

2021 CSAC Challenge Awards

Executive Summary



WORKERS' COMPENSATION INSURANCE FRAUD PROGRAM

Submitted by:

OFFICE OF THE DISTRICT ATTORNEY, AMADOR COUNTY

Representing Amador, Calaveras, Stanislaus, Tuolumne and Mariposa Counties

OVERVIEW

The Workers' Compensation Insurance Fraud Program at the Amador County District Attorney's Office is a unique multi-county program that investigates and prosecutes workers' compensation insurance fraud in five surrounding counties.

CHALLENGE

Workers' compensation fraud costs the citizens of California billions of dollars each year. California's consumers and businesses face economic challenges that are made worse by the prevalence of workers' compensation fraud. The fraud occurs when an employee misrepresents their injury or medical condition, when health care providers bill for services never performed, when employers under-report payroll, or when attorneys or claims adjusters facilitate fraud. By creating joint partnerships with each District Attorney's Office, the State of California's anti-fraud program can extend into counties that may not have the resources or personnel to participate. Prior to creating these relationships, state and local law enforcement agencies as well as the insurance industry were forced to locate other jurisdictions participating in the workers' compensation fraud program or just forego workers' compensation insurance fraud investigations and prosecutions altogether.

SOLUTION AND INNOVATION

The Workers' Compensation Insurance Fraud Program at the Amador County District Attorney's Office continues to succeed as a cost effective unit, stretching over a significant area of Northern California in the fight against workers' compensation insurance fraud. It includes the counties of Amador, Calaveras, Stanislaus, Tuolumne and Mariposa, and covers a combined total of 6,895 square miles with a total population of over 704,000.

The continuity and stability within our program helps us attain quality and cost-effective case management in a multi-county area. This includes our prosecutor and investigators working together

during the early stages of investigation and throughout prosecution. All staff, program operations, and case files are located in the Amador County District Attorney's Office. When needed, our investigators and sworn prosecutor travel to the necessary county for case investigation and prosecution. Over the years, we have implemented policies and procedures to ensure effective case management resulting in an efficient use of grant funded resources. We continue to collaborate and build solid relationships with law enforcement agencies throughout all counties. Cases selected for prosecution involve significant investigations that involve search warrants, undercover operations and extensive surveillance. We attempt to identify cases that have the greatest deterrent effect, significantly impact the workers' compensation system and affect public safety. An integral part of our program also includes successful outreach and training to public, private and government entities throughout our multi-county area.

RESULTS

Within the past year, our program has successfully prosecuted criminal cases with a total combined chargeable fraud amount of \$3.6 million. Our unit actively investigates approximately forty (40) cases per year. In the past, we have participated in successful joint investigations with the California Department of Insurance, State Compensation Insurance Fund, Department of Industrial Relations, Employment Development Department, Contractors State License Board and neighboring District Attorneys' offices. Through successful convictions within the last two years, our program has obtained restitution orders that total over \$1 million.

An integral part of our program also includes successful outreach and training directed to the public, private and government entities throughout our multi-county area. We utilize media to publicize fraud arrests and convictions in order to make the public aware of our efforts to minimize insurance fraud and to deter crime. All personnel assigned to the fraud unit attend training seminars, commission hearings and round table discussions in order to learn and share successful anti-fraud strategies and "best practices" among prosecutors and investigators.

REPLICABILITY

Our program is fully funded through an application and grant process with the California Department of Insurance pursuant to the provisions of California Insurance Code Section 1872.83. District Attorney's Offices can participate in the yearly grant process and request funding on behalf of neighboring counties. Partnerships can be formed between the District Attorney's Offices in order to designate investigative and prosecutorial staff for the purpose of investigating and prosecuting workers' compensation insurance fraud. These partnerships are the foundation to our program.

PROGRAM CONTACT

Janelle F. Crandell

Program Manager -Special Prosecutions Unit

708 Court Street

Jackson, CA 95642

209-223-6444

jcrandell@amadorgov.org