Application Report

Applicant Organization:	Santa Barbara		
Application:	26-27 WC Santa Barbara		
App ID:	App-26-0458		
Funding Announcement:	FY 26-27 Workers' Compensation Insurance Fraud Program		
Requested Amount:	$452,600.00		
Project Summary: 26-27 WC Santa Barbara			
Project Director/Manager:	Brian Cota	bcota@countyofsb.org	805-568-2424
Case Statistics / Data Reporter:	Anne Nudson	anudson@countyofsb.org	805-346-7535
Compliance/Fiscal Officer:	Caressa Stevenson	castevenson@countyofsb.org	805-450-8230

APPLICANT QUESTIONS

Section Name: Overview Questions
Sub-Section Name: General Information

1. APPLICANT QUESTION: MULTI-COUNTY GRANT

Is this a multi-county grant application request? If Yes, select the additional counties.

Applicant Response:

No

2. APPLICANT QUESTION: FY 2024-25 AUDITED UNEXPENDED FUNDS

Excluding interest, what was the amount of your FY 2024-25 Audited Unexpended Funds? If none, enter "0".

0

3. APPLICANT QUESTION: FY 2024-25 AUDITED UNEXPENDED FUNDS PERCENTAGE OF FY 2024-25 AWARD

Your FY 2024-25 Audited Unexpended Funds are what percentage of your FY 2024-25 total award? If none, enter "0".

Total Award excludes interest earned and incoming carryover. To calculate percentage, divide your audited unexpended funds by your total award. Round to the nearest whole number.

Example:

FY 2024-25 Total Award: $100,000

FY 2024-25 Audited Unexpended Funds: $23,750

FY 2024-25 Audited Unexpended Funds Percentage: 24%

Applicant Response:

0

4. APPLICANT QUESTION: INTERNAL QUALITY CONTROLS AND BUDGET MONITORING PROCEDURES

What internal quality controls and budget monitoring procedures will be used by the county to ensure grant funds are spent appropriately?

Applicant Response:

Key Personnel for all finance related matters include the CFO, Business Manager, Cost Analyst, Department Business Specialist and the Financial Office Professional.

The Cost Analyst is responsible for tracking the grant expenditures and reimbursements on the accounting records. The Business Manager and CFO are responsible for reviewing the budget for necessary modifications. The department follows the Auditor-Controller's policies regarding internal controls to ensure assets (cash and equipment) are protected.

The Business Manager and CFO review the grant reconciliations on a monthly basis and prior to submission.

All grant reconciliation is based on actual expenditures incurred. Reconciliation is prepared after the billing period has closed. A report is run which indicates the expenditures that posted to the County's Financial System during the billing period. If services are performed during a given period, the department ensures that those services are paid for during that same period. Unallowable costs are noted on the grant reconciliation spreadsheet. Unallocable costs are not directly coded to the grant project. All unallocable costs are captured under the 10% administrative cost allocation. This 10% administrative cost methodology is used because the office's approved ICRP rate is not approved by a federal cognizant agency.

The Department Business Specialist is responsible for procuring goods and services for the performance of the grant. The allowable goods and services are included in the approved program budget, and are purchased in accordance with proper procurement policy. The Department Business Specialist is responsible for obtaining quotes for procurement. A quote is obtained for the goods and/or services. If over $3,500, a purchasing requisition is prepared and submitted to the County Purchasing Division. The vendor is vetted through the County Purchasing Division to ensure they are not a disqualified/debarred vendor. If required, a request for non-competitive bid is prepared and submitted to the County Purchasing Division. The County has maintained documentation to support all procurements conducted using grant funds.

Checks are prepared on a daily basis by the Auditor-Controller's Office. The department processes invoices upon receipt. The Financial Office Professional processes the invoice, which is then reviewed and approved by the Department Business Specialist, the Cost Analyst and the Business Manager. Certain invoices also require CFO approval. The claim is then reviewed by the Auditor-Controller's office. Payment is only processed with proper supporting documentation.

Deposit journals are entered by the Financial Office Professional or the Department Business Specialist into FIN. Each journal is then reviewed by the Cost Analyst and the Business Manager to ensure accuracy.

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5. APPLICANT QUESTION: CONTACT UPDATES

Has your county's Admin User updated the Contacts and Users for your Program?

- ***Contacts*** *are those, such as your elected District Attorney, who need to be identified but do not need access to GMS.*
- ***Users*** *are those individuals who will be entering information/uploading into GMS for the application.* ***Confidential Users*** *have access to everything in all your grant applications.* ***Standard Users*** *do not have access to the Confidential Sections where Investigation Activity is reported. Typical Standard Users are budget personnel.*

Applicant Response:

Yes

6. APPLICANT QUESTION: PROGRAM CONTACTS

Identify the individuals who will serve as the Program Contacts and your Elected District Attorney. Your Program Contacts must be entered as a User and your Elected District Attorney may be a Contact or User in GMS. Contact your county's Admin User if an individual needs to be added or updated.

On the final submission page, you will link your Program Contacts to the application.

Project Director/Manager *is the individual ultimately responsible for the program. This person must be a Confidential User.*

Case Statistics/Data Reporter *is the individual responsible for entering the statistics into the DAR (District Attorney Program Report). This person should be a Confidential User.*

Compliance/Fiscal Officer *is the individual responsible for all fiscal matters relating to the program. This person is usually a Standard User.*

Elected District Attorney *is your county's elected official. This person must be entered as a Contact or a User.*

Applicant Response:

Program Contacts	Name
Project Director / Manager	Brian Cota
Case Statistics / Data Reporter	Anne Nudson
Compliance / Fiscal Officer	Caressa Stevenson
Elected District Attorney	John Savrnoch

7. APPLICANT QUESTION: STATISTICAL REPORTING REQUIREMENTS

Do you acknowledge the County is responsible for separately submitting a Program Report using the CDI website, DA Portal?

To access the DAR webpage on the CDI website: right click on the following link to open a new tab, or copy the URL into your browser.

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

As a reminder, Vertical Prosecutions should not be counted as an Investigation, a Joint Investigation, or an Assist in the DAR.

Applicant Response:

Yes

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8. APPLICANT QUESTION: REQUIRED DOCUMENTS UPLOAD

Have you reviewed the Application Upload List and properly named and uploaded the documents into your Document Library?

To view/download the Application Upload List: go the Announcement, click View, and at the top of the page select Attachments. The Application Upload List is 4e. Items must be uploaded into the Document Library before you can attach them to the upcoming questions.

Applicant Response:

Yes

Sub-Section Name: BOS Resolution

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9. APPLICANT QUESTION: BOS RESOLUTION

Have you uploaded a Board of Supervisors (BOS) Resolution to the Document Library and attached it to this question?

A BOS Resolution for the new grant period must be uploaded to GMS to receive funding for the 2026-27 Fiscal Year. If the resolution cannot be submitted with the application, it must be emailed to LAU@insurance.ca.gov no later than December 31, 2026. There is a sample with instructions located in the Announcement Attachments, 3b.

Applicant Response:

No

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10. APPLICANT QUESTION: DELEGATED AUTHORITY DESIGNATION

Choose from the selection who will be the person submitting this application, signing the Grant Award Agreement (GAA), and approving any amendments thereof.

The person selected must be a Confidential User, who will attest their authority and link their contact record on the submission page of this application. Must be a direct email address; No generic/group email address allowed. A sample Delegated Authority Designation Letter is located in the Announcement Attachments, 3a. CDI encourages the contact named as Project Director/Manger be the designated authority.

Applicant Response:

Designated Person named in Attached Letter

Documents:

26 -27 Santa Barbara Designated Authority Letter.Pdf

Section Name: County Plan

Sub-Section Name: Qualifications and Successes

11. APPLICANT QUESTION: SUCCESSES

What areas of your workers' compensation insurance fraud program were successful and why?

Detail your program's successes for ONLY the 2024-25 and 2025-26 Fiscal Years. It is not necessary to list every case. If a case is being reported in more than one insurance fraud grant program, clearly identify the component(s) that apply to this program. If you are including any task force cases in your caseload, name the task force and your county personnel's specific involvement/role in the case(s). Confidential information regarding investigations should be given a reference number and details provided only in the Confidential Section, question 1 (County Plan Confidential Investigation Details).

Applicant Response:

This marks the 23rd year of the Santa Barbara District Attorney's Office's participation in the California Department of Insurance Workers' Compensation Insurance Fraud Program. The Santa Barbara District Attorney's Office acknowledges the significant financial impact that workers' compensation fraud imposes on employers, the insurance industry, and consumers.

Our office has consistently received and reviewed numerous case referrals related to Workers' Compensation Insurance Fraud. The Workers' Compensation Fraud unit primarily collaborates with insurance carriers. Although few referrals have been sufficiently substantial to warrant action, our coordination with insurance carriers has enabled our new investigator to establish connections essential for enhancing and expanding the program's efforts.

We also expanded outreach efforts to Santa Maria in the Northern part of our county this year and successfully conducted compliance checks and gave employers information about the importance of the laws and how they apply to them.

Our office has also strengthened relationships with the Department of Insurance, the Department of Industrial Relations, and the Employment Development Department. This has been facilitated by our emphasis on employer-driven fraud, which has revealed criminal activities not only related to premium fraud and X-mod evasion but also to wage theft and EDD fraud. Over the past several years, we have diligently worked to foster these partnerships, and as a result, we have improved the efficiency and effectiveness of our investigations this year. This has led to two large employer driven fraud cases, one insurance fraud, one provider fraud, being investigated and have progressed to the filing and soon to be filed stage.

12. APPLICANT QUESTION: TASK FORCES AND AGENCIES

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

Applicant Response:

The Santa Barbara District Attorney's Office fully embraces the concept that the best case outcomes flow from working in cooperation with our governmental partners. During this grant period, we have worked with the California Department of Insurance, Employment Development Department, the Department of Industrial Relations, Contractors State Licensing Board, and the Santa Barbara Sheriff's Department.

13. APPLICANT QUESTION: PERSONNEL CONTINUITY

Explain what your county is doing to achieve and preserve workers' compensation fraud institutional knowledge in your grant program. Also 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.

Applicant Response:

This year our office has experienced turnover within the Workers' Compensation Fraud program. New employees were added to the team, and our most recent worker's compensation DDA Sean Brunton took a new job in Ventura County. Despite these changes, we have worked diligently to maintain continuity and expertise in our efforts.

Joining the team is Senior Deputy District Attorney (DDA) Anne Nudson and we have also utilized non grant funded attorneys in all branch offices to ensure all cases are appropriately staffed during the transition. Supervising DDA Brian Cota still heads the team and has provided training, support, and his expertise and knowledge for the onboarding of the new attorneys. Through our collaboration with other, more experienced agencies such as the Department of Insurance, and with the support of Supervisor Cota and Investigator Tagles, we have ensured that our team retains the necessary expertise to effectively pursue our goals. Our office has minimized the negative impacts of turnover through cross-training and ongoing communication.

Investigator Tagles has remained on the team to work with the Department of Insurance on a long-term, complex premium fraud investigation, providing valuable training to newer investigators. Also remaining on the team are investigators, Steve Ridge and Todd Stoney. The investigation continuity has greatly assisted in getting new attorneys up to speed.

14. APPLICANT QUESTION: FROZEN ASSETS DISTRIBUTION

Were any frozen assets distributed in FY 2025-26?

If yes, please describe. Assets may have been frozen in previous years.

Applicant Response:

No

Sub-Section Name: Staffing

15. APPLICANT QUESTION: STAFFING LIST

Complete the chart and list the individuals working the program. Include prosecutor(s), investigator(s), support staff, and any vacant positions to be filled.

All staff listed in your application budget must be included in the chart in addition to unfunded staff that work on the grant.

For each person, list the percentage of time dedicated to the program and the start and end dates the individual is in the program. The entry in the"% Time" field must be a whole number, i.e., an employee who dedicates 80% of their time to the program but is only billed 20% to the program, would be entered as "80" in the "% Time Dedicated to the Program" column.

Applicant Response:

Name	Role	Start Date	End Date (leave blank if N/A)	% Time Dedicated to the Program
Anne Nudson	Senior Deputy District Attorney	01/01/2026		35.00
Dan Tagles	Investigator	06/13/2022		10.00
Steve Ridge	Investigator	01/01/2025		20.00
Brian Cota	Supervising Deputy District Attorney	07/01/2023		25.00

Glenna Conover	Legal Office Professional	04/01/2023		15.00
Todd Stoney	Investigator	04/01/2025		50.00

16. APPLICANT QUESTION: FTE AND POSITION COUNT

The staff and FTE included in the chart below MUST MATCH the staff and FTE listed in your application budget. Do not include unfunded personnel.

The "# of Positions" field represents people and must be entered in whole numbers. The "FTE" field must be entered as a decimal and represents the Full Time Equivalent (FTE) for all budgeted personnel in that position.

E.g., Two Attorneys who are billed to the program at 80% each would be entered as "2" in the # of Positions field and "1.60" in the FTE field.

Reminder: This chart MUST match your application budget.

Applicant Response:

Salary by Position	# of Positions (whole numbers)	FTE (1.00 = 2080 hours/year)
Supervising Attorneys	1.00	0.25
Attorneys	1.00	0.35
Supervising Investigators		
Investigators (Sworn)	1.00	0.80

Investigators (Non-Sworn)		
Investigative Assistants		
Forensic Accountant/Auditor		
Support Staff Supervisor		
Paralegal/Analyst/Legal Assistant/etc.		
Clerical Staff	1.00	0.15
Student Assistants		
Over Time: Investigators		
Over Time: Other Staff		
Salary by Position, other		
	Total: 4.00	Total: 1.55

17. APPLICANT QUESTION: ORGANIZATIONAL CHART

Upload and attach to this question an Organizational Chart; label it "26-27 WC (county name) Org Chart".

The organizational chart should outline:

- *All personnel assigned to the program, including unfunded staff. Identify their name, position, title, and placement in the lines of authority to the elected district attorney.*
- *The placement of the program staff and their program responsibility.*

Counties are required to email LAU a new copy of the organizational chart if it changes during the year.

Applicant Response:

26-27 Santa Barbara Org Chart.Pdf

Sub-Section Name: Problem Statement & Program Strategy

18. APPLICANT QUESTION: PROBLEM STATEMENT

Describe the types and magnitude of workers' compensation insurance fraud (e.g., claimant, single/multiple medical/legal provider, premium/employer fraud, insider fraud, insurer fraud) relative to the extent of the problem specific to your county.

Use local data or other evidence to support your description.

Applicant Response:

The nature of Workers' Compensation Insurance Fraud has not changed significantly in recent years. Santa Barbara County continues to be plagued by individuals actively engaged in defrauding the workers' compensation system, therefore placing an undue financial burden on law abiding businesses. The Santa Barbara District Attorney's Office annually applies for a grant from the California Department of Insurance under the Workers' Compensation Insurance Fraud Program to fund the investigation and prosecution of workers' compensation fraud.

The overarching goal of the Santa Barbara County District Attorney's Office Workers' Compensation Fraud Program is to reduce the amount of fraud occurring in Santa Barbara County through prosecution of criminal violations along with community education. To achieve that we review crimes that are presented for prosecution by one of several law enforcement agencies: The California Department of Insurance, Contractors State License Board, and the Santa Barbara District Attorneys' Office Bureau of Investigation. A review of the Suspected Fraud Referrals (FD-1) received during the last reporting period by the Santa Barbara District Attorney's Office indicates that theft from the workers' compensation system is being committed by applicants (Applicant Fraud), employers (Premium Fraud), and the medical industry (Provider Fraud).

APPLICANT FRAUD

The majority of the Suspected Fraud Referrals received by the Santa Barbara District Attorney's Office involve an employee suspected of lying about or exaggerating the severity of a workplace injury. Dishonest employees who take advantage of the workers' compensation system often spur feelings of anger, frustration and helplessness in affected employers, many of which are small to medium size businesses. A result of the fraudulent workers' compensation claim is an increase in the employer's workers' compensation insurance premium.

A significant number of the applicant fraud referrals lack sufficient information to support the opening of a criminal investigation by the Santa Barbara District Attorney's Office. Another issue is the suspected applicant fraud, while potentially illegal, does not rise to level that can be proved beyond reasonable doubt before a jury in a court of law. We continue to work closely with insurance carriers and their investigative units to increase the quality of these referrals.

It is also important to keep in mind California's push for diversion programs in lower level cases such a applicant fraud and keep just and appropriate dispositions in mind for cases of applicant fraud that we do file.

PREMIUM FRAUD

Employers who cheat the system by failing to properly classify employees and/or underreport payroll drive costs up for businesses who abide by the rules. Often times, an employer who commits premium fraud is also engaged in EDD fraud, payroll tax fraud, and wage theft. Premium fraud often goes undetected until an employee files a workers' compensation claim and a diligent insurance claims adjuster or SIU investigator discovers the fraud committed by the employer. Many times, premium fraud spans numerous years and involves several insurance companies.

Employers engaged in premium fraud gain an unfair advantage in the marketplace as they are able to offer the same services at a lower cost than an honest employer. This is especially true in the agricultural, construction, and landscaping industries. All three of these industries are prevalent in Santa Barbara County.

Associated with Premium Fraud is the issue of employers who deny Workers' Compensation benefits to their employees. There are a number of reasons employers engage in this type of abuse, though chief amongst them is the desire to reduce the overall cost of Workers' Compensation insurance premiums. This type of fraud, often times preying upon vulnerable workers who are either unaware of their rights or concerned about approaching law enforcement, causes not only harm to the Insurance industry broadly, but can have horrific long-term health consequences for the workers who do not receive timely, effective, or consistent medical help when they need it most.

It is our experience that these cases often have the highest level of impact in terms of the effect on the victims. When workers are denied timely access to medical assistance, medical issues which could have been addressed and ameliorated early are left to fester, potentially resulting in life-long harm. Moreover, we have also concluded that where an unscrupulous employer is willing to engage in denial of health benefits to employees, there are often other forms of financial abuse present, including wage theft or other workplace violations. This seems to be particular pernicious in the construction industry in Santa Barbara County, where many employees may feel that due to their immigration status, they cannot turn to law enforcement for help. We recently filed a very large premium fraud case where employers were taking advantage of the insurance company and harming their employees in the construction industry.

PROVIDER FRAUD

Fraud committed by medical practitioners, rehab care providers, and professions associated with the medical care of an injured employee extracts a sizable financial toll on the workers' compensation system. Fraud committed by medical providers is often very subtle and difficult to detect. The schemes used to defraud insurers are usually very complex and exhibit a high level of criminal sophistication. Provider Fraud investigations can be labor and resource intensive.

Moreover, provider fraud can frequently occur in multiple counties, making identification difficult. Coordination between district attorney offices is paramount in order to assist in addressing these schemes.

Our Office has traditionally not received many provider fraud referrals, and those that we do receive often involve schemes based in other counties with larger legal or medical communities. We are currently working very closely with CDI on a very large in county Provider Fraud case in our county and attempting to get that case ready for filing. Our office has collaborated with other counties to provide investigative resources whenever possible.

19. APPLICANT QUESTION: **PROBLEM RESOLUTION PLAN**

Explain how your county plans to resolve the problem described in your problem statement. Include improvements in your program.

Information regarding investigations should be given a reference number and details provided only in the Confidential Section, question 1 (County Plan Confidential Investigation Details).

Specify how the district attorney will address the workers' compensation insurance fraud 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.

The response should describe:

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

Applicant Response:

Recognizing the need to make changes to better serve the stakeholders in the workers' compensation system, the Santa Barbara District Attorney's Office implemented or are in the process of implementing the following program improvements:

Oversight of the Santa Barbara District Attorney's (SBDA) Office Workers' Compensation Program has been assigned to Supervising DDA Brian Cota. Sr. DDA Cota has very strong background in the prosecution of complex major fraud crimes. The SBDA Workers' Compensation Program has already benefited from the insight that comes from Sr. DDA Cota's depth of knowledge and experience in prosecuting fraud cases. Sr. DDA Cota is responsible for many of the improvements in the operation of our workers' compensation program outlined in this section. Sr. DDA Cota is now active in the review process of incoming FD-1's, workers' compensation fraud cases presented for prosecution, and in reviewing the progress of filed cases currently in the criminal justice system.

An internal review of workers' compensation cases currently filed by SBDA and in the court system revealed that it takes an inordinate amount of time to settle the case, some cases drag on for three or more years. When a workers' compensation fraud case lingers in the criminal justice system for an extended period of time, it becomes more difficult to prove in court. Additionally, the victims (employers and insurance companies) become discouraged and question the system that is supposed to protect them from dishonest actors. Over the past year we've resolved much of this issue, having maintained communication with insurance carriers throughout the investigative process to acquire documents, calculate restitution, and (when necessary), coordinate witnesses.

SBDA implemented many improvements in the last year to try and keep cases moving forward:

Promptly responding to Suspicious Fraud Reports (FD-1)

Implementing an internal workers' compensation case tracking system

When an investigation is opened, the district attorney investigator will work closely with insurance company SIU and the DDA to ensure that investigation is focused and complete.

The DDA will strive to move the case through the criminal justice system as quickly as possible.

Maintain program continuity, as high turnover has cost the program in terms of critical connections and expertise. When, as in the current year, turnover is necessary due to staffing requirements, we will endeavor to cross-train investigators and attorneys in the necessary skills to investigate Workers' Compensation fraud cases.

Our goal in the investigation and prosecution of workers' compensation fraud cases is to secure restitution for the insurance company and any harmed employees while holding the defendant accountable for their actions. In applicant fraud cases, absent a significant criminal history, we believe it is best to seek a resolution that does not impede the defendant's ability to be gainfully employed so restitution can be made. We will be seeking resolutions of filed cases that achieve a fair and balanced outcome that is in the best interest of the victim.

The following are general guidelines or factors we will be using when making charging decisions:

The dollar amount of the fraudulent activity;

The specifics as to the fraudulent activity, or the criminal sophistication used in committing the offense; and,

The defendant's criminal history, especially whether they have been previously convicted of fraud.

In previous years, the Santa Barbara District Attorney's Office focused on providing outreach education to private organizations, government organizations, and partners in the insurance industry. The office is committed to continuing to do so. This year our office has attempted to expand outreach through community-oriented podcast programs and direct training of law enforcement agencies. We conducted compliance checks in the Northern portion of our county this year, expanding our outreach to new employers and employees. We intend to continue our previous programs of direct community outreach in the coming year, working with CDI to raise awareness of Workers' Compensation program requirements as well as worker's rights.

Applicant Fraud related cases remain the number one case by submission type, yet have produced very little in terms of actionable, prosecutable cases. It has been our experience that a large amount of time and investigative efforts have gone into developing these cases, despite the actual financial harm being comparatively small on an individual basis. We review all applicant fraud cases and prioritize our investigative resources in order to focus primarily on the cases with the highest potential for successful prosecution.

Premium Fraud has been the primary focus of our office over the last three years, and this will likely continue into the coming year. This focus has also truly started bearing fruit this year as we just filed our first multi million dollar premium fraud case in Santa Barbara County. This focus has also yielded several other promising investigations of Premium and Provider Fraud, which we believe will have a significant impact on the overall prevalence of employer conducted fraud in Santa Barbara County once they are complete. It is our belief that these cases will have the greatest impact, both in terms of pursuing justice for both the insurance carriers and employees harmed, and in terms of raising the public awareness of insurance fraud generally. By aggressively pursuing these cases, our office will be able to meaningfully impact insurance fraud in the county.

20. APPLICANT QUESTION: PLANS TO MEET IC AND FAC GOALS

What are your plans to meet the 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. Include your strategic plan to accomplish these goals. *Copies of the Goals can be found in the Announcement Attachments, 4g and 4h.*

Applicant Response:

Medical Provider Fraud:

Medical Provider Fraud is undoubtedly a major source of fraud within the Workers' Compensation Insurance system. It is a complex, and resource intensive area to investigate. With the resources available to the Santa Barbara District Attorney's Office, referrals involving Medical Provider Fraud are worked in coordination with the Department of Insurance. We have engaged with the Department of Insurance in the few Provider Fraud-related cases which have come to our office, assisting in the investigation and coordinating with other offices around the state. We are currently working closely with CDI on a large Medical Provider Fraud case and believe the case will be filed in the next fiscal year.

It has been our experience that while we have seen some capping activity, the bulk of criminal conduct related to Provider Fraud that touches Santa Barbara County is based elsewhere in California. As a result, our office has provided resources and investigative aid to other counties when needed.

Performance and Continuity Within the Program:

Program Continuity has been a historical issue for the Santa Barbara District Attorney's Office. Within the last four years, every aspect of the program, from attorneys to investigators, to support staff have been replaced at least once. During the past fiscal year, the program began to experience more continuity with staffing, especially in investigative staffing, resulting in effective utilization of resources.

In past years our focus has been on reestablishing relationships with partner organizations while building out the skills and expertise needed to investigate and prosecute Workers' Compensation Fraud Cases within our office. Thanks to these relationships, as our staffing has changed in the past year the Santa Barbara District Attorney's Office has been able to cross-train its new attorneys from within, and rely on the expertise of the Department of Insurance partners for training from outside. In this way our office is addressing the natural turnover of staffing in a way that minimizes institutional knowledge loss.

Outreach:

As our program matures, we are better able to share the lessons and knowledge learned in the enforcement and prosecution of insurance fraud cases with the community. This year we've worked on establishing a public outreach program related to all manner of frauds and scams. The Workers' Compensation program has presented a segment on that series, touching on topics related to wage theft and fraudulent reporting of income. We've also worked with local law enforcement, providing training in identifying and investigating Workers' Compensation fraud crimes. We have also partnered with CDI and conducted compliance checks and provided employers and employees important resources about the laws that apply to them.

Balanced Caseload:

With the exception of a paucity of medical provider fraud cases being referred to our county, Santa Barbara continues to prosecute a variety of workers' compensation fraud-related cases. The majority of our case referrals are complainant fraud. Through outreach and community engagement we have pursued a small number of LC 3700.5 cases. The low number of cases filed is misleading, however, as the purpose of the outreach was to encourage noncompliant actors to get insurance, which succeeded in a number of instances without the need for criminal proceedings. Our primary focus for the last year has been on large, complex premium fraud cases. Based upon the current state of our investigation, we believe that these cases are the most likely to secure meaningful restitution to the victims, as well as deter future wrongdoings by similarly situated businesses. This effort has proved fruitful, as we have been able to leverage our growing experience in the field to identify and initiate investigations into a growing number of complex premium fraud referrals

21. APPLICANT QUESTION: MULTI-YEAR GOALS

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

Applicant Response:

Our goal is to continually improve the effectiveness of our workers' compensation fraud program for the long term. With one attorney assigned full time, our focus is on assessing cases which can be handled effectively, and which need coordination with neighboring counties. Our focus at the moment is to dedicate more of our resources to large-scale investigation work in the area of Employer Premium fraud, as well as associated denial of benefits cases arising from on-going investigations. We also seek to collect restitution more effectively and take cases from investigation to conviction more efficiently.

Over the past year we've seen success in developing both our investigative resources and expertise in this area. Our partnership with the Department of Insurance has been instrumental in this, as has our growing working relationships with EDD and DIR. The multimillion dollar premium fraud case also had prevailing wage fraud and was investigated by both CDI, SBDA, and DIR. This multi agency approach has served us well in being able to pursue larger cases that take much longer to investigate and file, but in the end serve as a larger deterrent to other companies in the county.

22. APPLICANT QUESTION: RESTITUTION AND FINES

Describe the county's efforts and the District Attorney's plan to obtain restitution and fines imposed by the court to the Workers' Compensation Fraud Account pursuant to California Insurance Code Section 1872.83(b)(4).

Applicant Response:

To address the issue of restitution, the Santa Barbara District Attorney's Office will, first, attempt to get full restitution or a large percentage of restitution up front as part of any plea deal, and then, we will attempt to ascertain the defendant's ability to pay, pre-plea, and require as part of the plea that they pay a certain amount of money each month towards restitution based on that ability to pay. Then if the defendant is placed on probation or sent to prison, probation will collect the money that the court has determined is appropriate per month rather than a probation set minimum, and CDCR will collect correctly from the defendant's prison wages or commissary.

23. APPLICANT QUESTION: RESTITUTION NUMBERS

Provide the amount of restitution ordered and collected for the past five fiscal years.

If this information is not available, provide an explanation.

The restitution numbers for FY 2025-26 should match the numbers entered in your RFA DAR part 1.

The restitution numbers for FYs 2021-22, 2022-23, 2023-24, and 2024-25 should match the numbers entered in your Year-End DAR part 1.

Applicant Response:

Fiscal Year	Restitution Ordered	Restitution Collected
2025-26		
2024-25	$20,410.00	$7,900.00
2023-24	$50,000.00	
2022-23	$0.00	
2021-22	$10,983.21	
	Total: $81,393.21	Total: $7,900.00

24. APPLICANT QUESTION: UTILIZATION PLAN RELATED TO UNEXPENDED FUNDS

If you had any unexpended funds from FY 2024-25 (Overview Questions 2 & 3), address the below question(s). If you did not have any unexpended funds from FY 2024-25, mark N/A.

1) You must address if you are on track to expend all of your Total Funding for FY 2025-26. This includes your FY 2025-26 Awards and Approved Carryover.

2) If you are not on track to expend your Total Funding and you are not asking for a corresponding reduction in your grant request, please explain.

Applicant Response:

Not Applicable

25. APPLICANT QUESTION: UTILIZATION PLAN

Your budget provides the amount of funds requested for Fiscal Year 2026-27.

Provide a brief narrative description of your utilization plan for the Fiscal Year 2026-27 requested funds.

If an increase is being requested, please provide a justification. Any information regarding investigations should be given a reference number and details provided only in the Confidential Section, question 1 (County Plan Confidential Investigation Details).

Applicant Response:

The Santa Barbara County District Attorney's Office intends to utilize funds allocated to the Workers' Compensation Fraud Unit in alignment with the Insurance Commissioner's goals. Specifically, we intend to partner with local and statewide agencies, including the California Department of Insurance, to pursue Employer Premium Fraud in our county, as well as engage in outreach and education broadly to a variety of industry and law enforcement partners.

26. APPLICANT QUESTION: UNINSURED EMPLOYERS

Describe the county's efforts to address the problem of uninsured employers.

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.

Applicant Response:

In past years the Santa Barbara County DA's office has worked in coordination with CDI to visit local businesses this year. The purpose of the visits was to distribute information regarding workers' compensation obligations for employers, as well as advise local employees of their rights. This outreach was primarily in the northern portion of our county and was targeted at businesses with a high likelihood of being non-compliant. On April 8, 2026, we conducted 12 compliance checks. This program proved fruitful, as a number of non-compliant businesses were discovered. We are still working through the results of these checks, working with businesses, and preparing to file cases and conduct prosecutions if the businesses do not come into compliance.

Though this last year much of our investigative resources were directed at developing large, complex cases, we intend to used our larger investigative team to replicate our prior year's work by targeting an outreach program to businesses in the Santa Maria area this year. This was successful and we made contact with multiple new employers and employees while conducting compliance checks. We will continue to engage in this outreach to achieve similar results are prior years, bringing non-compliant business into compliance.

Our office is also increasing our social media presence, using online resources to spread information about a variety of law enforcement and criminal justice-related issues. We intend to use these platforms to spread information about Workers' Compensation insurance topics, including compliance requirements by local businesses.

Sub-Section Name: Training and Outreach

27. APPLICANT QUESTION: TRAINING RECEIVED

List the insurance fraud training received by each county staff member in the workers' compensation fraud unit during Fiscal Year 2025-26.

If it is a multiple day training/conference (e.g. CDAA, AFA, etc.), only one entry is required; enter the first day for the "Training Date" field.

For the "Hours Credit" field, enter the combined total hours of credit for all attendees.

Applicant Response:

Number of Personnel	Training Date	Provider	Location	Topic	Hours Credit (combined total)
1.00	10/07/2025	CDAA	Costa Mesa, CA	Fraud Symposium	18.75

28. APPLICANT QUESTION: TRAINING AND OUTREACH PROVIDED

Upload and attach the Training and Outreach Provided form in Excel; label it "26-27 WC (county name) Training and Outreach Provided". Do not include training *received*; **only list workers' compensation insurance fraud training and outreach provided in FY 2025-26** as outlined in the outreach definition below.

- For the number of Attendees / Contacts list only ***numbers***; no other characters. Estimate the number as best you can. The data provided on this Excel sheet is compiled and presented to the Insurance Commissioner as Outreach is a focus of the Commissioner's Goals & Objectives.
- For the purposes of the insurance fraud grant programs, "outreach" is defined as: Any activity undertaken by a grant awardee to inform and educate the public on the nature and consequences of insurance fraud and the training and sharing of best practices with industry stakeholders and allied law enforcement agencies. The results will be crime prevention, the generation of quality referrals from the public, business community, insurance industry, and law enforcement, and improved strategies for the investigation and prosecution of insurance fraud.

- *If, in the form, you listed any "Other, Specify" provide a brief explanation here; other additional comments are optional. The blank form is located in the Announcement Attachments, 1a.*

Applicant Response:

Label attachment "26-27 WC (County) Training and Outreach"

Documents:

26-27 WC Santa Barbara Training And Outreach.Xlsx

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29. APPLICANT QUESTION: FUTURE TRAINING AND OUTREACH

Describe what kind of training/outreach you plan to provide in Fiscal Year 2026-27.

Applicant Response:

Our office's training and outreach program for the 26-27 fiscal year continues to be a three-pronged approach.

First, we intend to identify with law enforcement and administrative agencies engaged in business compliance in order to provide training in identifying and referring workers' compensation violations. Our office is currently working with EDD investigators to establish streamlined processes for joint investigations, and in the past year we have worked with law enforcement agencies to provide training.

Second, in past years we have had success with direct outreach to local businesses, providing information related to Workers' Compensation requirements. Our efforts in prior years were limited to the Santa Barbara area, but in this past fiscal year we were able to do outreach and compliance checks also in the Santa Maria area. This year we hope to partner with CDI to continue to do this this program in all three areas of our county, Santa Maria, Lompoc, and Santa Barbara.

Finally, we intend to continue to expand and develop our direct public outreach campaign through local public interest podcasts, as well as public announcements regarding developments in high profile cases. Our office also has a social media presence, where we speak about issues related to criminal justice. We hope to raise awareness generally of workers' rights and employer responsibilities through these platforms.

Sub-Section Name: Joint Plan

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30. APPLICANT QUESTION: JOINT PLAN

Upload your WC Joint Plan and label it "26-27 WC (county name) Joint Plan".

Each County is required to develop a Joint Plan with their CDI Regional Office. Please note, the joint plan you upload is a tentative agreement pending execution of a Grant Award Agreement (GAA) signed by the authorized parties. Additional Information is in the Announcement Attachments, 3c, and also copied info the attached instructions to this question.

Applicant Response:

Confirm Joint Plan agreed upon by both parties

Documents:

26-27 WC Santa Barbara Joint Plan.Docx

Section Name: Investigation Case Reporting

Sub-Section Name: Investigation Case Information Relating to Questions

31. APPLICANT QUESTION: COUNTY PLAN CONFIDENTIAL INVESTIGATION DETAILS

If you discussed any confidential cases throughout the County Plan section and provided a reference number, please include additional confidential details on an attachment uploaded here.

The reference number/citation used in the County Plan narrative responses should be repeated in your document upload. Task Force cases should specifically name the task force and your county personnel's specific involvement / role in the case.

Upload your own attachment and label it ***"26-27 WC (county name) County Plan Confidential Investigation Details" upload and mark confidential, then attach to this question. If no investigation information was referenced, mark the N/A response.***

Applicant Response:

Not Applicable

Sub-Section Name: Reporting on All Investigations

32. APPLICANT QUESTION: INVESTIGATION CASE ACTIVITY REPORT (ICAR)

Download Announcement Attachment 1bii, label it "25-26 WC (county name) ICAR" upload and mark confidential, then attach to this question.

This document requires information regarding each investigation case that was reported in the DAR, Section III C (Investigations). Two of the three reporting components ask for case counts only. The total of the case counts in Part 1 and Part 2, along with the number of case entries in Part 3, should equal your total investigation case count reported in the DAR section III (Investigations). The blank form is located in the Announcement Attachments, 1bii.

Reminders:

1. *The total of the case counts in the ICAR Parts 1, 2, and 3, should equal your total investigation case count reported in the DAR Section III.*
2. *Vertical Prosecutions should not be counted as an Investigation or a Joint Investigation.*

Click the "SHOW INSTRUCTIONS" link above to view directions on how to properly complete the report.

Applicant Response:

25-26 WC Santa Barbara ICAR.Docx

Sub-Section Name: New Investigation Information for Cases in Court

33. APPLICANT QUESTION: CASES IN COURT INVESTIGATION CASE ACTIVITY

Do you have NEW Investigation Information for cases that started the year in prosecution that you want to include? This section is optional.

If you do have cases to report, download Announcement Attachment 1c, label it ***"25-26 WC (county name) Cases in Court Investigation Case Activity" upload and mark confidential, then attach to this question.***

Provide only investigation information for case(s) that started the fiscal year in prosecution, but required additional investigation during the reporting period. ***Other than current status, no prosecution case information should be included.***

Applicant Response:

No

Section Name: Acknowledgment

34. APPLICANT QUESTION: ACKNOWLEDGMENT

For purposes of the grant application process and Grant Award Agreement (GAA), the term "application" refers to the grant application and its Funding Announcement Attachments including, but not limited to, the Budget Instructions, Grant Requirements, and Fact Sheets.

Applicant Response:

I acknowledge

BUDGET

Budget Year: 1

Budget Category	Direct	Total
▼ Salary By Position	$199,500.00	$199,500.00
Supervising Attorneys	$49,800.00	$49,800.00
Attorneys	$53,600.00	$53,600.00
Supervising Investigators		
Investigators (Sworn)	$83,600.00	$83,600.00
Investigators (Non-Sworn)		
Investigative Assistants		
Forensic Accountant/Auditor		
Support Staff Supervisor		

Paralegal/Analyst/Legal Assistant/etc.		
Clerical Staff	$12,500.00	$12,500.00
Student Assistants		
Over Time: Investigators		
Over Time: Other Staff		
Salary By Position - other		
Benefits	$227,900.00	$227,900.00
▼ Operating Expenses, General	$23,200.00	$23,200.00
Grant Indirect Costs - 10% method; plan must be on file and made available to CDI upon request (choose only 1 indirect cost method)	$19,950.00	$19,950.00
Grant Indirect Costs - 5% method; plan must be on file and made available to CDI upon request (choose only 1 indirect cost method)		
Audit	$3,250.00	$3,250.00
Forensic Accounting Services		
Transcription Services, Interpreter Services, Records Requests		
Expert Consultant Fees		

Witness Fees/Litigation Fees		
Undercover Operation Expenses		
Office Supplies		
Office Space/Facility Fees		
IT Services		
Communications (phone, etc.)		
Membership Dues/Publications		
Operating Expenses, General - other		
▼ Operating Expenses, Detailed	$0.00	$0.00
Outreach (identify details in narrative)		
Insurance (i.e., General Liability, etc.; identify in narrative)		
Motor Pool/Fleet Services (cannot include reserve fund for future purchases; identify number of vehicles)		
Vehicle Fuel and Maintenance (identify number of vehicles in narrative)		

Vehicle Mileage (not to exceed federal standard mileage rate; not allowed for grant purchased or motor pool/fleet vehicles; identify number of vehicles in narrative)		
Vehicle Parking (identify number of vehicles in narrative)		
Software Renewal (identify in narrative)		
Software Purchase (identify and provide justification in narrative)		
Minor Equipment as defined in instructions (Identify equipment and purchase price of each item in narrative)		
Equipment Lease/Maintenance (identify in narrative)		
Operating Expenses, Detailed - other		
▼ Operating Expenses, Travel and Training	$2,000.00	$2,000.00
Travel - In CA (Include costs such as hotel, airfare, and rental car associated with investigation and/or training. In narrative identify purpose, number of staff, and % billed to the program and other source of funding if less than 100%)	$1,500.00	$1,500.00
Travel - Out of CA (Include costs such as hotel, airfare, and rental car for out of state travel associated with investigation and/or training. In narrative identify state, purpose, number of staff, and % billed to the program and other source of funding if less than 100%)		
Training - In CA (Include registration fees. In narrative identify purpose, number of staff, and % billed to the program and other source of funding if less than 100%)	$500.00	$500.00
Training - Out of CA (Include registration fees. In narrative identify state, purpose, number of staff, and % billed to the program and other source of funding if less than 100%)		
Operating Expenses, Travel and Training - other		

▾ Equipment	$0.00	$0.00
Computers (provide justification and % billed to each program in narrative)		
Printers/Scanners (provide justification and % billed to each program in narrative)		
Vehicles (provide justification and % billed to each program in narrative)		
Vehicle Code 3 Equipment (provide number and % billed to each program in narrative)		
Equipment - other		
Total	$452,600.00	$452,600.00

Budget Justification

Category Name	Category Calculations	Category Narrative
▾ Salary By Position		
Supervising Attorneys	No. of Positions: 1 Total FTE: 0.25 Total Cost: $49,800.00 Total Requested Amount (Direct): $49,800.00	

Attorneys	No. of Positions: 1 Total FTE: 0.35	Total Cost: $53,600.00 Total Requested Amount (Direct): $53,600.00
Supervising Investigators		
Investigators (Sworn)	No. of Positions: 1 Total FTE: 0.8	Total Cost: $83,600.00 Total Requested Amount (Direct): $83,600.00
Investigators (Non-Sworn)		
Investigative Assistants		
Forensic Accountant/Auditor		
Support Staff Supervisor		
Paralegal/Analyst/Legal Assistant/etc.		
Clerical Staff	No. of Positions: 1 Total FTE: 0.15	Total Cost: $12,500.00 Total Requested Amount (Direct):

	$12,500.00	
Student Assistants		
Over Time: Investigators		
Over Time: Other Staff		
Salary By Position - other		
Benefits		
▾ Operating Expenses, General		
Grant Indirect Costs - 10% method; plan must be on file and made available to CDI upon request (choose only 1 indirect cost method)		
Grant Indirect Costs - 5% method; plan must be on file and made available to CDI upon request (choose only 1 indirect cost method)		
Audit		
Forensic Accounting Services		
Transcription Services, Interpreter Services, Records Requests		
Expert Consultant Fees		
Witness Fees/Litigation Fees		
Undercover Operation Expenses		
Office Supplies		
Office Space/Facility Fees		

IT Services		
Communications (phone, etc.)		
Membership Dues/Publications		
Operating Expenses, General - other		
▼ Operating Expenses, Detailed		
Outreach (identify details in narrative)		
Insurance (i.e., General Liability, etc.; identify in narrative)		
Motor Pool/Fleet Services (cannot include reserve fund for future purchases; identify number of vehicles)		
Vehicle Fuel and Maintenance (identify number of vehicles in narrative)		
Vehicle Mileage (not to exceed federal standard mileage rate; not allowed for grant purchased or motor pool/fleet vehicles; identify number of vehicles in narrative)		
Vehicle Parking (identify number of vehicles in narrative)		
Software Renewal (identify in narrative)		
Software Purchase (identify and provide justification in narrative)		

Minor Equipment as defined in instructions (Identify equipment and purchase price of each item in narrative)			
Equipment Lease/Maintenance (identify in narrative)			
Operating Expenses, Detailed - other			
▼ Operating Expenses, Travel and Training			
Travel - In CA (Include costs such as hotel, airfare, and rental car associated with investigation and/or training. In narrative identify purpose, number of staff, and % billed to the program and other source of funding if less than 100%)	No. of People: 1	Total Cost: $1,500.00 Total Requested Amount (Direct): $1,500.00	Hotel & Transportation for annual CDAA conference - 1 staff, .35 FTE
Travel - Out of CA (Include costs such as hotel, airfare, and rental car for out of state travel associated with investigation and/or training. In narrative identify state, purpose, number of staff, and % billed to the program and other source of funding if less than 100%)			
Training - In CA (Include registration fees. In narrative identify purpose, number of staff, and % billed to the program and other source of funding if less than 100%)	No. of People: 1	Total Cost: $500.00 Total Requested Amount (Direct): $500.00	Registration fees for annual CDAA conference - 1 staff, .35 FTE
Training - Out of CA (Include registration fees. In narrative identify state, purpose, number of staff, and % billed to the program and other source of funding if less than 100%)			

Operating Expenses, Travel and Training - other		
▼ Equipment		
Computers (provide justification and % billed to each program in narrative)		
Printers/Scanners (provide justification and % billed to each program in narrative)		
Vehicles (provide justification and % billed to each program in narrative)		
Vehicle Code 3 Equipment (provide number and % billed to each program in narrative)		
Equipment - other		