



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 SENTENCED TO PRISON AND \$615,000 RESTITUTION FOR UNEMPLOYMENT INSURANCE, WELFARE AND SOCIAL SECURITY FRAUD SCHEME 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 Owning a Suffolk County Home and Beachfront Condo in Florida

LONG ISLAND – New York State Inspector General Catherine Leahy Scott today announced the federal sentencing 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. He also stole a \$440,000 check that belonged to a client of his.

Abraham Grossman (a/k/a Alan Grossman), 78, of Chase Commons, Yaphank, who previously pleaded guilty to the federal charge of Possession of a Forged Security (18 USC §513(a)), was sentenced today in federal court to two years in prison, one year of home confinement, three years of probation and restitution of \$615,000 to all injured parties.

An investigation by Inspector General Leahy Scott and the New York State Department of Labor 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 falsely purported former employment at four separate defunct 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. Subsequent to that investigation, Grossman was also found to have stolen a \$440,000 check from an accounting client, and deposited it into his own bank account.

“This defendant used his knowledge of accounting principles and government programs to greedily tap into and manipulate a stunning array of public assistance programs to supplement a comfortable lifestyle at taxpayer expense,” said **Inspector General Leahy Scott**. “Along with my state and federal law enforcement partners, I will use all of the resources at my disposal to pursue anyone who steals public funds.”

“The New York State Department of Labor takes the theft of Unemployment Insurance benefits very seriously,” said State Labor **Commissioner Roberta Reardon**. “When the Labor Department detects fraud, it’s referred to our partners in law enforcement for prosecution. I thank the dedicated professionals from every agency involved

in this case who worked together to ensure that justice was served. Let this case serve as a warning to anyone who might seek to steal from important safety net systems that egregious fraud carries severe penalties."

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 schemes, 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 further found 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 scheme, Grossman was earning income as a CPA and owned a second home in Hallandale Beach, Florida, just south of Fort Lauderdale.

Grossman was sentenced today in United States District Court for the Eastern District of New York in Central Islip.

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 Acting United States Attorney for the Eastern District of New York Bridget M. Rohde and her office for handling the criminal prosecution.

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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. 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