



OFFICE OF THE DISTRICT ATTORNEY

COUNTY OF VENTURA, STATE OF CALIFORNIA

ERIK NASARENKO
District Attorney

November 9, 2021

Board of Supervisors
County of Ventura
800 South Victoria Avenue
Ventura, CA 93009

Subject: Adoption of a Resolution Authorizing the District Attorney to Accept Grant Funds and to Execute the Grant Agreement and Any Extensions or Amendments Thereof for Grant Funds in the Amount of \$850,583 from the California Department of Insurance for the Workers' Compensation Insurance Fraud Program

RECOMMENDATION:

It is recommended that your Board adopt the attached resolution authorizing the District Attorney to accept grant funds and to execute a grant agreement and any extensions or amendments thereof for grant funds in the amount of \$850,583 to continue the Workers' Compensation Insurance Fraud Program funded pursuant to California Insurance Code section 1872.83 and California Code of Regulations, Title 10, Section 2698.55 et seq., for the grant period of July 1, 2021, through June 30, 2022.

FISCAL/MANDATE IMPACT:

Mandatory:	Yes – Government Code section 26501 and Insurance Code section 1877.3(b)(1)
Source of Funding:	State of California Department of Insurance California Insurance Code section 1872.83
Funding Match Required:	None
Impact on Other Departments:	None

Summary of Revenue and Total Costs:

	<u>FY 2021-22</u>	<u>FY 2022-23 (Estimated)</u>
Revenue:	\$ 850,583	\$ 850,583
Costs:		
Direct:	\$ 850,583	\$ 850,583
Indirect:	Minimal	Minimal
Total Costs:	\$ 850,583	\$ 850,583
Net County Cost Including Indirect:	\$ 0	\$ 0
Recoverable Indirect:	\$ 0	\$ 0

Sufficient appropriations were included in the FY 2021-22 Adopted Budget.

CURRENT BUDGET PROJECTIONS:

Current FY 2021-2022 Budget Projection for DAO/2101 as of July 1, 2021:

	Adopted Budget	Adjusted Budget	Projected Budget	Estimated Deficit/Savings
Appropriations	\$9,779,604	\$9,779,604	\$9,779,604	\$0
Revenue	\$9,668,478	\$9,668,478	\$9,668,478	\$0
Net Cost	(\$111,126)	(\$111,126)	(\$111,126)	\$0

DISCUSSION:

Ventura County continues to experience a substantial number of worker's compensation fraud-related crimes. Last year's grant award (FY 20/21) contributed to several successful program outcomes, including securing victim restitution on several cases. One such case was the case of *People v. James and Delia Wood*. The defendants substantially underreported their income in order to fraudulently reduce their insurance premiums. The case resulted in a restitution order in the amount of \$184,164, which was ordered and paid in full. A second notable case in FY 20/21 was that of *People v. Perry Lieber*, a felony claimant fraud case. The defendant, a county firefighter, committed a violation of the Insurance Code by making false material statements to obtain over \$200,000 in disability benefits he was not entitled to. The defendant was sentenced to two


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years of formal probation, 90 days in county jail, and was ordered to pay restitution. Through asset seizure and liquidation, the defendant paid full restitution in this case. Continued acceptance of the grant funding will allow the District Attorney's Office to continue to successfully prosecute worker's compensation fraud cases.

A grant award of \$850,583 for fiscal year (FY) 2021-22 will provide funding for one and one-half prosecutors, one full-time investigator, and two part-time investigators. The grant funding will allow the continuation of the District Attorney's workers' compensation insurance fraud efforts. Grant revenue and costs associated with this program have been included in the FY 2021-22 adopted budget. This is an ongoing grant and has been included on the list of recurring grants for the fiscal year; however, the Department of Insurance has requested a certified copy of the Resolution of the Board of Supervisors formally authorizing the District Attorney's acceptance of the funds. I respectfully urge your continued support of this important program by adopting the resolution authorizing the District Attorney to accept the funds and to execute the grant agreement and any amendments or extensions thereof.

This item has been reviewed by the County Executive Officer, the Auditor-Controller's Office, and County Counsel. Questions regarding this item may be directed to Director of Fiscal and Administrative Services Stuart Gardner at 805-477-1635 or Chief Deputy District Attorney Kevin Drescher at 805-662-1701.

Sincerely,



ERIK NASARENKO
District Attorney

EN/sg

Attachment:

Resolution

cc: Michael Powers, County Executive Officer
Jeffery S. Burgh, Auditor-Controller