

Application Report

**Applicant Organization:**

San Francisco

Project Name:

25-26.AF.SFDA

Application ID:

App-25-352

Funding Announcement:

FY 25-26 Automobile Insurance Fraud Program

Requested Amount:

\$351,795.00

Section Name: Overview Questions

Sub Section Name: General Information

1. Applicant Question: Multi-County Grant

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

Applicant Response:

No

2. Applicant Question: FY 23-24 Audited Unexpended Funds

Excluding interest, what was the amount of your FY 23-24 Audited Unexpended Funds? If none, enter "0".

Applicant Response:

\$0.00

3. Applicant Question: FY 23-24 Audited Unexpended Funds Percentage of FY 23-24 Award

Your FY 23-24 Audited Unexpended Funds are what percentage of your FY 23-24 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 23-24 Total Award: \$100,000

FY 23-24 Audited Unexpended Funds: \$23,750

FY 23-24 Audited Unexpended Funds Percentage: 24%

Applicant Response:

0.00%

4. Applicant Question: Contact Updates

Has your county's Admin User updated the Contacts and Users for your Program?

- **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

5. Applicant Question: Program Contacts

Identify the individuals who will serve as the Program Contacts and your Elected District Attorney. Your Program Contacts must be entered as a User and your Elected District Attorney may be a Contact or User in GMS. Contact your county's Admin User if an individual needs to be added or updated.

On the final submission page, you will link your Program Contacts 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 person is usually a Standard User.

Elected District Attorney is your county's elected official. This person must be entered as a Contact or a User.

Applicant Response:

Program Contacts	Name
Project Director / Manager	Tina Nunes Ober
Case Statistics / Data Reporter	Tina Nunes Ober
Compliance / Fiscal Officer	Eugene Clendinen
Elected District Attorney	Brooke Jenkins

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

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. The Application Upload List is 4d. Items must be uploaded into the Document Library before you can attach them to the upcoming questions.

Applicant Response:

Yes

Sub Section Name: BOS Resolution

1. Applicant Question: BOS Resolution

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

A BOS Resolution for the new grant period must be uploaded to GMS to receive funding for the 2025-2026 Fiscal Year. If the resolution cannot be submitted with the application, it must be emailed to LAU@insurance.ca.gov no later than January 2, 2026. There is a sample with instructions located in the Announcement Attachments, 3b.

Applicant Response:

No

2. Applicant Question: Delegated Authority Designation

Choose from the selection who will be the person submitting this application, signing the Grant Award Agreement (GAA), 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. Must be a direct email address; No generic/group email address allowed. A

sample Delegated Authority Designation 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:

25-26 WC Delegated Authority Designation Letter.pdf - PDF FILE

Section Name: County Plan

Sub Section Name: Qualifications and Successes

1. Applicant Question: Successes

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

Detail your program's successes for ONLY the 23-24 and 24-25 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:

In June 2024, ADA Zhong filed felony charges against Vigyan Vikas Ahirwar for a crash and buy (*People v. Ahirwar*, Court No. 24411855). On September 13, 2022, Ahirwar was driving his Tesla without collision coverage and while on planned non-operation (PNO) status with the DMV. He collided with another driver while trying to change lanes. After the collision, Ahirwar amended his Geico insurance policy to add collision coverage and lower his deductible. Ahirwar initially asked the driver he hit to help him defraud Geico by lying about the date of the accident. The other driver refused. Ahirwar then falsely reported the date of collision as September 22, 2022, and falsely claimed he did not know the identity of the other driver in order to have Geico insurance pay for the loss. Geico paid Ahirwar \$8,067.46 for his fraudulent claim. Ahirwar had gotten away with the fraud, but then he got greedy. Months later, Ahirwar submitted an additional request seeking reimbursement for \$7,875.29 that he had paid out-of-pocket to repair the other driver's vehicle. Ahirwar submitted receipts in support of his reimbursement request that pre-dated when he had falsely claimed the accident occurred. DAI Lessa Vivian executed multiple search warrants with PayPal, American Express, and Google to obtain records proving that Ahirwar knowingly defrauded Geico. And in a recorded interview with DAI Vivian, Ahirwar admitted that he lied about the date of the collision because he wanted Geico to pay for the damages he caused.

Although Ahirwar had no criminal history, ADA Zhong obtained two misdemeanor convictions. In September 2024, Ahirwar pled guilty to two counts of misdemeanor insurance fraud in violation of Penal Code section 550(b)(1) for one year of formal probation and 100 hours of community service. As part of the negotiated disposition, Ahirwar paid full restitution in the amount of \$8,067.46 to the victim Geico at the time of plea. He was also required to obtain and provide proof of accurate DMV registration and insurance coverage.

ADA Tony Hernandez worked with DA Investigator George Koutsoubos to investigate and charge defendant *Mario Armbrister* for automobile insurance fraud. Defendant was involved in an accident and filed a claim stating that his car was hit by an unknown driver when it was parked in front of his home. This case is currently in court. Additionally, ADA Hernandez is litigating the case of *People v. Lowe*. In this case, the defendant claimed he was driving his car when he had an accident. Investigation revealed that the defendant's uninsured boyfriend was the actual driver at the time of the accident.

In addition, ADA Hernandez is actively litigating *People v. Adam Eatia*. Defendant *Eatia* fraudulently obtained auto insurance for his vehicle under his friend's name. He then allowed a third person to borrow the insured car. The third party was then involved in an

accident which resulted in the car being towed to an autobody shop. Defendant lied to the third person, claiming the car was uninsured and demanded \$49,000 to repair the car. The third party gave *Eatia* the money after the defendant had already recovered the money from the insurance carrier.

ADA Zhong worked closely with CDI detectives throughout 2024 to charge two sudden stop auto fraud cases. She submitted the cases for filing in February 2025, in advance of her maternity leave, and worked with ADA Daley to transition the prosecution of both cases to him, ensuring continuity. Both cases involve sudden stops caught on dashcam video by the other drivers involved in the collisions. And both defendants attempted to defraud their victims by claiming a third phantom vehicle had been involved in the collision.

In one case a suspect was rear-ended by another driver on July 13, 2022, in San Francisco. The other driver had dashcam video that recorded the collision and the events leading up to it. The footage showed that prior to the collision, the suspect passed the other driver on the left, changed lanes so that she was directly in front of him, then abruptly braked twice for no apparent reason. While the other driver was able to avoid a collision the first time the suspect braked suddenly, he rear-ended her the second time she stopped suddenly at a green light. There was no other car in front of the suspect either time she braked. Nor were there any pedestrians, animals, or debris visible in the street. Yet, the next day, the suspect filed an online claim with her insurer, Farmers Insurance, falsely stating she was rear-ended because she had to brake for a car that pulled out in front of her. Had the suspect's description of the accident not been disproved by the dashcam video, the other driver would have been found to be at fault and the suspect would have been entitled to benefits she would not have otherwise received. In addition, the suspect's sudden stops resulted in damages to the other driver's vehicle that would not otherwise have occurred—resulting in a loss to Farmers in the amount of \$6,307.83.

The suspect in the second case was driving on a one-way, two-lane street in San Francisco on August 12, 2022. Another driver with a dashcam was driving in the left lane, approaching a truck parked in the right lane, when the suspect (who was in the right lane) cut in front of him and stopped abruptly. The other driver was able to avoid a collision and remained stopped for several seconds—despite there being no cars in front of him at that point—then changed lanes, back into the right lane and proceeded straight. The other driver and the suspect then came to a red light where they were stopped side-by-side. While stopped, the suspect rolled down his window and gestured at the other driver. When the light turned green, the other driver proceeded straight in the left lane. On the far side of the intersection, the suspect made a sudden lane change from the right lane into the left lane, cutting off the other driver and stopping suddenly for the second time, causing the other driver to rear-end him. There were no pedestrians or vehicles in front of the suspect's vehicle that would require him to stop.

On August 17, 2022, the suspect called Nationwide—the other driver's insurance company—to make an insurance claim for damages to the front and rear of his vehicle, which he claimed were sustained from his collision with the insured driver. The suspect falsely stated that the insured driver rear-ended him and pushed his vehicle into another vehicle that then fled the scene. Then, on August 26, 2022, the suspect falsely stated during a recorded SIU interview that he was in the left lane the entire time prior to the collision and repeated the same false story about the phantom third vehicle. The dashcam footage shows there was no third vehicle, and the collision could not have caused any damages to the front of the suspect's vehicle. GEICO claim records show that the suspect actually rear-ended a GEICO-insured driver on March 17, 2021; the front of suspect's vehicle sustained damages during that collision. Had the suspect's fraud been successful, Nationwide would have been responsible for an estimated \$15,000.00 in repairs to the suspect's vehicle.

ADA Zhong, ADA Hernandez, DAI Sullivan and DAI Koutsoubos completed a two-year investigation into a ring of two San Francisco-based towing companies, a San Francisco-based autobody shop, a fictitious automotive company, and four individuals who ran these companies. These suspects conspired to predatorily tow vehicles by pressuring and outright lying to drivers at the scene of collisions, charge exorbitant and illegal towing and storage fees, prepare fraudulent autobody shop bills, and hold vehicles hostage to extract payments from insurance companies and consumers alike. As part of the investigation, our team worked closely with other agencies, including CDI, NICB, SFPD, CHP, BAR, TOC-West, and the California Attorney General's Office.

ADA Zhong and DAI Sullivan provided training to our various industry partners during an SIU Roundtable on investigating auto fraud, presenting a case study on a complex auto fraud case involving predatory towing, predatory pricing on towing and storage, insurance fraud, and grand theft from consumers. They also provided training on FD-1 best practices and the business records exception to the hearsay rule to help SIUs understand how to improve their fraud referrals.

ADA Zhong also provided in-depth intra-office training to our team of attorneys, investigators, and paralegals on all types of automobile insurance fraud, best practices for reviewing FD-1s, and key evidentiary considerations when building an auto fraud case.

Paralegal Valerie Blasi worked closely with SFDA Communications and IT teams to add automobile insurance fraud information on the SFDA website. She also created a postcard for consumers with information on towing and consumer rights with regard to towing laws. The postcard can be kept in a car's glovebox for easy reference. The postcard can also be found on the SFDA website in English, Spanish and Mandarin and it can be printed.

2. Applicant Question: Task Forces and Agencies

List the governmental agencies and task forces you have worked with to develop potential automobile 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)

3. Applicant Question: Unfunded Contributions

Specify any unfunded contributions and support (i.e., financial, equipment, personnel, and technology) your county provided in Fiscal Year 24-25 to the automobile insurance fraud program.

Applicant Response:

SFDA program prosecutors are only partially funded by the CDI grant program. The program is managed by Managing Assistant District Attorney Tina Nunes Ober. Ms. Nunes Ober's salary is an unfunded contribution. She oversees all three of the SFDA's insurance fraud programs (Workers Compensation, Auto and Urban Auto). As the program director, Ms. Nunes Ober reviews FD-1's submitted to the SFDA's Office. She makes the initial decision on whether or not there is sufficient evidence at the early stage to allow SFDA to pursue further investigation on the case. If the case does not appear viable, it will be closed. Making early decisions 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 she is the primary contact person for partner agencies and collaborates with them on joint cases.

Lieutenant Alex Nocon supervises the program investigator. His salary is also paid through the SFDA general fund. Lt. Nocon assists the program investigator with drafting search and arrest warrants. He also coordinates large operations on complex cases for the execution of arrest and search warrants. He coordinates with partner agencies such as CDI.

Chief Assistant District Attorney Matthew McCarthy is also an unfunded contribution to SFDA's program. He reviews all arrest warrants. Chief McCarthy reviews insurance fraud cases and advises our team on best practices and strategies to ensure effective and efficient prosecutions.

SFDA utilizes the skills and talents of its paralegal team to ensure the success of the auto insurance fraud program. They are all unfunded contributions. SFDA paralegal Valerie Blasi monitors the SFDA Insurance Fraud e-mail inbox. She uploads all the FD-1's received into the SFDA data management system. Ms. Blasi maintains and assists in reporting all the program statistics. None of the 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 SFDA meetings with CDI and organizes and tracks our cases. She is one of the primary SFDA contacts with CDI. Last year, Ms. Blasi planned a roundtable with SIU's and SFDA to discuss FD-1's, investigations and trends in auto fraud. Ms. Blasi worked with the SFDA Technology and Communications Teams to place information on the SFDA website with regard to insurance fraud and how to report it to SFDA and CDI. She also worked with the Communications Team to create postcards with information on towing for consumers to assist in preventing fraud. The postcards can be kept in drivers' gloveboxes and allows easy and quick reference for them in the event of their car requiring a tow.

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. The students provide assistance on our cases by conducting legal research, drafting pleadings, and organizing evidence and data. They are all unfunded contributions.

SFDA's technology support team assists the program with all our technology needs and they are unfunded. The IT team works to ensure we are maintaining all our data and evidence securely. SFDA's Communications Team also coordinates the drafting and dissemination of press releases which allow us to inform and educate the public about our auto insurance fraud cases, The IT and Communications Teams both worked with Ms. Blasi to add insurance fraud information to the SFDA website.

4. Applicant Question: Personnel Continuity

Explain what your county is doing to achieve and preserve automobile fraud institutional knowledge in your grant program. Also 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:

SFDA's Office does not have a formal rotations practice although rotations are not uncommon and take place to meet the

office's needs which can change over time. However, SFDA does understand and agree with the Insurance Commissioner that personnel continuity is key to success. To that end, SFDA has maintained staffing levels in our auto fraud program, even though we have had changes in the personnel. And where we have had changes, we ensured seamless transitions and worked to prepare for changes before they happened.

Last June, a member of our attorney staff resigned from the SFDA's office. Prior to that attorney's resignation, we interviewed and hired a replacement attorney. Additionally, we transferred the resigning attorney's cases to ADA's Zhong and Hernandez prior to the attorney's departure.

ADA Rebecca Zhong joined the SFDA's Office in 2022. She joined the insurance fraud program after working on the general felony team for a few months to gain courtroom experience. ADA Zhong came to SFDA's Office 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. Ms. Zhong received her bachelor's degree from University of Pennsylvania. She is proficient in Spanish. Ms. Zhong is currently on leave but plans to return to SFDA and we hope to have her back on our insurance fraud program.

ADA Hernandez joined the insurance fraud program in October 2023. He has been a prosecutor for 27 years. Prior to joining the insurance fraud team, ADA Hernandez was handling real estate fraud, public assistance fraud and asset forfeiture for 10 years. ADA Hernandez is a graduate of the University of California, San Diego and the University of California, San Francisco Law school.

ADA Jeff Daley joined SFDA in July 2024. He came to SFDA from another bay area District Attorney's Office. Mr. Daley has been an attorney for 23 years. He has been a prosecutor for 20 years. He practiced in Madera County as a Senior Deputy District Attorney where he handled a variety of cases and specialized in criminal street gang prosecutions, and gun violence cases including homicides. Mr. Daley moved on to the Bristol County District Attorney in Massachusetts where he oversaw all criminal matters as a supervisor in the Taunton District Court. He personally prosecuted high profile and serious cases. ADA Daley then moved on to the Solano County District Attorney's Office where he handled a variety of cases and was an expert in real estate fraud. He is a graduate of Northeastern University Law School and received his Bachelor of Arts degree from San Francisco State University.

ADA Rebecca Zhong has been on leave since March of 2025. Prior to her departure, we transferred all her cases to other program ADA's. ADA Zhong prepared very clear and detailed transfer memos on all her cases prior to her departure. This made the transfers easy and seamless. While ADA Zhong is on leave, ADA Victoria Robinson will be filling in for her on the grant program. ADA Robinson joined SFDA in September 2024. She is a 16-year prosecutor who came to SFDA from the Santa Clara County District Attorney's Office where she practiced for close to 13 years. Prior to her tenure in Santa Clara, she was a Deputy District Attorney in Contra Costa County for 4 years. ADA Robinson is very experienced in fraud prosecution and has taught many courses on real estate fraud to other agencies. She was also an expert on elder fraud and abuse and presented on that topic to many Santa Clara County agencies. Ms. Robinson is a graduate of the University of California, Berkeley and the University of California, San Francisco Law School.

Managing Attorney, Tina Nunes Ober has been the program director for 3 years. She is a career prosecutor with 31 years' experience in three different California counties. She has handled a variety of prosecutions. Ms. Nunes Ober is a cum laude graduate of Boston University and Suffolk Law School in Boston.

Investigator George Koutsoubos joined SFDA in 2024. He came to our office from the Alameda Police Department. Investigator Koutsoubos has 23 years in law enforcement. He has taught courses in Defensive Tactics. And he is certified in cell phone extractions and analysis.

Lieutenant Alex Nocon was transferred to the insurance fraud program in June 2024. Lt. Nocon became an investigator in 1994 when he started his career with the California Department of Insurance. After two years, Lt. Nocon moved to the Department of Consumer Affairs and then worked with the California Department of Justice until 2016 when he came to SFDA. He is skilled in the area of fraud investigations and has run various task forces. He is also an expert in organized

retail theft.

Paralegal Valerie Blasi joined the insurance fraud program in 2018. She maintains all our statistics, monitors our e-mail inbox, processes all referrals and organizes our outreach efforts. This year she worked with our IT and Communications Teams to create content for the SFDA website on insurance fraud and how to report it. She also created postcards with information for drivers on their rights and what to do when their car requires a tow.

5. Applicant Question: Frozen Assets Distribution

Were any frozen assets distributed in FY 24-25?

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

Applicant Response:

No

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" column.

Applicant Response:

Name	Role	Start Date	End Date (leave blank if N/A)	% Time Dedicated to the Program
Antonio Hernandez	Attorney	10/01/2024	06/30/2025	50
Jeff Daley	Attorney	07/14/2024		34
Victoria Robinson	Attorney	09/16/2024		25
Rebecca Zhong	Attorney	07/03/2022	03/07/2025	50
Tina Nunes Ober	Program Director/ Supervising Attorney	03/06/2022		40
Valerie Blasi	Paralegal	02/04/2018		30
George Kousoubus	Investigator	06/02/2024		50
Alex Nocon	Supervising Investigator	06/02/2024		40

Applicant Comment:

Victoria Robinson will be assigned to the grant until March of 2026. Rebecca Zhong will return to SFDA and to our grant program in March 2026.

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	.49
Supervising Investigators		
Investigators (Sworn)	1	.50
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		
	Total: 4.00	Total: 0.99

3. Applicant Question: Organizational Chart

Upload and attach to this question an Organizational Chart; label it "25-26 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:

25-26 WC.SFDA.OrgChart.pdf - PDF FILE

Sub Section Name: Problem Statement & Program Strategy**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 car 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 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 successes, 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, tow truck companies 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 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 Attorneys' 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 the 2022 data from the US Census, San Francisco has a population of 827,530 over a small geographic space (49 square miles). This is a population density of 16.445 people per square mile. In addition, US Census indicates 265,000 workers commute into San Francisco daily.

San Francisco 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 interstate 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 city 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 the city of San Francisco. Cars play a large role in everyday life of San Francisco. Making automobile accidents more likely than in other areas with fewer cars and less density. The traffic and density further increase opportunities for fraud.

San Francisco maintains statistics on fatal vehicle collisions and has adopted a goal of zero vehicle fatalities. 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 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 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 2024 show that 33.4% of San Francisco residents were foreign born and 24% of residents age 5 and older have limited English proficiency. 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. Fraudsters can take advantage of individuals who do not speak English as their primary language.

Another problem in San Francisco is towing and predatory towing, specifically. San Francisco is congested with cars and people. There are many opportunities for those looking to capitalize and take advantage of carriers and consumers. SFDA is currently investigating a towing company and linked autobody shop. We have received numerous FD-1's regarding these two businesses as well as consumer complaints through our Consumer Mediation Unit and from our law enforcement partners at CHP and SFPD. The owner of this San Francisco based towing company and auto body shop first came to our attention through a meeting with SFPD and CHP officers from their respective agencies' towing permits departments. These officers routinely receive citizen complaints regarding towing companies, and they had received regular and frequent complaints about this particular company. The complaints involved excessive and baseless fees, "fishing" for vehicles and fraudulent invoices to insurance carriers, among other complaints.

When SFDA began its investigation, we reached out to CDI and NICB to assist with any FD-1's or ISO hits on these two companies. CDI found 22 FD-1's going back to 2019 involving this towing company and auto body shop. NICB connected SFDA with CSAA SIU which had 23 incidents involving the two companies.

We have also uncovered potential workers compensation insurance premium fraud. This case will be a complex investigation and prosecution. We are planning to file charges shortly after this application submission. We will execute search and arrest warrants. ADA Tony Hernandez and ADA Jeff Daley will be handling this prosecution.

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:

SFDA Program will continue to investigate and prosecute automobile insurance fraud through outreach and collaboration with partner agencies.

We maintain a close relationship with CDI's Golden Gate Division. We have constant communication with CDI regarding case referrals and open investigations as well as cases in court. We meet regularly with CDI to discuss cases and to collaborate.

SFDA also maintains open communication with SIU's. We had a successful roundtable with SIU's last year and plan to do another one this year. SFDA program attorneys contact SIU's regularly with information on their cases.

SFDA receives a steady stream of FD-1's from CDI which we review as they come in. All FD-1's receive an initial review from either the managing attorney, the assigned Lieutenant or the program paralegal. If the FD-1 seems provable with some additional investigation, it will be assigned to a program ADA and an investigator. The assigned ADA and investigator will work together to build the case.

SFDA also works collaboratively with NICB. We attend trainings in San Jose which are organized by NICB. We look to do more with less at this challenging time where all law enforcement agencies are struggling with staffing shortages. NICB offers great data resources. SFDA will also need to work on using AI to assist in sorting and organizing data as many auto fraud cases have large volumes of documents and other evidence. AI can be used to assist attorneys and investigators and it can save time in the investigation and prosecution of cases. This would potentially allow us to investigate and prosecute more cases.

We also maintain our staffing levels even though we have had turnover. We have a stable team with experienced ADA's and an experienced and dedicated investigator.

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, 4f.*

Applicant Response:

The SFDA Program investigator and attorneys maintain a balanced caseload and are consistently working on a variety of auto fraud cases, ranging from standard to complex cases. In the last two years, we have seen an increase in auto fraud referrals. This is a direct result of renewing and continuing to build a strong relationship with our partners at CDI. We meet regularly with the CDI staff to discuss our cases. This close collaboration has resulted in very good communication with CDI and in more cases being referred, investigated and prosecuted.

SFDA has maintained its staffing levels. Investigator Koutsoubos has been with SFDA for a year. While we had staffing changes on the attorney side, we hired two very experienced prosecutors who have been able to seamlessly take over cases and prosecute them with no hiccups.

We plan to continue 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. Most of our staff attended AFA's Annual Fraud Conference and we expect to send most of our staff to the CDAA Fraud Symposium. In addition, we attend local NICB task force meetings and virtual NICB trainings. We also use ISO extensively to assist us with our cases.

At SFDA, we attempt to keep the public informed of the work we do. This last year, our program paralegal worked with our communications and IT team to add information on auto insurance fraud to our website. We created a postcard for consumers to keep in their glove compartment with towing information to assist consumers from being scammed by tow companies. SFDA also uses social media extensively to inform the public about fraud and about our cases. Publicizing our cases also assists in deterring potential fraudsters by warning them of the negative consequences of criminal behavior. SFDA has a strong commitment to not only prosecuting offenders but also to preventing future victims.

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 the information in a single year. It is a multi-staged effort, and we have to constantly increase our efforts and use our creativity. Outreach and education serves to deter future fraud and to prevent consumers and carriers from being victimized by fraudsters. SFDA will continue to collaborate with our law enforcement partners and SIU's to increase referrals and to better investigate and prosecute auto insurance fraud in San Francisco.

Another long-term goal is to increase investigative staffing levels. We have seen an increase in auto insurance fraud referrals over the last two years. Because we have very limited resources, we have to close some cases as we cannot pursue all the referrals. SFDA would also like to find ways to use AI to increase efficiency and better use investigative resources. We know that staffing has been a challenge across the state, and it may continue to be a challenge into the foreseeable future. We have to be creative in using technology to assist in filling in the staffing gaps.

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 of automobile insurance fraud. Whenever feasible, we require each defendant, as part of his or her plea agreement, make full 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 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 SFDA via certified mail to the carrier.

In cases where full and complete restitution cannot be paid in full by the defendant prior to sentencing, the SFDA ensures that the defendant stipulates to the restitution amount as part of the plea agreement. We ensure that the court reserves jurisdiction over the restitution issue for purposes of collection. We also file a CR-110/111 order for restitution. These Judicial Council forms are court orders which the victim can enforce to obtain their restitution, through civil courts.

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
2024-25	\$9,281.52	\$9,281.52
2023-24	\$189,893.48	\$189,893.48
2022-23	\$45,077.54	\$17,472.72
2021-22	\$23,715.23	\$0.00
2020-21	\$0.00	\$606.19
Total: \$267,967.77		Total: \$217,253.91

7. Applicant Question: Utilization Plan Related to Unexpended Funds

If you had any unexpended funds from FY 23-24 (Overview Questions 2 & 3), address the below question(s). If you did not have any unexpended funds from FY 23-24, mark N/A.

1) You must address if you are on track to expend all of your Total Funding for FY 24-25. This includes your FY 24-25 Awards and FY 23-24 Approved Unexpended Funds.

2) If you are not on track to expend your Total Funding and you are not asking for a corresponding reduction in your grant request, please explain.

Applicant Response:

Not Applicable

Applicant Comment:

Not Applicable

8. Applicant Question: Utilization Plan

Your budget provides the amount of funds requested for Fiscal Year 25-26.

Provide a brief narrative description of your utilization plan for the Fiscal Year 25-26 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:

SFDA uses grant funds primarily for salary and benefits. We plan to retain our 50% FTE for our investigator and 49% FTE for our attorneys. We will use funds for training. Our investigator and attorneys routinely attend the AFA Conference and the CDAA Fraud Symposium. We are not requesting an increase.

Sub Section Name: Training and Outreach

1. Applicant Question: Training Received

List the insurance fraud training received by each county staff member in the automobile fraud unit during Fiscal Year 24-25.

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)
5	04/29/2025	Anti-Fraud Alliance	Monterey, CA	Various Fraud Topics	96
6	10/22/2024	CDAA	Santa Rosa, CA	Various Fraud Topics	112.50
6	07/09/2025	SFDA	San Francisco, CA	Evidence- WC & Auto	3.0

2. Applicant Question: Training and Outreach Provided

Upload and attach the Training and Outreach Provided form in Excel; label it "25-26 AUTO (county name) Training and Outreach Provided"

Do not include training *received*; **only list training and outreach provided during FY 24-25** as outlined in the outreach definition below.

- For the number of Attendees / Contacts list only **numbers**; no other characters. Estimate the number as best you can. The data provided on this Excel sheet is compiled and presented to the Insurance Commissioner as Outreach is a focus of the Commissioner's Goals & Objectives.
- 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:

3. Applicant Question: Future Training and Outreach

Describe what kind of training/outreach you plan to provide in Fiscal Year 25-26.

Applicant Response:

SFDA will work to conduct more training and outreach to SIU's. Last year we held a roundtable with SIU's. We would like to conduct more of these types of sessions with SIU's. SFDA has noticed that the volume of referrals has increased over the years while the quality of FD-1's needs improvement. Many FD-1's have to be closed without further investigation because the initial quality of the work is lacking. SIU's need more training, and we hope to fill in the gap. Having regular meetings where SIU's can discuss cases with us will help both the SIU's and SFDA.

We also plan to continue to use social media and press releases to publicize our cases. We will use social media to educate the public about auto insurance fraud and how to avoid becoming a victim. We will also use press releases to deter potential fraud. Publicizing the negative consequences of criminal behavior can work to deter budding fraudsters.

Sub Section Name: Joint Plan

1. Applicant Question: Joint Plan

Upload your AUTO Joint Plan and label it "25-26 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. Please note, the joint plan you upload is a tentative agreement pending execution of a Grant Award Agreement (GAA) signed by the authorized parties. 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:

25-26JointPlan.SFDA.docx - WORD DOCUMENT

Section Name: Investigation Case Reporting

Sub Section Name: Investigation Case Information Relating to Questions

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 "25-26 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

Sub Section Name: Reporting on All Investigations

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

Download Announcement Attachment 1bii, label it "25-26 AUTO (county name) ICAR" upload and mark confidential, then attach to this question.

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.

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:

Sub Section Name: New Investigation Information for Cases in Court

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 "25-26 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:

No

Section Name: Acknowledgment

Sub Section Name: Acknowledgment

1. Applicant Question: Acknowledgment

For purposes of the grant application process and Grant Award Agreement (GAA), the term "application" refers to the grant application and its Funding Announcement Attachments including, but not limited to, the Budget Instructions, Grant Requirements, and Fact Sheets.

Applicant Response:

I acknowledge
