

**STATE OF CALIFORNIA
FRAUD ASSESSMENT COMMISSION**

**Summary Meeting Minutes
Sacramento, California
January 11, 2023**

Pursuant to SB-189 approved by Governor Gavin Newsom on June 30th, 2022, this meeting was a hybrid meeting with the option to attend in person or via Zoom Video Conferencing services with options to participate online and via telephone.

Commissioners in attendance: Don Marshall, Jay R. Bobrowsky, Branden Lopez, and John Riggs.

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

I. Fraud Assessment Commission

a. Opening Remarks

Chairperson Marshall opened the meeting at 10:30 a.m. and provided an explanation of the logistics for the online and telephonic meeting. It was stated that materials provided to the Commissioners are available to the public by sending a request to LAU@insurance.ca.gov.

Chairperson Marshall announced that Commissioner Christine Baker retired effective 12/31/22. He then asked the Commissioners if they wished to make any opening comments; the Commissioners wished everyone Happy New Year with no other opening comments. Chairperson Marshall then turned the meeting over to Ms. Hauscarriague to proceed with the election of the FAC Chair and Vice-Chair.

b. Election of FAC Chair and Vice-Chair

Ms. Hauscarriague read aloud the basic rules that govern the election process. The FAC Chair and Vice-Chair will serve through January, 2024. Ms. Hauscarriague then asked each Commission Member if they intended to run for Chair.

Commissioner Marshall indicated that he would like to run for Chair. The remaining Commissioners declined to run for the position.

Ms. Hauscarriague then requested that Commissioner Marshall introduce himself and his comments regarding the Chair position for the upcoming year.

Commissioner Marshall thanked the Commissioners for their support. He did have some recommendations to make regarding revisions to the Goals and Objectives, that he would cover later in the meeting.

Public Comment

Ms. Hauscarriague opened the floor to for public comments. There being no public comments, Ms. Hauscarriague moved to the vote.

Action

Ms. Hauscarriague took a roll call vote for the Chairperson position. The vote was unanimous that Chairperson Marshall continues as Chair for the upcoming year. Chairperson Marshall thanked the other Commissioners for their votes.

Ms. Hauscarriague then asked each Commissioner if they intended to run for the Vice-Chair position. Commissioner Bobrowsky indicated that he would like to run for Vice-Chair and the rest of the Commissioners declined.

Ms. Hauscarriague then requested that Commissioner Bobrowsky introduce himself and his comments regarding the Vice-Chair position for the upcoming year.

Commissioner Bobrowsky stated that they are doing fantastic work on the commission. He acknowledges these are challenging times including DA Office turnovers and economic challenges.

Public Comment

Ms. Hauscarriague opened the floor to for public comments. There being no public comments, Ms. Hauscarriague moved to the vote.

Action

Ms. Hauscarriague took a roll call vote for the Vice-Chair position. The vote was unanimous that Vice-Chair Bobrowsky continues as Vice-Chair for the upcoming year.

Ms. Hauscarriague turned the meeting over to Chairperson Marshall.

c. Approval of the Summary Meeting Minutes

Chairperson Marshall then proceeded with the approval of the summary minutes from the September 14, 2022, meeting.

Motion

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

Action

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

d. FAC Goals and Objectives

Chairperson Marshall presented last year's Goals and Objectives with his suggested changes in red. He then opened discussion with the Commissioners on the proposed changes. There were discussions amongst the Commissioners on the proposed changes.

Public Comments

Jill Nerone of Alameda and William Lee of San Bernardino made comments and sought wording clarification. After further discussion, the Commissioners made minor adjustments to the proposed changes and a final copy for voting was distributed.

Motion

Commissioner Lopez made a motion to accept the Goals and Objectives. Commissioner Riggs seconded the motion.

Action

The Goals and Objectives for FY 2023-24 were unanimously accepted via a roll call vote.

e. FAC Representatives for the Insurance Commissioner's Workers' Compensation Review Panel

Chairperson Marshall called for volunteers to serve on the FY 2023-24 Workers' Compensation Review Panel. Commissioners Bobrowsky and Marshall volunteered to be on the panel. No objections from any Commissioners and no other volunteers.

f. Public Comments

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

II. Enforcement Branch Report

a. Administrative Update

DC Charlick, on behalf of Deputy Commissioner Mueller, provided a personnel update which summarized changes in sworn staff positions, candidates in background, and recruitment efforts. DC Charlick also reported on CDI's campaigns for International Fraud Awareness Week, which was the third week of November.

b. Department of Industrial Relations Assessment Collection for FY 2023-24

DC Charlick referred to Labor Code Section 62.6 and Insurance Code Section 1872.83 and indicated that CDI would send, on behalf of the FAC, a request to the Department of Industrial Relations to collect \$85,700,386, the amount of the aggregate assessment, for FY 2023-24.

DC Charlick further explained CDI determined that there were no CDI unspent funds at the end of FY 2021-2022, although there was \$170,000 in fines and penalties collected. Pending budget authority approval, the Enforcement Branch plans to augment District Attorney funding with an additional \$170,000 for the current 2022-2023 fiscal year. These funds will be distributed on a pro-rata basis. No funds will be used to offset collections.

c. Insurance Fraud Programs

The Enforcement Branch will present a Grant information Webinar on 2/22/23, and will host Grant Training Workshops in March; one in Northern CA and the second in Southern CA. This is the second year applications will be released and submitted via CDI's online system, GMS. CDI IT staff are currently developing the new GCMS, Grant Case Management System, for investigation and prosecution case data and statistical reporting. However, this system will not be part of the FY 2023-2024 grant application. DC Charlick also reviewed the CCR requirements for the Worker's Compensation Review Panel members; that review panel will take place on 6/14/23. He then called for questions.

Commissioner Bobrowski then asked what the vacancy rate is for CDI investigation staff. DC Charlick responded about 20%, however CDI does not have enough funding to fill all those positions.

d. Public Comments

Chairperson Marshall asked if there were any public comments and there were none.

III. Other Business

a. Insurance Commissioner's Workers' Compensation Review Panel: June 14, 2023. Chairperson Marshall stated this would be a hybrid meeting

b. Next Scheduled FAC Meeting(s): June 28, 2023, September 6, 2023 and September 13, 2023

Chairperson Marshall stated the June meeting would be a hybrid meeting, and the September meetings will be in person unless the "in-person" meeting exemption for the Bagley-Keene Act is extended.

c. Public Comments

Chairperson Marshall opened the floor for public comments on Other Business. There being none, he moved to the next agenda item.

IV. Public Comments

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

V. Closing Remarks

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

Motion

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

Action

The Commissioners unanimously approved via a roll call vote and the meeting adjourned at 12:51 p.m.