



# NEWS RELEASE

Office of the New York State Welfare Inspector General  
**Catherine Leahy Scott – Acting Welfare Inspector General**

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## **LONG ISLAND CPA INDICTED FOR UNEMPLOYMENT INSURANCE, WELFARE AND SOCIAL SECURITY FRAUD SCHEME OF NEARLY \$125,000 USING FAKE IDENTITY AND FALSE EMPLOYMENT RECORDS**

*Defendant Fraudulently Obtained Home Heating Aid and Food Stamps While Earning Income  
As a Certified Public Accountant and Maintaining a Suffolk County Home And Beachfront  
Condo in Florida*

LONG ISLAND – New York State Inspector General Catherine Leahy Scott announced the federal grand jury indictment and arraignment of a Long Island certified public accountant (“CPA”) with a Florida vacation home who created a fake identity and a bogus employment record as part of a \$124,275 Social Security, unemployment insurance and welfare fraud scheme.

Abraham Grossman (a/k/a Alan Grossman), 76, of Chase Commons, Yaphank, was indicted on two counts of the federal criminal charge of Theft of Government Funds (18 USC §641) and one count of Possession of a Forged Security (18 USC §513(a)). The charges carry a maximum potential penalty of 10 years in prison if convicted.

The investigation initiated by the New York State Department of Labor and conducted with the Inspector General found that Grossman, while working as a CPA and collecting Social Security Retirement benefits, created a false identity by obtaining a second Social Security number and New York State driver’s license under an assumed name. He used those documents, as well as his fictitious former employment at four different businesses, to fraudulently obtain additional Social Security Retirement, unemployment insurance and public assistance benefits to which he was not entitled. The New Jersey Department of Labor and Workforce Development, as well as federal investigators, assisted in the investigation.

“Through bogus employment and fake identity schemes this defendant manipulated and defrauded a multitude of public benefit programs to further enrich his comfortable lifestyle,” said **Inspector General Leahy Scott**. “From food stamps and Social Security to home heating aid and unemployment benefits, he egregiously abused systems that are meant to help those truly in need, not well off homeowners with Florida vacation homes. Along with my state and federal law enforcement partners, I remain committed to using all of my powers and resources to pursue anyone who steals public funds.”

“Stealing government benefits like Unemployment Insurance hurts all New Yorkers, and will not be tolerated in this state,” said **New York State Labor Commissioner Roberta Reardon**. “Today’s indictment and

arraignment mark another major step toward bringing this unscrupulous individual to justice, and I commend our dedicated Department of Labor investigators and Inspector General Leahy Scott and her office for their hard work ensuring that the integrity of systems put in place to help those who need it most are protected.”

From February 2012 through February 2015, Grossman applied for and received unemployment insurance in both New York and New Jersey under his real and fake identities. Under both identities, Grossman’s eligibility for benefits was premised upon his loss of employment from businesses that no longer existed and that had never declared wages for Grossman. He also failed to report the income he received as a CPA and altogether fraudulently obtained approximately \$48,775 worth of federally-funded unemployment insurance benefits.

Through his alleged scheme, Grossman also improperly obtained welfare benefits, including food stamps and home energy assistance program (“HEAP”) benefits worth \$12,500. Grossman received these welfare benefits fraudulently by failing to report income he obtained in the form of unemployment insurance benefits received from fabricated jobs in New York and New Jersey, income he received as a CPA, and Social Security Retirement benefits he received under a false identity during the same time period. The investigation alleged that Grossman also received about \$63,000 in Social Security Retirement benefits to which he was not entitled.

The welfare benefits he received are meant to assist New Yorkers most in need of financial assistance. Throughout his alleged scheme, Grossman was earning income as a CPA and owned a second home in Hallandale Beach Florida, just south of Fort Lauderdale.

Grossman was arraigned on the indicted charges today in United States District Court for the Eastern District of New York in Central Islip, pleaded not guilty, and remained released on a \$200,000 bail bond pending a reappearance in court tomorrow.

Grossman’s alleged fraud was initially discovered through the Department of Labor’s data mining and analysis program. The investigation revealed that Grossman had used the identity of several defunct businesses and began filing false documents with the State claiming that he was employed and then laid off from these defunct companies. The investigation discovered that the defendant had also used this scheme against the State of New Jersey’s unemployment insurance program.

Inspector General Leahy Scott thanked the United States Department of Labor Office of Inspector General, the New York State Department of Labor’s Office of Special Investigations, the New Jersey Department of Labor, and the Social Security Administration’s Office of the Inspector General for their partnership in this investigation. The Inspector General also thanked the United States Attorney for the Eastern District of New York Robert L. Capers and his office for handling the criminal prosecution.

The defendant is presumed innocent until and unless proven guilty in a court of law.

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*The New York State Office of the Welfare Inspector General investigates fraud, abuse or illegal acts committed against public assistance programs designed to help those in need. Our office also investigates complaints about the agencies and local social services districts who administer social services programs. Complaints and referrals are kept confidential. We can be reached by calling toll free: 1-800-367-4448, utilizing our online complaint form: <http://www.ig.ny.gov> or sending an email to: [inspector.general@ig.ny.gov](mailto:inspector.general@ig.ny.gov). You also can write to our office at: Office of the Welfare Inspector General, Empire State Plaza, Agency Building 2, 16th Floor Albany, New York 12223*