

# Application Report



**Applicant Organization:**

San Francisco

**Project Name:** 23-24 Auto SF

**Application ID:** App-23-156

**Funding Announcement:** FY 23-24 Automobile Insurance Fraud Program

**Requested Amount:** \$597,378.00

**Project Summary:** ISFDA Auto Insurance Fraud Investigation and Prosecution

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**Section Name:** Overview Questions

**Sub Section Name:** General Information

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**1. Applicant Question:** Multi-County Grant

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

**Applicant Response:**

No

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**2. Applicant Question:** FY 21-22 Audited Unexpended Funds

**Excluding interest, what was the amount of your FY 21-22 Audited Unexpended Funds? If none, enter "0".**

**Applicant Response:**

\$0.00

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**3. Applicant Question:** FY 21-22 Audited Unexpended Funds Percentage of FY 21-22 Award

**Your FY 21-22 Audited Unexpended Funds are what percentage of your FY 21-22 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 21-22 Total Award: \$100,000

FY 21-22 Audited Unexpended Funds: \$23,750

FY 21-22 Audited Unexpended Funds Percentage: 24%

**Applicant Response:**

0.00%

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**4. Applicant Question:** Contact Updates

**Have you updated the Contacts and Users for your Program? Did you verify the Contact Record for your County's District Attorney?**

- **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

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**5. Applicant Question:** Program Contacts

**Identify the individuals who will serve as the Program Contacts. These individuals shall be entered as a User or Contact in GMS.**

*On the final submission page, you will link these individuals' contact records 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 must be someone other than the Project Director/Manager. This person is usually a Standard User.*

**Applicant Response:**

Program Contacts	Name
Project Director / Manager	Tina Nunes Ober
Case Statistics / Data Reporter	Tina Nunes Ober
Compliance / Fiscal Officer	Eugene Clendinen

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**6. 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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**7. 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. Items must be uploaded into the Document Library before you can attach them to the upcoming questions.

**Applicant Response:**

Yes

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**8. Applicant Question:** Grant Indirect Cost Plan

**If your application budget includes indirect costs, you must upload your Grant Indirect Cost Plan here and label it "23-24 Auto (county name) Grant Indirect Cost Plan".**

Your Grant Indirect Cost Plan needs to include a list of category expenses for which you are utilizing the indirect cost funds. Make sure no line items in the budget are duplicated in your Grant Indirect Cost Plan.

**If your application budget does not include any Indirect Costs, mark the N/A response.**

**Applicant Response:**

[23-24 AUTO San Francisco Indirect Cost Rate.pdf](#) - PDF FILE

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**Sub Section Name:** BOS Resolution

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**1. Applicant Question:** BOS Resolution

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

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A BOS Resolution for the new grant period must be uploaded to GMS to receive funding for the 2023-2024 Fiscal Year. If the resolution cannot be submitted with the application, it must be uploaded no later than January 2, 2024. There is a sample with instructions located in the Announcement Attachments, 3b.

**Applicant Response:**

No

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**2. Applicant Question:** Delegated Authority Designation

**Choose from the selection who will be the person submitting this application, signing the Grant Award Agreement (GAA) in GMS, 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. A sample Designated Authority Letter is located in the Announcement Attachments, 3a. CDI encourages the contact named as Project Director/Manger be the designated authority, should that be your selection.*

**Applicant Response:**

Designated Person named in Attached Letter

**Attachment:**

23-24 WC SF DOA (ECU).pdf - PDF FILE

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**Section Name:** County Plan

**Sub Section Name:** Qualifications and Successes

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**1. Applicant Question:** Successes

**What areas of your automobile insurance insurance fraud program were successful and why?**

*Detail your program's successes for ONLY the 21-22 and 22-23 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). 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:**

As we changed leadership on our team last year, we took advantage of the opportunity to assess our systems and make improvements. We also used it as an opportunity to rebuild and strengthen our relationships with our partner agencies.

One of the first tasks was to centralize collection and maintenance of all referrals (FD-1's) from various sources. Our IT staff (unfunded resource) created an e-mail inbox, SFDA-InsuranceFraud@sfgov.org, for the receipt of all FD-1's and possible referrals from any sources, such as the general public. We contacted all the SIU's with whom we work and requested that all referrals be sent to this e-mail address. We did the same with CDI. We put the address on our website, as well. Having all referrals go to one central inbox has made it easier for us to track our referrals. Our paralegal, Valerie Blasi (unfunded contribution), opens up all the e-mails received and forwards them to the program director and the supervising investigator (both unfunded resources).

We streamlined our process by having all FD-1's go through an initial review by the program director and/or the supervising investigator. This has proven to be an efficient system where we are saving time and resources by closing unprovable cases very early in the process. Cases that appear to be viable, at least at the early stages, are promptly assigned to an attorney and an investigator. It also assists the SIU's as they do not have to guess or question to whom they should send a referral and they receive a timely response to their referral. The e-mail address is also on the SFDA website where it can be easily located by anyone needing to send a referral. Prior to creating the e-mail inbox, SIU's would send their

FD-1's to whichever attorney or investigator they may have worked with in the past. This made it difficult to know what each attorney or investigator's case load looked like in terms of how many and what types of cases he or she had. Ms. Blasi, our paralegal, uploads all the referrals into our office's case management database. Our new system also ensures that all referrals are documented, and all decisions are fully and transparently documented in the database. This makes keeping our statistics simpler and ensures greater accuracy. And we know our new system is working well because we have received 192 auto fraud referrals since July 1, 2022.

Bringing in new leadership also offered an opportunity to rebuild our relationships, especially after covid lockdowns forced us all to work remotely and did not allow us to meet in person. We have been meeting in person on a routine basis with our partners at the CDI Golden Gate Regional Office. All the SFDA program attorneys and investigators are expected to attend unless they are in court or on vacation. We have been able to discuss our joint cases as well as cases which CDI will be presenting to us for prosecution. We also took a fresh look at the Joint Plan with the new Captain, Christina Smith. As a result, the Joint Plan was modified to meet the needs and expectations of both agencies. We look forward to continuing our close relationship with the Golden Gate Regional Office.

This year we also increased our training. One investigator and two attorneys attended the CDAA Fraud Symposium in February of this year. It was a great opportunity for us to learn from our colleagues across the state. We were also able to network and rebuild our relationships with colleagues from other District Attorneys Offices across California whom we had not seen in a number of years. These relationships are invaluable. Furthermore, we sent an investigator and four attorneys to the annual AFA training in Monterey in April. While at the AFA training, the Program Director met with NICB President, David Glawe and members of his staff to discuss building a stronger partnership with NICB. The Program Director will be attending the NICB National training for prosecutors in October. We will also work closely with NICB to take advantage of other training opportunities as well as developing more efficient investigation techniques by using the vast data available through NICB.

We have also had successes in the following cases:

***People v. Micah Potts***

Potts reported to his insurance company, Progressive, that he was involved in a collision at 7<sup>th</sup> and Geary Streets in San Francisco. Potts was the at-fault party. At the time of reporting the collision, Potts denied driving for any ride-sharing platform. To Progressive, the claimant sent a photograph of Pott's insurance card, with an Uber sticker on it. Progressive contacted Uber and confirmed that Potts was driving for Uber at the time of the collision. Driving for a ride-sharing platform was expressly prohibited by Pott's insurance policy. Progressive paid out part of the claim, amounting to \$4990. Progressive would have potentially paid \$10, 203.58 total to repair both vehicles, had the fraud not ultimately been uncovered. Progressive would have denied the claim outright had it known the accident occurred when Potts was driving for a ride-sharing company. This investigation was referred to our office by CDI, as part of a joint operation related to ride-share drivers lying to their personal insurance companies.

An arrest warrant issued, and Potts was arraigned on March 14, 2022, in San Francisco Superior Court. On May 2, 2022, a negotiated disposition was entered. After completing a significant amount of community service hours and after we confirmed that Progressive was subrogated by Uber's insurance carrier, James River Insurance, in full, Potts earned a dismissal of his case. This case was prosecuted by ADA Stephanie Zudekoff.

***People v. Adam Eatia***

SFDA filed charges against Eatia, a peace officer, relating to his purchase of a 2018 Ford Mustang. Another officer helped Eatia purchase the vehicle and insured it under his name through Mercury Insurance. Eatia was not disclosed as a driver anywhere on the application. After an accident in July 2018, Eatia committed insurance fraud by failing to disclose he was the primary driver of the Mustang and claimed he only occasionally borrowed the vehicle. While Mercury took steps to cancel the policy due to Eatia's unauthorized driving, they still paid out over \$6,000 in claims relating to this accident, including for a rental vehicle used by Eatia. In March 2019, Eatia obtained another insurance policy through Allstate Insurance Company in the name of his friend, the owner of the mustang, who was not aware of this second insurance policy. Eatia is alleged to have impersonated the owner and forged his signature to obtain the Allstate insurance. Subsequent to obtaining the new Allstate Insurance policy, Eatia allowed a friend to borrow the vehicle and this friend was in an accident, totaling the car. Eatia is alleged to have committed grand theft when, after the accident, he lied to his friend – telling him that the vehicle was not insured and demanded that the friend pay him \$49,000 for the damage. After accepting this payment, Eatia also filed a claim with Allstate under the vehicle owner's name. Through this claim, Allstate paid out more than \$36,000 for the vehicle - resulting in an almost double recovery of funds for Eatia.

In this matter, Eatia is charged in a felony complaint with violations of PC 487(a), a felony; 2 counts of PC 550(b)(1), a felony; 2 counts of PC 550(b)(2), a felony; 2 counts of PC 550(b)(3), a felony; PC 470(a), a felony; and PC 530.5(a), a felony for stealing from a civilian victim, defrauding 2 automobile insurance companies, and using the PII of a fellow officer without that officer's consent. The San Francisco Police Department, Risk Management - Investigative Services Detail investigated this case. An arrest warrant issued, and Eatia was arraigned on July 25, 2022 in San Francisco Superior Court. This case is currently pending preliminary hearing and is being prosecuted by ADA Stephanie Zudekoff.

***People v. Pacific Heights Autobody, Eric Rios and Raymundo Prado***

The owner of Pacific Heights Auto Body Shop, Eric Rios, who was also an insurance agent for Farmers, referred six Farmers insureds to Pacific

Heights without disclosing his financial interest. Subsequent inspections of eight vehicles, including those belonging to the six, involved in nine Farmers claims, revealed that the repairs made by the manager, Raymundo Prado, were not performed as quoted. A total of \$13,572.31 in payouts from Farmers did not go to repairs. Parts were not replaced at all or replaced with substandard or inferior, rather than Original Equipment Manufacturer (OEM), replacement parts. Raymundo Prado stated he knew what he had done was wrong, the decisions were his, and Eric Rios did not have knowledge of the fraud. Raymundo Prado was charged with insurance fraud for substandard repairs on each of the eight vehicles over a six-month period.

But separately, in less than a month, Eric Rios deposited into his own personal bank account \$3,290 that was supposed to go to Farmers, intended for insurance premium payments. Rios told Farmers he deposited cash into his personal account because he could not deposit into the joint Farmers account via ATM (it required a teller), did not want to keep too much cash in his office, and was too busy to get to the bank. While 41 cash receipts were voided by Rios, he reentered payments on 39 of them. Farmers recovered the remaining amount owed two days after their audit and before we filed charges. Eric Rios was charged with embezzlement.

On March 30, 2023, both defendants entered into negotiated dispositions. Raymundo Prado pled guilty to a felony violation of Penal Code section 550(b)(3), was placed on two years of formal probation, ordered to spend 364 days on electronic monitoring or home detention and pay restitution in the amount of \$19,937.71 to Farmers. That total included the costs of investigation. At the time of plea, Raymundo Prado sent \$11,000 to Farmers. Meanwhile, Eric Rios was sent to pretrial diversion on a misdemeanor violation of Penal Code section 506 and ordered to complete 120 hours of community service. ADA Alex Fasteau prosecuted this case.

#### ***People v. Walter Sanchez***

In this case, Walter Sanchez, the claimant insured, was charged with fraud after he reported that in March 2018, he swerved into a highway barrier to avoid being struck by another vehicle coming from behind at a high rate of speed. Walter Sanchez's vehicle was totaled, and Mercury Insurance paid him \$29,660.01. In April 2019, apparently prompted by the increased premiums that the insurance company charged, as well as the point on his driving record, Walter Sanchez reached out to the insurer, and his son did the same, both stating that his son was driving at the time of the loss. As his son had been an excluded driver on the policy, the entire payout was due back to the insurance company. Thereafter Walter Sanchez reverted to his original version of events. The computer aided dispatch (CAD) log and officer's preliminary hearing testimony supported the son being the driver. The first California Highway Patrol officer to respond ran only one California Driver's License at the scene of the solo car collision, that of the son who was driving. The CDI Detective on this case, now a SFDA Program Inspector, also authored a search warrant for the cell phone records of Mr. Sanchez, and his cell phone records indicated he was not at the scene of the collision when it happened.

As of July 2021, the son stopped cooperating, and he ultimately failed to appear in court for jury trial despite having been properly served with a subpoena. We were unable to find and serve the one person associated with the insurance company to whom Walter Sanchez admitted that his son was driving. Mercury received money from the sale of the salvage vehicle, thus \$21,667.51 is their total loss amount. After the preliminary hearing and on June 3, 2022, Mr. Sanchez agreed, and the court ordered him to pay that amount in full. He has since been making monthly payments of \$250 to Mercury and returning to court for quarterly progress reports. At the conclusion of the year, if he has paid monthly as directed, a CR110 will be filed for the remainder owed, and the charges will be dismissed. This case was prosecuted by ADA Alex Fasteau.

#### ***People v. Darren Brown***

Darren Brown was charged with insurance fraud stemming from a "crash and buy". Darren Brown was the uninsured driver of a vehicle that collided with another vehicle on December 26th, 2017. Approximately one hour after the accident, Brown purchased an automobile insurance policy from Esurance. Three days later, he filed a claim for insurance benefits, falsely stating that the accident occurred an hour after he purchased the insurance. Esurance denied the claim based on statements of the other driver involved in the accident and because the metadata on photographs submitted by Brown revealed that the accident occurred prior to his having purchased the Esurance policy.

Within three weeks of the first denial, Brown filed another claim with Esurance for what appeared to be identical damages, but this time he stated his parked car was struck during a hit and run. Had his lies not been discovered, Esurance would have paid him \$10,869.42.

On January 19, 2022, Darren Brown pled guilty to a violation of Penal Code section 550(b)(1), a felony. He was sentenced to two years of adult probation and one year of county jail, servable through electronic monitoring or home detention. He was ordered to undergo testing and complete counseling as directed by the Adult Probation Department. He was also ordered to pay restitution in the amount of \$2,047.72 to Esurance, for the costs of investigation, and a CR110 to that effect was signed by the court. This case was prosecuted by ADA Alex Fasteau.

#### ***People v. Daniel Brosch***

Just four months after joining our unit last year, our newest program prosecutor, ADA Rebecca Friedemann Zhong, filed a standard auto fraud case (*People v. Daniel Brosch*, Case No. 22012182). While driving his then-girlfriend's Jeep in June 2021, Brosch slammed into another car with such force that he totaled it and left the Jeep inoperable. The driver of the other vehicle was insured by CSAA Insurance and reported the accident that same day. Brosch did not have insurance. Instead of paying out of pocket for the damage he caused, he quickly purchased an insurance policy from Esurance. He waited for the policy to take effect. Then he called Esurance to file a claim for the accident, falsely claiming the date of loss was after the policy took effect rather than when the loss actually occurred. When Esurance investigated Brosch's fraudulent claim, he

doubled down on his lies by making false and misleading statements about the date of the accident (among other things), so that Esurance would foot the bill for the damage he caused. Had Brosch's crash-and-buy insurance fraud scheme succeeded, Esurance would have been responsible for the almost \$30,000 in damages that he caused to the other driver.

ADA Zhong worked with our experienced Program Inspector John O'Reilly to bring charges against Brosch for felony insurance fraud in violation of Penal Code sections 550(a)(1) and 550(b)(1). And when Inspector O'Reilly went out on unplanned leave shortly thereafter, ADA Zhong worked with Inspector Douglass Keely to take the case to preliminary hearing. On January 10, 2023, Brosch was held to answer on both counts. After that hearing, ADA Zhong successfully moved to amend the felony information to allege circumstances in aggravation based on Brosch's criminal history and the nature of his crimes. The case is now scheduled for jury trial. *If convicted, Brosch faces up to 10 years in state prison.*

**People v. Soe Khine**

When she joined our unit, ADA Zhong also took over the prosecution of a ride-share auto fraud case (People v. Soe Khine, Case No. 21002300). As part of the negotiated disposition that ADA Zhong secured in that case, Khine paid full restitution in the amount of \$3,472.72 to the named victim, CSAA Insurance.

In addition to prosecuting these cases, ADA Zhong has worked to develop a collaborative relationship with detectives at the California Department of Insurance (CDI).

Because our Program was temporarily left without a Program investigator due to Inspector O'Reilly's leave, ADA Zhong reached out to two CDI detectives regarding three different auto fraud investigations arising out of crimes committed in San Francisco. CDI has now concluded two of those investigations and is in the process of referring them to ADA Zhong for charging and prosecution. CDI anticipates referring the third case to ADA Zhong later this year. This is an example of our renewed and successful collaboration with CDI Golden Gate Regional Office.

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**2. Applicant Question:** Task Forces and Agencies

**List the governmental agencies and task forces you have worked with to develop potential automobile insurance insurance fraud cases.**

**Applicant Response:**

California Department of Insurance (CDI)

National Insurance Crime Bureau (NICB)

Department of Motor Vehicles (DMV)

San Francisco Police Department (SFPD)

California Highway Patrol (CHP)

Bureau of Automotive Repair (BAR)

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**3. Applicant Question:** Unfunded Contributions

**Specify any unfunded contributions and support (i.e., financial, equipment, personnel, and technology) your**



**county provided in Fiscal Year 22-23 to the automobile insurance fraud program.**

**Applicant Response:**

SFDA program prosecutors are only partially funded by the CDI grant program. The program is supervised by Managing Assistant District Attorney, Tina Nunes Ober. Ms. Nunes Ober's salary is an unfunded contribution. She oversees both CDI grant funded programs (auto and workers compensation). As the program director, Ms. Nunes Ober reviews all FD-1's which are submitted to the SFDA. She makes the initial decision on whether or not there is sufficient evidence at the early stages to allow SFDA to pursue further investigation on the case. If the case does not appear to be viable, she will close it out. Making these decisions early saves time for the funded program attorneys and investigator.

In addition, Ms. Nunes Ober reviews all search and arrest warrants, conducts regular team meetings, and oversees the prosecution of all auto fraud cases. She is the main contact for our partner agencies and collaborates with them on joint cases.

Lieutenant Molly Braun supervises the program investigator. Her salary is also paid through the SFDA general budget. Lt. Braun assists the program investigator with drafting search and arrest warrants. She also coordinates the execution of search and arrest warrants when it is a large operation requiring assistance from partner agencies such as CDI. Lt. Braun will also do initial reviews of FD-1's with the program director.

SFDA utilizes the skills and talents of its paralegal team to ensure the success of the auto insurance fraud program. They are all unfunded. Paralegal Valeri Blasi monitors the SFDA Insurance Fraud e-mail inbox. She uploads all FD-1's received into the SFDA data management system. Ms. Blasi maintains and assists in reporting all the program statistics. None of SFDA paralegal staff are grant funded. They all assist in drafting pleadings, downloading and discovering evidence (which can be voluminous) and in maintaining our electronic case files. Ms. Blasi attends all of the meetings with CDI Golden Gate Regional Office so that she can keep updated notes on our cases. She is often the main contact for our team.

SFDA employs numerous talented volunteer law students and undergraduate students throughout the year. Our internship program has allowed us the opportunity to work with enthusiastic and bright students from schools throughout the bay area. These students provide assistance on our cases by conducting legal research, drafting pleadings and organizing evidence and data. They are all unfunded contributions to the SFDA program.

SFDA has a well-trained and knowledgeable technology team which is also unfunded. SFDA IT team created the SFDA-Insurance Fraud email inbox for the collection of referrals to the office. The IT Team assists the program with all technology needs to ensure we are maintaining all of our data and evidence securely.

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**4. Applicant Question:** Personnel Continuity

**Detail and explain the turnover or continuity of personnel assigned to your automobile insurance fraud program. Include any rotational policies your county may have.**

**Applicant Response:**

The San Francisco District Attorney's Office does not have a formal rotations practice although personnel rotations are not uncommon. However, the Office understands the importance of continuity when investigating and prosecuting complex automobile insurance fraud cases. Maintaining control over investigations and fostering relationships with outside agencies such as CDI, NICB and carrier SIUs is crucial to our Program's success, which is why the San Francisco District Attorney's Office strives to ensure that experienced law enforcement professionals are assigned to the Program.

Assistant District Attorney Alex Fasteau has served as a primary Program prosecutor since March 2016. Mr. Fasteau has worked for the San Francisco Attorney's Office for 18 years. He is a very experienced attorney who has had 45 jury trials



during his 20 years as a prosecutor. He previously worked at the Solano County District Attorney's Office. ADA Fasteau has spent most of his career in the following specialized units: Economic Crimes, Child Abduction, Child Abuse and Sexual Assault, Public Integrity, and Domestic Violence. He has tried complex cases involving charges of premeditated attempted murder, aggravated mayhem, torture stalking, domestic violence, criminal threats, possession and distribution of child pornography, child molestation, and child endangerment resulting in death. As a member of the Economic Crimes Unit, he has prosecuted cases involving workers' compensation insurance fraud, medical provider fraud, life insurance and annuity fraud, and major fraud/embezzlement. ADA Fasteau graduated, Phi Beta Kappa in Economics, from the University of California, Berkeley, where he also attended law school. He speaks Spanish fluently.

Assistant District Attorney Stephanie Zudekoff has been with the program for 5 years. She received her Bachelor of Arts from the University of Georgia and her law degree from Georgia State University, College of Law. Ms. Zudekoff practiced law for several years in Georgia, including with the Georgia Attorney General's Office. Since joining the SFDA Economic Crimes Unit, she has successfully litigated and resolved automobile insurance fraud cases, she has also prosecuted workers' compensation insurance fraud and public assistance fraud. Ms. Zudekoff corresponds daily with program partners to evaluate FD-1's and move investigations forward.

Assistant District Attorney Rebecca Zhong has been with the program for one year. Ms. Zhong joined the Economic Crimes Unit after completing a rotation in the SFDA's General Felonies Unit where she obtained courtroom experience. ADA Zhong came to SFDA from private practice at a large law firm where she handled white collar defense. She is a 2018 graduate of the University of California, Davis, School of Law and received her undergraduate degree from the University of Pennsylvania. She is proficient in Spanish. ADA Zhong has taken on many challenges in her first year on the team. She completed an auto insurance crash and buy preliminary hearing on which she is awaiting trial. In an effort to obtain jury trial experience, she took a hand-off trial from a departing attorney in our White-Collar Division. Ms. Zhong successfully prosecuted the case and secured a felony conviction. Completing her first jury trial was a milestone in her career and will serve to make her a better and stronger program prosecutor.

Managing Assistant District Attorney Tina Nunes Ober has been the Program Director since March 2022. She continues to work on ways to expand SFDA's caseloads and maintain staffing levels while learning more about all types of insurance fraud schemes. Ms. Nunes Ober is a 29-year career prosecutor with experience in prosecuting a variety of crime, both criminally and civilly. She has worked at three District Attorney's Offices across the state of California and is a cum laude graduate of Boston University and Suffolk University Law School.

District Attorney Inspector John O'Reilly has served as the Auto Fraud program inspector since 2018. He began his law enforcement career in 1991 when he graduated from the police academy and joined the Oakland Police Department. He spent 27 years with Oakland Police where he was assigned to the Patrol Division, the Community Policing Division and the Recruiting and Backgrounds Unit. At times he served as acting Sergeant. He has conducted investigations on a variety of crimes including homicides, rape, robbery, assault, burglary, theft, fraud, forgery, embezzlement, illegal possession of firearms and narcotics. Inspector O'Reilly has also conducted hundreds of background investigations for sworn and civilian positions with the City of Oakland. He holds a Bachelor of Arts degree in History from Saint Mary's College and an advanced certificate from the California Commission on POST.

District Attorney Inspector Lessa Vivian joined the auto fraud program in May of this year. Inspector Vivian has been with the SFDA Investigations since March of 2018 where she has worked in the Trial Preparation Unit, the Special Investigations Unit and the Child Assault and Sexual Assault Unit, as well as the Child Abduction and Recovery Unit. Inspector Vivian has a Bachelor of Arts from Sonoma State University. She joined the Mill Valley Police Department after graduating from the Police Academy in 2000. While a peace officer at the Mill Valley Police Department, Inspector Vivian worked in Patrol and Investigations. We look forward to training her in auto fraud and fulfilling a long-term goal of maintaining two investigators on auto fraud once Inspector O'Reilly is able to return from an unexpected leave.

Lieutenant Molly Braun has been the supervising investigator for the Economic Crimes Unit for three years. Prior to joining SFDA Investigations, she was a peace officer with the San Francisco Police Department. Lt. Braun has investigated many

types of crimes, including sexual assaults and child abduction.

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**5. Applicant Question:** Frozen Assets Distribution

**Were any frozen assets distributed in the current reporting period?**

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

**Applicant Response:**

No

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**Sub Section Name:** Staffing

**1. 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.

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".

**Applicant Response:**

Name	Role	Start Date	End Date (leave blank if N/A)	% Time Dedicated to the Program
John O'Reilly	Investigator	01/02/2018		80
Alex Fasteau	Attorney	03/01/2016		40
Stephanie Zudekoff	Attorney	08/01/2018		10
Rebecca Zhong	Attorney	06/01/2022		10

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**2. 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		
Attorneys	3	.60
Supervising Investigators		
Investigators (Sworn)	2	1.80
Investigators (Non-Sworn)		
Investigative Assistants		
Forensic Accountant/Auditor		
Support Staff Supervisor		
Paralegal/Analyst/Legal Assistant/etc.		
Clerical Staff		
Student Assistants		
Over Time: Investigators		
Over Time: Other Staff		
Salary by Position, other		
	<b>Total: 5.00</b>	<b>Total: 2.40</b>

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**3. Applicant Question:** Organizational Chart

**Upload and attach to this question an Organizational Chart; label it "23-24 AUTO (county name) Org Chart".**

*The organizational chart should outline:*

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

**Applicant Response:**

23-24 Auto SF Org.Chart.pdf - PDF FILE

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**Sub Section Name:** Problem Statement & Program Strategy

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**1. Applicant Question:** Problem Statement

**Describe the types and magnitude of automobile insurance fraud (e.g., applicant, medical/legal provider, staged collisions, insider fraud, fraud ring, capping, and economic vehicle theft) relative to the extent of the problem specific to your county.**

*Use local data or other evidence to support your description.*

**Applicant Response:**

Automobile insurance fraud is generally motivated by greed and the prospect of financial gain. The fraud can exist whether it is an uninsured driver who is seeking coverage after an accident, or a body shop owner looking to make money, by deceiving an insured or a carrier, that a car was repaired as estimated when in reality, substandard replacement parts were used or the repair itself was substandard. Basic greed appears to motivate each offender. whether small- or large-scale fraud is involved.

Opportunities present themselves when first-time uninsured offenders look to capitalize on a single, quick and easy fraudulent claim to pay for damages or injuries. On the other hand, repeat offenders—encouraged by past success—continue to defraud insurance carriers on either subsequent claims or large scale scams carried out in a more sophisticated manner.

SFDA continues to review referrals, open investigations, and prosecute cases involving fraud perpetrated by those who orchestrate or stage accidents, as well as insurance insiders who abuse their positions to cheat victim carriers, We also pursued dishonest repair facilities, medical providers, and anyone else who seeks to capitalize on the claims process by defrauding the system.

Automobile insurance fraud presents obvious costs to the insurance industry at large, as carriers are faced with absorbing the cost of fraudulent claims, costs of internal investigations and costs associated with assisting law enforcement and testifying in court proceedings. Fraud also costs law-abiding consumers who diligently pay their auto insurance premiums as they face increased prices when carriers must raise rates to cover costs associated with losses suffered as a result of criminal activity. Fraud also presents costs to law enforcement agencies such as District Attorney's Offices, the Enforcement Branch of CDI, and local police agencies, tasked with investigating and prosecuting auto fraud cases. Moreover, successful, unrestrained fraudsters invite others to follow their lead.

A unique aspect of San Francisco is its dense population and high concentration of roadways, indicating the prevalent role of cars in the city. According to 2022 data from the US Census, San Francisco has a population of 808,451 people over a small geographic space (49 square miles). And according to a 2018 report from San Francisco Municipal Transit Authority (SFMTA), 450,000 cars enter San Francisco daily. And while those numbers went down significantly during the

pandemic the traffic has steadily returned.

Even though San Francisco has lost residents, it is still very densely populated with an estimated population density of 18,629.1 people per square mile of land. The City and County of San Francisco (CCSF) has 1,088 total miles of roads, 59 of which are freeway, including off ramps and on ramps and freeway to freeway exchanges. Both Highway 1 and Route 101 run through San Francisco on surface streets, 19th Avenue and Van Ness Avenue, respectively. In all San Francisco has 19,500,000 square feet of paved street area and an estimated 7,200 intersections. San Francisco's street pattern is much more grid-like than the more suburban communities that surround CCSF. These statistics emphasize the role that cars play in San Francisco.

According to recent statistics from SFMTA, the annual total fatal vehicle collisions in CCSF was 20 in 2017, 23 in 2018, 29 in 2019, 30 in 2020, 27 in 2021 and 39 in 2022, with 6 as of June 5, 2023. Vision Zero SF identified San Francisco as the city with the most factors that contribute to dangerous driving conditions in California. The study took into account collision rates, injury rates, alcohol-related crash rates, speed-related crash rates, hit and run rates, and population density.

San Francisco is densely populated and has a high number of streets and intersections for a city of its geographical size. Judging by the large number of injury accidents, it is safe to assume that San Francisco experiences an even greater number of property-only accidents than a jurisdiction with lower population density, longer distances between intersections and freeways that are separated from surface streets. Property only accidents are not documented in police reports which makes it easier for auto body shops to overestimate or exaggerate damages. Additionally, many property-only collisions occur at slower speeds due to traffic patterns and shorter distances between intersections. Smaller claims receive less scrutiny from auto insurance carriers which in turn provides opportunities for fraudulent claims.

San Francisco has a large population of residents who are foreign-born and whose primary language is not English. US Census statistics from 2021 show that 34.3% of San Francisco residents were foreign-born and 44% spoke a language other than English in their homes. The corresponding losses due to fraud flow in two directions; 1) The individual whose primary language is not English is more likely to be defrauded by way of poor-quality repairs; and 2) The insurance carrier is defrauded by way of paying for substandard work.

Insurance fraud in San Francisco is driven by a combination of the above-referenced factors and unique demographics that contribute to creating an environment for local autobody and repair shops to defraud insurance carriers and customers. Fraudsters can exploit the language barriers.

One example is a complex case, *People v Kenneth Jones*. This case involves an owner and employees of a large autobody shop (Bee Automotive). The autobody shop runs a towing storage company, a vehicle rental company, and an auto insurance company. Affiliates are suspected of staging collisions or filing claims for pre-existing damages and falsifying circumstances of collisions that never occurred, oftentimes using their own vehicles. The body shop then seeks coverage for fraudulent tow fees and inordinately high vehicle storage fees. In some cases, the shop uses substandard parts to repair at a lower cost than what they fraudulently billed the insurance companies. There were complaints from 9 carriers related to this one shop. Claims go back over a 13-year period. In this case, the defendant also fraudulently issued a fake auto policy to a victim, while he pretended to be an insurance agent. The victim thought she had purchased insurance. Mr. Jones used a Mandarin speaking individual at the dealership, where the victim bought her car, to conduct the transaction while the victim was still at the dealership. The victim paid over \$2,300 in what she was told was the premium. Jones issued a fake insurance card. Only when the victim was involved in an accident did she learn that she really had no insurance.

The SFDA filed a five-co-defendant case, *People v Grechko et al*. This case involves the staging of five accidents between SuperShuttle airport transportation vans and high value older model vehicles and the filing of false insurance claims. It highlights San Francisco as a world-wide tourist destination where airport transportation is a big business. Two of the five defendants, the Grechko siblings, owned a SuperShuttle franchise and staged collisions on Treasure Island, an isolated area of the city, during late night and early morning hours. To obtain automobile insurance from Farmers Insurance

Company, on the older model, high value vehicles that would be used in the staged collisions, three of the co-defendants used fake names and International Driver's License numbers, or on one occasion, a stolen identity. The Grechkos further inflated their claimed damages by altering their SuperShuttle franchisee receipts to falsely reflect greater earnings prior to the collisions, thereby claiming artificially inflated "Loss of Use" insurance benefits. The financial loss to Farmers Insurance is approximately \$190,854.52. Four of the five co-defendants' cases are currently in court and they are claiming they were mere pawns in a Russian crime ring, afraid of the fifth co-defendant who roped them into it and for whom arrest warrants remain outstanding.

Insurance fraudsters can take advantage of individuals who do not speak English as their first language and are isolated due to cultural and language barriers. Insurance insiders can use those barriers to defraud innocent victims. A victim may feel more comfortable doing business with someone from the same background or who speaks their first language or with someone whom a family member or a friend has referred. In two of our cases, **People v Rios and Prado** and **People v Jones**, this is the type of fraud that occurred.

In **People v Rios and Prado**, Rios was independently contracted as an insurance agent while he was also owner of Pacific Heights Auto Body Shop. Rios told the insureds, who spoke Spanish, they could take their cars to the shop he owned for repairs – however, he failed to disclose that he was the owner of the shop. Subsequent inspections of 8 cars found that Prado, a Spanish-speaking employee, had performed substandard work. Rios, in his work as an insurance agent, pocketed over \$3,000 in cash that he had received for insurance premiums owed to the insurance carrier. This co-defendant case very recently resolved in court, as discussed in the "Successes" section of this application.

During the last two fiscal years, the SFDA has continued to prosecute claimant fraud cases.

**People v Khine** was a case that resolved in court relatively shortly after filing. (See Successes section.) Defendant lied, stating he was not working on a ride share platform, while driving. A similar case is **People v Potts**, wherein defendant was involved in an accident while driving for a ride share platform and denied as much in a false claim filed with his personal carrier. This case also resolved in court as discussed in our "Successes" section. In addition, there is the case of **People v. Walter Sanchez**, the claimant insured who reported that he was involved in an accident when in fact it was his son, an excluded driver on the policy. As a result of his fraud, Mercury Insurance lost nearly \$30,000. This case resolved too, as outlined earlier under "Successes". We are also set for jury trial on another felony claimant fraud case, **People v. Brosch**, wherein the defendant purchased insurance after the accident and then falsely claimed a post-purchase date of loss.

Another area of concern is towing companies and fraudulent and predatory towing practices. As described earlier, CCSF is very congested with both people and cars. There are many opportunities for those with fraudulent intent to take advantage of carriers and consumers. SFDA is currently investigating a towing company and partner autobody shop. We have received multiple FD-1's about these two businesses as well as consumer complaints through our Consumer Mediation Unit and from law enforcement partners at SFPD and CHP. Case #WCC-23-40551 involves a San Francisco-based towing company. The owner first came to our unit's attention after an informational meeting with officers from SFPD's towing permits department and CHP's towing rotation department. The officers in these units regularly receive citizen complaints regarding this company and their towing operators. Those complaints suggest that this company could be engaging in a variety of fraud schemes, including, but not limited to: (1) charging baseless fees, (2) "fishing" for vehicles, (3) "scoop and swipes", and (4) fraudulent insurance company invoice submissions, to name a few.

Upon receiving this information, we reached out to our agency partners at CDI and NICB to see if any insurance companies had ever submitted FD-1s for this company or its owner. We received 22 FD-1s filed related to this individual and/or company going back to 2019. Thanks to our NICB partners, we connected with an SIU from CSAA who alerted us to approximately 23 incidents involving this individual and the towing company.

So far, our investigation has revealed that not only is the owner possibly engaging in multiple fraudulent schemes, but that he is utilizing other businesses to further his schemes. This individual either owns or operates a San Francisco-based body shop, which comes up frequently in the citizen complaints and FD-1s we have reviewed. Additionally, we have discovered information that this suspect could be underreporting his payroll to his workers' compensation insurance carrier, SCIF. We believe this investigation will likely be a very complex fraud investigation. We believe this investigation may lead to the discovery of not only auto fraud, but workers' compensation premium fraud, as well as charges relating to theft by false pretenses and vehicle code violations for charging unauthorized fees.

At this time, this is not a joint investigation. However, our program investigator and program prosecutor, Stephanie Zudekoff, are continuing to work with SFPD, CHP, CDI and NICB during the course of this investigation. We are still in the beginning stages of this ongoing investigation. However, we believe this case has implications for carriers and the public and we intend to devote sufficient resources to fully investigate the suspected wrong doing by this suspect and the towing company and associated auto body shop.

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## **2. 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 automobile 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 insurers, medical and legal providers, CDI, public agencies such as California Highway Patrol, Bureau of Automotive Repairs, U.S. Customs, and local law enforcement agencies.



### **Applicant Response:**

The SFDA Program will continue to investigate and prosecute automobile insurance fraud through our renewed outreach efforts and the prosecution of viable cases.

We maintain close contact with CDI's Golden Gate Regional Office regarding case referrals and the status and direction of open investigations, to ensure that time and resources are allocated appropriately. Our frequent communications with CDI detectives ensure: (1) a collaborative working relationship; (2) the securing of all relevant, probative, and exculpatory evidence for prosecution; (3) the expedited filing of cases in court; and (3) the prompt closure of cases not viable for prosecution.

In addition, the managing attorney, the assigned Program prosecutors, and the assigned Program inspectors continue to promote open lines of communication with SIUs from all different companies. We have always reached out to victim carriers, whether large or small, to help them improve upon their investigations and fraud referrals. We also regularly contact those insurance company witnesses who were involved in identifying the suspected criminal activity.

SFDA keeps up with the constant flow of FD-1's, reviewing them as they come in, to determine if they are provable cases. We continue to work with CDI to uncover fraud and build a larger caseload, as we know the fraud exists. With the shared goal of deterring budding fraudsters looking to prey on our community, together we can make a difference. This year we saw an increase in referrals.

SFDA is also forging a collaborative partnership with the National Insurance Crime Bureau (NICB). We have attended their auto fraud task force meetings in San Jose. We look forward to attending NICB trainings and learning more about how to investigate and successfully prosecute auto insurance fraud by using the vast data that NICB possesses and maintains. Because resources are in limited supply, we are learning to do more with less and tapping into data and using that data efficiently and effectively can greatly assist in successfully investigating and prosecuting large, complex cases.

Despite the numerous transitions of the past year and a half, (SFDA lost our Program Investigator to an unexpected leave, brought in our new Program Manager, a new ADA, and a new District Attorney, before bringing in a new Program Investigator), our team has maintained stability. Our Program Manager, our two experienced ADAs, and our supervising Investigator continue to help our new staff members to learn the protocols and foster relationships with our law enforcement partners. As a team, we have ensured these transitions were seamless.

We also updated our database, changing it from Damion to e-Prosecutor. E-Prosecutor has improved our office's case tracking, statistics keeping, record keeping, case charging, witness subpoenaing, and overall operations.

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### **3. Applicant Question: Plans to Meet IC Goals**

#### **What are your plans to meet the announced goals of the Insurance Commissioner?**

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.*

#### **Applicant Response:**

The SFDA program attorneys and investigators maintain a balanced caseload and are constantly working on a variety of auto fraud cases. We have seen an increase in referrals of auto cases in the last fiscal year. This is a result of renewing and continuing to build a strong relationship with our partners at CDI, Golden Gate Regional Office. We meet with CDI on a regular basis to discuss cases. This collaboration has resulted in better communication with CDI and more cases being investigated.

We have maintained our staffing levels and all of our staff have been with the program for at least one year. We brought on Investigator Vivian last month so that we could have more consistency in our continuing and new investigations while we await investigator O'Reilly's return to work. We have had the goal of adding another investigator to our auto program for a while. Therefore, we are hopeful we can retain both Investigator O'Reilly and Investigator Vivian. We have received 192 referrals over the last fiscal year. It is apparent that the fraud exists and having two investigators to work on our cases will help us more efficiently investigate and prosecute all the cases we can prove.

We plan to work closely with all our law enforcement and SIU partners to provide training and outreach as well as to receive more training for our own staff. We are planning on attending CDAA's fraud training, AFA's Annual Anti-Fraud training, local task force meetings with NICB, as well as the NICB National Prosecutors Training in the fall.

SFDA will work to develop a comprehensive outreach program to the general public. We would like to produce brochures in English, Spanish and Mandarin to explain consumer rights when they purchase auto insurance as well as their rights when they are involved in an accident and need repairs. SFDA has many opportunities to interact with the public at various street fairs and parades that occur throughout CCSF during the year. We can have information available to the public. We will also use social media to alert the public to scams and how to report them and how to avoid becoming a victim. We already use press releases to publicize convictions obtained after a jury trial and to announce arraignments of defendants charged with complex insurance fraud schemes. Publicizing our cases acts as a deterrent to budding fraudsters, warning them that there are consequences for committing these types of crimes.

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#### **4. Applicant Question:** Multi-Year Goals

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

**Applicant Response:**

Education and outreach is a multi-year goal because it is difficult to reach all individuals who need to have the information in a single year. It is a multi-staged effort. We need to constantly work on methods to reach the public, the SIU's and law enforcement.

The SFDA Program prosecutors and investigators have begun to meet with SFPD and CHP officers to share information regarding auto fraud schemes, as well as to learn about known auto fraud offenders and schemes from the officers who encounter them. Auto insurance fraud is a consumer protection issue and it is very important for officers to understand how fraudsters and scammers operate so they can conduct the appropriate investigations and/or submit appropriate fraud referrals to our team. This outreach and collaboration resulted in the beginning of an investigation (WCC-23-40551). We plan to capitalize on this success and build upon this outreach effort by continuing to meet regularly with our law enforcement partners to educate and learn about auto fraud in our jurisdiction. These meetings have led to increased visibility and connections within the law enforcement community.

Despite this outreach success, we recognize that we can increase our outreach efforts. We plan to use San Francisco public events where the DA's office has an information booth or table to distribute information and educate our community on auto insurance fraud. We will also utilize social media to educate the public about auto insurance fraud scams. When we achieve successes in the courtroom on major cases, we always issue a press release as a means of education and deterrence for any budding scammer who thinks that there are no adverse consequences to breaking the laws.

Because auto insurance fraud is a consumer protection issue, it is also very important for the public to understand how fraudsters and scammers operate so they can avoid being victimized as well as know how to report suspected fraud. We have a large and diverse population whose first language is not English. We will therefore create materials in Mandarin, Spanish and English. We will also continue to seek out and take advantage of opportunities to meet with and provide training to SIUs.

We will continue to collaborate and work closely with partnering agencies, like NICB and CDI, to develop cases and to learn from each other.

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**5. 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 Automobile Fraud Account.**

**Applicant Response:**

The SFDA Program actively seeks restitution in each prosecution involving automobile insurance fraud. Whenever feasible, we require that each defendant – as part of his/her plea agreement – make full and complete restitution on or before the date of sentencing. Included in the restitution calculations is the cost the carrier expended in investigating the claim. We require all restitution payments be made either by cashier's check or money order. Then, we notify the local representative of the victim carrier to attend the sentencing hearing. Restitution is received by the carrier in one of two ways: (1) the representative either personally receives the check or (2) the check is mailed by our office via certified mail to an address provided by the carrier.

In cases where full and complete restitution cannot be paid by the defendant prior to sentencing, the SFDA Program ensures that the defendant stipulates to the restitution amount in the disposition. The SFDA Program ensures the sentencing court reserves jurisdiction over the issue of restitution for purposes of collection during the defendant's probationary period. Further, the SFDA Program files a Judicial Council CR-111 "Abstract of Judgment – Restitution" and ensures that the sentencing judge signs a Judicial Council CR-110 "Order for Victim Restitution". These forms specify the amount of restitution and enable the victim to obtain a civil judgment should the defendant not make their required restitution payments.

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**6. 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.

**Applicant Response:**

Fiscal Year	Restitution Ordered	Restitution Collected
2022-23	\$45,077.54	\$17,472.72
2021-22	\$23,715.23	\$0.00
2020-21	\$0.00	\$606.19
2019-20	\$4,346.41	\$4,346.41
2018-19	\$657.00	\$0.00
	<b>Total: \$73,796.18</b>	<b>Total: \$22,425.32</b>

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**7. Applicant Question:** Utilization Plan

**Your budget provides the amount of funds requested for Fiscal Year 23-24.**

**Provide a brief narrative description of your utilization plan for the Fiscal Year 23-24 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 funds requested primarily cover salaries. Also, funds are used to cover the costs of training and outreach efforts. Grant funds will be used to send ADA's and Investigators to various trainings, primarily the CDAA Fraud Seminar and the AFA Anti-Fraud Conference.

SFDA is requesting an increase. We have added an investigator to the program. We received 189 referrals (FD-1's) from July 1, 2022, to the date of this submission. This is a significant increase, and we are also investigating some complex cases which require a great deal of resources. We would like to continue to prosecute all cases which we can prove beyond a reasonable doubt but without additional resources, it is difficult to do so. We want to avoid closing referrals simply due to lack of resources, if they are otherwise viable cases.

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**Sub Section Name:** Training and Outreach

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**1. Applicant Question:** Training Received

**List the insurance fraud training received by each county staff member in the automobile fraud unit during Fiscal Year 22-23.**

*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)
2	02/07/2023	CDAA	Orange County	Fraud - Auto and Workers Comp	18.5
4	04/19/2023	AFA	Monterey	Fraud- Auto and Workers Comp	19
2	02/21/2023	NICB	San Jose	Auto Fraud- Medical Provider Fraud	1
2	05/17/2023	Santa Clara County	San Jose	Fraud Symposium	2
1	05/24/2023	GGWCCC	Oakland	Claimant fraud/outreach/trends in fraud/civil settlements	4

**2. Applicant Question:** Training and Outreach Provided

**Upload and attach the Training and Outreach Provided form in Excel; label it "23-24 AUTO (county name) Training and Outreach Provided"**

Do not include training *received*; **only list training and outreach provided during FY 22-23** as outlined in the outreach definition below.

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 "23-24 AUTO (county) Training and Outreach"

**Attachment:**

1a 23-24 AUTO county name Training and Outreach Provided.xlsx - EXCEL DOCUMENT

**Applicant Comment:**

The SFDA Program prosecutors and investigators have begun to meet with SFPD and CHP officers to share information regarding auto fraud schemes, as well as to learn about known auto fraud offenders and schemes from the officers who encounter them. Auto insurance fraud is a consumer protection issue and it is very important for officers to understand how fraudsters and scammers operate so they can conduct the appropriate investigations and/or submit appropriate fraud referrals to our team. This outreach and collaboration resulted in the beginning of an investigation (WCC-23-40551). We plan to capitalize on this success and build upon this outreach effort by continuing to meet regularly with our law enforcement partners to educate and learn about auto fraud in our jurisdiction. These meetings have led to increased visibility and connections within the law enforcement community.

Despite this outreach success, we recognize that we can increase our outreach efforts. We plan to use San Francisco public events where the DA's office has an information booth or table to distribute information and educate our community on auto insurance fraud. We will also utilize social media to educate the public about auto insurance fraud scams. When we achieve successes in the courtroom on major cases, we always issue a press release as a means of education and deterrence for any budding scammer who thinks that there are no adverse consequences to breaking the laws.

Because auto insurance fraud is a consumer protection issue, it is also very important for the public to understand how fraudsters and scammers operate so they can avoid being victimized as well as know how to report suspected fraud. We have a large and diverse population whose first language is not English. We will therefore create materials in Mandarin, Spanish and English.

We will also continue to seek out and take advantage of opportunities to meet with and provide training to SIUs. We will continue to collaborate and work closely with partnering agencies, like NICB and CDI, to develop cases and to learn from each other.

**3. Applicant Question:** Future Training and Outreach

**Describe what kind of training/outreach you plan to provide in Fiscal Year 23-24.**

**Applicant Response:**

The SFDA Program prosecutors and investigators have begun to meet with SFPD and CHP officers to share information regarding auto fraud schemes, as well as to learn about known auto fraud offenders and schemes from the officers who encounter them. Auto insurance fraud is a consumer protection issue and it is very important for officers to understand how fraudsters and scammers operate so they can conduct the appropriate investigations and/or submit appropriate fraud referrals to our team. This outreach and collaboration resulted in the beginning of an investigation (WCC-23-40551). We plan to capitalize on this success and build upon this outreach effort by continuing to meet regularly with our law enforcement partners to educate and learn about auto fraud in our jurisdiction. These meetings have led to increased visibility and connections within the law enforcement community.

Despite this outreach success, we recognize that we can increase our outreach efforts. We plan to use San Francisco public events where the DA's office has an information booth or table to distribute information and educate our community on auto insurance fraud.

Because auto insurance fraud is a consumer protection issue, it is also very important for the public to understand how fraudsters and scammers operate so they can avoid being victimized as well as know how to report suspected fraud. We have a large and diverse population whose first language is not English. We will therefore create materials in Mandarin, Spanish and English.

We will also continue to seek out and take advantage of opportunities to meet with and provide training to SIUs. We will continue to collaborate and work closely with partnering agencies, like NICB and CDI, to develop cases and to learn from each other.

**Sub Section Name:** Joint Plan



**1. Applicant Question:** Joint Plan

**Upload your AUTO Joint Plan and label it "23-24 AUTO (county name) Joint Plan".**

*Each County is required to develop a Joint Plan with their CDI Regional Office, to be signed and dated by the Regional Office Captain and the Prosecutor in Charge of the Grant Program. Additional information is in the Announcement Attachments, 3c, and also copied into the attached instructions to this question.*

**Applicant Response:**

Confirm signed and dated by all parties.

**Attachment:**

23-24.Jointplan.CDI.pdf - PDF FILE

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**Section Name:** Investigation Case Reporting

**Sub Section Name:** Investigation Case Information Relating to Questions

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**1. 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 "23-24 AUTO (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

**Applicant Comment:**

Not Applicable

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**Sub Section Name:** Reporting on All Investigations

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**1. Applicant Question:** Investigation Case Activity Report (ICAR)

**Upload, mark Confidential, and attach the completed 23-24 AUTO (county name) ICAR.** *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.*

**Do NOT substitute descriptions in Part 3 in lieu of case counts for Part 1 and Part 2.**

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**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:**

1bii 23-24 AUTO county name Investigation Case Activity Report (ICAR).docx - WORD DOCUMENT

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

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**1. 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 report is optional.**

*If you do have cases to report, download Announcement Attachment 1c, label it "**23-24 AUTO (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:**

Yes

**Attachment:**

1c 23-24 AUTO county name Cases in Court - Investigation Case Activity.docx - WORD DOCUMENT

**Applicant Comment:**

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