NATHAN J. HOCHMAN
LOS ANGELES COUNTY DISTRICT ATTORNEY

HALL OF JUSTICE
211 WEST TEMPLE STREET LOS ANGELES, CA 90012 (213) 974-3500

December 01, 2026

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

AUTHORIZE THE LOS ANGELES COUNTY DISTRICT ATTORNEY'S OFFICE TO ENTER INTO GRANT AWARD AGREEMENTS AND ACCEPT GRANT FUNDS FROM THE STATE OF CALIFORNIA DEPARTMENT OF INSURANCE FOR THE AUTOMOBILE INSURANCE FRAUD, DISABILITY AND HEALTHCARE INSURANCE FRAUD, AND WORKERS' COMPENSATION INSURANCE FRAUD PROGRAMS FOR FISCAL YEAR 2026-27 (ALL DISTRICTS) (3-VOTES)

SUBJECT

The Automobile Insurance Fraud (AIF), Disability and Healthcare Insurance Fraud (DHIF), and Workers' Compensation Insurance Fraud (WCIF) Programs support enhanced investigation and prosecution of automobile insurance fraud activity, fraudulent disability and healthcare insurance claims, and workers' compensation fraud cases, respectively. The Los Angeles County District Attorney's Office (LADA) is requesting the Board to sign the attached Resolutions required to enter into Grant Award Agreements (GAA) with the State of California Department of Insurance (CDI) for AIF, DHIF, and WCIF grant funds for Fiscal Year (FY) 2026-27. The LADA has submitted three applications to CDI and requested grant funding in the amount of $5,323,000 for AIF, $2,250,000 for DHIF, $10,990,000 for WCIF Programs for FY 2026-27 to support enhanced investigation and prosecution of fraud activity and financial abuse. The LADA requests authorization to accept grant funds from CDI up to the total amount of $18,563,000 with no required County match.

IT IS RECOMMENDED THAT THE BOARD:

1. Authorize the LADA to accept grant funds and enter into an agreement with CDI for AIF, DHIF, and WCIF Programs up to the total amount of $18,563,000, for the period of July 1, 2026, through June 30, 2027. There is no required County match for these grants.

2. Request the Chair of the Board of Supervisors to sign and affix a wet, stamp, or electronic signature to the enclosed Resolutions required to enter into GAA with CDI for AIF, DHIF, and WCIF Programs.

3. Delegate authority to the District Attorney (DA), or designee, to execute the GAA and serve as Project Director for the programs. This delegation further includes authorization to sign and approve any revisions, subsequent amendments, modifications, and/or extensions to CDI GAAs that have no net County cost impact, and to terminate agreements for convenience when it is in the best interest of the Los Angeles County; and to continue to apply, submit, execute, and/or renew all required grant application documents, including assurances, certifications, and agreements, when and if such future and similar funding opportunities become available and subject to County Counsel approval as to form.

4. Delegate the authority to the DA, or designee, to enter into and execute service agreements for Expert and/or Legal Consultant services, in accordance with programmatic requirements, upon approval and allocation of grant funds. Such agreements shall be executed on an as-needed basis, with each agreement not to exceed $200,000. All agreements shall be approved as to form by County Counsel. This delegated authority also includes the execution of any subsequent amendments, extensions, modifications, and/or revisions to the service agreements, as necessary, to support the pre-filing and/or trial period(s) of the contracted fraud case(s), in alignment with the approved grant funds and any subsequent allocations authorized by the grantor.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The objective of these programs is to promote coordination and active partnerships in anti-fraud efforts and to continue the LADA's commitment to assist and protect consumers of life insurance and annuity products by enhancing the prosecution of life and annuity financial abuse.

These grant funds will be used for the investigation and prosecution of automotive, disability and healthcare, and workers' compensation fraud cases in Los Angeles County and to inform and educate the public on the nature and consequences of insurance fraud, as well as to train and share best practices with industry stakeholders and allied law enforcement agencies.

LADA's anti-insurance-fraud programs will address Los Angeles County's fraud problems by implementing a strategic approach to the prosecution of targeted modes of fraud; forming collaborative partnerships with other Federal, State, and local law enforcement agencies; ensuring that every case is investigated to its fullest legal extent and that the defendant pays the restitution at the time of the plea, or is placed on probation so that restitution may be collected over time and during the defendant's court-ordered probation; exploring criminal connections to larger fraud rings involving cappers, crooked lawyers, and dishonest doctors and chiropractors, and charging the excessive taking enhancement under Penal Code section 186.11 in all applicable circumstances.

The attached Resolutions require Board adoption as part of the GAA. The attached Resolutions have been approved as to form by County Counsel and adoption of the Resolutions will satisfy County and State requirements.

Board approval or delegated authority is required to accept grant funds from CDI for AIF, DHIF, and WCIF Programs. Upon receipt of the adopted Resolutions, CDI will provide the GAAs to LADA for

execution.

Implementation of Strategic Plan Goals

Approval of the recommended action is consistent with the Los Angeles County Strategic Plan, North Star No.1, Make Investments that Transform Lives: Los Angeles County is a highly responsive organization investing in solutions that address our most complex societal challenges affecting our most vulnerable communities and populations – one person at a time; and North Star No.2, Foster Vibrant And Resilient Communities: Investments in the lives of County residents are sustainable only when grounded in strong communities. Los Angeles County, with the support of a network of public/private partners, faith-based organizations, community-based organizations, philanthropic organizations, and local governments, will foster vibrant and resilient communities. The County is committed to proactively addressing the underlying conditions that drive interactions with law enforcement and justice systems. This commitment aims to improve lives and enhance the safety of the public and our communities by identifying and mitigating risks, dangers, harms, and conditions that cause or contribute to unlawful activity and crime.

FISCAL IMPACT/FINANCING

The CDI administers the grant programs and oversees the distribution of funds for enhanced investigation and prosecution of automobile insurance fraud cases, fraudulent disability and healthcare insurance fraud claims, and workers' compensation fraud cases.

For FY 2026-27, LADA has requested a total of $18,563,000 in grant funding for AIF, DHIF, and WCIF Programs, and County matches are not required for these programs. In addition, with the Board's delegated authority and the grantor's approval of grant funds allocation for the as-needed support services of investigation and prosecution, LADA will allocate funds from the grant awards to execute the Expert and/or Legal Consultant services agreement(s) and will notify the Board of any services agreement(s) that exceed(s) $200,000. Pursuant to the California Government Code § 26500.5 and given the unpredictable, confidential, and highly complex nature of the case(s) that arise, it is necessary to authorize the DA, or designee, to enter into agreements with experienced consultants in order to respond quickly and effectively to investigative and prosecutorial needs.

Once CDI approves the grant awards and the GAAs are executed, LADA will submit the budget appropriation adjustments to the Chief Executive Office and Auditor-Controller's Office to align LADA's budget with the grant awards.
If funding for these programs were to be curtailed or terminated, an evaluation of this program would be conducted to determine whether the program would either be continued, with costs absorbed by the department, or discontinued, with staff attrition or reallocation to vacant budgeted positions.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Pursuant to Insurance Code Sections 1872.8(b)(1)(D) (AIF), 1872.85 (c)(2) (DHIF), and 1872.83(d) (WCIF), CDI is authorized to award and distribute certain funds to District Attorneys submitting plans approved by the Fraud Division for the increased investigation and prosecution of automobile insurance fraud cases, fraudulent disability and healthcare insurance fraud claims, and workers' compensation fraud cases, respectively. LADA has been awarded funding for the AIF for thirty-three (33) years, DHIF for twenty-one (21) years, and WCIF for thirty-four (34) years.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

These programs do not propose attorney staff augmentation. Therefore, LADA is not subject to the Board Motion of December 15, 1998, requiring clearance with the Alternate Public Defender, Probation, Public Defender, and Sheriff's Departments.

CONCLUSION

Following Board approval, the Executive Officer-Clerk of the Board is requested to return a copy of the adopted Board Letter and a copy of the approved Resolutions, with a wet, stamp, or electronic signature, to Ms. Huimin Wong, LADA Grants and Contracts Section, 211 West Temple Street, Suite 200, California, 90012-3205. Any questions may be directed to Ms. Wong at (626) 514-1251, or at HuiminWong@da.lacounty.gov.

Respectfully submitted,



NATHAN J. HOCHMAN
District Attorney

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Enclosures

c: Executive Officer, Board of Supervisors
Chief Executive Officer
County Counsel

Los Angeles County Chief Executive Office
Grant Management Statement for Grants $100,000 or More

Department	DISTRICT ATTORNEY'S OFFICE

Grant Project Title and Description	AUTOMOBILE INSURANCE FRAUD (AIF) PROGRAM

The objective of this program is to enhance prosecutorial efforts and criminal investigations of major auto insurance fraud rings, syndicates, gangs, and organizations in Los Angeles County. These grant funds will allow the Los Angeles County District Attorney's Office to continue its collaborative efforts with the State of California, Department of Insurance (CDI) to identify, investigate and prosecute organized automobile insurance fraud rings (staged accidents, cappers, etc.). Perpetrators also include unscrupulous doctors, chiropractors, lawyers, and others who profit from fraudulent automobile insurance claims.

Funding Agency	Program (Fed. Grant #/State Bill or Code #)	Grant Acceptance Deadline
CALIFORNIA DEPARTMENT OF INSURANCE	CA INSURANCE CODE §1872.8	N/A

Total Amount of Grant Funding	$5,323,000 (requested)	**County Match**	$0
Grant Period	Begin Date: July 1, 2026	End Date:	June 30, 2027
Number of Personnel Hired Under This Grant	Full Time: 5	Part Time:	16

Obligations Imposed on the County When the Grant Expires

Will all personnel hired for this program be informed this is a grant-funded program?	Yes	X	No	
Will all personnel hired for this program be placed on temporary ("N") items?	Yes	X	No	
Is the County obligated to continue this program after the grant expires?	Yes		No	X
If the County is not obligated to continue this program after the grant expires, the Department will:				
a.) Absorb the program cost without reducing other services	Yes		No	X
b.) Identify other revenue sources (describe below)	Yes		No	X
c.) Eliminate or reduce, as appropriate, positions/program costs funded by the grant.	Yes	X	No	

Impact of additional personnel on existing space:

None

Other requirements not mentioned above:

None

Department Head Signature _____ Date 6/9/26

NATHAN J. HOCHMAN

Los Angeles County Chief Executive Office
Grant Management Statement for Grants $100,000 or More

Department	DISTRICT ATTORNEY'S OFFICE

Grant Project Title and Description	DISABILITY AND HEALTHCARE INSURANCE FRAUD (DHIF) PROGRAM

The objective of this program is to enhance the criminal investigation and prosecution of fraudulent disability and healthcare insurance claims in Los Angeles County. These grant funds will allow the Los Angeles County District Attorney's Office to successfully implement this program and reduce disability and healthcare insurance fraud through collaborative efforts with the State of California, Department of Insurance (CDI) and local law enforcement agencies.

Funding Agency	Program (Fed. Grant #/State Bill or Code #)	Grant Acceptance Deadline
CALIFORNIA DEPARTMENT OF INSURANCE	CA INSURANCE CODE §1872.85	N/A

Total Amount of Grant Funding	$2,250,000 (requested)	**County Match**	$0
Grant Period	Begin Date: July 1, 2026	End Date:	June 30, 2027
Number of Personnel Hired Under This Grant	Full Time: 1	Part Time:	20

Obligations Imposed on the County When the Grant Expires

Will all personnel hired for this program be informed this is a grant-funded program?	Yes	X	No	
Will all personnel hired for this program be placed on temporary ("N") items?	Yes	X	No	
Is the County obligated to continue this program after the grant expires?	Yes		No	X
If the County is not obligated to continue this program after the grant expires, the Department will:				
a.) Absorb the program cost without reducing other services	Yes		No	X
b.) Identify other revenue sources (describe below)	Yes		No	X
c.) Eliminate or reduce, as appropriate, positions/program costs funded by the grant.	Yes	X	No	

Impact of additional personnel on existing space:

None

Other requirements not mentioned above:

None

Department Head Signature _____ Date 10/9/26

NATHAN J. HOCHMAN

Los Angeles County Chief Executive Office
Grant Management Statement for Grants $100,000 or More

Department	DISTRICT ATTORNEY'S OFFICE

Grant Project Title and Description	WORKERS' COMPENSATION INSURANCE FRAUD (WCIF) PROGRAM

The objective of this program is to enhance the identification, investigation, and prosecution of organized workers' compensation insurance fraud. These grant funds will allow the Los Angeles County District Attorney's Office to continue its collaborative efforts with the State of California, Department of Insurance (CDI) to investigate and prosecute those engaged in workers' compensation insurance fraud in Los Angeles County.

Funding Agency	Program (Fed. Grant #/State Bill or Code #)	Grant Acceptance Deadline
CALIFORNIA DEPARTMENT OF INSURANCE	CA INSURANCE CODE §1872.83	N/A

Total Amount of Grant Funding	$10,990,000 (requested)	**County Match**	$0
Grant Period	Begin Date: July 1, 2026	End Date:	June 30, 2027
Number of Personnel Hired Under This Grant	Full Time: 20	Part Time:	20

Obligations Imposed on the County When the Grant Expires

Will all personnel hired for this program be informed this is a grant-funded program?	Yes	X	No	
Will all personnel hired for this program be placed on temporary ("N") items?	Yes	X	No	
Is the County obligated to continue this program after the grant expires?	Yes		No	X
If the County is not obligated to continue this program after the grant expires, the Department will:				
a.) Absorb the program cost without reducing other services	Yes		No	X
b.) Identify other revenue sources (describe below)	Yes		No	X
c.) Eliminate or reduce, as appropriate, positions/program costs funded by the grant.	Yes	X	No	

Impact of additional personnel on existing space:

None

Other requirements not mentioned above:

None

Department Head Signature NATHAN J. HOCHMAN Date 10/9/26

COUNTY OF LOS ANGELES

BOARD OF SUPERVISORS

RESOLUTION

Authorization to Accept a Grant Award from

the State of California, Department of Insurance

Pursuant to California Insurance Code Chapter 12, commencing with §1871, *et seq.*

WHEREAS, the provisions of §1872.8 of the California Insurance Code authorize the State of California, Department of Insurance to award and distribute certain funds to District Attorneys submitting plans approved by the Fraud Division for the increased investigation and prosecution of fraudulent automobile insurance claims, and the District Attorney is charged with providing prosecution of all felony offenses committed within this County; and

WHEREAS, the County of Los Angeles, acting through its Board of Supervisors, desires to combat automobile insurance fraud by undertaking a certain project designated the "Automobile Insurance Fraud Program" by the District Attorney, to be funded through funds made available by the Insurance Fraud Prevention Act as provided for pursuant to California Insurance Code §1872.8, administered by the State of California, Department of Insurance; and

WHEREAS, the State of California, Department of Insurance approved the fraud reduction plan submitted by the District Attorney's Office for Fiscal Year 2025-2026 for the Automobile Insurance Fraud Program for this specific task.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of the County of Los Angeles hereby authorizes and approves acceptance of grant funds from the State of California, Department of Insurance, to be used exclusively for the program designated the "Automobile Insurance Fraud Program" for the period covering July 1, 2025, to June 30, 2026;

IT IS AGREED that any liability arising out of the performance of the Grant Award Agreement, including civil court actions for damages, shall be the responsibility of the grant

recipient and the authorizing agency. The State of California and the California Department of Insurance disclaim responsibility for any such liability.

BE IT FURTHER RESOLVED that the County of Los Angeles hereby authorizes the District Attorney or his designee to serve as Project Director and to perform all further tasks necessary for the completion of the project, including any extensions, execution and submission of amendments, progress reports, and payment requests relating to the Grant Award Agreement;

I DO HEREBY CERTIFY that at a regular meeting of the Board of Supervisors of the County of Los Angeles, on this _____ day of _____, 2025, the foregoing Resolution was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Board of Supervisors of the County of Los Angeles this _____ day of _____, 2025.

COUNTY OF LOS ANGELES

By _____
Chair, Board of Supervisors

APPROVED AS TO FORM BY
COUNTY COUNSEL:

DAWYN R. HARRISON

By Lawrence Green
Lawrence Green
Senior Deputy County Counsel

COUNTY OF LOS ANGELES

BOARD OF SUPERVISORS

RESOLUTION

Authorization to Accept a Grant Award from

the State of California, Department of Insurance

Pursuant to California Insurance Code Chapter 12, commencing with §1871, *et seq.*

WHEREAS, the provisions of § 1872.85 of the California Insurance Code authorize the State of California, Department of Insurance to award and distribute certain funds to District Attorneys submitting plans approved by the Fraud Division for the increased investigation and prosecution of fraudulent disability and healthcare insurance claims, and the District Attorney is charged with providing prosecution of all felony offenses committed within this County; and

WHEREAS, the Board of Supervisors of Los Angeles County recognizes that fraudulent healthcare and disability insurance claims are costing our citizens millions of dollars annually, as reflected in higher insurance premiums and increased costs for medical services and equipment; and

WHEREAS, the County of Los Angeles, acting through its Board of Supervisors, desires to combat disability and healthcare insurance fraud by undertaking a certain project designated the "Disability and Healthcare Insurance Fraud Program" by the District Attorney, to be funded pursuant to the Insurance Fraud Prevention Act as provided in California Insurance Code § 1872.85 and administered by the State of California, Department of Insurance; and

WHEREAS, the State of California, Department of Insurance approved the fraud reduction plan submitted by the District Attorney's Office for Fiscal Year 2025-2026 for the Disability and Healthcare Insurance Fraud Program.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of the County of Los Angeles hereby authorizes and approves acceptance of grant funds from the State of

California, Department of Insurance, to be used exclusively for the program designated the "Disability and Healthcare Insurance Fraud Program" for the period covering July 1, 2025, to June 30, 2026;

IT IS AGREED that any liability arising out of the performance of the Grant Award Agreement, including civil court actions for damages, shall be the responsibility of the grant recipient and the authorizing agency. The State of California and the California Department of Insurance disclaim responsibility for any such liability.

BE IT FURTHER RESOLVED that the County of Los Angeles hereby authorizes the District Attorney or his designee to serve as Project Director and to perform all further tasks necessary for the completion of the project, including any extensions, execution and submission of amendments, progress reports, and payment requests relating to the Grant Award Agreement;

I DO HEREBY CERTIFY that at a regular meeting of the Board of Supervisors of the County of Los Angeles, on this _____ day of _____, 2025, the foregoing Resolution was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Board of Supervisors of the County of Los Angeles this _____ day of _____, 2025.

COUNTY OF LOS ANGELES

By _____
Chair, Board of Supervisors

APPROVED AS TO FORM BY
COUNTY COUNSEL:

DAWYN R. HARRISON

By Lawrence Green
Lawrence Green
Senior Deputy County Counsel

COUNTY OF LOS ANGELES

BOARD OF SUPERVISORS

RESOLUTION

Authorization to Accept a Grant Award from

the State of California, Department of Insurance

Pursuant to California Insurance Code Chapter 12, commencing with §1871, *et seq.*

WHEREAS, the provisions of § 1872.83 of the California Insurance Code authorize the State of California, Department of Insurance to award and distribute certain funds to the District Attorneys submitting plans approved by the Fraud Division for the increased investigation and prosecution of fraudulent workers' compensation claims, and the District Attorney's Office is charged with providing prosecution of all felony offenses committed within this County; and

WHEREAS, the Board of Supervisors of Los Angeles County recognizes that fraudulent claims are costing our citizens millions of dollars annually, with thousands of jobs being lost due to local business closures precipitated by escalating workers' compensation costs caused by fraud; and

WHEREAS, the County of Los Angeles, acting through its Board of Supervisors, desires to combat workers' compensation insurance fraud by undertaking a certain project designated the "Workers' Compensation Insurance Fraud Program" by the District Attorney, to be funded through funds made available by the Insurance Fraud Prevention Act as provided for pursuant to California Insurance Code § 1872.83, administered by the State of California, Department of Insurance; and

WHEREAS, the State of California, Department of Insurance approved the fraud reduction plan submitted by the District Attorney's Office for Fiscal Year 2025-2026 for the Workers' Compensation Insurance Fraud Program for this specific task.

NOW, THEREFORE, BE IT RESOLVED that the Board of Supervisors of the County

of Los Angeles hereby authorizes and approves acceptance of grant funds from the State of California, Department of Insurance, to be used exclusively for the program designated the "Workers' Compensation Insurance Fraud Program" for the period covering July 1, 2025, to June 30, 2026;

IT IS AGREED that any liability arising out of the performance of the Grant Award Agreement, including civil court actions for damages, shall be the responsibility of the grant recipient and the authorizing agency. The State of California and the California Department of Insurance disclaim responsibility for any such liability.

BE IT FURTHER RESOLVED that the County of Los Angeles hereby authorizes the District Attorney and his designee to serve as Project Director and to perform all further tasks necessary for the completion of the project, including any extensions, execution and submission of amendments, progress reports, and payment requests relating to the Grant Award Agreement;

I DO HEREBY CERTIFY that at a regular meeting of the Board of Supervisors of the County of Los Angeles, on this _____ day of _____, 2025, the foregoing Resolution was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Board of Supervisors of the County of Los Angeles this _____ day of _____, 2025.

COUNTY OF LOS ANGELES

By _____
Chair, Board of Supervisors

APPROVED AS TO FORM BY
COUNTY COUNSEL:

DAWYN R. HARRISON

By Lawrence Green
Lawrence Green
Senior Deputy County Counsel