment and preliminary hearings



***QUALIFICATIONS COUNTY PLAN***  
**Instructions for Fiscal Year 2014-2015**

**In accordance with California Code of Regulations, Title 10, Section 2698.55, the county must submit a county plan. Please complete forms 05-09.**

**In answering the questions on Forms 05, 06(a), 06(b), and 07 be sure to include the following information:**

Complete and submit the Qualifications forms, providing updated information according to the instructions in the form section.

If the county has received a grant award from the CDI in prior years, the outcomes reported in this section shall represent activities funded by the grant award. Outcomes achieved through county or other funding sources shall be designated separately.

## WORKERS' COMPENSATION INSURANCE FRAUD QUALIFICATIONS

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.

### INTRODUCTION

El Dorado County is contiguous to Sacramento County on the west, Placer County to the North, Amador and Alpine Counties to the South and the Nevada State line to the East. The majority of El Dorado County is rural and includes two incorporated cities: Placerville and South Lake Tahoe. As of the 2010 Census, El Dorado County had a population of 181,058. This is an increase of 15.8% from 2000-2010, with a demographic breakdown of 17.7% for ages 50-59, 15.3% for ages 40-49 and 13.8% for 10-19 year olds. The majority of the population resides in the Western Slope communities of Placerville, Shingle Springs, Cameron Park and El Dorado Hills. El Dorado County is a geographically large county comprised of 1805 square miles. El Dorado County is unique as it divided into two distinct areas, the West Slope and the Tahoe Basin. With few exceptions the West Slope and Tahoe Basin are separated by large swaths of National Forest. The primary business centers are located on the West Slope. There are twelve major non-government enterprises situated in the communities of Cameron Park and El Dorado Hills.

District Attorney Vern Pierson has a strong and proven commitment to protect consumers and combat insurance fraud. Mr. Pierson's future goals and current efforts dovetail directly with the vision of the Insurance Commissioner and the Fraud Action Commission. Since 2007, our office has focused on educating consumers and employees alike on their protections under the law. When fraud laws are abused our office aggressively prosecutes offenders and seeks justice for victims. This office engages in outreach to protect County citizens' rights and provides a user friendly forum to report suspected fraud and illegal activity. Enforcement of the Workers Compensation Fraud Program remains a cornerstone of our consumer protection effort. Our program both protects unsuspecting workers as well as the employers who do abide by the law. El Dorado County maintains a robust Workers Compensation Fraud Program, as evidenced by our accomplishments in the past year. Our program is headed by an accomplished Assistant District Attorney and staffed with a highly qualified investigator, several experienced attorneys and a skilled legal secretary.

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

The El Dorado District Attorney's Office historically operated under this grant for several years under the direction of our elected District Attorney, Vern Pierson. Since 2012,



workers compensation fraud cases have been part of the Special Prosecutions Unit, headed by Assistant District Attorney James Clinchard, which handles various forms of fraud, financial abuse, and public corruption. Our office continues to proactively investigate and prosecute worker's compensation fraud cases. We have developed and maintained successful working relationships with many outside agencies to develop comprehensive investigations. We have partnered with many agencies including but not limited to: the Employment Development Department, the Social Security Administration, the Department of Social Services, the Department of Corporations, the Department of Consumer Affairs, the Department of Insurance, the Nevada Department of Insurance, Nevada Contractors State Licensing Board, Cal Fire, the Board of Equalization, the Franchise Tax Board and the Department of Labor Standards Enforcement.

In the past year our unit has invested significant time and resources investigating several complex cases. Our most serious case includes a lack of workers compensation, and for more than 5 years, hundreds of thousands of dollars in unpaid taxes to FTB, BOE and EDD and felony violations of Insurance Code Section 1871.4(A)(1), Insurance Code Section 1871.4(A)(3) and of Insurance Code Section 1871.4(A)(4). This case was filed on April 16, 2013 and resulted from a year-long joint investigation by DOI, FTB, BOE, EDD and our office. The defendants were arrested on \$350,000 bail each, charged with over 30 counts, and also charged with aggravated white collar crime enhancements. On August 2, 2013, the defendants plead guilty to seven felonies counts and a misdemeanor count and the case is pending sentencing. As part of the plea agreement both defendants admitted white collar crime enhancements and stipulated to \$350,000 in past due taxes and agreed to pay restitution and investigation costs to the Franchise Tax Board, Employment Development Department and the Board of Equalization. This case was an example of a successful investigation and prosecution as a result of cross agency cooperation with Employment Development Department, the Franchise Tax Board, the Department of Insurance and Board of Equalization.

In addition to partnering with other agencies our office conducted a variety of extensive outreach and accomplished our goal of visibility in the community. To protect one of our most susceptible populations, we hosted two outreach efforts at each of the three senior centers in El Dorado Hills, Placerville and South Lake Tahoe. These outreach efforts educate seniors about the pitfalls of hiring unlicensed individuals and those that do not provide worker's compensation. We networked with the County Fire Protection Association and shared information about licensed C-16 contractors, fire protection companies and private fire alarm companies. Additionally, we had three meetings with local fire inspectors regarding C-16 scams, with a fourth meeting planned for April 28, 2014. Investigator Lindholm met with the fire captains in El Dorado Hills and Cameron Park to inform them of an on-going scam involving commercial fire sprinkler systems and fire extinguishers. We provided both the tools for the agencies to check the validity of the inspections as well as a contact to report the violations when they are discovered. As El Dorado Hills is an important business center in the County, we maintain a strong presence in the El Dorado Hills Business Owners Association. In addition, our investigator continues to meet with High School Regional Occupational Program students to introduce them to various law enforcement careers such as the Department of Insurance and the Department of Consumer Affairs. Detectives from the Department of



Consumer Affairs and the Department of Insurance joined Investigator Lindholm to present on the joint efforts with our office to combat insurance and consumer fraud.

Additionally, to increase visibility in the community, we had an attorney and our investigator participate with a booth at the 2013 El Dorado County Fair. We had the opportunity to answer residents' questions about our office and the worker's compensation fraud unit as well as the cases we prosecute and investigations we launch.

Investigator Lindholm met with local California Highway Patrol Enforcement Officers and the area Sergeant in charge of Commercial Enforcement to secure a presence during commercial inspection on surface streets. This is a mutually beneficial relationship, as CHP can check the motor carrier number on commercial vehicles to determine the owner and whether the owner's worker's compensation insurance policy is active and current. Our philosophy is one of prevention through education and maximum prosecution through a strong presence in the community and accurate reporting. Our outreach efforts parallel these goals and are vital to the success of the program. Our investigator continues to identify potential violations and educate both workers and employers to reach compliance.

Beginning in January 2011, El Dorado County was chosen by CSLB to participate in their Partner Agency County Taskforce (PACT). Through this taskforce a CSLB investigator collaborates with our office in investigations and sting operations. Working in collaboration with CSLB through PACT, we increased our efforts from last year and conducted eight sting operations and five countywide sweeps which resulted in numerous Labor Code Section 3700.5 cases.

We continue to air our updated "Truth or Consequences" video, which was originally co-created by the California Department of Insurance and District Attorney Vern Pierson in 2011. We show this 30 minute video on a loop at various outreach events, such as the County Fair and Chamber of Commerce events. We use this video as an education tool to address all types of workers' compensation insurance fraud as it explains the law and potential punishments through re-enactments.

According to estimates provided to Investigator Lindholm from partner insurance companies, between 15-20 percent of worker's compensation claims are fraudulent. During a 36 month period approximately 1500 people in El Dorado County made Worker's Compensation injury claims. In an effort to increase awareness and reporting, Lindholm presented a power point presentation to illustrate the "red flag" indicators to the Chambers of Commerce in El Dorado Hills and Eastern El Dorado County. Since that time our office has received more FD1s and the quality of those reports have improved vastly.

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



The District Attorney's Office has provided unfunded contribution to the workers compensation fraud program including District Attorney Vern Pierson's time to promote the worker's compensation program to secure funding from the Board of Supervisors. We have also spent thousands of man hours to update and hone our paperless system, which allows for greater efficiency, "e-discovery", case tracking and e-filing. To more efficiently use court time and scarce resources we also fully implemented an application that attorneys use with mobile devices. The associated hardware, software, and underlying technology to support our paperless system are also an unfunded contribution by our county.

**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.**

Our Workers' Compensation Fraud program continues under the leadership of District Attorney Vern Pierson. The workers' compensation program operates within the office's Special Prosecutions Unit, which is supervised by Assistant District Attorney, James Clinchard. In addition to his supervisory role ADA Clinchard is also personally handling several complex cases. Beginning in January 2013, Deputy District Attorney Cristy Lorente joined the unit as the worker's compensation prosecutor. When DDA Lorente took family leave during the past year, experienced Deputy District Attorneys Jodie Jensen and Robert Priscaro stepped in to handle the caseload.

Prior to 2013 Deputy District Attorneys Gloria Mas (2012) and Vicki Ashworth (2010-2011) were the lead workers compensation attorneys. The recent prosecutors in our unit have decades of experience as prosecutors and years of experience handling fraud cases. The seamless handling of cases in the past year despite personnel shifts highlights the depth of experience in our office.

In 2009 a legal assistant was added to the Workers Compensation Unit to ensure statistical accuracy and continuity within the unit. Investigator Chris Lindholm has been the full time Workers' Compensation Investigator since June, 2011. Mark Messier, prior to his retirement in 2011, was the full time investigator for three years. Each of our fraud investigators have decades of law enforcement experience and Investigator Lindholm has more than eighteen years of experience with fraud investigations.

The creation of the Sierra Economic Crimes Task Force (SECTF) will ensure that our investigator and prosecutor have maximum exposure to other agencies. This is a monumental opportunity to invest in the futures of our program. Representatives from a broad range of regional, county and state agencies were invited to participate. Together we will coordinate efforts to investigate and prosecute financial crimes. We will work with task force members as well as the newly created California Attorney General Underground Economy Unit.

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**4. List the governmental agencies you have worked with to develop potential workers' compensation insurance fraud cases.**

Employment Development Department  
Social Security Administration  
Department of Social Services  
Department of Corporations  
Department of Consumer Affairs  
Department of Insurance  
Cal Fire  
Board of Equalization  
Franchise Tax Board  
Department of Labor Standards Enforcement  
State Compensation Insurance Fraud  
El Dorado County Public Guardian  
Alta Regional Center  
Department of Health and Human Services- MediCal Fraud Unit  
El Dorado County Sheriff's Department  
Placerville Police Department  
California District Attorneys Association  
El Dorado County Department of Human Services  
South Lake Tahoe Business License Department  
Placerville Business License Department  
El Dorado County Environmental Management  
El Dorado County Revenue and Recovery  
El Dorado County Child Support Services  
El Dorado County Tax Collector  
City of Placerville Tax Collector  
South Lake Tahoe Police Department

Out of State Agencies:

Nevada Department of Insurance  
Nevada Contractors State Licensing Board  
Idaho Department of Insurance  
Idaho State Troopers  
Idaho Attorney General's Office  
Internal Revenue Service

**5. Was there a distribution of frozen assets in the current reporting period? If yes, please describe. If no, state none.**

None.

**QUALIFICATIONS**

List the name of the program’s prosecutor(s) and investigator(s). Include position titles and percentages for any vacant positions to be filled. For each, list:

- 1. The percentage of time devoted to the program
- 2. How long the prosecutor(s)/investigator(s) have been with the program

<b>Prosecutors</b>	<b>% Time</b>	<b>Time With Program Start Date/End Date</b>
CRISTY E. LORENTE	30%	January 1, 2013 to Present
JAMES A. CLINCHARD	5%	August , 2012 to Present

<b>Investigators</b>	<b>% Time</b>	<b>Time With Program Start Date/End Date</b>
CHRIS LINDHOLM	100%	June, 2011 to Present



***ORGANIZATIONAL CHART***  
**Instructions for Fiscal Year 2014-2015**

**The Organizational Chart is to be an attachment provided by the county and labeled as Form 06(b).**

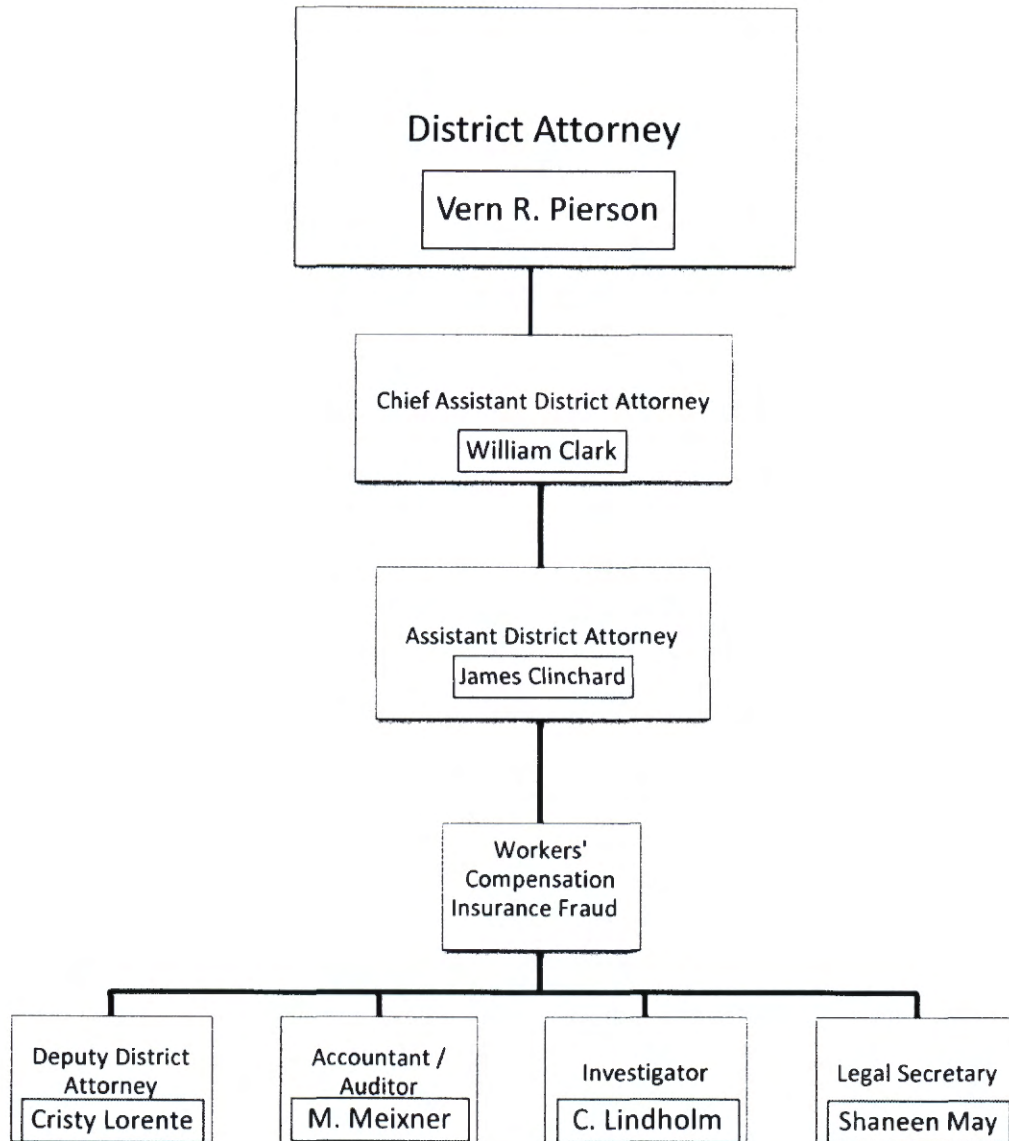
**ORGANIZATIONAL CHART**

Provide an organizational chart outlining:

- 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 programmatic responsibility.

If there are any changes of personnel as shown on Form 02 and Form 03, the county must notify the Fraud Division, Local Assistance Unit in writing within thirty (30) days.

# WORKER'S COMPENSATION ORGANIZATIONAL CHART





## ***DISTRICT ATTORNEY PROGRAM REPORT (DAR)*** **Instructions for Fiscal Year 2013-2014**

The DAR provides actual data on activities such as investigations, cases, arrests, convictions and other statistical information. Completion of the program report reflects that the Fraud Division and county district attorneys have met their mutual obligation to protect the public from economic loss and distress by actively investigating and arresting those who commit insurance fraud, and to reduce the overall incidence of insurance fraud through anti-fraud outreach to the public, private, and governmental sectors.

### **COUNTIES CURRENTLY PARTICIPATING IN THE WORKERS' COMPENSATION INSURANCE FRAUD PROGRAM**

Counties currently participating in the Workers' Compensation Insurance Fraud Program should input their DAR data for the RFA reporting period online. To access the report, please go to the California Department of Insurance, Fraud Division home page at <http://www.insurance.ca.gov/0300-fraud/0100-fraud-division-overview> and click the link at **Fraud Division Programs**, then **District Attorney Program Report**. Once at the program report page, follow the instructions for completing the report and navigating the site. We recommend saving the internet address as a favorite in your internet browser.

**Please note, a previously submitted 2013-2014 mid-year DAR can be copied to the current RFA reporting period. Simply use the Search function to bring up your submitted 2013-2014 mid-year DAR report and click the Copy function. This will automatically create a RFA reporting period version and will not require repeated input of some of the data.**

Once submitted, a county is not required to mail the RFA reporting period DAR to the Fraud Division. The Fraud Division will download and print a copy of the county's submitted DAR report and attach it to the county's RFA when received.

### **COUNTIES CURRENTLY NOT PARTICIPATING IN THE WORKERS' COMPENSATION INSURANCE FRAUD PROGRAM**

To complete this section of the RFA online, please e-mail Damian Scribner at [scribnerd@insurance.ca.gov](mailto:scribnerd@insurance.ca.gov) and request a user ID and password for your county.

**QUALIFICATIONS  
PROGRAM REPORT**

**For this application, statistical information will be captured from July 1, 2013 to April 15, 2014.**

This information has been provided electronically to the Department of Insurance pursuant to the DISTRICT ATTORNEY PROGRAM REPORT (DAR) Instructions contained in the Grant Application.

The DAR was submitted on April 16, 2014



***PROBLEM STATEMENT***  
**Instructions for Fiscal Year 2014-2015**

**In answering the questions on Form 08, be sure to include the following information:**

**PROBLEM STATEMENT**

Describe the nature and extent of the problem in the county. Include in your responses, the following:

- Its sources and causes
- Its economic and social impacts
- Its unique aspects, if any
- What is needed to resolve the problem

Supporting data and evidence, or indicators of fraudulent activity, related to workers' compensation insurance may include data and information derived from these sources:

- Self-insured employers
- Other local law enforcement entities
- Insurers
- The Fraud Division and/or the Investigation Division of the California Department of Insurance
- Other interested parties

## COUNTY PLAN PROBLEM STATEMENT

**Please 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. Please use local data or other evidence to support your description.**

El Dorado County presents a unique distribution of fraud crime due to the geographic division of the Western Slope and the Tahoe Basin. The South Lake Tahoe area is separated from the Placerville area by the Sierra Nevada Mountains. Under optimum clear weather conditions the 60 mile drive between the areas takes more than an hour. During the winter months road closures or caution due to snow and ice makes the drive precipitous and slow.

Our history of productive sting operations in the Tahoe Basin evidences that non-compliance with worker's compensation regulations is rampant in the Basin. South Lake Tahoe is a distinct community from the West Slope and thus, requires a tailored approach to enforcement. In the past, business owners have flagrantly ignored workers compensation requirements since historically enforcement efforts had been concentrated on the West Slope. In 2013-2014 the enforcement percentage was 37 percent in the Tahoe Basin (3 stings) versus 63 percent on the West Slope (5 stings). In 2012-2013 enforcement percentage was 25 percent in the Tahoe Basin versus 75 percent on the West Slope. With each passing year we become increasingly savvy with our strategy to target the Basin. Our full time investigator maintains a strong presence on both the West Slope and the Basin. We have a particular commitment to concentrate enforcement in the Basin and the nature of this year's efforts reflects that commitment. For safe travel to the Basin our office purchased a four wheel drive vehicle with 2011-2012 grant funds. We will commit future grant awards to repair, maintain and fuel that vehicle.

Our efforts on the West Slope have remained in conformity with the FAC and CDI goals. While the number of businesses in our county is smaller than large urban counties, employer abuse of workers compensation laws in our county is widespread. As the economic climate makes cautious gains small businesses are competitively vying for projects. This creates the temptation to cut corners and run afoul of worker's compensation requirements.

Statistics from the County Auditor/Controller's Office reflect 47,000 wage and salary jobs in El Dorado County from 4,261 establishments. The average income in El Dorado County is \$49,891 and the unemployment rate dropped in 2013/14 to 8.5% from 9.5% last year. In 2010 alone, more than 1600 jobs were lost in the county. Since that time job fluctuation in 2011, 2012, 2013 and 2014 are increasing slowly. The 25 largest employers in El Dorado County provide 12,648 jobs, or 26%. Blue Shield is the biggest employer and over the past year added another 86 employees. However, the Red Hawk



Casino and El Dorado County had negative hiring. The Red Hawk reduced workforce numbers by 50 people to 1,350 workers. El Dorado County dropped 535 jobs, going from 1,725 to 1,200. Construction, professional services, healthcare and education comprise 56% percent of employment. According to the County Building Department new construction permits are making a steady recovery. In 2012 there were only 107 permits issued. Currently the Building Department has issued 353 permits and expects to issue about 400 during the 2013/14 fiscal year. The consistent rise in fuel prices has resulted in increased tax revenue for the 25 top tax producers: gas stations, mini-marts, big box stores and auto sales. However, the high cost of fuel is an additional economic stressor for small businesses, particularly contractors.

The current business environment and economic trends result in stiff competition for fewer business opportunities. Small businesses are increasingly tempted to cut costs and flout workers compensation requirements to remain competitive. This uptick in workers compensation crime deserves our concentrated law enforcement efforts. As the flow of FDIs increases, we are improving our efficacy and efficiency. To accomplish this in the coming quarter our prosecutor and investigator will meet with neighboring counties, Amador and Yolo County, to information and strategy share.

Our unit continues to strive toward expanding our efforts toward Insurance Code Section 1871.4 cases. Our increased outreach efforts have resulted in increased reporting, particularly from businesses competing with offenders. The defendants in our willfully uninsured cases often admit knowledge of the workers compensation requirements and state financial strain as the reason for their noncompliance. Our presence in the community has proved to be vital to the creation of a “watchdog” effect so that no segment of the population feels immune from prosecution. Our goal is to expand this deterrent effect as employers continue to spread the word on the potential for prosecution.

The uninsured employer cases remain the most active component of our program. The dishonest conduct of these employers or employees substantially impacts victim employees and businesses striving to remain both honest and competitive in our county. It is our duty to protect those victims as well as the State of California. Our program ensures compliance with the regulations and result in a level playing field for our business community. Our legal assistant, investigator and attorneys have a positive reputation in the community and with outside agencies because we conduct our inquiries and prosecutions in a professional and respectful manner. This is the foundation of our program and we will use the 2013-2014 funds to support these quality efforts.

***PROGRAM STRATEGY***  
**Instructions for Fiscal Year 2014-2015**

**In answering the questions on Form 09, be sure to include the following information:**

**PROGRAM STRATEGY**

This section **shall specify** how the district attorney will address the problem, defined in the Problem Statement, through the use of program funds.

The discussion **should include** the steps that will be taken to address the problem, as well as the estimated time frame(s) to achieve program objectives and activities. Specifically, this section **should describe**:

- the manner in which the district attorney will develop his or her caseload;
- the sources for referrals of cases; and
- a description of how the district attorney will coordinate various sectors involved, including employers, insurers, medical and legal providers, the Fraud Division, self-insured employers, public agencies such as Department of Industrial Relations, Employment Development Department, and local law enforcement agencies.

**Required:** A current District Attorney/Fraud Division Joint Plan for the use of investigative resources is required and included with the application (Attachment A).



## COUNTY PLAN PROGRAM STRATEGY

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

Our Workers' Compensation Fraud Program operates under the umbrella of the Office's Special Prosecutions Unit. The Special Prosecutions Unit was improved and restructured in the fall of 2012, naming Assistant District Attorney James Clinchard as supervisor. The Special Prosecutions Unit holds regular meetings which include all unit deputy district attorneys, forensic auditors, legal secretary for the unit, fraud investigators and supervising investigators. The aim of these meetings is to assure consistency within the unit, to set outreach goals, update investigations, and review prosecutions and to encourage teamwork and communication within the Special Prosecutions Unit. This year our office completed a transition to a "paperless" office and we are continuing to hone that system with constant improvements. This paperless system facilitates improved efficiency in the courtroom and communications between deputy district attorneys, investigators and supervisors. Further, instant access to the "electronic case file" is possible from court, the office, at home or on the road.

This year our office also created the Sierra Economic Crimes Task Force (SECTF). We invited representatives from a broad range of regional, county and state agencies to participate. The stated goal is to wage an aggressive, coordinated and proactive effort to investigate and prosecute financial crimes. The first meeting of SECTF was January 24, 2014 and the next meeting is planned for spring 2014. Our plan is to coordinate prosecution efforts with task force members as well as the newly created California Attorney General Underground Economy Unit.

Our ongoing goal is vigorous prosecution of fraud offenders, with an emphasis on prosecutions in the Basin. We will continue to expand our outreach efforts to victims, employers and the business community and build even stronger alliances with outside agencies such as EDD, CSLB and DSLE. We will include those entities in our investigations to produce a synergistic effect and ensure that all possible charges and angles of prosecution are considered. Our efforts at conducting multi-agency operations will continue, as will our workers compensation sweeps of local businesses. We conducted eight sting operations this past year. The District Attorney's Office will continue to team with the CSLB to invite contractors to bid on the construction of homes. Due to weather and terrain challenges, the Basin has historically been less monitored. As such, we will continue to work on increasing our enforcement presence in that area.

One of the main hallmarks of our unit is the quality of our relationships with other agencies. We have expanded our coordinated efforts with a variety of outside

agencies. Extensive collaboration with CSLB, EDD, BOE, FTB and DSLE has significantly strengthened our criminal investigations and elevated our available charges against employers. Close work with the Department of Insurance has allowed us to increase our investigations of premium fraud violations this year. Our PACT task force sting operations led to numerous new workers' compensation cases. With the help of victim agencies such as EDD, FTB, DOI, and BOE, this year we convicted two defendants of seven felony counts for failing to report income taxes, underreporting taxable sales, underreporting employee wages, failing to have Workers' Compensation Insurance and dissuading an employee from making a Workers' Compensation claim. Part of the plea agreement in this case is a stipulation to pay more than \$350,000 in back taxes as well as the substantial investigation costs of our partner agencies.

This past year we also coordinated with EDD, Board of Equalization, IRS, Public Guardian and Alta Regional Center to investigate violations of Labor Code Section 3700.5 involving unemployment sales taxes, and the abuse of dependent adults under Penal Code Section 368. We have maintained already strong relationships with our local sheriff's department and police department. Our office also works in tandem with MediCal Investigators and SSI Investigators on cases involving unreported income, malingering and false injury claims.

The following are a sample of several cases still under investigation and with prosecution pending:

- One FD1 referral involves a suspect that made a false claim of a workplace knee injury and claimed SSI benefits. Our investigator is working with the Office of the Inspector General and has secured video footage of the suspect walking, bending, jumping and building a fence. During this time period the suspect also reported to "workplace injury" medical appointments on crutches or a cane. In addition to sworn depositions including the suspect's false testimony and contradictory medical reports, our investigator has shared with the suspect's insurance company both video surveillance of the suspect as well as reports of the suspect snowboarding. In May 2014 the qualified medical examiner will be deposed and provide a final report at which time our investigator will team with a DOI detective and OIG investigator to package a case.
- Another workplace knee injury case illustrates our collaboration with other agencies. At the outset of the referral our investigator reviewed the medical reports and other documentation provided by the insurance company. Although the suspect continued to claim he is unable to work, a search warrant of his bank records showed a steady income from two on-line universities. It was also discovered that the suspect applied and was granted SSI benefits, yet failed to inform SSI of his income. The claimant received almost \$54,000 insurance benefits he was entitled to as well as SSI benefits he is not entitled to. The result of our investigation and partnership is a local complaint. The Federal OIG will pursue the suspect for overpayment.



- We also received an FDI regarding a suspect that claimed an on the job landscaping injury but then continued to work as a painter and remodeled his home. We are collaborating with DOI and our investigator is in the process of interviewing witnesses to the suspect's recent bar fight, collecting records from the paint store the suspect uses for his business and pulling the suspect's house remodel permits.
- In another case our investigator worked with a CSLB investigator to identify a heating and air conditioning company as a potential suspect for unnecessary repairs, upselling unneeded equipment and Premium Fraud. Our investigator followed up on 22 complaints to the Better Business Bureau of potential fraud by the suspect company throughout Sacramento, Placer and El Dorado County. Investigator Lindholm secured an industry expert to inspect two home and staged a sting operation with surveillance equipment loaned from the Western State Information Network. Another sting is planned and if it is fruitful we will execute a search warrant for the associated business records. In addition to CSLB we are working with local EDD, CDI and the Amador County District Attorney's Office on this investigation.

We also work collaboratively with our local police departments and county sheriff's office to prioritize the prosecution of our most serious offenders. Recently, Investigator Lindholm joined efforts with the Placerville Police Department, DLSE and EDD to investigate a Placerville massage parlor. This partnership resulted in a Labor Code 3700.5 complaint and a stop work order from DLSE. The following week our investigator inspected three more similar establishments in South Lake Tahoe and all three were found to be operating in the same fashion, in violation of Labor Code 3700.5. Complaints and Stop Work Orders were issued. Our investigator also discovered that local City and County Ordinances governing massage parlors were either lacking or unenforceable. Local authorities presumed that such establishments are regulated by the California Massage Therapy Council. Our Investigator researched this problem and is in the process of providing various local agencies with examples of comprehensive ordinances that successfully regulate massage parlors. Our office also has a strong suspicion that there is a human trafficking element to these businesses. To launch a trafficking investigation our investigator has shared information with specialized enforcement agencies.

In 2014-15 we have our workers' compensation attorneys available 40% of their time so we must utilize them with utmost efficiency. Complex and felony level cases will receive our primary attention. We will continue to work with California Department of Insurance and other agencies to develop, investigate, and prosecute claimant fraud cases under Insurance Code Section 1871.4. At the same time, we will remain vigilant on our willfully uninsured employer caseload, pursuant to Labor Code Section 3700.5.

We continue to utilize our "Truth or Consequences" video to enhance our outreach events. To build on this success one of our goals for this year is to maintain the program's visibility in the community and to further streamline the reporting process. To accomplish this we maintain a presence on social media outlets with Facebook

and Twitter accounts for the El Dorado County District Attorney's office. These pages create an additional point of contact to report Worker's Compensation fraud. Both pages contain links to the "Truth or Consequences" video.

The links to both pages are listed below:

Facebook: <https://www.facebook.com/ElDoradoDA>

Twitter: <https://twitter.com/ElDoradoDAOFC>

In addition to these on-line mediums, we recognize that many complainants will still need access to a paper reporting method. To ensure that the details of complaints are memorialized, organized and complete we encourage reporters to use our fraud complaint form. This form is available in the office, online on our website or by mail upon request. We will continue to explore additional social media outlets and improve our interactive reporting methods as part of our paperless initiative.

Finally, we were once again able to increase the actual amount of fines and restitution collected on cases. This fiscal year we collected over \$10,200.00 in fines and restitution, thus far. This is a substantial increase over the previous grant year and shows our diligent efforts in ensuring monies are being paid by offenders.

We have tailored our prosecution plan to combat fraud in specific areas.

In regard to applicant fraud we will:

1. Meet on an ongoing basis with business owners and office managers to promote awareness and understanding of the fraud program. We will educate owners and managers on how applicant fraud is most commonly detected and reported.
2. Continue to advertise our program in local and regional newspapers, as well as closely monitor our Fraud Hotline, website and Facebook and Twitter pages. We will also continue to distribute and air the "Truth or Consequences video."
3. Maintain our working relationship with county Risk Management and their counterparts in the City of Placerville and South Lake Tahoe. Cooperation with local entities results in thorough investigations.
4. Provide prompt responses to case referrals from CDI, insurance providers, third party administrators, and complaints received through our Fraud Hotline website, Facebook and Twitter pages.
5. Maintain public awareness of the Program through personal appearances at business and industry functions.
6. Build on our excellent relationships with EDD, Department of Labor, Division of Labor Standards and Enforcement, CSLB and other state agencies. The strength of these relationships remains a hallmark of our unit and results in solid prosecutions.



In regard to premium fraud we will:

7. Conduct joint-investigations with the Contractor's State License Board to identify unlicensed contractors, many of whom under-report their employees or fail to secure insurance.
8. Maintain liaison with EDD and review the results of their compliance audits of local businesses.
9. Meet with and encourage local law enforcement to be alert to premium fraud issues when search warrants are served on local businesses.
10. Involve as a part of our outreach program, contact with seasonal employers such as growers in the agricultural community and ski resorts.
11. Utilize the newly created Sierra Economic Crimes Task Force (SECTF) to coordinate with other agencies to aggressive prosecute of premium fraud.

In regard to other fraud we will:

12. Meet on an ongoing basis with business owners, office managers, and county departments to promote awareness and understanding of the fraud program and the means by which legal/medical, and capping fraud is detected and reported.
13. Continue to advertise our program in local and regional newspapers, as well as closely monitor our Fraud Hotline, website and Facebook and Twitter pages. We will also continue to distribute and air the "Truth or Consequences video.
14. Maintain a liaison with county Risk Management and their counterparts with the City of Placerville and South Lake Tahoe.
15. Provide prompt responses to case referrals from CDI, insurance providers, third party administrators, and complaints received through our Fraud Hotline and internet website.
16. Promote the Program through personal appearances at business and industry functions.
17. Utilize the newly created Sierra Economic Crimes Task Force (SECTF) to coordinate with other agencies to aggressive prosecute all crimes that involve fraud.

**2. What are your plans to meet any 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? What is your strategic plan to accomplish the goals?**

El Dorado County and the Special Prosecutions Unit have tailored our goals to the stated goals of the Insurance Commissioner and the Fraud Assessment Commission. During the past several years, one of our major aims has been to achieve a balanced caseload. Specifically, we desire more prosecutions in the Tahoe Basin and an increase in our Insurance Code Section 1871.4 and Penal Code Section 550 investigations and prosecutions. We will achieve this by working closely with the California Department of Insurance and following up on all credible leads regarding all types of fraud.



We also recognize that working closely with outside agencies is beneficial and creates a synergistic effect. As such, we have built strong working relationships with a multitude of outside agencies including CDI, EDD, CSLB, DLSE, FTB and insurance carriers' SIU divisions. We will continue to communicate frequently with these agencies to create efficient prosecutions. Because resources are limited, we understand that we have a responsibility to work cohesively with other agencies. We routinely collaborate with CDI and CSLB on operations and investigations and look forward to continuing with these strong working relationships. To ensure thorough investigations we will collaborate with county departments and attend industry meetings.

This past year the El Dorado County District Attorney's Office created the new Sierra Economic Crimes Task Force (SECTF). We invited an array of agencies to join this task force, which is comprised of representatives from a broad range of state agencies. The invitees were: Amador County District Attorney's Office, California Board of Equalization, California Department of Business Oversight, California Department of Insurance, California Employment Development Department, California Franchise Tax Board, California State License Board, California Highway Patrol, Douglas County Sheriff's Office, Douglas County District Attorney's Office, El Dorado County Sheriff's Office, Nevada County District Attorney, Placer County District Attorney, Placer County Sheriff's Department, Placerville Police Department, Sacramento County District Attorney's Office, South Lake Tahoe Police Department and the California Department of Justice.

The goal of SECTF is to coordinate efforts with these agencies to aggressively investigate and prosecute financial crimes. The first meeting of the task force was held on January 28, 2014, with attendees from the following agencies: Amador County District Attorney's Office, Nevada County District Attorney's Office, California Department of Insurance, El Dorado County Sheriff's Department, California Department of Business Oversight, Placer County Sheriff's Department, California Department of Justice, Yolo County District Attorney's Office, Douglas County Sheriff's Department, California Highway Patrol, California Franchise Tax Board, and South Lake Tahoe Police Department. As the task force takes shape and members continue cooperative efforts we hope to increase agency participation. The next scheduled meeting will be in spring of 2014. The task force will facilitate the investigation of economic through enhanced contacts and communication between various agencies. We will also information share on trends in workers compensation fraud and provide trainings related to complex cases and investigations.

We will continue to upgrade our technologies, as tools such as our on-line reporting and our paperless system, lead to increased communication and consistency within the unit. We also assist other agencies when possible. For example, CalFire certifies and maintains a list of names and license numbers of individuals and companies certified to service and maintain fire extinguishers. Currently, there is no search feature at the CalFire website to access an individual's information from the field, nor is there a future plan to automate this feature. To assist, our unit investigator will download the PDF CalFire document once a month and create a database that can be searched from the El Dorado County District Attorney's website. Our Unit



Investigator has already conducted Outreach talks with the various Fire Departments in El Dorado County. The main topic of these Outreaches with the Fire Departments was to inform and show them how when they are conducting their routine inspections to be able to identify fraudulent companies based upon the information on a fire inspection/service tags. As an example, when a Fire Crew performs their annual inspection of a commercial building, they will be able to check and see if the person who serviced the extinguisher is employed by a licensed company who currently has an active Workers' Compensation policy. Our investigator is also designing a user friendly Access database for data entry and recovery for the DAR (District Attorney Report). Once this database is perfected our office will make it available to other counties.

Finally, we will continue to build and improve our outreach program. We will present to the susceptible segments of our community, including the elderly, and continue to circulate our updated "Truth and Consequences" video. To build on our social media presence on our website, Facebook and Twitter, we will explore ways to make our website more user friendly. This will enhance citizen reporting and our outreach effort. We will also provide training to fire personnel and expand outreach in the chiropractic-medical community. To cement our enforcement presence, our unit will participate in community outreach by presenting to business associations and at local bazaars and fairs in the community.

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

One of our continued challenges and goals is a balanced caseload. This goal has two aspects: 1) To even out the distribution of prosecutions between the Tahoe Basin and the West Slope; and 2) To increase our Penal Code Section 550 and Insurance Code Section 1871.4 cases so that they rival our Labor Code Section 3700.5 prosecution numbers. To continue our gains on this goal, we will continue to partner with other agencies to develop a wide range of workers' compensation fraud cases. Specifically, our unit is strengthening partnerships with BOE, FTB, EDD as part of their economic crimes taskforce. Additionally, we expect to increase investigations and prosecutions through the synergistic effect of our Sierra Economic Crimes Task Force (SECTF).

Our gains in collecting restitution remain steady but progress in this area requires ongoing effort and coordination with other local and state agencies. Our legal assistant diligently tracks the Superior Court database for payments and current balances, so reminder letters and possible violations of probation can be filed accordingly, when necessary. Additionally, we are working with both the Court and local agencies such as Revenue and Recovery to clarify and streamline the restitution collection effort. Through this effort we should be able to reach consistency in our Court orders, restitution collection process and agency expectations.

///

#### 4. Training and Outreach

- **List the training received by each county staff member in the workers' compensation fraud unit during Fiscal Years 2012-2013 and 2013-2014.**

Assistant District Attorney James Clinchard attended the 2014 CDAA Winter Conference in January, 2014 as well as the 2014 CDAA Summer Conference.

Investigator Lindholm attended the NCFIA Conference, Wire Tap School, DEA Pharmaceutical Controlled Substance Abuse Course, DEA Medical Provider Fraud Undercover Operator Course.

Deputy District Attorney Priscaro attended the fraud symposium in Santa Rosa, California on November 4, 2013.

Additionally, our assistant, attorney and investigator receive constant on-the-job training by meeting with other agencies as well as staff from other counties with similar programs. For example, our unit has networked with other agencies through the Sierra Economic Crimes Task Force and noted their strategies and successes.

A collection of agencies is participating in our newly created Sierra Economic Crimes Task Force (SECTF). We held the first meeting on January 24, 2014. During that meeting we presented our vision of a coordinated cross-agency effort to representatives from a broad range of regional, county and state agencies.

- **Describe what kind of training/outreach you provided in Fiscal Year 2013-2014 to local Special Investigative Units, public and private sectors to enhance the investigation and prosecution of workers' compensation insurance fraud; and/or coordination with the Fraud Division, insurers, or other entities.**

This past year Investigator Lindholm arranged for California Department of Insurance and the Department of Consumer Affairs investigators to present to high school Law Enforcement ROP (Regional Occupation Program) classes. Each investigator spoke about their career then conducted a question and answer session. We also continued our outreach efforts at the three El Dorado County senior centers. Investigator Lindholm visited each center twice this year to speak about the pitfalls of hiring unlicensed individuals or those that do not have workers' compensation insurance. Seniors are a particularly vulnerable group to fraud in our community so a consistent presence and ongoing education is important. Investigator Lindholm also briefed the El Dorado County Fire Protection Association on how to identify uninsured employers during daily inspections. Our office also coordinated with County Fire for sweeps searching for C-16/Workers Compensation Fraud Scams. Investigator Lindholm also met with fire captains in El Dorado Hills and Cameron Park to inform them of a scam involving fire sprinkler systems and fire extinguishers. Since fire departments routinely inspect the systems, Investigator Lindholm also provided them with



updated information on the validity of paperwork and offered to partner with the departments in the event of fraud.

Our office conducted continued outreach with all four gated communities in El Dorado County. We met with the homeowners associations and provided training materials regarding lawful hiring of licensed workers. We also offered assistance and a point of reporting contact in the event residents are victimized. Along the same lines, Investigator Lindholm delivered a PowerPoint presentation to the El Dorado County Chamber of Commerce and El Dorado Hills Chamber of Commerce that highlighted the “red flag” indicators for false workplace injury claims. Since that training the number and quality of FDI reports has increased.

- **Describe what kind of training/outreach you plan to provide in Fiscal Year 2014-2015 to local Special Investigative Units, public and private sectors, to enhance the investigation and prosecution of workers’ compensation insurance fraud; and/or coordination with the Fraud Division, insurers, or other entities.**

We have a broad plan for training and outreach for the fiscal year 2014-15 that includes social media, in-person presentations and networking, and exploring more options to connect and communicate with the community.

The Special Prosecutions Unit has a presentation targeted towards the potential victims in our elder community. We will present information and materials on Workers' Compensation Fraud to the El Dorado County Elder Protection Unit and at our local senior centers. The updated “Truth and Consequences” video, created in conjunction with CDI, was updated and dispersed to every District Attorney’s Office in California. We will follow up on this effort to create a comprehensive, consistent statewide outreach program.

Investigator Lindholm has identified an upward trend in the number of unlicensed and licensed C-16 contractors claiming exempt status for workers compensation insurance. Businesses have been hiring untrained individuals that represent themselves as Class B firemen to inspect and tag equipment. Investigator Lindholm will provide training to all fire personnel so that they can verify that inspectors are legitimate. Investigator Lindholm will also coordinate with the Chiropractic Board Investigators to identify potential Worker's Compensation Provider Fraud amongst local physicians.

The Special Prosecutions Unit will also continue to expand outreach as we identify additional business associations and groups in El Dorado County. For example, we presented on September 11, 2013 at Red Hawk Casino at the El Dorado County Chamber of Commerce monthly luncheon. We also provided information and education on fraud prevention at the El Dorado County Home and Garden Show and the El Dorado County Fair.

Investigator Lindholm has been working on an investigation related to illegal massage establishments in the Tahoe Basin. This is an area ripe for outreach, as there is misperception in the community and among the mostly immigrant workers in these businesses regarding regulations and protections under the law. Investigator Lindholm has been working with DSLE and EDD to determine whether the establishments are operating within DSLE regulations and whether they are in violation of requirements for worker's compensation and payroll reporting. Finally, our office also has a strong suspicion that the owners of these establishments are engaged in human trafficking of the workers. As such, we are coordinating with other city, county and state agencies and conducting further investigation.

In the coming year we expect to build on our close relationship with county departments and to educate them on the capabilities of our fraud program. We will also continue to attend appropriate industry meetings and increase our collaboration with various insurance carriers' SIU divisions.

**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 as the legislative intent specifies.**

In fiscal year 2009-2010, our fraud unit worked with the Court to create a restitution tracking system. Our legal assistant uses this system to access court files and to track payments on each of our cases. We are able to determine both the date and amount of each payment made by every fraud unit defendant. The fraud team legal assistant regularly reviews the progress of payments on each case and notifies the fraud attorney of missed or late payments. If a defendant has failed to make a payment/s, we remind the defendant in writing of the court ordered requirement or need to pay restitution. This notification also advises defendants of the potential for a violation of probation for current or future violations. These diligent and consistent efforts resulted in a significant increase of the amount of fines and restitution we have collected. We will continue our efforts into the next fiscal year as we strive to achieve even greater compliance in this area. In this past fiscal year, we collected more than \$10,200.00 in fines and restitution monies.

**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. 40-50 new investigations will be initiated during FY 2014-2015.
- b. 20-25 new prosecutions will be initiated during FY 2014-2015.

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

We are not requesting funding above the amount awarded in FY 2013-14.



**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" employer's problem.**

El Dorado County recognizes the serious problem of willfully uninsured employers in this county. As such, prosecuting these cases aggressively is the most active part of our program. Slight improvements in the economy have likely not funneled through to our suspects or encouraged them to comply with workers compensation requirements. As such, noncompliant uninsured employers are an ongoing and growing problem. Based on the number of cases we investigated and prosecuted in the last several years, we predict the upward trend in these cases will continue. As such, we will continue to vigorously identify, investigate and prosecute these violators to protect the community and the State of California.

One of the strongest elements of our program is that our full-time Investigator, Chris Lindholm, is active and visible in the community. Investigator Lindholm diligently makes his presence known in the business community and drops in on job sites throughout the county to contact employers. In addition to creating a deterrent effect, during those meetings he is able to verify licensing and insurance status. Investigator Lindholm also routinely gathers information from the onsite employees to follow-up on information provided by their employers. During these interviews the employer often represents that other people working on the site are volunteers or not "working," but rather "learning" or "observing." Yet, when Investigator Lindholm checks with the worker, he confirms that in fact these are employees and are being paid a wage. Our "on the ground - in the field approach" ensures that violators are discovered on the job and held responsible. Finally, several of our 3700.5 LC investigations led to the apprehension of violators who had unrelated warrants from other jurisdictions. A number of these defendants had felony warrants and were booked and handed over to other counties.

# **BUDGET**

## **Instructions for Fiscal Year 2014-2015**

**In preparing to provide the information requested on Forms 10-13, be sure to consider the information provided below, as well as follow the detailed instructions provided:**

### **BUDGET**

General:

The budget is the basis for management, fiscal review, and audit. Funding Formula planning levels are included with this package.

Counties may supplement grant funds with funds from other sources such as those discussed in Form 05, question #2. However, applicants should not include any funds or expenses from these sources in the program budget.

### **PROGRAM BUDGET**

The purpose of the Program Budget is to demonstrate implementation of the proposed plan with the funds available through the program. Program costs must be directly related to the objectives and activities of the program. The budget must cover the entire grant period. In the budget, include only those items covered by grant funds. All budgets are subject to the CDI's modification and approval.

The CDI requires the applicant to develop a cost-effective line-item budget that will enable them to meet the intent and requirements of the program, and ensure the successful implementation of the program. Applicants should prepare a realistic and prudent budget that avoids unnecessary or unusual expenditures that would detract from the achievement of the objectives and activities of the program. The following information is provided to assist in the preparation of the budget. Strict adherence to all required and prohibited items is expected. Failure by the applicant to include required items in the budget does not excuse responsibility to comply with those requirements.

Program funds must be used to support enhanced investigation and prosecution of insurance fraud and shall not be used to supplant funds that, in the absence of program funds, would be made available for any portion of the local insurance fraud program.

Budget modifications are allowable as long as they do not change the grant award amount. Budget modifications across budget categories (i.e., personal services, operations, and equipment) require CDI approval. **Each budget modification request shall be made in writing before it can be approved.**



## 1. Non-Allowable Budget Items

- Real property purchases and improvements
- Aircraft or motor vehicle, except the purchase of motor vehicles specifically requested/justified to, and approved in advance by, the Commissioner
- Interest payments
- Food and beverages, except as purchased in connection with program-related travel. Food and beverage costs shall not exceed the applicants' per diem schedule.
- Weapons or ammunition unless included as part of a benefit package

## 2. Allowable Budget Items

Allowable costs are those costs incurred in direct support of local program activities, including program personnel, program-related travel, equipment costs proportional to their program-related use, facilities cost, expert witness fees and audits.

### Specific Budget Categories

There is a separate form for each of the following three budget categories:

- A. **Personnel Services - Salaries/Employee Benefits – Form 10**
- B. **Operating Expenses – Form 11**
- C. **Equipment – Form 12**

Each budget category requires line-item detail that addresses the method of calculation and justification for the expense. Enter the amount of each line-item in the right-hand column of the Budget Category form. All charges must be clearly documented **and rounded off to the nearest whole dollar**. Enter the total amount of the budget category at the bottom of the form. **If additional pages are needed, total only the last page of each budget category.**

The bottom of the Equipment Category form contains a format for identifying the program total and other revenue items. **This section must be completed and submitted even if there were no line-items identified in the Equipment Category.**

#### **A. Personnel Services - Salaries/Employee Benefits:**

1. **Salaries:** Personnel services include all services performed by staff that are directly employed by the applicant and must be identified by position and percentage of salaries. All other persons are to be shown as consultants in the Operating Expenses Category supported by a memorandum of understanding, contract, or operational agreement, which must be kept on file by the grantee and made available for review during a CDI site visit, monitoring visit, or audit. Sick leave, vacation, holidays, overtime, and shift differentials must be budgeted as salaries.

- 2. Benefits:** Employee benefits must be identified by type and percentage of salaries. Applicants may use fixed percentages of salaries to calculate benefits. Budgeted benefits cannot exceed those already established by the applicant.

Employer contributions or expenses for social security, employee life and health insurance plans, unemployment insurance, and/or pension plans are allowable budget items. Other benefits, such as uniforms or California Bar Association dues, are allowable budget items if negotiated as part of an employee benefit package.

A line-item is required for each different position/classification, but not for each individual employee. If several people will be employed full-time or part-time in the same position/classification, provide the number of full-time equivalents (e.g., three half-time clerical personnel should be itemized as 1 ½ clerical positions).

#### **B. Operating Expenses:**

Operating expenses are defined as necessary expenditures exclusive of personnel salaries, benefits, and equipment. Such expenses may include specific items directly charged to the program, and in some cases, an indirect cost allowance. The expenses must be grant-related (e.g., to further the program objectives as defined in the grant award) and be encumbered during the grant period.

The following items fall within this category: consultant services such as subcontractors who are not employed by the applicant, travel, office supplies, training materials, research forms, equipment maintenance, software equipment rental/lease, telephone, postage, printing, facility rental, vehicle maintenance, answering service fees, audit, administrative costs, and other consumable items. Furniture and office equipment **costing less than \$1,000 per unit (including tax, installation, and freight) or with a useful life of less than one-year, fall within this category.**

- 1. Travel Budget** for all anticipated travel related to the program is based on the travel policy established by the county. If a county does not have a travel policy, the state mileage rate can be used, which is a maximum of **56 cents per mile**, unless a higher rate is justified. When program employees are authorized by program department heads or designees to operate a privately owned vehicle on program-related business and no local travel policy exists, the employee will be allowed to claim 56 cents per mile without certification.
- 2. Facility Rental** up to \$18 per square foot annually (\$1.48 per square foot per month) with maintenance is allowable. If the rental costs for office space exceed these rates, it must be consistent with the prevailing rate in the local area.



3. **Rented or Leased Equipment:** If equipment is to be rented or leased, an explanation and cost analysis will be required if the application is selected for funding.
4. **Confidential Fund Expenditures** are costs that will be incurred by grant-funded personnel working undercover or in another investigative capacity. It may include the purchase of information, physical evidence, or services.
5. **Indirect Costs/Administrative Overhead:** Applicants may set aside grant funds for indirect costs/administrative overhead. Indirect costs are those not readily itemized or assignable to a particular program, but necessary to the operation of the organization and the performance of the program. The costs of operating and maintaining facilities, accounting services, and administrative salaries are examples of indirect costs. Flat rates not exceeding 10 percent (10%) of personnel salaries (excluding benefits and overtime), or 5 percent (5%) of total direct program costs (excluding equipment) may be budgeted by applicants for indirect/administrative costs. You must specify the amount and the method of calculation for these costs.

**Applicants must have on file an indirect cost allocation plan, which demonstrates how the rate was established. This plan must clearly indicate that line-items charged to a direct cost category (e.g., postage) are *not* included in the indirect cost category. All costs included in the plan must be supported by formal accounting records that substantiate the propriety of eventual charges.**

6. **Audits:** The budget may include a line-item for the cost of obtaining an independent financial audit. The financial audit is to be prepared by either an independent auditor who is a qualified state or local government auditor, an independent public accountant licensed by the State of California, or the County Auditor/Controller. The audit shall indicate that local expenditures were made for the purposes of the program, as specified in Section 1872.83 of the California Insurance Code as adopted guidelines, in the Application and County Plan.

### **C. Equipment:**

Equipment is defined as non-expendable tangible personal property having a useful life of more than one-year and costing \$1,000 or more per unit (including tax, installation, and freight).

A line-item is required for each different type of equipment, but not for each specific piece of equipment (e.g., three laser jet printers must be one line-item, not three).

Rented or leased equipment must be budgeted as an Operating Expense. "Lease to Purchase" agreements are generally not allowable. If a "Lease to Purchase" is requested, prior approval is required.

An equipment log must be completed listing all equipment purchases made with the prior fiscal year CDI grant.

**Vehicles:** The purchase of vehicles must be justified to and approved by the Commissioner. A separate justification must be submitted. If approved, county procurement policies must be followed.

### **PROGRAM TOTAL**

Place the total amount for the entire budget in the space provided at the bottom right corner of the Budget Category and Line-Item Detail Form. This amount must match the amount requested for the program.

### **OTHER PROGRAM FUNDS**

**Interest Income:** Include the amount of interest accrued to the base program funds. Interest income shall be used to further local program purposes.

### **ADDITIONAL GUIDANCE**

Counties are also referred to the California State Controller's office (SCO) and its Accounting Standards and Procedures for Counties manual (Government Code Section 30200 and California Code of Regulations, Title 2, Division 2, Chapter 2) that, along with minimal required accounting practices, includes basic guidance regarding grant program budgets. Counties may download a copy of this manual at the SCO website <http://www.sco.ca.gov>



<b>BUDGET CATEGORY AND LINE-ITEM DETAIL</b>		<b>COST</b>
<b>A. Personnel Services - Salaries/Employee Benefits</b>		
<b>Salaries</b> (Including Tahoe differential, bi-lingual, standby, longevity and deferred comp)		
DA Investigator	1.00 FTE	\$ 106,961
Assistant District Attorney	.05 FTE	6,033
Deputy District Attorney	.30 FTE	27,994
Legal Secretary	.15 FTE	6,909
Forensic Auditor	.05 FTE	3,459
<b>Benefits</b>		
<b>Medicare:</b>		
DA Investigator	1.00 FTE	1,551
Assistant District Attorney	.05 FTE	88
Deputy District Attorney	.30 FTE	406
Legal Secretary	.15 FTE	100
Forensic Auditor	.05 FTE	50
<b>Health/Flex:</b>		
DA Investigator	1.00 FTE	25,945
Assistant District Attorney	.05 FTE	1,392
Deputy District Attorney	.30 FTE	8,351
Legal Secretary	.15 FTE	2,897
Forensic Auditor	.05 FTE	966
<b>Retirement/PERS:</b>		
DA Investigator	1.00 FTE	34,364
Assistant District Attorney	.05 FTE	1,246
Deputy District Attorney	.30 FTE	5,781
Legal Secretary	.15 FTE	1,427
Forensic Auditor	.05 FTE	714
<b>Disability Insurance:</b>		
DA Investigator	1.00 FTE	255
Assistant District Attorney	.05 FTE	15
Deputy District Attorney	.30 FTE	70
Legal Secretary	.15 FTE	17
Forensic Auditor	.05 FTE	9
<b>TOTAL</b>		<b>\$ 237,000</b>

FORM 11

BUDGET CATEGORY AND LINE-ITEM DETAIL	COST
<b>B. Operating Expenses</b>	
<b>Memberships:</b>	
California District Attorney Investigators' Association	\$ 30
Northern California Fraud Investigators Association	40
<b>Law Books:</b>	
California Insurance Code	23
<b>Fuel / Vehicle Costs:</b>	
DA Investigator Lindholm - Co Vehicle (19,000 miles x .3364 fleet rate)	6,392
<b>Audit Fee:</b>	
Outside Auditor (required)	9,000
<b>Training:</b>	
NCFIA - (1.0) Investigators	375
Insurance Fraud Seminar - .30 FTE DDA	60
Insurance Fraud Seminar - 1.0 FTE INVESTIGATOR	300
<b>Travel:</b>	
Meals	350
Lodging	2,000
<b>Telephone:</b>	
Verizon Mobile Broadband (\$37.50/mo)	450
<b>Indirect/Administrative Cost Allocation:</b>	
10% of Personnel Salaries	15,136
<b>TOTAL</b>	<b>\$ 34,156</b>



BUDGET CATEGORY AND LINE-ITEM DETAIL	
<b>C. Equipment</b>	<b>COST</b>
None	
<b>CATEGORY TOTAL</b>	
<b>PROGRAM TOTAL</b>	\$ 271,156
<b>INTEREST TOTAL</b>	

**EQUIPMENT LOG**

Equipment Log for FY 2013-2014  
County of EL DORADO

Equipment Ordered	Equipment Cost	Date Ordered	Date Received	Serial Number	Equipment Tag Number

Rows can be inserted as needed.

No equipment purchased.

I certify this report is accurate and in accordance with the approved Grant Award Agreement.

Name: VERN R. PIERSON

Title: DISTRICT ATTORNEY

Signature: 

Date: 4/30/2014



**ATTACHMENT A**  
**JOINT INVESTIGATIVE PLAN**

*Memorandum of Understanding between the California Department of  
Insurance – Fraud Division and the El Dorado County District Attorney*

**Fiscal Year: 2014/2015**

**INTRODUCTION**

- a) The “parties” included in this joint plan are the California Department of Insurance – Fraud Division (hereinafter referred to as “CDI”), and the El Dorado County District Attorney’s Office – Special Prosecutions Unit (hereinafter referred to as “DA”).
  
- b) The parties to this Joint Investigative Plan recognize that the California Department of Insurance, Fraud Division was established to investigate allegations of insurance fraud throughout the State of California, and is the primary investigative agency in this field. However, while the headquarters for “CDI” of Central Northern California is based in Sacramento, its investigative responsibilities encompass twenty-five (25) central and northern counties. Due to this considerable geographical territory, the number of referrals/cases, and the finite number of investigators available, the fraud division cannot reasonably be expected to devote its efforts in any one county. Thus, there exists a critical need for an effective joint plan to address the problem of insurance fraud in each jurisdictional territory.

**1. STATEMENT OF GOALS**

- a) To promote a close working relationship between “CDI” and “DA” based on dedication to the common goal of fighting insurance fraud, commitment to the highest professional and ethical standards, and mutual respect as law enforcement officers devoted to the

pursuit of justice and the protection of the citizens of El Dorado County and the State of California.

- b) To investigate in a timely manner, using professional standards and procedures, and prosecute, when appropriate, as many identifiable cases of suspected insurance fraud as can be done.
- c) To achieve the best possible anti-insurance fraud program through the efficient and effective use of the limited resources provided, and to promote awareness in this community that the serious problem of insurance fraud is being addressed in a meaningful way by law enforcement.
- d) "CDI" and "DA" will work together to identify common areas of fraud that tend to drive up the cost of workers' compensation insurance. This would also include identifying those employers who commit premium fraud. Once the entities involved in these areas of fraud have been identified, the parties agree to work together to arrive at a plan as to how best to reduce or minimize these fraudulent activities.

## **2. RECEIPT AND ASSIGNMENT OF CASES**

Present law requires that an insurer who knows or reasonably believes that an act of insurance fraud has been committed, report this information to the Department of Insurance – Fraud Division and the local District Attorney (Insurance Code Section 1877.3).

- a) When a suspected fraudulent claim (SFC) or a case referral package is received from an insurer, it shall be entered into a database, available for future reference. Both parties will maintain a case tracking system to monitor all SFC's and case referral packages received.
- b) Both parties will communicate on a regular, scheduled basis to discuss SFC's and case referral packages received, with the objective being to avoid duplication of investigative efforts, and to insure that all referrals are being appropriately addressed. When a case is assigned for investigation, the assigning party will notify the other within five (5)



working days. A monthly report regarding intake of SFC's and assigned cases will be generated by both parties and mailed to one another by the fifth working day of each month.

- c) If the SFC or case referral package is sent only to "CDI", "CDI" will address the matter, exercising its best discretion on how to proceed, with appropriate notice to the "DA" of the action taken. If the SFC or case referral package is sent only to the "DA", it will notify "CDI" of the action it desires to take, as indicated in paragraphs (d), (e) and (f) below. The information shall include the suspect's name, carrier or administrator and the claim number.
- d) As the primary investigative agency in the field of insurance fraud, "CDI" will have "first claim" to an SFC or case referral package sent by an insurer for investigation. There can be exception to this provision if the referring insurer specifically requests that the investigation be done by the "DA". "CDI" will be notified immediately to discuss the situation and avoid any duplication of investigative efforts.
- e) If "CDI" elects to pursue an investigation of an SFC or case referral sent by an insurer, the "DA" will suspend any further action on the case, pending the outcome of the "CDI" investigation, and will notify the insurer of the fact in writing.
- f) If "CDI" elects not to pursue an investigation of an SFC or case referral sent by an insurer, because of excessive caseloads, resource limitations, or any other reasons, or chooses to defer any matter referred, the "DA" will review the referral for investigation. The referring insurer will be notified of this fact in writing and a copy of the writing will be submitted to the "DA".
- g) If the "DA" receives a referral that would be more appropriately handled in another county's jurisdiction, the original receiving district attorney's office will forward the referral to the appropriate county and notify "CDI".

### 3. INVESTIGATIONS

- a) Pursuant to the above provision, and to maximize the use of resources, it is understood and agreed that either party will provide assistance to the other, upon request, in any investigation where such assistance is needed. This assistance could include, but is not limited to, serving search warrants, interviewing witnesses and making arrests.
- b) Joint investigations may be undertaken in cases where the parties determine it is beneficial to combine resources to achieve the most efficient and effective results. This will be determined on a case-by-case basis.
- c) It is expected that cases will be developed from referrals by insurers, other law enforcement/governmental agencies (CHP; EDD; etc), informants, and other responsible sources of information. Outreach programs are encouraged to promote this aspect of the plan.
- d) It is the intent of the Joint Investigative Plan to avoid duplication of investigative efforts by maintaining regular communication to discuss caseloads and share information concerning current investigations. The "CDI" regional supervisors will meet a minimum of twice a year with the "DA" designee to review the working relationship between both agencies.
- e) The deputy district attorney of the "DA", or his/her designee, will be available to meet with the fraud division investigator at any time during the investigation of a case when requested by the investigator to discuss any aspect of the case.
- f) It is the intent of the parties by maintaining regular communication and adhering to agreed upon plans and procedures, the completed investigation will result in the filing of criminal charges and a successful prosecution. At the same time, however, it is understood that not every case that is investigated will result in prosecution. This can occur when evidence does not develop as expected, material witnesses are no longer



available, the case lacks jury appeal, the reasonable likelihood of conviction is minimal, or other unforeseen circumstances develop. The parties will take all possible steps to avoid such situations, as it is not desirable to expend investigative resources that are not prosecuted in court.

- g) Any investigative costs associated with a "CDI" investigation prior to the complaint being filed shall be incurred by "CDI". Any costs associated with the investigation after a complaint has been filed, shall be incurred by the "DA". Responsibility for costs incurred during a "joint" undercover operation will be determined by the Memorandum of Understanding – see section 5(c).

#### **4. UNDERCOVER OPERATIONS**

- a) Both "CDI" and "DA" recognize the importance of undercover investigations in certain cases where it is felt this technique is a viable means of developing evidence to prove a suspected insurance fraud. The parties agree that undercover operations need to be highly organized and will be carefully monitored by supervisor level personnel to insure the efficiency and integrity of the investigation. It is understood that undercover operations can be very labor intensive and time consuming, and don't always produce the desired result.
- b) Either party may decide to conduct an undercover operation in a particular case using its own personnel and resources. In a situation where "CDI" conducts its own independent undercover investigation in El Dorado County, the "DA" will be available to provide advice or other assistance as required.
- c) In a case where there will be "joint" undercover investigation, there will be a Memorandum of Understanding (M.O.U.) prepared prior to the start of the investigation, which outlines and specifies the goals and the objectives of the investigation, as well as the duties and responsibilities, including personnel and financial responsibilities, of each of the parties in the investigation.

## **5. CASE FILING REQUIREMENTS**

- a) The initiation of suspected insurance fraud cases will focus not only on the development of probable cause to make an arrest, but also on the obtaining of sufficient evidence to support the charge beyond a reasonable doubt in a criminal court. It is understood that each case is unique, and certain actions may need to be taken in one case that would not be taken in another.
  
- b) When submitting a case for prosecution, the investigator will present as complete a package as possible, including a detailed report, outlining the offenses alleged to have been committed, the details of the investigation, and the evidence available to prove the charges, including identification of available witnesses and supporting documentation. In cases involving alleged false statements or misrepresentations, there must also be identified evidence to show materiality of the alleged false statement or misrepresentation to the claim.
  
- c) To promote efficiency in this area, "CDI" investigators are encouraged to contact the "DA" early in the investigation of a case to share ideas and develop strategies that will lead to a prosecutable case.
  
- d) The "DA" will ensure that all formal case presentations made by "CDI" will be reviewed within ten (10) working days of the presentation or delivery. If additional investigation is needed, as determined by the reviewing district attorney, he/she will notify the case investigator immediately. The case investigator will complete the additional investigation as soon as reasonably possible and provide the "DA" with status updates at a minimum of every ten (10) working days until the investigation is completed. The "DA" will further ensure that decisions on complaint filings shall be done in a timely fashion but not longer than thirty (30) days from the date of receipt. If a formal case is rejected for prosecution, the district attorney will prepare a statement in



writing stating the reasons for the rejection and provide the statement to the "CDI" case investigator within ten (10) working days following the rejection.

#### **6. TRAINING**

- a) Parties have been, and will continue to be, active participants in the annual CDAA/CDI Insurance Fraud Training Seminar. This will provide a significant portion of the ongoing training of both parties in the area of insurance fraud.
- b) The parties will participate in joint informal training sessions, as necessary, on issues important to the investigation and prosecution of insurance fraud cases. The parties will assist each other, when requested, in training sessions, for insurance carriers and administrators, or issues important to the detecting, investigation, and prosecution of insurance fraud cases. Both parties will notify each other when there is a request for training by an insurance carrier and administrator.


#### **7. PROBLEM RESOLUTION**

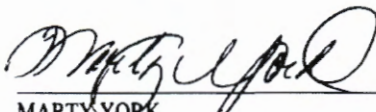
- a) It is the intent of this joint plan that any problems or differences that may arise between the parties be resolved quickly through early, direct, and open communication by those personnel directly involved in the problem. If necessary, the chief investigator of the "CDI" and the prosecutor in charge of the "DA", or the chief investigator in the district attorney's office may be called upon to resolve any problem, concentrating on the best interests of the overall insurance program.

#### **8. CALIFORNIA INSURANCE CODE 1871.9 REPORTING**

- a) Pursuant to 1871.9 of the California Insurance Code, "CDI" is required to post specific workers' compensation conviction information on its Internet Website for each person convicted of a violation involving workers' compensation insurance, services or benefits. The "DA" agrees to provide the Sacramento Regional Fraud Division Office with

certified minute orders on all workers' compensation convictions obtained by the "DA".  
The Sacramento Regional Fraud Division Office will ensure the certified minute orders  
are forwarded to the Fraud Division Headquarters office.

DATED: 4/11/14   
VERN R. PIERSON  
District Attorney  
County of El Dorado

DATED: 4/14/14   
MARTY YORK  
Captain, Fraud Division  
Department of Insurance



## ATTACHMENT B

***THIS ATTACHMENT IS SUBMITTED AS A SEPARATE ADDENDUM TO  
THE APPLICATION AND IS CONSIDERED CONFIDENTIAL.***

1. Please include in this attachment information considered confidential, specifically criminal investigations, whether active or inactive.
2. Briefly describe all cases that have been or are being investigated and/or pending prosecution, during Fiscal Year 2013-2014.
3. Include those cases being jointly worked with the CDI. (These descriptions shall also include investigated cases with no result.) List case prosecutor(s) and investigator(s).
4. Under Description, provide a brief overview of specific case activity (i.e., number of suspects, fraud type, criminal activity discovered).
5. Outcomes achieved through county or other funding sources shall be designated separately.

<b>Name</b>	<b>Investigation Case #</b>	<b>Prosecutor(s) Investigator(s)</b>	<b>Date Assigned</b>	<b>Case Description</b>
<b>Adams, Brenda and Michael</b>	<b>2012-531 P13CRF0204</b>	<b>P: Clinchard I: Lindholm</b>	<b>11/01/2012</b>	<b>Premium Fraud</b>
<b>Andrews, John</b>	<b>2013-331 13-08-004706</b>	<b>P: Lorente I: Lindholm</b>	<b>08/23/2013</b>	<b>??</b>
<b>Baehr, Carl</b>	<b>2013-388 P13CRM1434</b>	<b>P: Priscaro/Lorente I: Lindholm</b>	<b>10/14/2013</b>	<b>Uninsured Fraud</b>
<b>Barajas-Valencia, Jesus Rafael</b>	<b>P10CRM1444</b>	<b>P: Lorente I: Lindholm</b>	<b>11/08/2010</b>	<b>Uninsured Fraud</b>
<b>Bays, Jason</b>	<b>2013-172 P13CRM0674</b>	<b>P: Lorente I: Lindholm</b>	<b>03/09/2013</b>	<b>Uninsured Fraud</b>
<b>Bedinger, David</b>	<b>2013-302</b>	<b>P: Priscaro</b>	<b>07/24/2013</b>	<b>Uninsured Fraud</b>

	<b>S13CRM0664</b>	<b>I: Lindholm</b>		
<b>Bernasky, Lynn</b>	2013-288 <b>S13CRM0667</b>	<b>P: Priscaro</b> <b>I: Lindholm</b>	07/24/2013	<b>Uninsured Fraud</b>
<b>Blubaugh, Brandon</b>	2013-191 <b>P13CRM0696</b>	<b>P: Lorente</b> <b>I: Lindholm</b>	04/20/2013	<b>Uninsured Fraud</b>
<b>Brown, Eric</b>	2012-251 <b>P12CRM0654</b>	<b>P: Lorente</b> <b>I: Lindholm</b>	05/16/2012	<b>Uninsured Fraud</b>
<b>Burr, Brandon</b>	2013-053	<b>I: Lindholm</b>	01/28/2013	<b>Claimant Fraud</b>
<b>Castro-Paz, G.</b>	2013-296 <b>S13CRM0657</b>	<b>P: Priscaro</b> <b>I: Lindholm</b>	07/24/2013	<b>Uninsured Fraud</b>
<b>Ceja, Lorena</b>	2013-157	<b>I: Lindholm</b>	04/05/2013	<b>Claimant Fraud</b>
<b>Cerny, Brian</b>	2013-389 <b>S13CRM0751</b>	<b>P: Priscaro</b> <b>I: Lindholm</b>	10/14/2013	<b>Uninsured Fraud</b>
<b>Cortez, Macario</b>	2013-201 <b>P13CRM0692</b>	<b>P: Lorente</b> <b>I: Lindholm</b>	05/29/2013	<b>Uninsured Fraud</b>
<b>Cuevas, Francisco</b>	2014-001	<b>I: Lindholm</b>	01/01/2014	<b>Claimant Fraud</b>
<b>Danneo, Paul</b>	2013-299 <b>S13CRM0666</b>	<b>P: Priscaro</b> <b>I: Lindholm</b>	07/24/2013	<b>Uninsured Fraud</b>
<b>Delgado, Jose</b>	2013-287	<b>P: Priscaro</b> <b>I: Lindholm</b>	07/24/2013	<b>Uninsured Fraud</b>
<b>Deniro, Giorgio</b>	2012-125 <b>P13CRM0099 (F)</b>	<b>P: Lorente</b> <b>I: Lindholm</b>	03/14/2012	<b>Uninsured Fraud</b>
<b>Digaetano, Anthony</b>	2013-030 13-08-004537	<b>P: Lorente</b> <b>I: Lindholm</b>	01/14/2013	<b>Claimant Fraud</b>
<b>DiGiacomo, Thomas</b>	2013-364	<b>I: Lindholm</b>	09/27/2013	<b>Uninsured Fraud</b>
<b>Dozier, James</b>	2013-295 <b>S13CRM0663</b>	<b>P: Priscaro</b> <b>I: Lindholm</b>	07/24/2013	<b>Uninsured Fraud</b>
<b>Edwards, James</b>	2013-328	<b>I: Lindholm</b>	08/21/2013	<b>Claimant Fraud</b>



<b>Ford, Byron</b>	<b>2013-203 P13CRM0693</b>	<b>P: Lorente I: Lindholm</b>	<b>04/20/2013</b>	<b>Uninsured Fraud</b>
<b>Gallagher, Mark</b>	<b>2013-040 P13CRM0149</b>	<b>P: Lorente I: Lindholm</b>	<b>12/28/2012</b>	<b>Uninsured Fraud</b>
<b>Garza, Clayton</b>	<b>2013-386 S13CRM0752</b>	<b>P: Priscaro I: Lindholm</b>	<b>10/14/2013</b>	<b>Uninsured Fraud</b>
<b>Gioukaris, Michael</b>	<b>2013-171 P13CRM0655</b>	<b>P: Lorente I: Lindholm</b>	<b>04/09/2013</b>	<b>Uninsured Fraud</b>
<b>Gomez-Hernandez Fernando</b>	<b>2011-0214 P11CRM0495</b>	<b>P: Lorente I: Lindholm</b>	<b>04/13/2011</b>	<b>Uninsured Fraud</b>
<b>Gonzalez, Miguel</b>	<b>2013-390 S14CRM0040</b>	<b>P: Priscaro I: Lindholm</b>	<b>10/14/2013</b>	<b>Uninsured Fraud</b>
<b>Harris, Thomas</b>	<b>2013-192 P13CRM0691</b>	<b>P: Lorente I: Lindholm</b>	<b>04/20/2013</b>	<b>Uninsured Fraud</b>
<b>Herrera, Alfonso</b>	<b>2013-206 S13CRM0656</b>	<b>P: Priscaro I: Lindholm</b>	<b>07/24/2013</b>	<b>Uninsured Fraud</b>
<b>Hoyt, Michael</b>	<b>2012-288</b>	<b>I: Lindholm</b>	<b>06/05/2012</b>	<b>Claimant Fraud</b>
<b>Hume, Robert and Ellen</b>	<b>2011-0327 P13CRF0037</b>	<b>P: Lorente I: Lindholm</b>	<b>06/23/2011</b>	<b>Uninsured Fraud</b>
<b>Hylton, Brent</b>	<b>2012-195 P13CRM0694</b>	<b>P: Lorente I: Lindholm</b>	<b>04/25/2013</b>	<b>Uninsured Fraud</b>
<b>Johnson, Donald</b>	<b>2013-384 S14CRM0009</b>	<b>P: Priscaro I: Lindholm</b>	<b>10/14/2013</b>	<b>Uninsured Fraud</b>
<b>Kaufman, Dennis</b>	<b>2013-169 P13CRM0731</b>	<b>P: Lorente I: Lindholm</b>	<b>04/11/2013</b>	<b>Uninsured Fraud</b>
<b>Keener, Herbert</b>	<b>2013-305</b>	<b>I: Lindholm</b>	<b>07/26/2013</b>	<b>Claimant Fraud</b>
<b>Koulax, Marty</b>	<b>2013-196 P13CRM0719</b>	<b>P: Lorente I: Lindholm</b>	<b>04/20/2013</b>	<b>Uninsured Fraud</b>
<b>Larsen, Richard</b>	<b>2013-205</b>	<b>P: Lorente</b>	<b>04/20/2013</b>	<b>Uninsured Fraud</b>

	<b>P13CRM0718</b>	<b>I: Lindholm</b>		
<b>Lee, Christopher</b>	<b>2013-383</b> <b>S13CRM0769</b>	<b>P: Priscaro</b> <b>I: Lindholm</b>	<b>10/14/2013</b>	<b>Uninsured Fraud</b>
<b>Lua, Jose</b>	<b>2013-373</b> <b>P14CRM0105</b>	<b>P: Priscaro</b> <b>I: Lindholm</b>	<b>10/01/2013</b>	<b>Uninsured Fraud</b>
<b>Medina, Ismael</b>	<b>2013-385</b> <b>S14CRM0012</b>	<b>P: Priscaro</b> <b>I: Lindholm</b>	<b>10/14/2013</b>	<b>Uninsured Fraud</b>
<b>Meza, Ulises</b>	<b>2013-415</b> <b>13-11-006178</b>	<b>P: Lorente</b> <b>I: Lindholm</b>	<b>11/01/2013</b>	<b>Uninsured Fraud</b>
<b>Miller, Darryl</b>	<b>2013-173</b> <b>P13CRM0734</b>	<b>P: Lorente</b> <b>I: Lindholm</b>	<b>04/11/2013</b>	<b>Uninsured Fraud</b>
<b>Miller, Matthew</b>	<b>2013-165</b> <b>P13CRM0732</b>	<b>P: Lorente</b> <b>I: Lindholm</b>	<b>04/11/2013</b>	<b>Uninsured Fraud</b>
<b>Miner, Brian</b>	<b>2013-039</b> <b>P13CRM0130</b>	<b>P: Lorente</b> <b>I: Lindholm</b>	<b>12/28/2012</b>	<b>Uninsured Fraud</b>
<b>MotoCarrera, Miguel</b>	<b>2013-194</b> <b>P13CRM0695</b>	<b>P: Lorente</b> <b>I: Lindholm</b>	<b>04/25/2013</b>	<b>Uninsured Fraud</b>
<b>Navarrete, Juan</b>	<b>2013-167</b> <b>P13CRM0735</b>	<b>P: Lorente</b> <b>I: Lindholm</b>	<b>04/09/2013</b>	<b>Uninsured Fraud</b>
<b>Nelson, Matthew</b>	<b>2013-164</b> <b>P13CRM0733</b>	<b>P: Lorente</b> <b>I: Lindholm</b>	<b>04/11/2013</b>	<b>Uninsured Fraud</b>
<b>Ormonde, James</b>	<b>2014-045</b>	<b>I: Lindholm</b>	<b>03/04/2014</b>	<b>Uninsured Fraud</b>
<b>Padilla, Chen</b>	<b>2013-202</b> <b>P13CRM0714</b>	<b>P: Lorente</b> <b>I: Lindholm</b>	<b>04/20/2013</b>	<b>Uninsured Fraud</b>
<b>Perez, Elver</b>	<b>2013-316</b>	<b>I: Lindholm</b>	<b>08/08/2013</b>	<b>Uninsured Fraud</b>
<b>Perezlepe, Agustin</b>	<b>2013-453</b> <b>P13CRM1584</b>	<b>P: Priscaro</b> <b>I: Lindholm</b>	<b>11/13/2013</b>	<b>Uninsured Fraud</b>
<b>Regal, David</b>	<b>2013-242</b>	<b>I: Lindholm</b>	<b>06/10/2013</b>	<b>Claimant Fraud</b>
<b>Sedano, Armando</b>	<b>2013-162</b>	<b>I: Lindholm</b>	<b>03/09/2013</b>	<b>Uninsured Fraud</b>



Soros, Peter	P11CRM0326	P: Lorente	03/09/2011	Uninsured Fraud
Soto, Sergio	2014-002	I: Lindholm	01/01/2014	Claimant Fraud
Speel, Joseph	2012-146	I: Lindholm	03/27/2012	Claimant Fraud
Stagg, David	2013-170 P13CRM0669	P: Lorente I: Lindholm	04/11/2013	Uninsured Fraud
Stamborsky, Philip	2012-421 P13CRM0668	P: Lorente I: Lindholm	01/28/2013	Uninsured Fraud
Stephens, Dustin	2013-325	I: Lindholm	08/15/2013	OTHER
Suglian, Gene	2013-297 S13CRM0658	P: Priscaro I: Lindholm	07/24/2013	Uninsured Fraud
Treadway, Timothy	2013-173 P13CRM0670	P: Lorente I: Lindholm	04/11/2013	Uninsured Fraud
Tyler, Jonathan	2013-206 P13CRM0712	P: Lorente I: Lindholm	04/20/2013	Uninsured Fraud
Valladolid, Ramon	2013-391 S13CRM0764	P: Priscaro I: Lindholm	10/14/2013	Uninsured Fraud
Vazquez-Delgado, Baudelio	2013-301 S13CRM0665	P: Priscaro I: Lindholm	07/24/2013	Uninsured Fraud
Vazquez-Delgado, Luis Manuel	2013-298 S13CRM0662	P: Priscaro I: Lindholm	07/24/2013	Uninsured Fraud
Vazquez-Magdaleno, Jesus	2013-163 P13CRM0794	P: Lorente I: Lindholm	04/11/2013	Uninsured Fraud
Vigneault, John	2013-303 S13CRM0659	P: Lorente I: Lindholm	07/24/2013	Uninsured Fraud
Watson, Sherri	P13CRM1546	P: Lorente	06/05/2013	Uninsured Fraud
Whorley, George	2013-290 S13CRM0660	P: Lorente I: Lindholm	07/24/2013	Uninsured Fraud
Winter, Alan	2013-204 P13CRM0713	P: Lorente I: Lindholm	04/25/2013	Uninsured Fraud

<b>Xirouhakis, Antoinios</b>	<b>P11CRM0036</b>	<b>P: Lorente I: Lindholm</b>	<b>12/02/2010</b>	<b>Uninsured Fraud</b>
<b>Zamora, Nicole</b>	<b>2013-281</b>	<b>I: Lindholm</b>	<b>07/03/2013</b>	<b>Claimant Fraud</b>

Rows can be inserted as needed.