

**STATE OF CALIFORNIA
FRAUD ASSESSMENT COMMISSION**

**Summary Meeting Minutes
Sacramento, California
September 8, 2021**

In attendance: Don Marshall, Chairperson; and Commission Members Christine Baker, Jay R. Bobrowsky, Branden Lopez, John Riggs, and Joel Sherman.

Others present: Eric Charlick, Division Chief (DC), California Department of Insurance (CDI) Enforcement Branch; Victoria Martinez, Assistant Chief, CDI Enforcement Branch; and Yvonne Hauscarriague, Senior Counsel, CDI Government Law Bureau.

Pursuant to Governor Gavin Newsom's Executive Order N-29-20, in response to the COVID-19 pandemic, this meeting was held entirely via Zoom Conferencing Services.

I. Fraud Assessment Commission

a. Opening Remarks

Chairperson Marshall opened the meeting at 10:40 a.m. and provided an explanation of the logistics for the online and telephonic meeting.

Chairperson Marshall explained that the Commission will have two September meetings and next week's meeting will be to set the assessment. He then asked the Commissioners if they wished to make any opening comments.

Commissioner Bobrowsky thanked CDI and the District Attorneys (DAs) for their efforts and successful outcomes.

Commissioner Baker commented she looks forward to hearing the information provided at today's meeting.

There were no other opening comments.

b. Approval of the Summary Meeting Minutes

Chairperson Marshall then proceeded with the approval of the summary minutes from the July 16, 2021, meeting.

Motion

Chairperson Marshall confirmed that all Commissioners had received the prior meeting's Summary Meeting Minutes emailed to them at the start of the meeting.

Commissioner Bobrowsky made a motion to accept the minutes. Commissioner Baker seconded the motion.

Action

The summary minutes were unanimously accepted via a roll call vote.

c. Public Comments

Chairperson Marshall asked if there were any public comments and there were none. He then turned the meeting over to DC Eric Charlick of the Enforcement Branch.

II. Enforcement Branch Report

DC Charlick provided an overview of CDI's efforts develop an online application system and expressed an intent to roll out with the Fiscal Year (FY) 2022-2023 request for applications. He indicated that the update to the statistical reporting system will occur as the next phase. DC Charlick then provided a summary of hiring and recruitment efforts.

DC Charlick responded to questions and comments from the Commissioners regarding the online application system and the training of new hires.

Chairperson Marshall asked if there were any public comments on these topics and there were none. He then moved to the next agenda item.

III. Workers' Compensation Program Overview

FY 2020-2021 CDI and DA Annual Reports summarizing performance activities and FY 2022-2023 DA Projected Budgets were emailed to the Commissioners during the meeting on behalf of the Fraud Division and the DAs.

DC Charlick provided an overview of statewide anti-fraud efforts and highlighted the collaborative efforts between CDI and the DAs. He further commented on the how CDI and the DAs responded to the COVID pandemic and highlighted areas where they were able to improvise, adapt, and overcome obstacles. He provided examples and statistical comparisons to pre-pandemic years to demonstrate the continued active and committed efforts in the investigation and prosecution of fraud.

DC Charlick explained that CDI has worked with it's Budget and Revenue Management Bureau and has determine that a minimum 5% increase in the assessment is needed to

maintain the current staffing level. He further explained that this estimate is for the state operation only and does not address what the DAs may require to maintain their programs.

DC Charlick noted that the budgets submitted on behalf of the DAs indicate that their projected needs are 19.89% more than the current funding level. He then explained how CDI would utilize additional funding above the 5% level. He then responded to clarifying questions from the Commissioners.

Chairperson Marshall opened the floor for public comments.

Public Comments

It was determined that 23 meeting attendees wished to concede their speaking time to Shaddi Kamiavipour.

Ms. Kamiavipour, Senior Deputy District Attorney (DDA) with Orange County, spoke about her experience with the prosecution of provider fraud, the implementation of legislation, knowledge sharing with county offices statewide. Ms. Kamiavipour responded to comments from the Commissioners regarding use of Department of Industrial Relations (DIR) data, collaboration across counties, cooperation from insurers, and the impact of the COVID pandemic. She then ceded her remaining time to Kate Zimmerman.

Ms. Zimmerman, DDA with Kern County, gave an overview of her county's current caseload and the challenges of spreading program funds to meet the county's program needs. There were no questions or comments from the Commissioners and Ms. Zimmerman ceded the remaining time to Amy Glaudini.

Ms. Glaudini, Managing DDA with Riverside County, commented on the need of all counties for additional resources to meet the goals and objectives set by the Commission. She highlighted the time and resources needed to fight provider and premium fraud cases. She ceded her remaining time to Susan Park.

Ms. Park, DDA with Ventura County, commented on the unfunded contributions made by her county and provided examples. She discussed program administration, lead generation, and collaborative outreach and training. Commissioner Marshall commented on insurer compliance. Ms. Park ceded her remaining time to William Lee.

Mr. Lee, Supervising DDA with San Bernardino County, commented on the statewide performance statistics and discussed the struggle to meet the commission's goals. He discussed county staffing levels, collaborative efforts across counties and with DIR, and provided a cost benefit analysis. He closed with a request for a 15% increase. Mr. Lee then responded to questions and comments from the Commissioners regarding the statewide statistics, cost/benefit analysis, collaboration efforts, and impact of the COVID pandemic. Mr. Lee ceded his remaining time to Jill Nerone.

Ms. Nerone, Assistant DA with Alameda County, commented on the value to employers of the work being done and provided a case example. She responded to questions and comments from the Commissioners regarding the case.

Steve Smith, Chief of CDI's Support and Compliance, commented on insurer compliance, quality and content of suspected fraud claims (SFCs), and provided his contact information.

Gary Brown, Captain of CDI's Sacramento Regional Office, acknowledged the efforts of DDA Janelle Crandell of Amador County who will be leaving the program.

George Mueller, Deputy Commissioner of the CDI Enforcement Branch, thanked DC Charlick and the county presenters, and asked the Commissioners to consider the increase requested today.

There were no more public comments on this Agenda item.

IV. Public Comment

The floor was opened for public comment on any agenda item and there were none.

V. Other Business

a. Next Scheduled Meetings

Chairperson Marshall announced the next scheduled meetings as September 15, 2021, and January 12, 2022.

b. Public Comments

The floor was opened for public comments and there were none.

VI. Closing Remarks

Chairperson Marshall asked the Commissioners if they wished to make any closing comments and there were none.

Motion

Commissioner Lopez made a motion to adjourn and Commissioner Bobrowsky seconded the motion.

Action

The Commissioners unanimously approved via a roll call vote and the meeting adjourned at 1:15 p.m.