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CHRB NEWS RELEASE

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BOARD SUBMITS CLAIMS TO JOCKEYS' GUILD

SACRAMENTO, CA – The California Horse Racing Board has forwarded documentation to the Jockeys' Guild pertaining to 12 cases in which California riders claim the national organization has not paid their covered medical bills, which in some cases have gone into collection, even though the Guild receives \$1 million annually from the State of California to cover health insurance for California jockeys.

In a letter to Albert Fiss, vice president of the Jockeys' Guild, CHRB Commissioner Richard B. Shapiro wrote that he finds it "inexcusable for the Jockeys' Guild to have members who are being turned over to collection agencies."

Shapiro continued, "We have been advised these claims have been unpaid and left unresolved. No matter what the reason, it is an obligation of the Jockeys' Guild to serve and assist its members in such a manner that no one is turned over to a collection agency, and to fully inform jockeys as to the proper procedures and health care providers for their medical needs."

Shapiro asked Fiss, upon his review of the medical claims, to "please advise me of what steps will be taken to remedy or address each of these matters."

Shapiro received the documents from Ron Warren, Jr., who along with fellow riders Russell Baze and Francisco Duran, has formed an organization – the California Jockeys Guild – with the goal of representing jockeys in California and managing their own medical benefits program independently of the Jockeys' Guild and its national health program in which California jockeys currently participate.

Warren said he would provide additional documentation for five other cases of unpaid bills after the claimants sign authorizations permitting the release of their confidential medical information. Upon receipt, Shapiro will forward those additional documents to Fiss.

In his cover letter to Shapiro, Warren said there has been a "disturbing pattern in Guild-managed health insurance coverage," including "reticence or outright refusal to pay bills for legitimate medical expenses (and) stretching payables at many facilities to the point that jockeys are put into collection."

Warren wrote that due to the resulting “financially damaging experience,” some “jockeys and their families have been discouraged from seeking medical care at local facilities because of the financial consequences.”

Warren has advised the CHRB that “65 active California riders” have agreed to be represented by his state organization. By comparison, approximately 100 members of the national Jockeys’ Guild received benefits under the California Jockeys’ Health and Welfare Program, which provides about \$1 million annually to the organization representing California jockeys for the purpose of providing health insurance for California jockeys and their eligible dependents. These public funds come from uncashed refunds in the state’s pari-mutuel wagering system.

The CHRB currently licenses 317 jockeys to ride in California. Some of those licenses were issued to jockeys who rarely ride in California. When the California health program was created by state law in 1997, the CHRB and Thoroughbred Owners of California (TOC) were charged with oversight of the program. In determining which jockeys should receive program benefits, the TOC and Jockeys’ Guild agreed to limit the benefits to jockeys who ride a minimum of 100 races a year and at least 50 races in California. The CHRB approved this agreement.

Warren’s group believes the benefits should be restricted to “active” California riders. He said each of the 65 jockeys in his organization rides in at least 100 races a year in California, and furthermore, even though residency is not a strict requirement for joining the California Jockeys Guild, “all but one of those 65 jockeys reside here in California, and the one guy I know of who does not have a legal residence in California still rides here eight months out of the year.”

Warren said the California Jockeys Guild is laying the groundwork for establishing its own health insurance program, and once that is completed, he will officially ask the CHRB to certify his organization as the representative of California jockeys. This, of course, would require the CHRB to decertify the national Jockeys’ Guild. This matter would need to be thoroughly discussed at a noticed public meeting of the Board.

In a related development, the CHRB has received proposals from two accounting firms to perform a forensic audit of the Jockeys’ Guild records relating to its administration of the California Jockeys’ Health and Welfare Program. A third application is expected this week.

The racing commissioners voted at the March monthly Board meeting to hire an outside firm to perform a detailed audit of the pertinent records to make certain that public funds are being properly administered and spent only for health benefits of California jockeys, as required by law.

“I hope we can select the CPA firm and begin this audit within two weeks,” said Shapiro. “The public needs to know as quickly as possible if public funds are being spent properly.”

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