



RICARDO LARA
CALIFORNIA INSURANCE COMMISSIONER

July 16, 2025

The Honorable Brooke Jenkins
District Attorney
San Francisco County District Attorney's Office
350 Rhode Island Street North Building, Suite 400N
San Francisco, CA 94103

**RE: Grant Award for Workers' Compensation Insurance Fraud Program
Fiscal Year 2025-26**

Dear District Attorney Jenkins,

I am very pleased to report that, for Fiscal Year 2025-26, a total of \$52,850,852 is available in Workers' Compensation Insurance Fraud Program (Program) grant funds to be distributed to 32 district attorney offices representing 41 counties, of which **San Francisco** County has been awarded a total of **\$1,122,888** for this important program. The available funds are comprised of \$48,875,973 in Aggregate Assessment base funds, and an additional amount of \$3,974,879 from Fiscal Year 2023-24 unexpended county funds. Your County's total award is comprised of \$1,075,859 base award and \$47,029 additional award. This grant award is to be used for the investigation and prosecution of workers' compensation insurance fraud.

Each application received for grant funding was thoroughly reviewed, with careful consideration by Department staff given to each applicant's plan to achieve the goals and objectives set by the Insurance Commissioner and the California Fraud Assessment Commission earlier this year.

It is the California Department of Insurance's (Department) continuing intent that these funds be used effectively to pursue and investigate workers' compensation fraud across California. It is also important to focus these finite resources on combating fraud that continues to increase costs on the workers' compensation system, including medical provider insurance fraud, employer premium fraud, insider fraud, and claimant fraud, among others. Additionally, a coordinated and aggressive outreach program to all communities by your office, including to diverse and underserved communities, with measurable outcomes remains a priority.

As you know, this Program is a highly competitive annual grant program. Based on the information submitted by your County, I am concerned that San Francisco County is not meeting all the goals and objectives for the Program. Specifically, your County has shown significant and consistent decline in investigations, restitution ordered and collected, chargeable fraud, and outreach in the past three fiscal years. Furthermore, your county has had no felony convictions for the past 2 FYs, which is of great concern. The Department has a statutory duty to ensure the most effective distribution of moneys for purposes of the investigation and prosecution of workers' compensation fraud cases. See Cal. Ins. Code, section 1872.83(d). The Department would like to have San Francisco County remain an integral part of the Program, but considerable improvement needs to be demonstrated in these areas. For that purpose, the Local Assistance Unit (LAU) will be

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issuing a separate letter outlining the specific issues and requesting that San Francisco County submit a plan to the LAU addressing the steps your office will take this fiscal year to improve your performance. Additionally, the LAU will reach out to you regarding your budget.

In line with the request above, and in preparation for the Fiscal Year 2026-27 grant cycle, I wanted to inform you that the Department is currently reviewing the Program's overall grant administrative procedures with the purpose of ensuring greater accountability, heightened transparency, and effective stewardship of public funds. Any necessary changes to the Program process and requirements will be published in the Grant Management System (GMS) and included in the grant workshops conducted next year, where we will address any questions you may have.

Thank you for submitting your application for grant funding and, moreover, congratulations on your award. I look forward to working together with you in our continuing pursuit against workers' compensation insurance fraud.

Please feel free to contact the Department's Fraud Division Deputy Chief Victoria Martinez at (323) 278-5062 should you have any questions regarding your award or retention objectives.

Sincerely,



ERIC CHARLICK

Deputy Commissioner, Enforcement Branch

cc: Tina Nunes Ober, Managing Attorney/Program Director

**INSURANCE COMMISSIONER
OF THE STATE OF CALIFORNIA**

GRANT AWARD AGREEMENT
Fiscal Year 2025-26
Workers' Compensation Insurance Fraud Program

The Insurance Commissioner of the State of California hereby makes an award of funds to **San Francisco County**, Office of the District Attorney, in the amount and for the purpose and duration set forth in this grant award.

This grant award consists of this agreement and the application for the grant, and is made a part hereof. By acceptance of the grant award, the grant award recipient agrees to administer the grant program in accordance with all applicable statutes, regulations, the grant application, budget instructions, grant requirements, and fact sheets.

Duration of Grant: The grant award is for the program period **July 1, 2025** through **June 30, 2026**.

Purpose of Grant: This grant award is made pursuant to the provisions of California Insurance Code section 1872.83 and shall be used solely for the purposes of increased investigation and prosecution of workers' compensation fraud and of willful failure to secure payment of workers' compensation.

Amount of Grant: The total grant award agreed to herein is in the amount of **\$1,122,888**, which is comprised of a Base Award amount of **\$1,075,859** and an Additional Award amount of **\$47,029**. This amount has been determined by the Insurance Commissioner with the advice and consent of the Fraud Assessment Commission based on the estimated funds collected pursuant to Labor Code section 62.6. However, the actual total award amount for the county is contingent on the collection of assessments and the authorization for expenditure pursuant to the Budget Act of 2025 (Chapter 4, Statutes of 2025). The grant award shall be distributed pursuant to Insurance Code section 1872.83 and the California Code of Regulations Subchapter 9, Article 3, sections 2698.53, 2698.54, and 2698.57.

<p>Brooke Jenkins District Attorney</p> <p>DocuSigned by: <i>Tina Nunes Ober</i> D9D2488FFFD6489 Authorized Official</p> <p>Name: Tina Nunes Ober Title: Managing Assistant District Attorney</p> <p>Date: <u>8/20/2025</u></p>	<p>RICARDO LARA Insurance Commissioner</p> <p>DocuSigned by: <i>Crista Hill</i> 1DE71081B1ED4D7 Authorized Official</p> <p>Name: Crista Hill Title: Division Chief, Financial and Business Management Division</p> <p>Date: <u>10/6/2025</u></p>
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I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purpose of this expenditure as stated above.

Signed by:
Megan Clarke
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Megan Clarke, Chief Budget Officer,
Financial and Business Management Division

10/6/2025
Date