



## THE STATE BAR OF CALIFORNIA

845 S. FIGUEROA STREET, LOS ANGELES, CALIFORNIA 90017  
180 HOWARD STREET, SAN FRANCISCO, CALIFORNIA 94105

Tel: (213) 765-1468  
Tel: (415) 538-2063

Report title: Annual Report to the Legislature by The State Bar of California  
Complaints Investigated

Statutory citation: Insurance Code section 1872.95

Date of report: March 1, 2016

The State Bar of California has submitted a report to the Senate and Assembly Committees on Insurance under Insurance Code section 1872.95, which requires the State Bar to report annually by March 1 to the Legislature on the number of complaints in the previous year that were investigated against California attorneys alleging possible fraudulent activities relating to workers' compensation, motor vehicle insurance, or disability insurance. The following summary of the report is provided per the requirements Government Code section 9795.

The State Bar's annual report addresses "the number of cases investigated, the number of cases forwarded to the Fraud Division or other law enforcement agencies, the outcome of all cases listed in the report, and any other relevant information concerning those cases or general activities . . . for the previous year . . . ."

In 2015, the State Bar investigated three (3) cases alleging fraudulent activities related to motor vehicle insurance, and fourteen (14) related to workers' compensation.

The dispositions of the seventeen (17) cases are as follows:

- Nine (9) investigations alleging fraudulent activities related to worker's compensation have been suspended pending the outcome of another case involving the same attorney in a separate matter.
- One (1) investigation alleging fraudulent activities related to worker's compensation is pending in the State Bar Court.
- The Office of Chief Trial Counsel closed three (3) investigations alleging fraudulent activities related to motor vehicle insurance, due to insufficient evidence of professional misconduct.
- The Office of Chief Trial Counsel closed four (4) investigations alleging fraudulent activities related to worker's compensation, due to insufficient evidence of professional misconduct.

The full report is available for download on the State Bar's web site at <http://www.calbar.ca.gov/AboutUs/Reports.aspx>.

A printed copy of the report can be ordered by calling (916) 442-8018.

**Annual Report to the Legislature by  
The State Bar of California**

**Complaints Investigated by the State Bar in 2015  
Alleging Possible Fraudulent Activities by Attorneys  
Relating to Workers' Compensation, Motor Vehicle  
Insurance, or Disability Insurance**

**March 1, 2016**

**Summary**

Insurance Code section 1872.95 requires the State Bar to submit no later than March 1 of each year a report to the Senate and Assembly Committees on Insurance concerning all complaints investigated in the previous year, alleging that attorneys have engaged in possible fraudulent activities relating to workers' compensation, motor vehicle insurance, or disability insurance. The State Bar investigated seventeen (17) such cases in 2015.

**Background**

In 1999, the Legislature enacted the Organized Crime Prevention and Victim Protection Act (Stats. 1999, ch. 885(AB 1050) to provide for a focused, coordinated effort by all appropriate agencies and organizations to deal more effectively with fraudulent activities in automobile and related insurance claims. (Stats. 1999, ch. 885, § 1.) Among other things, the act requires the Medical Board of California, the Board of Chiropractic Examiners, and the State Bar, to report annually to the committees of the Legislature having jurisdiction over insurance about complaints alleging possible fraudulent activities relating to workers' compensation, motor vehicle insurance, or disability insurance, by licensees of the board or the Bar. (Ins. Code, § 1872.95, as amended Stats. 1999, ch. 885, § 6.)

Insurance Code section 1872.95 outlines the information to be reported annually by the State Bar to the Legislature on complaints alleging possible fraudulent activities in these areas. Specifically, the State Bar's report must address "the number of cases investigated, the number of cases forwarded to the Fraud Division or other law enforcement agencies, the outcome of all cases listed in the report, and any other relevant information concerning those cases or general activities . . . for the previous year . . . ." <sup>1</sup>

---

<sup>1</sup> Section 1872.95 of the Insurance Code states:

(a) Within existing resources, the Medical Board of California, the Board of Chiropractic Examiners, and the State Bar shall each designate employees to investigate and report on possible fraudulent activities relating to workers' compensation, motor vehicle insurance, or disability insurance by licensees of the board or the bar. Those employees shall actively cooperate with the Fraud Division in the investigation of those activities.

(b) The Medical Board of California, the Board of Chiropractic Examiners, and the State Bar shall each report annually, on or before March 1, to the committees of the Senate and Assembly having jurisdiction over insurance on their activities established pursuant to subdivision (a) for the previous year. That report shall specify, at a minimum, the number of cases investigated, the number of cases forwarded to the Fraud Division or other law enforcement agencies, the outcome of all cases listed in the report, and any other relevant information concerning those cases or general

## **Results for 2015**

In last year's report, the State Bar's Office of Chief Trial Counsel reported that, at the end of 2014, it had pending two investigations related to motor vehicle insurance fraud and ten investigations related to worker's compensation. The Office of Chief Trial Counsel closed two investigations related to motor vehicle insurance fraud, due to insufficient evidence of professional misconduct. The Office of Chief Trial Counsel closed two investigations related to worker's compensation, due to insufficient evidence of professional misconduct. Seven of the cases related to workers' compensation involve the same attorney and are currently suspended, pending the outcome of a related case. One case related to workers' compensation, involving this same attorney, is pending in the State Bar Court.

During 2015, the Office of Chief Trial Counsel received and investigated one (1) additional case alleging fraudulent activities related to motor vehicle insurance and four (4) cases alleging fraudulent activities related to workers' compensation. One case alleging fraudulent activities related to motor vehicle insurance was closed at the investigation stage due to insufficient evidence of professional misconduct. Two investigations alleging fraudulent activities related to worker's compensation were closed at the investigation stage due to insufficient evidence of professional misconduct. Two investigations alleging fraudulent activities related to workers' compensation are currently suspended, pending the outcome of a related case where disbarment is likely.

### **Contact:**

Jayne Kim  
Chief Trial Counsel  
State Bar of California  
845 South Figueroa Street, Los Angeles, CA 90017-2515  
180 Howard Street, San Francisco, CA 94105-1639  
Telephone: (213) 765-1468 (415) 538-2063  
Fax: (213) 765-1029 (415) 538-2214  
E-mail: [jayne.kim@calbar.ca.gov](mailto:jayne.kim@calbar.ca.gov)

---

activities conducted under subdivision (a) for the previous year. The report shall include information regarding activities conducted in connection with cases of suspected automobile insurance fraud.