

CONTRACT ROUTING SHEET

Date Prepared: 7/2/09

Need Date: ASAP

PROCESSING DEPARTMENT:

Department: District Attorney
Dept. Contact: Jodi Albin
Phone #: 6421
Department: *[Signature]*
Head Signature: _____

CONTRACTOR:

Name: Department of Insurance
Address: 9342 Tech Center Drive
Sacramento, CA 95824
Phone: _____

EL DORADO COUNTY COUNSEL
2009 JUL -6 PM 5:56

CONTRACTING DEPARTMENT: District Attorney

Service Requested: Worker's Compensation Insurance Fraud Grant
Contract Term: One year Contract Value: \$275,000.00
Compliance with Human Resources requirements? Yes: _____ No: _____
Compliance verified by: _____

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

Approved: ✓ Disapproved: _____ Date: 7-8-09 By: *[Signature]*
Approved: _____ Disapproved: _____ Date: _____ By: _____

PLEASE FORWARD TO RISK MANAGEMENT. THANKS!

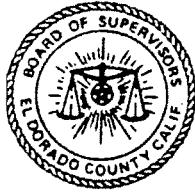
RISK MANAGEMENT: (All contracts and MOU's except boilerplate grant funding agreements)

Approved: ✓ Disapproved: _____ Date: 7/13/09 By: *[Signature]*
Approved: _____ Disapproved: _____ Date: _____ By: _____

EL DORADO COUNTY COUNSEL
2009 JUL 13 PM 8:14

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

Departments: _____
Approved: _____ Disapproved: _____ Date: _____ By: _____
Approved: _____ Disapproved: _____ Date: _____ By: _____



RESOLUTION NO.

OF THE BOARD OF SUPERVISORS OF THE COUNTY OF EL DORADO

WHEREAS, the El Dorado County Board of Supervisors desires to undertake a certain program designated Worker's Compensation Insurance Fraud to be funded in part from funds made available through the California Insurance Code Section 1872.83, California Code of Regulations Subchapter 9, Article 3 Section 2698.55 and administered by the California Department of Insurance:

NOW, THEREFORE, BE IT RESOLVED that the District Attorney of the El Dorado County District Attorney's Office is authorized to execute, on behalf of the Board Of Supervisors, the Grant Award Agreement including any extensions or amendments thereof which would be prompted by changes in funding levels from the State of California and would not increase net county costs:

BE IT FURTHER RESOLVED that the grant funds received hereunder shall not be used to supplant expenditures controlled by this body.

PASSED AND ADOPTED by the Board of Supervisors of the County of El Dorado at a regular meeting of said Board, held the _____ day of _____, 200__, by the following vote of said Board:

Attest:

Suzanne Allen de Sanchez
Clerk of the Board of Supervisors

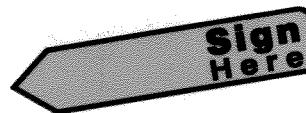
Ayes:

Noes:

Absent:

By: _____
Deputy Clerk

Chairman, Board of Supervisors



I CERTIFY THAT:

THE FOREGOING INSTRUMENT IS A CORRECT COPY OF THE ORIGINAL ON FILE IN THIS OFFICE.

DATE: _____

Attest: Suzanne Allen de Sanchez, Clerk of the Board of Supervisors of the County of El Dorado, State of California.

By: _____

INSURANCE COMMISSIONER
OF THE STATE OF CALIFORNIA

GRANT AWARD AGREEMENT

Fiscal Year 2009-2010

Workers' Compensation Insurance Fraud Program

The Insurance Commissioner of the State of California hereby makes award of funds to the **County of El Dorado**, Office of the District Attorney in the amount and for the purpose and duration set forth in this grant award.

This grant award consists of this title page and the application for the grant and made a part hereof. By acceptance of the grant award, the grant award recipient agrees to administer the grant project in accordance with all applicable statutes, regulations, and Request-for-Applications (RFA).

Duration of Grant: The grant award is for the program period **July 1, 2009** through **June 30, 2010**.

Purpose of Grant: This grant award is made pursuant to the provisions of California Insurance Code Section 1872.83 and shall be used solely for the purposes of enhanced investigation and prosecution of workers' compensation fraud cases.

Amount of Grant: The grant award agreed to herein is in the amount of **\$275,000**. This amount has been determined by the Insurance Commissioner with the advice and consent of the Fraud Assessment Commission based on the estimated funds collected pursuant to Section 62.6 of the Labor Code. However, the total actual award amount for the county is contingent on the collection of assessments and the authorization for expenditure pursuant to Government Code Section 13000 et seq. The grant award will be distributed pursuant to Section 1872.83 of the Insurance Code and to the California Code of Regulations Subchapter 9, Article 3, Sections 2698.53, 2698.54, and 2698.57.

Official Authorized to Sign for Applicant/Grant Recipient	STEVE POIZNER Insurance Commissioner
Name: Vernon Pierson Title: District Attorney Address: 515 Main Street Placerville, CA 95667	Name: Rick Plein Title: Deputy Commissioner
Date:	Date:

I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purposes of this expenditure.

Julia B. Cross, Fiscal Officer, CDI

Date

**CALIFORNIA DEPARTMENT OF INSURANCE
FRAUD DIVISION**

**WORKERS' COMPENSATION INSURANCE
FRAUD PROGRAM**

REQUEST-FOR-APPLICATION

FISCAL YEAR 2009-10

**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 2009-10 GRANTS**

**Grant Application
Checklist and Sequence**

The Request for Application MUST include the following:

	<u>YES</u>	<u>NO</u>
1. Is the Grant Application Transmittal sheet (Form 2) completed and signed by the District Attorney?	X	
2. Is the Program Contact Form (Form 3) completed?	X	
3. Is an original or certified copy of the Board Resolution (Form 4) included? If NOT, the cover letter must indicate the submission date.		X
4. The County Plan includes:		
a) County Plan Qualifications (Form 5)	X	
b) Staff Qualifications (Form 6(a))	X	
c) Organizational chart (Form 6(b))	X	
d) Program Report (DAR or Form 7)	X	
e) County Plan Problem Statement (Form 8)	X	
f) County Plan Program Strategy (Form 9)	X	
5. Is the Projected Budget included? (Forms 10-13)	X	
a) Line-item totals are verified?		
6. Is the Equipment Log (Form 13) completed and signed?	X	
7. Joint Plan (Attachment A)	X	
8. Case Descriptions (Attachment B)	X	

GRANT APPLICATION TRANSMITTAL FACE PAGE
Instructions for Fiscal Year 2009-10

GRANT APPLICATION TRANSMITTAL

The Grant Application Transmittal is the cover page for the application. The official signing of 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 Carry Over 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 fax version) must be on at least one copy of the Grant Application Transmittal.

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PROGRAM CONTACT FORM
Instructions for Fiscal Year 2009-10

Complete the Program Contact Form on the following page. For the purpose of this RFA, the contact for the CDI is the Local Assistance Programs Unit at (916) 854-5760.

**DEPARTMENT OF INSURANCE
PROGRAM CONTACT FORM**

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: RICHARD A. JONES

Title: LEAD ATTORNEY, WC INSURANCE FRAUD PROGRAM

Address: 515 MAIN STREET

PLACERVILLE, CA 95667

E-mail address: RAJONES@CO.EL-DORADO.CA.US

Telephone Number: (530) 621-6490 Fax Number: (530) 621-1280

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

Name: JODI ALBIN

Title: FISCAL ADMINISTRATIVE MANAGER

Address: 515 MAIN STREET

PLACERVILLE, CA 95667

E-mail address: JODI.ALBIN@EDCGOV.US

Telephone Number: (530) 621-6421 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: MARK P. MESSIER

Title: CRIMINAL INVESTIGATOR

Address: 515 MAIN STREET

PLACERVILLE, CA 95667

E-mail address: MMESSIER@CO.EL-DORADO.CA.US

Telephone Number: (530) 621-6412 Fax Number: (530) 621-1280

BOARD OF SUPERVISORS' RESOLUTION

Instructions for Fiscal Year 2009-10

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 2009-10 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, 2009**). 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) who 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 Council approval/review of the Grant Application. The Resolution will be forwarded by December 31, 2009.

COUNTY PLAN

Overall Instructions for Fiscal Year 2009-10

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 comprised 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.
- **Forms** containing narrative requirements are 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 and Form 10)**

In order to complete the County Plan, reference the definitions on page 11.

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**
Is the total amount of fraud that would result from all the counts actually charged or would be charged.
- **Documented Case Referral means:**
Cases received through specified dates that substantially comply with the documented case referral protocol.
FD-1's/SFC's 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**
Are defined as fines imposed by the court. Penalty assessments may be included. Do not include booking fees, probation supervision fees or restitution.
- **Insider fraud**
Defined as fraud committed by employees or agents of an insurance company, self-insured employer, 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 to a case. It does not include screening activities such as the initial review of SFC's or phone call referrals, initial California Insurance Code 1877.3 referrals, probation violations, or due diligence searches.
- **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, translation services.

THE DOCUMENTED REFERRAL

Summary	<p>This section covers the reporting of <i>substantiated</i> fraud cases. Once all four elements of fraud are identified, a documented referral is warranted. The entire documented referral protocol is included below.</p>
When is a Documented Referral Necessary?	<p>As covered in the previous chapter, any time 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>
What is a Documented Referral?	<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>
Documented Referral Outline	<p>Below is a suggested outline of the items and information that comprise a documented referral. Note that all the items may not 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>
Section I. General Identification Information	<p>Include the following general items in the report:</p> <ul style="list-style-type: none">• Case Synopsis: 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.• Suspect's Information: 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.• Insurance Information: Insurance company name, address, adjuster's name and telephone number, SIU investigator's name and telephone number, insurance company file number.• 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.

- **Other Agencies:** Any other agencies working on the case, along with the contact name and telephone number.
- **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, reports or interviews or 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.

**Section II.
Narrative
Statement,
(continued)**

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 (i.e., 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
- Identification of witnesses who will testify to this conclusion

**Section III.
Date of
Discovery of**

In the documented referral, it is imperative that the earliest date the possible criminal activity was discovered is provided. Include specific statements about when and how the fraud was discovered, who discovered it, and why

Suspected Fraud 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- Fax 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 (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 (i.e. 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 (letter, 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:
Premium Fraud**

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

- 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 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:

1. One defendant
2. Loss under \$10,000 Loss = Amount of chargeable fraud
3. One employer victim

Medium Case:

1. Loss from \$10,000 up to \$49,999.

Complex Case:

1. Loss from \$50,000 up to \$250,000.

Very Complex Case:

1. 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

e.g. A Standard case with at least 6 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 no-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-insured involved
8. Search warrant(s) involving 2 or more search locations
9. Special Master Warrant involved
10. Search warrant which 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 2009-10

In accordance with California Code of Regulations, Title 10, Section 2698.55, the County must submit a County plan. Please complete forms 5-10.

In answering the questions on Forms 05, 06, and 07, also be sure to include the following information:

QUALIFICATIONS

The Qualifications Section consists of these forms:

- *Form 05*
- *Form 06(a)*
- *Form 06(b)*
- *Form 07*

Complete and submit the Qualifications forms, providing updated information according to the instructions in the form section. **Please complete Attachment B, which is a confidential document.**

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.

INTRODUCTION TO EL DORADO COUNTY

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. El Dorado County has only two incorporated cities: Placerville and South Lake Tahoe. El Dorado County consists of a rural population of approximately 179,722 including an estimated work force of 95,600, the majority of who reside in the Western Slope communities of Placerville, Shingle Springs, Cameron Park and El Dorado Hills. El Dorado County is a large county of 1805 square miles. There was significant growth in the number of businesses and companies that have opened or relocated to the Western Slope area of the county, particularly in the communities of Cameron Park and El Dorado Hills through the fall of 2008.

Our recently elected District Attorney, Vern Pierson, has set a goal of making our office very active in the arena of consumer protection, generally, and fighting insurance fraud specifically. This effort being undertaken by the District Attorney dovetails directly with the stated goals of the Commissioner and the Fraud Division. From 2007 to present, our office has aggressively sought to educate consumers and employees of the protections to which they are entitled as well as prosecute those who deny them these protections. This office will allow citizens of the County access to the office for protection of their rights, as well as forum to report situations of potentially illegal conduct. As a significant part of this goal, enforcement of the Workers Compensation Fraud Program has become a cornerstone of the Consumer protection effort. This program allows for the protection of unwary workers, as well as protecting those employers who do obey the law. Now that our workers compensation team is in place, and with Mr. Pierson's known accomplishments in the field, El Dorado County has and is, instituting a very aggressive program, as evidenced by our accomplishments over the last year. Our program is staffed with a highly qualified investigator, and a senior and experienced trial attorney.

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.

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

The El Dorado County District Attorney's Office, in cooperation with the California Department of Insurance (CDI) has changed the focus of the Fraud Unit so as to balance our caseload and investigations into a wider range of cases.

In conformity with the Commissioners strategic vision and with the Fraud Assessment Commission (FAC) suggestions our efforts in 2008-2009 became more directed in the areas of premium fraud as well as employer misrepresentation defrauding employees.

We have expanded our involvement with the Employment Development Department (EDD) and the Division of Labor Standards Enforcement (DLSE) and are working far more cooperatively than in the past. As our elected DA, Vern Pierson, has promised we have had the ability to investigate and prosecute a more serious range of cases than ever before. By this we mean more involvement in 1871.4 cases as well as premium fraud matters and will become involved with medical providers thru increasing our outreach program in El Dorado County.

Again with the assistance of CDI and various involvements with SIU Departments from insurance carriers we are now developing a name in our county for assisting in the investigation of more complicated matters.

Our investigations are becoming much more thorough as our investigator obtains additional training and experience. Also, our relationships with other governmental agencies are developing a wider range of cases as our investigator is becoming more involved with these agencies and they are being included in our casework. By way of example, we have new premium fraud cases from State Compensation Insurance Fund (SCIF) as well as Liberty Mutual Insurance Company.

3700.5 LC Program – We still maintain our 3700.5 LC Program from last year though the emphasis upon that program has diminished as our focus has been redirected to employer/employee fraud (1871.4 IC) and to premium fraud issues. Though this program exists, the employer/employee fraud matters take considerably more time to investigate and complete and consume our single investigator's time. As an example of one extensive investigation, Mr. Messier has just completed an arrest of a restaurateur who owned several restaurants in three (3) separate counties. With the assistance of EDD and DLSE an eight (8) count felony has been filed, the charges include embezzlement, dissuading an employee from reporting a workers comp. injury and failing to pay certain taxes to EDD. This case is now pending and is to be set for Preliminary hearing. As a result of Mr. Messier's investigation, the restaurateur has closed business in Placer and Sacramento counties and only remains operational in El Dorado County.

We are becoming more involved in attempting to balance our caseload and become involved in the more serious criminality occurring in El Dorado County. We attribute our recent success to our direct involvement with many of the other state agencies with whom we have formed an alliance of work and cooperation.

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

Our primary "unfunded contribution" for 2008-2009 was the completed prosecution of a case mentioned in last year's RFA – this was an applicant fraud case that had been mischarged as a grand theft case, but in reality was a false claim perpetuated upon an employer with assistance from several associates. It was determined by our lead workers compensation attorney that this case could not be amended to add the appropriate workers compensation counts as there were significant statute of limitations issues and, as such, the case was tried to verdict as a theft of money case. Upon conviction at the Jury Trial, the Defendant was ordered to pay restitution in an amount of \$46,358.00 as well as significant jail time.

We found that we used police radios, vests, firearms, and safety equipment funded by the County. In addition, the following unfunded resources consisted of:

- The District Attorney's time to promote the program to secure funding from the board of Supervisors;
- Meetings with fellow District Attorneys to apprise them of the program; and
- Investigative and attorney staff that assisted the Worker's Compensation Fraud Investigator in the service of search warrants, arrest warrants and investigations.

Occasionally deputy district attorneys, not assigned to the program, would assist the assigned attorney by making court appearances when the assigned attorney needed coverage due to his unavailability on calendar conflicts

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.

As our Workers Compensation Fraud program continues under the leadership of our elected, Vern Pierson, our team remains constant in that our lead attorney and dedicated workers compensation investigator remain the same and will into the foreseeable future. However, we are supplementing our program with a new and experienced administrative person and an additional attorney on an "as needed" basis to assist in our incorporating an unfair business practice program to meld with workers compensation.

The policy of this office remains not to change the core of our group so as to maintain our experience and continuity levels within the guidelines of both CDI and the FAC.

Our policy also remains that all workers compensation cases, whether investigated in the South Lake Tahoe area or Placerville, will be initially filed thru the District Attorney's Placerville office and in the Superior Court in Placerville, CA. Recent experiences have seen a few attempts to move cases to the South Lake Tahoe court and our office has successfully opposed such attempts and will continue to do so. However, there is no guarantee that such efforts will always be successful, and if not, would require the lead attorney to travel to South lake Tahoe or increase the need for additional funding of an attorney in South Lake Tahoe. This is important particularly in winter months as Highway 50 is the main artery through the Sierras and is often closed.

It should be noted that our Workers Compensation Fraud Unit, consisting of one (1) Full-time Investigator and one (1) Part-time {35-40%} Deputy District Attorney, has successfully obtained twenty-two (22) convictions in the 2008-09 fiscal year; four (4) felonies and eighteen (18) misdemeanors.

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

We feel that 2008-2009 was a most important year relating to the breadth of our involvement with cases in collaboration with other state agencies. Last year was a great beginning with the Angora Fire and our developing a relation with CSLB and CDI. Throughout, our relationship has remained strong.

We have now changed our focus relating to the types of cases we are undertaking and that has been, in no small measure, because we have reached out to these other agencies. EDD has emerged as a significant partner in a case dealing with employer fraud. In the same light, DLSE has become a significant asset in developing cases against employers who are defrauding employees or remain as uninsured employers.

We continue to work with Franchise Tax Board (FTB) on our cases. However, our association with FTB has not been as significant this year as last. Also, we have maintained a close working relationship with Amador County DA's office and with Armondo Zambrano, their lead workers compensation attorney. We are presently corroborating with Mr. Zambrano in an ongoing investigation of an employer in Placer County who refused to release a witness to a matter before the El Dorado Grand Jury. Ultimately the witness testified before the Grand Jury concerning a murder case and we have now discovered this employer to not have workers compensation insurance.

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

Prosecutors	% Time	Time With Program Start date/End date
RICHARD A. JONES	35-40%	04/07 to Present
NOTE: Mr. Jones was OFF Duty for 2 months due to a serious health issue. Mr. Jones and Mr. Messier were OFF Duty or on Limited Duty at separate times.		
JAMES A. CLINCHARD	As needed	01/09 to Present

Investigators	% Time	Time With Program Start date/End date
MARK P. MESSIER	100 %	01/07 to Present
NOTE: This year Mr. Messier sustained a serious injury to his right arm and has been on Limited Duty for the past 3 months with an anticipated return to Full Time Duty within the next 2 months.		

ORGANIZATIONAL CHART
Instructions for Fiscal Year 2009-10

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

ORGANIZATIONAL CHART

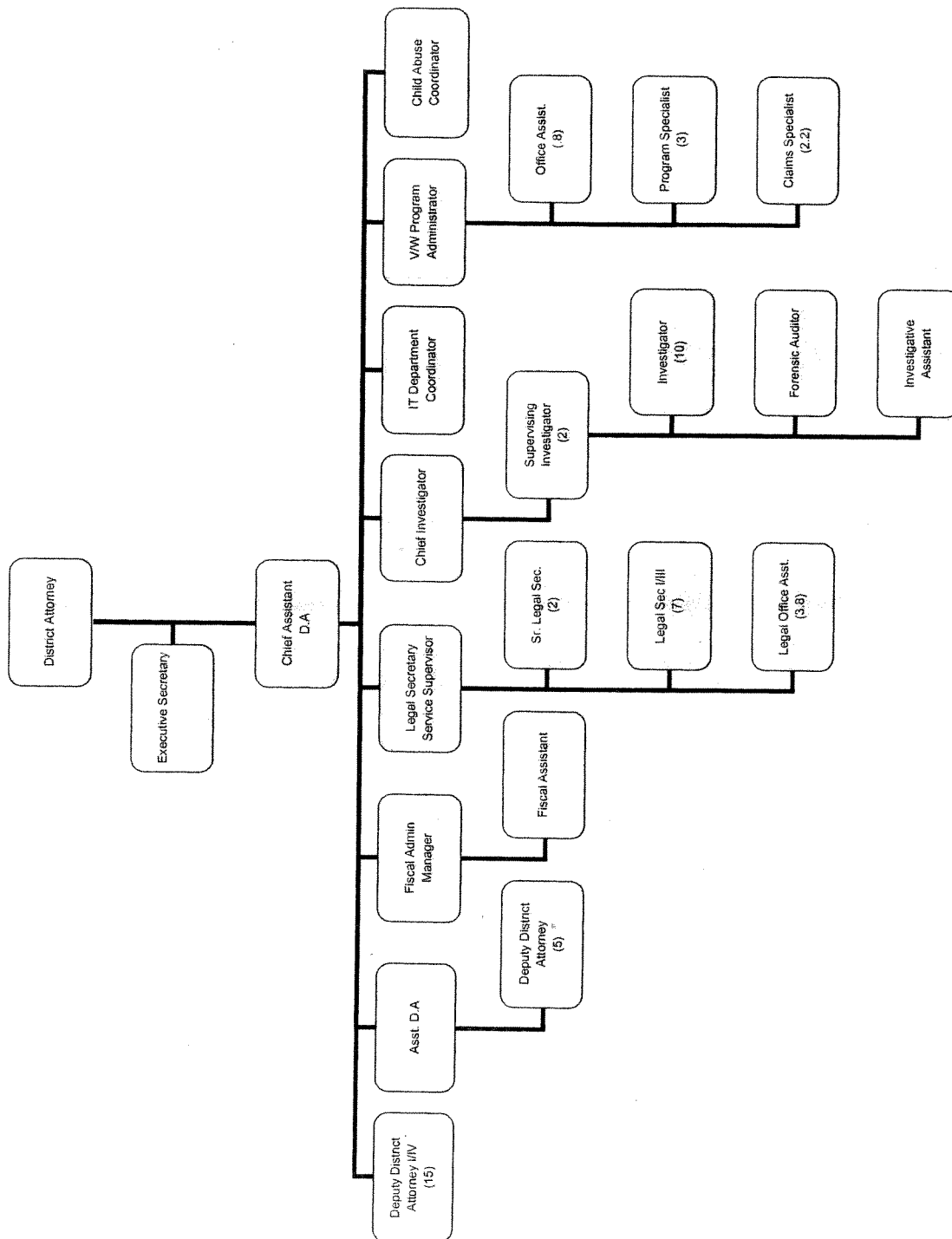
Provide an organization chart outlining:

- Personnel assigned to the program identifying the position and title and their placement in the lines of authority to the elected District Attorney.
- Clearly demonstrate 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 30 days.

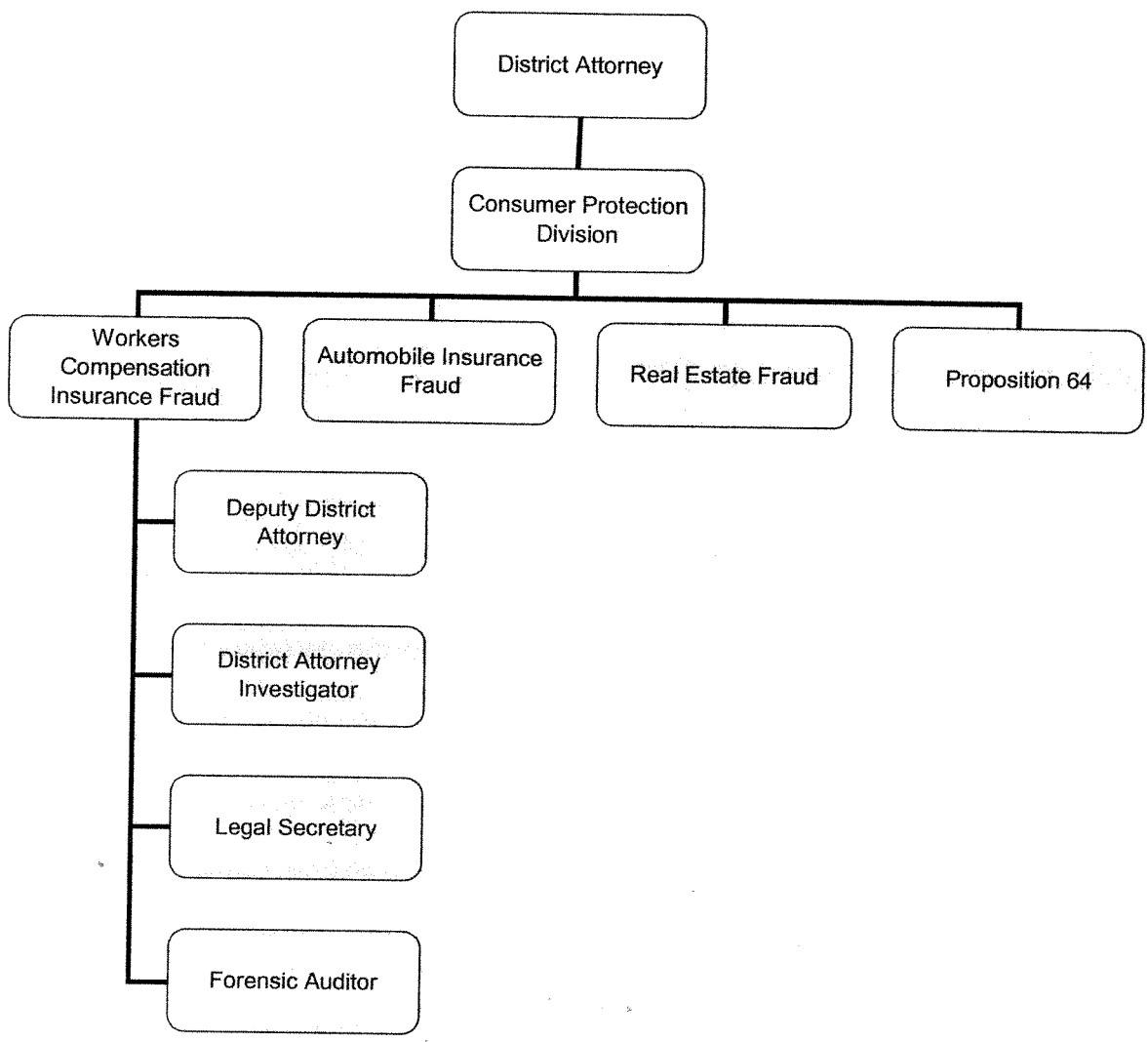
ORGANIZATIONAL CHART

District Attorney's Office



ORGANIZATIONAL CHART

Consumer Protection Division



DISTRICT ATTORNEY PROGRAM REPORT (DAR)

Instructions for Fiscal Year 2008-09

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 meet 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.

This version of the DAR comprises the program activity for the Grant Date period (July 1, 2008 through April 15, 2009).

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 Grant Date 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 **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 2008-09 mid-year DAR can be copied to the current Grant Date reporting period. Simply use the Search function to bring up your submitted 2008-09 mid-year DAR report and click the Copy function. This will automatically create a Grant Date reporting period version and will not require repeated input of some of the data.

Once submitted, a county is not required to mail the Grant Date 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

We have included an Excel version of the DAR report for your convenience. You will be required to save the Excel version to a hard drive or another disk, input the data, and include a printed copy with your county's RFA.

If you wish to complete this section of the RFA online, please e-mail Damian Scribner at scribnerd@insurance.ca.gov and request a user ID and password for your county.

This information has been provided electronically to the Department of Insurance pursuant to the DISTRICT ATTORNEY PROGRAM REPORT (DAR) Instructions listed above.

PROBLEM STATEMENT
Instructions for Fiscal Year 2009-10

In answering the questions on Form 08, also 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

- 1. Please describe the types and magnitude of workers' compensation insurance fraud (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.**

As stated in our Introduction El Dorado County has a bifurcated issue as the county is divided between the West side (West Slope) and the Lake Tahoe basin and different issues have arisen.

In this last year CDI and the El Dorado County D.A.'s office conducted an informational series of contacts with motels that research indicated did not have workers compensation insurance. The first contact was to advise these establishments of their need to have such if they had employees. On July 9, 2009 a sweep was conducted on those establishments that did not comply with the initial request to acquire workers compensation insurance. This investigation included investigators from CDI, El Dorado D.A.'s Office and DLSE. Though this was only a 3700.5 LC violation, information of what appears to be a more serious issue was derived. Subsequent to receiving the underlying reports from CDI some unusual circumstances were noticed.

Firstly, we observed that the ownership of these businesses were limited liability corporations (LLC) or partnerships (LLP). Our initial review then revealed the LLP's ownership were mostly investors out of Southern California.

The next observation of the actual ownership was that many of the same investors were involved in more than one of the LLP's.

We were also able to discover that these investments were acquired with the intention of razing the structures and rebuilding on these sites as South Lake Tahoe was undergoing new public construction in the immediately adjacent area to the motels. As it now appears, the construction has run into economic issues of unavailable funding and a substantial down turn in the business environment as a result of our national economy meltdown.

The impact to El Dorado County could be very serious. It would appear the ownership (management of the LLP's) has made a conscious decision to run these businesses without proper workers compensation coverage to save money, even when economic times were better. That, in conjunction with a large number of employees who have been working without coverage and therefore, at substantial risk were they to be injured, demonstrates a concerted effort for these entities to thwart their responsibilities.

The issue is more notable than merely bringing a simple misdemeanor charge of being an uninsured employer. As most of the employees of these entities are minorities and many Hispanic with no or limited English, they are truly ignorant of their rights as was demonstrated in our Spanish language interviews with many of them at the site when our sweep was conducted.

To further compound the blatant attempt to avoid their responsibilities as owners, it was determined that these LLPs had a common on-site manager. Interviews of the on-site manager revealed that he advised the management of these entities of their need to have workers compensation insurance, as he knew no such insurance was in place. To exacerbate the problem even further, it was determined that this on-site manager within his own management business has failed to acquire workers compensation insurance to cover his own employee who were of Ukrainian decent with limited command of English and were unaware of their rights as employees.

As a result of these findings, this case was brought to our elected D.A., Vern Pierson, with a recommendation to pursue these entities for an unfair business practice litigation pursuant to Business & Professions Code 17200. Since Mr. Pierson assumed his duties he had implemented strong leadership of consumer protection. As an element of protecting consumers from unfair and unscrupulous business practices our office has an attorney assigned to this area. As such, our workers compensation unit has the ability to associate with this attorney, Jim Clinchard, on cases such as this.

Mr. Clinchard and our lead workers compensation attorney are developing standards to determine if and when a workers compensation case would fall into the category of a case to be prosecuted as a 17200 B&P or whether we would pursue a matter in both the civil and criminal arenas. There are circumstances to this approach that need careful scrutiny. However, the potential for strong civil penalties, including restitution of investigation costs and fines with a judgment restricting the method by which these businesses conduct business is significant.

It can be said that a misdemeanor conviction of a business entity may not have the impact as a significant civil money sanction with corresponding restraining orders for a period of years into the future. By safeguarding the public generally and workers specifically from such business practices presents a "win-win" situation to this type of problem.

On the West slope other problems have come to the forefront. In our outreach to other state agencies, EDD and DLSE in particular, we have identified employer dishonesty. As an example of a recently charged case, we have proceeded against an employer not only for not having workers compensation, but dissuading an employee from attempting to obtain medical care, failure to pay withholding to the state while deducting withholding from the employees salary.

The impact of this type of conduct has serious and emotional impact upon the employee. When she was injured at work and later determining there was no workers compensation coverage she was unable to obtain needed medical assistance. She then

discovered that as the employer failed to report she was employed to EDD, she had no assistance available from the state as she could not establish she was ever an employee.

We have seen cases such as this arising, in part, due to the economic downturn. In response to this conduct, greater efforts are being instituted to visit more locations to ensure proper coverage is being provided and employees are being appropriately represented on payroll and that all withholding being collected is being turned over to the proper state agency.

That which is needed to resolve these various issues is concentrated vigilance of business practices in the County and outreach to business owners. Stringent enforcement of the law is a way to punish owners who choose to avoid the law and do what is necessary to assist those deprived of their rights whether they are an owner or employee. Please refer to FORM 09 for further detail.

PROGRAM STRATEGY
Instructions for Fiscal Year 2009-10

In answering the questions on Form 09 also 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
- 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.

The primary focus will be upon vigorous prosecution of offenders and outreach to victims and this year more outreach to medical providers being consistent with the stated goals of Commissioner Poizner.

Firstly, as to a more vigorous prosecution of offenders, our consumer protection unit has augmented our division with a Deputy District Attorney, Jim Clinchard, who has significant civil experience. He was formerly with the Contract Costa County District Attorney and has joined our group within the last year from a private civil practice. Also, by augmenting our group with Mr. Clinchard it will allow for a consistent back-up to our lead attorney in the event of Mr. Jones' unavailability.

We are now undertaking a program to prosecute cases under the "Unfair Business Practice" portion of the Business & Professions Code. We envision the 17200 actions to be instituted on a case-by-case basis. We have set standards which a case must meet before we undertake an unfair business practice litigation, and at this time we have undertaken one such litigation.

In this case, which is a South Lake Tahoe case, the underlying case was a joint action with CDI and DLSE. It is true that it was a 3700.5 matter but the suspects who own various motels are all LLP's. Once our research was complete and the ownership was determined, this case appeared to be a viable candidate as an unfair business practice matter. In actuality a significant financial sanction will have a more salient effect than a mere misdemeanor conviction against the business entity. This case, in essence, involves many Southern California investors who have acquired several motels in or around 2006-2007 in the City of South Lake Tahoe. The motels are in a "redevelopment corridor" near Stateline. These were purchased in this area with the intent the property would become more valuable upon the building and completion of a conference center nearby. These people decided to run the motels with the least possible cost and hence acquired no workers compensation insurance. As we believe it was a concerted effort amongst these entities to avoid the workers compensation obligation, an unfair business practice action is warranted.

As our cases reveal employers with larger numbers of employees are uninsured we are working more closely with EDD and DLSE. In one of our latest cases DLSE has issued fines of \$20,000.00 on the employer and has issued a subpoena for business records. Also, EDD has conducted an investigation and we have

filed a multi-county felony criminal complaint. In addition, we have been assisting the victim in this case and attempting to get her needed medical assistance and restitution. The matter is now scheduled to select a hearing date for the Preliminary Hearing.

We feel that prosecution of these cases will become common knowledge in the community, which is publicized thru the newspaper and press releases, and business practices of this type will be discouraged. This information is looked upon by the District Attorney's office as a strong deterrent to other businesses.

As an additional improvement to our operation we have restructured our fraud hotline over the last year. We now involve our Supervising Criminal Investigator and our civil/criminal prosecutor from our unfair business practice component and our lead workers compensation attorney and our administrative assistant in weekly meetings to review all contacts. We know from our recent experience with the "Fraud Hotline" that many leads are given concerning businesses that fail to have workers compensation insurance as well as from victims of unfair business practices. Not only does this team receive these calls, we also receive numerous email contacts to our website. We have created an easy to use Fraud Complaint to send to complainants so as to enhance communication with the public utilizing our hotline. We are now in a position that there is timely contact with each and every complainant.

As to specific areas, we will continue as follows:

Applicant Fraud:

- 1) Meet with business owners and office managers to promote awareness and understanding of the Program we now have, and the means by which applicant fraud is detected and reported.
- 2) Continue to advertise our Fraud Program in local and regional newspapers, and closely monitor our Fraud Hotline and internet website.
- 3) Maintain a close liaison with county Risk Management and their counterparts in the City of Placerville and South Lake Tahoe.
- 4) Provide prompt responses to case referrals from CDI, insurance providers, third party administrators, and complaints received through our Fraud Hot Line and Web Site.
- 5) Maintain public awareness of the Program through personal appearances at business and industry functions.
- 6) Continue our excellent relationship with EDD and Department of Labor, Division of Labor Standards and Enforcement.

Premium Fraud:

- 1) 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.
- 2) Maintain liaison with EDD and review the results of their compliance audits of local businesses.
- 3) Meet with and encourage local law enforcement to be alert to premium fraud issues when search warrants are served on local businesses.
- 4) Involve as a part of our outreach program, contact with seasonal employers such growers in the agricultural community and ski resorts.

Other Fraud:

- 1) Meet with business owners, office managers and Risk Management/Human Resource supervisors to promote awareness and understanding of the Program and the means by which legal/medical, and capping fraud is detected and reported.
- 2) Advertise our Program in local and regional newspapers, and closely monitor our Fraud Hot Line and internet web site.
- 3) Maintain a close liaison with county Risk Management and their counterparts with the City of Placerville and South Lake Tahoe.
- 4) Provide prompt responses to case referrals from CDI, insurance providers, third party administrators, and complaints received through our Fraud Hot Line and web site.
- 5) Promote the Program through personal appearances at business and industry functions.

We intend to readily review all cases presented to us for investigation and prosecution, apply to those cases the knowledge and experience gained through prior investigations and prosecutions, investigate those cases when warranted, and vigorously apply the appropriate criminal and civil remedies.

We will maintain an open-door policy for every source from which a fraud case referral could be made, be it an informant, an insurance company, law enforcement agency or the Department of Insurance. We have responded to referrals from all of those sources and intend to continue that process in FY 2009/2010.

In keeping with our "open door" policy, we will be, and have been, available to CDI, SIU divisions and Private Investigative groups working with insurance companies to offer legal consultation, review potential cases, and search warrant requests.

The Program Manager will immediately review all new cases referred for investigation, prioritize them, provide a timely response and apply the appropriate investigative resource.

The county will continue to apply an early-detection and prevention approach to the workers' compensation insurance fraud problem. Early detection made possible by facilitating the fraud reporting process, and prevention through education and vigorous prosecution. We have learned significant lessons this last year and as we learn more about the problems that confront our county we will apply our knowledge and direct our efforts toward new methods of detection, prevention and prosecution.

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?

Lead attorney 40%.
Continue filing in Placerville.
Had to delete investigator in Tahoe.
Balanced caseload.

Predicated upon goals published for the FAC and the Insurance Commissioner for 2009-2010 we have expended substantial effort to "balance" our caseload as was discussed at the recent meeting with the FAC. As a result of this effort we have become involved in more premium fraud issues with a charged felony case, two major applicant fraud cases of which one is pending and one pled to a felony 1871.4 IC.

Last year we indicated Mr. Jones, our lead attorney, would attempt to expend forty percent (40%) of his time dedicated to workers compensation fraud. As of the writing of this RFA, Mr. Jones' time is actually 35% but will reach 40% by the close of the fiscal year. This is a significant increase over the prior year, which was approximately 20% of his time.

Also, as to Commissioner Poizner's correspondence of March 23, 2009 our program seems to be in conformity with his stated goals.

Our efforts this fiscal year, have focused on a "Balanced Caseload" as Mr. Poizner sets forth. As we relate elsewhere in this RFA we have refined our effort in the area of Restitution. We are working to follow the restitution payments ordered by the court and we are now involving ourselves in the determination of a defendants assets, as is required by the Penal Code.

Also, we will investigate all cases brought to our attention. It is important to the public, consumers and employees as well as employers not to set artificial financial limits as a key to felony cases.

El Dorado County is performing well and maintaining a high level of performance. As our team is really entering into its third year we are maintaining our core group intact. Funds we have received from the FAC have been well directed into investigations that have proven fruitful.

Our outreach efforts in the Workers Compensation arena have been directed to both the employer community as well as the medical community as explained in this RFA which will continue into this next fiscal year.

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

Mr. Messier and Mr. Jones have undertaken a new project dealing with the medical community on the West Slope. Predicated upon the assumption that in the past many workers seek treatment, at the request of the employer, and the injury is not reported as work related. Mr. Messier has had contact with the administration at Marshall Hospital, El Dorado County's only hospital on the West Slope. In conjunction with Marshall Hospital contact has been made with various medical clinics that provide some degree of urgent care. As it appears more employers are going without workers compensation insurance we are hoping to build our relationship with medical providers to associate with us in determining improper conduct. We are anticipating this interaction to be continuing through the next year as there are numerous branch offices to be included.

As we indicated last year, El Dorado County felonies are increasing. More importantly the seriousness and complexity of our cases is enhanced over last year. It will be these cases that may well take more time to resolve and they certainly require significantly more time to investigate.

4. Training and Outreach

- **List the training received by each county staff member in the workers' compensation fraud unit during the fiscal years 2007-08 and 2008-09.**
- **Describe what kind of training/outreach you provided in Fiscal Year 2008-09 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.**
- **Describe what kind of training/outreach you plan to provide in Fiscal Year 2009-10 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.**

Mr. Mark Messier, Criminal Investigator attended the Northern California Fraud Investigators Association (NCFIA) Conference in April, 2009. The Conference is co-sponsored by CDAA and CDI.

For the 2009-2010 fiscal year, Mr. Messier and Mr. Jones, as part of the training/outreach, will continue our relationship with the El Dorado Builders Exchange and update the contractors on the law and our activities. We will continue our attendance at Builders Exchange functions and exhibits to contact the public informing them of their rights and expectations. Presently the El Dorado District Attorneys office, together with Amador County District Attorneys office are in the planning stage to present a seminar on workers compensation to businesses with South Lake Tahoe Chamber of Commerce. We are also continuing our public outreach by maintaining our fraud hotline in English and Spanish. Mr. Messier and Mr. Jones will attend the CDAA Annual Workers Compensation Conference.

For the period 2009-2010 we plan on more interaction with various SIU divisions within the insurance carriers. As to private investigative groups we have handled cases from Capital Claims Service located in El Dorado County. The management of that organization has assisted us recently in a major felony case and has offered any assistance we need. We will be associating with them on the investigation if that is needed to prosecute a matter and what we can provide to assist them in preparation of investigative reports.

As was true last year, we continue to have more contact with internal courier SIU department and the private sector SIU investigators.

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.

The workers compensation lead attorney, Richard Jones, has met with the Superior Court concerning the use of the Workers Compensation Fraud Account. Initially it appeared the court did not have an account into which fines ordered on workers compensation cases could be deposited. However, at this point, it appears there is such an account and monies have been deposited over the last year.

We now have an administrative assistant who is capable of accessing the court files so as to track monies paid as a result of court orders. From the court records we can determine each payment a defendant makes and determine the date and amount of such payments.

Likewise, our access will indicate if a defendant fails to make payments pursuant to the court order. As our administrative assistance reviews on a regular basis the progress of payments in order to determine an individuals' defalcation.

Upon determination that an individual ordered to pay these monies is in default, a letter will be generated to the defendant advising of the court order and how much money is due. In the event this warning is ignored, we will file a Violation of Probation and bring the individual before the Court to explain why they are in default.

Also, there are some cases where the maximum 3700.5 LC fine is imposed but stayed for the period of probation. This stay is, however, lifted if the suspect is found to have

violated the law during his probation. If that situation arises we will not only file on the new charges but bring a Violation of Probation on the underlying case and seek a court order forcing payment of the stayed fine amount.

We have also started enforcing our rights pursuant to PC Section 1202.4(F)(4) and its subsequent subsections. An interesting aspect of this particular section, if the defendant fails to complete the Asset Statement the Court has the power to order the defendant to be examined, relative to his assets, by the District Attorney. Our Court in El Dorado has not availed itself to this methodology so our office has begun to compel the Court to become compliant. Attached as Exhibits 1, 2 and 3 are copies of the Judicial Council forms the Court is required to use.

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

Project: Our primary objective for fiscal year 2009/2010 is forming a coalition with our lead medical community to fight workers compensation fraud. As stated above we are starting to work with Marshall Hospital and the urgent care clinics to enlighten them as to the problem of workers compensation abuse and to enlist their assistance in reporting violations. Our first step is education and informing them of the significance of the problem. We feel that once they actually grasp the issues and primarily how the failure of the employer to adequately insure affect the well being of the patient, we can work together. We will have to address HIPAA concerns but we feel, based on our recent past experience with Marshall Hospital, these issues are resolvable.

- a. 30 new investigations will be initiated during FY 2009-10.
- b. 12 new prosecutions will be initiated during FY 2009-10.

**COUNTY PLAN
PROGRAM STRATEGY (CONT.)**

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.**

As we are requesting a modest increase this year, we have a strong need for a part-time investigator in the Lake Tahoe Basin. Mr. Messier is covering this area presently, but having an individual available for follow-up on his investigation is important. As this geographical area is distant from Placerville, it will be far more efficient and cost effective to have an investigator available in this area.

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.**

In 2007/2008 Investigator Mark Messier developed a very active 3700.5 program. This program was, however, limited in its scope as it primarily targeted uninsured contractors. The problem that we discovered after we initiated the program was that it led to an "unbalanced" caseload. We plan to expand our efforts to cover many other forms of employer abuse and dishonesty dealing with premium fraud and applicant employer fraud. As our relationship with medical providers expands this may lead to areas of provider fraud.

Our association with others is developing and maturing and we have seen significant improvement with agencies such as EDD and DLSE. This is allowing us to gather information through investigations not previously available and to the filing of more complex cases at a felony level. As an example we have just filed a multi-felony count case against an employer who was not only uninsured but was dissuading his employee from reporting her injury as work related. Prior to Mr. Messier being dedicated full-time to our workers compensation fraud unit, filing a case of this magnitude would not have been possible.

We have also forged relations with various SIU's in the private side of the business. That effort has led to prosecuting applicant fraud leading to a felony conviction in 2008 with substantial restitution ordered.

CDI has been of substantial assistance in investigations of uninsured employers this last year as well. By way of example of work done, our investigator and lead attorney were involved in an operation targeting uninsured employers who owned

several motels in South Lake Tahoe. CDI investigators and our office went to each of the identified entities and discovered that there were numerous employees at these entities, mostly Hispanic non-English speaking. A significant issue with this failure by the employer is not only the advantage being taken of these employees but the risk of harm to them if injured. These employees had no idea of their rights but we must consider the social impact if injured seriously and being without medical care and then no income to support their family obligations. Though this case started as just a 3700.5 matter our joint investigation has elevated this case to a potentially significant piece of litigation, which is becoming a new tool in our efforts to fight employer fraud, discussed below.

As a result of Mr. Pierson's commitment to protect consumers and workers we have added to our Consumer Fraud Unit an attorney with both criminal and civil background. Specifically, we have experienced situations with uninsured employers where the filing of a mere misdemeanor case does not properly punish the offending employer to the extent his misconduct would justify and hence the need for significant civil money penalties.

As in the South Lake Tahoe case, the ownership of these entities involves many of the same people who have deliberately, to reduce costs, chose not to insure their workers. This was a determined and purposeful business practice that is unfair and unlawful.

With this theory in mind and now with a capable and experienced civil advocate in our unit, El Dorado County has the ability to utilize the "Unfair Business Practice" law to pursue these types of business. We feel that the substantial pecuniary fines available and injunctive relief capacity that we can more effectively address this type of uninsured conduct. Not only are these penalties substantial and long lasting, it sends a clear message within the community that this form of misconduct will not be accepted nor tolerated by our District Attorney Office and CDI.

BUDGET
Instructions for Fiscal Year 2009-10

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 5, question #2. However, applicants should not include any funds or expenses from these sources in the program budget.

DETAILED BUDGET CATEGORY INSTRUCTIONS

PROGRAM BUDGET

The purpose of the Program Budget is to demonstrate implementation of the proposed plan with the funds available through this 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 modifications 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 so 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 a motor vehicle that is specifically requested and justified to the Commissioner
- Interest payments
- Food and beverages, except as purchased in connection with program-related travel
- Weapons or ammunition unless included as part of a benefit package

BUDGET CATEGORY INSTRUCTIONS (Continued)

2. Allowable Budget Items

Allowable costs are those costs incurred in direct support of local program activities, including 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

BUDGET CATEGORY INSTRUCTIONS (Continued)

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 1-1/2 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 **55 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 55 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 in an undercover or other investigative capacity. It may include purchase of information, physical evidence or services.

BUDGET CATEGORY INSTRUCTIONS (Continued)

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 of personnel salaries (excluding benefits and overtime), or 5 percent 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 (i.e., 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 budgets may include a line item for the cost of obtaining an independent financial audit. The financial audit is to be prepared by an independent auditor who is a qualified state or local government auditor or 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 Request for Application and County Plan.

C. Equipment:

Equipment is defined as nonexpendable 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.

BUDGET CATEGORY INSTRUCTIONS (Continued)

Automobiles: The purchase of automobiles must be justified to and approved by the Commissioner. A separate justification must be submitted. If justified, 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

- A. **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/ard/manual/cntyman/pdf> or request copies by completing and submitting the SCO request form at <http://www.sco.ca.gov/ard/manual/manualrequest/pdf>.

BUDGET CATEGORY AND LINE-ITEM DETAIL		COST
A. Personnel Services - Salaries/Employee Benefits		
Salaries (including Tahoe differential, bi-lingual, standby, longevity, overtime and deferred comp)		
DA Investigator	1.50 FTE	142,015
Deputy District Attorney	.40 FTE	41,316
Legal Secretary	.30 FTE	7,867
Forensic Auditor	.15 FTE	6,274
Benefits		
Medicare:		
DA Investigator	1.50 FTE	1,976
Deputy District Attorney	.40 FTE	584
Legal Secretary	.30 FTE	114
Forensic Auditor	.15 FTE	91
Health/Flex:		
DA Investigator	1.50 FTE	17,248
Deputy District Attorney	.40 FTE	6,185
Legal Secretary	.30 FTE	1,338
Forensic Auditor	.15 FTE	1,261
Retirement/PERS:		
DA Investigator	1.50 FTE	44,885
Deputy District Attorney	.40 FTE	8,025
Legal Secretary	.30 FTE	1,498
Forensic Auditor	.15 FTE	1,220
Disability Insurance:		
DA Investigator	1.50 FTE	464
Deputy District Attorney	.40 FTE	145
Legal Secretary	.30 FTE	28
Forensic Auditor	.15 FTE	23
Unemployment Insurance:		
DA Investigator	1.50 FTE	966
Deputy District Attorney	.40 FTE	302
Legal Secretary	.30 FTE	59
Forensic Auditor	.15 FTE	47
TOTAL		283,931

BUDGET CATEGORY AND LINE-ITEM DETAIL	
B. Operating Expenses	COST
Memberships:	
California District Attorney's Association	40
State Bar of California	140
California District Attorney Investigator's Association	38
Northern California Fraud Investigators Association	40
Law Books:	
California Insurance Code	23
Legal Notices:	
Ahora – Monthly public notices \$57.00/mo x 12 months	684
Rent & Lease Vehicle:	
Co Vehicle 15-169 Messier est. mileage 10,925 x .2292 (Fleet Rate)	2,504
Audit Fee:	
El Dorado County Auditor/Controller (required)	7,600
Indirect / Administrative Cost Allocation: insufficient budget to invoice indirect	
TOTAL	11,068

BUDGET CATEGORY AND LINE-ITEM DETAIL	
C. Equipment	COST
None	
CATEGORY TOTAL	0
PROGRAM TOTAL	295,000
INTEREST TOTAL	

EQUIPMENT LOGS

Equipment Log for FY 2008-09
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/Program Director**

Signature: 

Date: 4/29/09

ATTACHMENT A

JOINT PLAN

GUIDELINES FOR PREPARING A JOINT PLAN

Purpose of the Joint Plan

A Joint Plan helps achieve some very important goals for both county district attorneys and the Fraud Division. The joint plan, when properly developed and agreed upon, creates the framework for effective communication and resource management in the investigation and prosecution of insurance fraud.

ELEMENTS OF THE PLAN

Based upon review of past and current joint plans by county prosecutors and the Fraud Division, the following elements should be covered within the plan, but should not be considered all-inclusive:

1. **Statement of Goals**
Include what is expected to be achieved by the joint plan. The joint plan will reflect the Insurance Commissioner's strategic initiatives and the Fraud Assessment Commission's objectives.
2. **Receipt and Assignment of Cases**
Discuss the procedures to deal with fraud complaints and referrals that are received by only the Fraud Division or district attorney. What if both offices receive the same complaint? What arrangements will be made to avoid duplication of effort? How often will the two agencies meet/confer to share information on case referrals?
3. **Investigations**
When the District Attorney first receives a case, discuss the criteria for when/if the Fraud Division's resources will be requested. Identify the plans and methods to develop cases between the two agencies and with allied agencies. Identify how the parties will avoid any duplication of investigative efforts. Define the manner in which the case investigative plan is in concurrence to investigate and prosecute if the fact expectation is met.

Discuss the time frames for initial and follow-up meetings between the assigned Fraud Division investigator(s) and the assigned prosecutor(s) for a case. Discuss how soon after a joint investigation is opened, the named prosecutor(s) and investigator(s) will be expected to meet.

4. **Undercover Operations**
Discuss the expectations and roles of both offices with respect to undercover operations conducted by the Fraud Division or jointly with district attorney investigators.
5. **Case Filing Requirements**
Discuss the filing requirements for cases presented to the county prosecutor. Set forth the guidelines that are generally expected for case filings.
6. **Training**
Discuss plans for any joint training between the District Attorney's Office and the Fraud Division. Indicate any plans to conduct joint training and outreach to insurance companies (and Special Investigative Units), other law enforcement agencies, self-insurers and others.
7. **Problem Resolution**
Discuss the procedures and methods to resolve issues that may surface during the investigative/prosecutorial stages. At what level are they to be resolved? Include a discussion of the process to be used in resolving any conflict in the direction or scope of the investigation.
8. **Joint Acceptance of Plan, Required Signatures and Date**
Both the county prosecutor in charge of the insurance fraud program and the Captain of the Fraud Division office responsible for that county and program must agree upon the plan. **Both parties must sign and date the Joint Plan.** Copies of all Joint Plans will be maintained at the Fraud Division Headquarters in Sacramento for review by both the Insurance Commissioner and the Fraud Assessment Commission.

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 2008-09.
3. Include those being worked jointly with the CDL. (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.

Name	Investigation Case #	Prosecutor(s) Investigator(s)	Date Assigned	Description
Ali, Imran	2008-256	I – Mark Messier	7/10/2008	3700.5 Investigation
Artistic Living Studio, et al.	2008-312	I – Mark Messier	8/20/2008	3700.5 Investigation/Turned over to CSLB
Balius, Shelly Joseph	2008-338	P – Richard Jones I – Mark Messier	9/4/2008	SLT Motel Sweep
Berbles, Vince	2009-137	I – Mark Messier	3/23/2009	CDI - SFC
Bolnov, Zdravko	2008-338	P – Richard Jones I – Mark Messier	9/4/2008	SLT Motel Sweep
Borges, David	2008-257	I – Mark Messier	7/10/2008	1871.4 Investigation

Burvant, Lantz	2008-251	I – Mark Messier	7/2/2008	1871.4 Investigation
Cain, Robert Michael	2008-332	I – Mark Messier	9/3/2008	SCIF – SFC 1871.4 IC
Choe, Yong Shek	2008-275	P – Richard Jones I – Mark Messier	7/23/2008	Premium Fraud/3700.5 Investigation
Cortez, Luis	2008-246	I – Mark Messier	7/1/2008	7028 BP /3700.5 LC Investigation
Crews, Mathew	2008-368	I – Mark Messier	9/24/2008	7028 BP Investigation
Gleave, John	2008-274	I – Mark Messier	7/23/2008	3700.5 Investigation – AOA CLSB
Golobe, Jerry L.	2009-151	I – Mark Messier	3/26/2009	3700.5 Investigation
Hatch Construction	2008-365	I – Mark Messier	9/18/2008	3700.5 Investigation
Home Recyclers Construction	2008-516	I – Mark Messier	12/23/2008	Angora Fire - SLT
Hughes, Jason Andrew	2008-507	I – Mark Messier	12/18/2008	3700.5 Investigation
Kostelinik, Tiffany	2008-253	I – Mark Messier	7/3/2008	Applicant Fraud
Malone, Timothy	2008-183	I – Mark Messier	5/23/2008	Premium Fraud Investigation
Martinez, Juan	2008-318	I – Mark Messier	8/21/2008	3700.5 Investigation - AOA CSLB
Mcready, Joshua	2008-273	I – Mark Messier	7/23/2008	3700.5 Investigation – Ref. to CSLB
Mejia, Fernando	2008-249	P – Richard Jones I – Mark Messier	7/1/2008	487 PC/3700.5 Investigation
Miller, Richard	2009-152	I – Mark Messier	3/27/2009	AOA Amador w/Placer Cty Suspect
Mountain High Roofing	2008-520	I – Mark Messier	12/24/2008	SFC – Premium Fraud
Neill, Charles	2009-101	I – Mark Messier	3/4/2009	Applicant Fraud Investigation
O’Keefe, James	2009-131	I – Mark Messier	3/4/2009	3700.5 Investigation
Perez, Emilio	2008-188	I – Mark Messier	5/30/2008	3700.5 Investigation
Pierce, Larry	2008-403	I – Mark Messier	10/16/2008	3700.5 Investigation - Ref. to CSLB
Pollack, Alan	2008-338	I – Mark Messier	9/4/2008	3700.5 Investigation
Raley’s – South Lake Tahoe	2008-066	I – Mark Messier	2/26/2008	Employee Benefits Investigation
Reed, Paul Thomas	2009-102	I – Mark Messier	3/4/2009	3700.5 VOP
RMG Concrete Pumping, Inc.	2009-026	I – Mark Messier	1/13/2009	3700.5 Investigation - AOA CLSB
Ruller, Blair	2009-143	I – Mark Messier	3/24/09	AOA – Applicant Fraud
Santana Landscape	2009-004	I – Mark Messier	1/2/2009	3700.5 Investigation
Seo, Una	2008-275	P – Richard Jones I – Mark Messier	7/23/2008	Premium Fraud/3700.5 Investigation
Sierra Nevada House	2009-104	I – Mark Messier	3/4/2009	3700.5 Investigation
Sifford, Jerry	2008-311	I – Mark Messier	8/19/2008	3700.5 Investigation
Silva, Jose Gabriel	2008-427	I – Mark Messier	10/29/2008	3700.5 Investigation - AOA CSLB

Sims, Cecil Edward	2008-322	I – Mark Messier	8/26/2008	3700.5 Investigation
Stanley, Paul	2009-151	I – Mark Messier	3/26/2009	3700.5 Investigation
Tahoe Building Contractors	2008-113	I – Mark Messier	4/8/2008	7027.3 / 3700.5 Investigation
Universal Building	2009-009	I – Mark Messier	1/6/2009	Premium Fraud Investigation

ATTACHMENT A
JOINT INVESTIGATIVE PLAN

Memorandum of Understanding

Fiscal Year: 2009/2010

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 - Insurance Fraud 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.

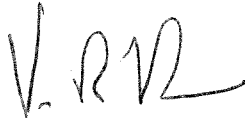
6. TRAINING

- 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.

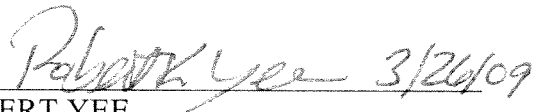
- b) The parties will participate in joint informal training sessions, as necessary, on issues important to the investigation and prosecution of insurance fraud cases. The parties will assist each other, when requested, in training sessions, for insurance carriers and administrators, or issues important 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.



VERN R. PIERSON
District Attorney
County of El Dorado



ROBERT YEE
Chief Investigator
Department of Insurance

NAME OF VICTIM ON WHOSE BEHALF RESTITUTION IS ORDERED:	FOR COURT USE ONLY
NAME OF COURT: STREET ADDRESS: MAILING ADDRESS: CITY AND ZIP CODE: BRANCH NAME:	
PEOPLE OF THE STATE OF CALIFORNIA vs. DEFENDANT:	
DEFENDANT'S STATEMENT OF ASSETS	CASE NUMBER:

It is a misdemeanor to make any willful misstatement of material fact in completing this form (Pen. Code, § 1202.4(f)(4).)

(Attach additional sheets if the space provided below for any item is not sufficient.)

PERSONAL INFORMATION

- 1. a. Name:
- b. AKA:
- c. Date of birth:
- d. Social security number:
- e. Marital status:
- f. Driver license number:
- State of issuance:
- g. Home address:
- h. Home telephone no.:
- i. Employer's telephone no.:

EMPLOYMENT

- 2. What are your sources of income and occupation? *(Provide job title and name of division or office in which you work.)*
- 3. a. Name and address of your business or employer *(include address of your payroll or human resources department, if different):*
- b. If not employed, names and addresses of all sources of income *(specify):*
- 4. How often are you paid (for example, daily, weekly, biweekly, monthly)? *(specify):*
- 5. What is your gross pay each pay period? \$
- 6. What is your take-home pay each pay period? \$
- 7. If your spouse earns any income, give the name of your spouse, the name and address of the business or employer, job title, and division or office *(specify):*
- 8. Other sources of income *(specify):*

CASH, BANK DEPOSITS

- 9. How much money do you have in cash? \$
- 10. How much other money do you have in banks, savings and loans, credit unions, and other financial institutions either in your own name or jointly *(list):*

	<u>Name and address of financial institution</u>	<u>Account number</u>	<u>Individual or joint?</u>	<u>Balance</u>
a.				\$
b.				\$
c.				\$

PROPERTY

	<u>Make and year</u>	<u>Value</u>	<u>Legal owner if different from registered owner</u>	<u>Amount owed</u>
a.		\$	-	\$
b.		\$		\$
c.		\$		\$

(Continued on reverse)

Exhibit 1

PEOPLE OF THE STATE OF CALIFORNIA vs. DEFENDANT:	CASE NUMBER:
---	--------------

12. List all real estate owned in your name or jointly:

	<u>Address of real estate</u>	<u>Fair market value</u>	<u>Amount owed</u>
a.		\$	\$
b.		\$	\$

OTHER PERSONAL PROPERTY (Do not list household furniture and furnishings, appliances, or clothing.)

13. List anything of value not listed above owned in your name or jointly (continue on attached sheet if necessary):

	<u>Description</u>	<u>Value</u>	<u>Address where property is located</u>
a.		\$	
b.		\$	
c.		\$	

ASSETS

14. List all other assets, including stocks, bonds, mutual funds, and other securities (specify):

15. Is anyone holding assets for you? Yes. No. If yes, describe the assets and give the name and address of the person or entity holding each asset (specify):

16. Except for attorney fees in this matter and ordinary and routine household expenses, have you disposed of or transferred any assets since your arrest on this matter? Yes. No.

If yes, give the name and address of each person or entity who received any asset and describe each asset (specify):

DEBTS

17. Loans (give details):

18. Taxes (give details):

19. Support arrearages (attach copies of orders and statements):

20. Credit cards (give creditor's name and address and the account number):

21. Other debts (specify):

Date:

(TYPE OR PRINT NAME)	▶	(SIGNATURE)
----------------------	---	-------------

I, (name): _____, a certified interpreter, having been duly sworn, truly translated this form to the defendant in the (specify language): _____ language. The defendant indicated that he/she understood the contents of the form and he/she completed the form.

Date:

(TYPE OR PRINT NAME)	▶	(SIGNATURE)
----------------------	---	-------------

Exhibit 1

ATTORNEY OR PERSON WITHOUT ATTORNEY (Name, State Bar number, and address):

Recording requested by and return to:

TELEPHONE NO: _____ FAX NO. (Optional): _____

E-MAIL ADDRESS (Optional): _____

ATTORNEY FOR JUDGMENT CREDITOR ASSIGNEE OF RECORD

SUPERIOR COURT OF CALIFORNIA, COUNTY OF _____

STREET ADDRESS: _____
 MAILING ADDRESS: _____
 CITY AND ZIP CODE: _____
 BRANCH NAME: _____

FOR RECORDER'S USE ONLY

CASE NUMBER: _____

CASE NAME: _____

FOR COURT USE ONLY

ORDER FOR RESTITUTION AND ABSTRACT OF JUDGMENT
 (Penal Code, §§ 1202.4(f), 1203.1(f), 1214;
 Welfare and Institutions Code, § 730.6(h) and (i))

ORDER FOR RESTITUTION

1. a. On (date): _____ defendant (name): _____
 was convicted of a crime that entitles the victim to restitution.
- b. On (date): _____ child (name): _____
 was found to be a person described in Welfare and Institutions Code section 602, which entitles the victim to restitution. Wardship is terminated.
- c. Parents or guardians jointly and severally liable (name each): _____
- d. Co-offenders found jointly and severally liable (name each): _____

2. Evidence was presented that the victim named below suffered losses as a result of defendant's/child's conduct. Defendant/child was informed of his or her right to a judicial determination of the amount of restitution and
 - a. a hearing was conducted.
 - b. stipulated to the amount of restitution to be ordered.
 - c. waived a hearing.
3. **THE COURT ORDERS** defendant/child to pay restitution to
 - a. the victim (name): _____ in the amount of: \$ _____
 - b. the State Victim Compensation Board, to reimburse payments to the victim from the Restitution Fund, in the amount of: \$ _____
 - c. plus interest at 10 percent per year from the date of loss or sentencing
 - d. plus attorney fees and collection costs in the sum of \$ _____
 - e. plus an administrative fee at 10 percent of the restitution owed (Pen. Code, § 1203.1(f))
4. The amount of restitution includes
 - a. value of property stolen or damaged
 - b. medical expenses
 - c. lost wages or profits
 - (1) incurred by victim due to injury
 - (2) of victim's parent(s) or guardian(s) (if victim is a child) incurred while caring for the injured child
 - (3) incurred by victim due to time spent as a witness or in assisting police or prosecution
 - (4) of victim's parent(s) or guardian(s) (if victim is a child) due to time spent as a witness or in assisting police or prosecution
 - d. noneconomic losses (felony violations of Pen. Code, § 288 only)
 - e. other (specify): _____

Date: _____

 JUDICIAL OFFICER

VICTIM TO RECEIVE CERTIFIED COPY FOR FILING WITH COUNTY RECORDER

**ORDER FOR RESTITUTION
 AND ABSTRACT OF JUDGMENT**

Exhibit 2

CASE NAME:	CASE NUMBER:
------------	--------------

NOTICE TO VICTIMS

PENAL CODE SECTION 1214 PROVIDES THAT ONCE A DOLLAR AMOUNT OF RESTITUTION HAS BEEN ORDERED, THE ORDER IS THEN ENFORCEABLE AS IF IT WERE A CIVIL JUDGMENT. ALTHOUGH THE CLERK OF THE COURT IS NOT ALLOWED TO GIVE LEGAL ADVICE, YOU ARE ENTITLED TO ALL RESOURCES AVAILABLE UNDER THE LAW TO OBTAIN OTHER INFORMATION TO ASSIST IN ENFORCING THE ORDER.

THIS ORDER DOES NOT EXPIRE UNDER PENAL CODE SECTION 1214(d).

THE VICTIM SHALL FILE A SATISFACTION OF JUDGMENT WITH THE COURT WHENEVER AN ORDER TO PAY RESTITUTION IS SATISFIED, PURSUANT TO PENAL CODE SECTION 1214(d).

APPLICATION FOR ABSTRACT OF JUDGMENT

5. The judgment creditor assignee of record other (*specify*):
 applies for an abstract of judgment and represents the following:
- a. Judgment debtor's

Name and last known address

- | | |
|---|----------------------------------|
| b. <input type="checkbox"/> Driver's license no. [last 4 digits] and state: | <input type="checkbox"/> Unknown |
| c. <input type="checkbox"/> Social security no. [last 4 digits]: | <input type="checkbox"/> Unknown |
| d. <input type="checkbox"/> Date of birth: | <input type="checkbox"/> Unknown |

Date:

 (TYPE OR PRINT NAME)



 (SIGNATURE OF APPLICANT OR ATTORNEY)
 ON INFORMATION AND BELIEF

ABSTRACT OF JUDGMENT

6. I certify that the following is a true and correct judgment entered in this action.
7. Judgment creditor (*name*):
 whose address or whose attorney's address appears on this form above the court's name.
8. Judgment debtor (*full name as it appears in judgment*):
9. Judgment entered on (*date*):
10. Total amount of judgment as entered or last renewed: \$
11. A stay of enforcement was ordered on _____ and is effective until _____
 A stay of enforcement was not ordered.
- This abstract of judgment issued on (*date*):

[SEAL]

Clerk, by _____, Deputy

NOTICE TO COUNTY RECORDER

THIS ORDER IS ENFORCEABLE AS IF IT WERE A CIVIL JUDGMENT, PURSUANT TO PENAL CODE SECTION 1202.4(l) AND (m), PENAL CODE SECTION 1214, AND WELFARE AND INSTITUTIONS CODE SECTION 730.6(i) AND (r), AND FUNCTIONS AS AN ABSTRACT OF JUDGMENT.

Exhibit 2

INSTRUCTIONS: DEFENDANT'S STATEMENT OF ASSETS

CR-117

A. Name of Victim

The name of the victim who will receive restitution goes here.

B. Superior Court of California

Ask the clerk of your court or defendant's attorney for this information.

C. Name of Defendant

Write defendant's name in the space provided.

D. Case Number

Fill in the criminal case number assigned in the space provided.

E. Personal Information

- a. Defendant's name.
- b. If defendant has previously used another name, provide that name in the space provided.
- c. Defendant's date of birth.
- d. Defendant's social security number.
- e. Defendant's marital status.
- f. Defendant's driver license number and the state of issuance.
- g. Defendant's home address.
- h. Defendant's home telephone number.
- i. Defendant's employer's telephone number.

F. Income and Occupation

List defendant's sources of income and occupation. Include defendant's job title and the name of the division or office where defendant works or worked.

G. Address of Employer

- a. Write the name and address of defendant's business or employer.
- b. If defendant is not employed, write the names and addresses of all sources of income.

H. Pay Period

Specify how often defendant is paid, that is, daily, weekly, monthly.

I. Gross Pay

Specify defendant's gross pay each pay period.

J. Take-Home Pay

Specify defendant's take-home, that is, after-taxes pay for each pay period.

K. Spouse's Income

If defendant is married and defendant's spouse is employed, specify the name and address of his or her employer, job title, and division or office.

L. Other Sources of Income

If defendant has additional sources of income that have not been listed, write them here.

M. Cash

Write the amount of money defendant has in cash.

N. Accounts

Complete the required information regarding any money held in defendant's name in accounts in banks and any other financial institutions.

O. Automobiles

Complete the required information regarding any automobiles and boats defendant owns or jointly owns.

(Front Side of Form CR-115)

CR-115

<p>A NAME OF VICTIM ON WHOSE BEHALF RESTITUTION IS ORDERED</p> <p>B NAME OF COURT STREET ADDRESS CITY AND ZIP CODE BRANCH NAME</p> <p>C DEFENDANT: PEOPLE OF THE STATE OF CALIFORNIA vs. DEFENDANT'S STATEMENT OF ASSETS</p>	<p>FOR COURT USE ONLY</p> <p style="text-align: center;">D</p> <p>COURT NUMBER</p>
---	---

E It is a misdemeanor to make any willful misstatement of material fact in completing this form (Pen. Code, § 1202.41)(4).
(Attach additional sheets if the space provided below for any item is not sufficient.)

PERSONAL INFORMATION

a. Name: _____ f. Driver license number: _____
 AKA: _____ State of issuance: _____
 c. Date of birth: _____ g. Home address: _____
 d. Social security number: _____ h. Home telephone no.: _____
 e. Marital status: _____ i. Employer's telephone no.: _____

EMPLOYMENT

2. What are your sources of income and occupation? *(Provide job title and name of division or office in which you work.)*

F 3. a. Name and address of your business or employer *(include address of your payroll or human resources department, if different):*

G b. If not employed, names and addresses of all sources of income *(specify)* **H**

4. How often are you paid (for example, daily, weekly, biweekly, monthly)? *(specify)* **I**

5. What is your gross pay each pay period? \$ _____ **J**

6. What is your take-home pay each pay period? \$ _____

7. If your spouse earns any income, give the name of your spouse, the name and address of the business or employer, job title, and division or office *(specify)* **K**

8. Other sources of income *(specify)*: **M**

CASH, BANK DEPOSITS

9. How much money do you have in cash? \$ _____

10. How much other money do you have in banks, savings and loans, credit unions, and other financial institutions either in your own name or jointly *(list)*:

Name and address of financial institution	Account number	Individual or joint?	Balance
a. _____	_____	_____	\$ _____
b. _____	_____	_____	\$ _____
c. _____	_____	_____	\$ _____

PROPERTY

11. List all automobiles, other vehicles, and boats owned in your name or jointly. *(Legal owner if different from registered owner)*

Make and year	Value	Legal owner if different from registered owner	Amount owed
a. _____	\$ _____	_____	\$ _____
b. _____	\$ _____	_____	\$ _____
c. _____	\$ _____	_____	\$ _____

(Continued on reverse)

DEFENDANT'S STATEMENT OF ASSETS

Approved for Mandatory Use
Judicial Council of California
CR-115 Rev. July 1, 2004

Penal Code § 1202.41

Exhibit 3

