

**SANTA BARBARA COUNTY
BOARD AGENDA LETTER**



Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Agenda Number:

Prepared on: 10/01/03
Department Name: District Attorney
Department No.: 021
Agenda Date: 11/4/03
Placement: Administrative
Estimate Time:
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Thomas W. Sneddon Jr.
District Attorney

STAFF CONTACT: Marnie B. Pinsker, DA Assistant Director, x2304
David M. Saunders, Chief Investigator, x2359

SUBJECT: Implementation of Agreement with the California Department of Insurance for a Workers' Compensation Prosecution Unit in the District Attorney's Office

Recommendation(s):

That the Board of Supervisors:

- a) Adopt the attached resolution authorizing the District Attorney to implement an agreement with the California Department of Insurance for a Worker's Compensation Prosecution Unit, effective October 1, 2003;
- b) Approve Budget Revisions increasing net appropriations and revenues by \$97,600 to finance staffing and operating expenses for the balance of the current fiscal year; and
- c) Adopt the attached Personnel Resolution effective 10/27/03 to ADD:
One (1.0 FTE) Senior Investigative Assistant position (Range4976, \$2,902-3,543/mo).

Alignment with Board Strategic Plan:

The recommendation(s) are primarily aligned with actions required by law or by routine business necessity.

Executive Summary and Discussion:

The Workers' Compensation crisis in California is having a very negative effect on business in Santa Barbara County. An important component of this problem is fraud. Historically, the District Attorney's Office has had limited capability to prosecute workers' compensation insurance fraud cases. This limitation was primarily due to the lack of resources required to conduct thorough investigations needed for criminal case filings or for dedicated prosecution of these cases. In the past, our involvement has focused on prosecuting cases investigated by the California Department of Insurance (CDI). Last year, we were able to recover \$6,330 from CDI to reimburse prosecution costs. This fiscal year, the County General Services

Department has provided funds to target employee workers' compensation insurance fraud, and that program is being implemented in the Santa Barbara Office. More recently, through a collaborative effort with the North County business community, the District Attorney applied for and has been awarded funding by CDI to implement a Worker's Compensation Insurance Fraud Unit in North County. The program is financed through fees assessed by the State Insurance Commissioner as part of the workers' compensation insurance rates and has been an effective program in other California counties.

The unit will include a .5 Prosecutor, .5 Criminal Investigator, and .5 Sr. Investigative Assistant dedicated to worker's compensation insurance fraud cases. The unit will work in conjunction with the CDI staff to target fraud cases for local investigation and case filing, as well continuing to review CDI investigations for criminal prosecution. The long term goal of this initiative is to reduce worker's compensation insurance fraud in Santa Barbara County through crime prevention and deterrence. This will be accomplished through a combination of community education and criminal prosecution of fraud cases.

Mandates and Service Levels:

While not mandated, this program is responsive to address critical needs expressed by the business community to address workers' compensation insurance fraud in the community.

Fiscal and Facilities Impacts:

No facility impacts are associated with this item, as the only position added is Sr. Investigative Assistant, who will share offices with the Criminal Investigator assigned to this unit. CDI has awarded \$150,000 to Santa Barbara County for FY 03-04 to finance the three half-time positions and operating expenses. Due to a \$52,400 reduction in the Statutory Rape Vertical Prosecution grant, the net budget increase totals \$97,600. This will finance \$90,400 in salary and benefit expenses for staff, which includes \$40,900 for the cost of the Sr. Investigative Assistant for the balance of this fiscal year, along with \$7,200 for minimal start up, operating, vehicle and training expenses.

Special Instructions:

Please return a certified copy of the Board Resolution to Marnie Pinsker, DA Assistant Director

1 BOARD OF SUPERVISORS OF THE COUNTY OF SANTA BARBARA
2 STATE OF CALIFORNIA

3 _____)
4 IN THE MATTER OF APPROVING AN AGREEMENT)
5 WITH THE CALIFORNIA DEPARTMENT OF INSURANCE) RESOLUTION NO. 2003-
6 TO IMPLEMENT A WORKERS' COMPENSATION)
INSURANCE FRAUD PROGRAM)

7 WHEREAS, the California Department of Insurance (CDI) distributes funds and administers a
8 program for enhanced investigation and prosecution of workers' compensation insurance fraud; and

9 WHEREAS, the District Attorney's Office has the desire and capability to participate in efforts
10 to deter workers' compensation insurance fraud through enhanced investigation and prosecution.

11 IT IS HEREBY RESOLVED THAT the District Attorney is authorized to execute a Grant
12 Award Agreement and any extensions or amendments thereof with the California Department of
13 Insurance to provide services effective October 1, 2003 through June 30, 2004.

14 BE IT FURTHER RESOLVED that the State funds received hereunder shall not be used to
15 supplant local funds that would be made available for this activity.

16 PASSED, APPROVED AND ADOPTED by the Board of Supervisors of the County of Santa
17 Barbara, State of California, this _____ day of _____, 2003, by the following votes:

18 AYES:

19 NOES:

20 ABSENT:

21 COUNTY OF SANTA BARBARA

22 BY: _____
23 Chair, Board of Supervisors

Approved as to form
Auditor-Controller

24 ATTEST:

25 CLERK OF THE BOARD OF SUPERVISORS

Approved as to form
County Counsel

26 BY: _____
27 Deputy
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