



OFFICE OF THE DISTRICT ATTORNEY
CONTRA COSTA COUNTY

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DISTRICT ATTORNEY

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NEWS RELEASE

**DISTRICT ATTORNEY MARK A. PETERSON AND INSURANCE
COMMISSIONER DAVE JONES ANNOUNCE \$1.3 MILLION
IN GRANTS TO INVESTIGATE AND PROSECUTE INSURANCE FRAUD**

Mark A. Peterson, District Attorney of Contra Costa County, and Dave Jones, California State Insurance Commissioner, are pleased to announce the award of \$1.3 million in grants from the California Department of Insurance to combat insurance fraud.

The grants will aid in Contra Costa County's continuing efforts to aggressively investigate and prosecute of workers' compensation, automobile insurance, and disability and healthcare fraud. The District Attorney's Office has utilized similar grants for many years and strives to renew them each year.

"Insurance fraud costs California's honest consumers and businesses approximately \$15 billion per year," said District Attorney Mark A. Peterson. "The huge financial burden that insurance fraud imposes on the citizens of Contra Costa County through higher insurance premiums and the increased cost of goods and services is unacceptable. These grant funds and the enthusiastic assistance of the California Department of Insurance Fraud Division Investigators make it possible for our office to continue to aggressively investigate and prosecute all types of insurance fraud. I have also dedicated significant resources to public outreach and education to educate our community in an effort to prevent our citizens from being victimized in the first place. I would like to thank Commissioner Jones and the California Department of Insurance for their partnership in our efforts."

Contra Costa County was awarded multiple grants to combat fraud in 2013, including:

- \$603,400 to fight Workers' Compensation Insurance Fraud
- \$458,903 to combat Regular Automobile Insurance Fraud
- \$273,667 to battle Urban (Organized) Automobile Insurance Fraud
- \$20,000 to fight Disability and Health Insurance Fraud

The grant money will be used to pay salaries and benefits of at least three prosecutors and three investigators assigned to the insurance fraud units within the Contra Costa County Office of the District Attorney's Special Operations Division. The prosecutors and investigators in insurance fraud units work closely with the California Department of Insurance Fraud Division and other state agencies such as the Employment Development Department, Department of Industrial Relations, and the Contractor State Licensing Board.

"Workers' compensation insurance fraud places an extraordinary financial burden on our workers' comp system, hurts honest businesses and damages our economy. Auto insurance fraud drives up the price of auto insurance for consumers, and disability and health insurance fraud gouges workers and employers by way of higher premiums," Insurance Commissioner Jones said. Citing several of Contra Costa County's recent insurance fraud prosecutions, Commissioner Jones said, "Contra Costa County has made great use of its effective fraud-fighting programs."

In addition to the county's history of successful and proactive insurance fraud prosecutions, Contra Costa County District Attorney Mark A. Peterson recently announced the creation of the Fraud Interdiction Program. The program, based on a successful program developed by former Los Angeles County Deputy District Attorney Albert H. MacKenzie, relies on enhanced relationships and information sharing between the health care and insurance industries and governmental agencies to focus on high-level insurance fraud criminals in a non-traditional way: tax fraud prosecution. "The use of the Fraud Interdiction Program will complement our use of more traditional enforcement methods and allow us to be more efficient in prosecuting insurance fraud," said District Attorney Mark Peterson.

Suspected insurance fraud can be reported to the District Attorney Office at (925) 957-8604.