



NEWS RELEASE

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

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NYC SOCIAL SERVICES EMPLOYEE AND SPOUSE FACE FEDERAL CHARGES FOR MULTIPLE SCHEMES OF STEALING MORE THAN \$225,000 IN GOVERNMENT WELFARE FUNDS

ALBANY – New York State Inspector General Catherine Leahy Scott today announced the arrest of a New York City Human Resources Administration (HRA) employee and his spouse on federal criminal charges alleging that they engaged in a variety of schemes over a seven year period, especially through the husband’s abuse of his HRA access, enabling them to steal more than \$225,000 in government welfare benefits.

Omar Jaata, 42, of the Bronx, was arrested and charged today with Conspiracy to Commit Mail and Wire Fraud, Theft of Government Funds and Aggravated Identity Theft. His spouse, Nyima Jaata, 37, of the same address, was charged with two counts of Theft of Government Funds.

The charges announced today allege that Omar Jaata, an HRA employee since 2010 and most recently with the title of welfare benefits “Eligibility Specialist,” used a variety of tactics and his access to the city’s welfare benefits systems to create multiple fake applicant accounts. Since 2014, Jaata issued nearly \$143,000 in food stamp benefits using these accounts, sending these benefits to addresses that he controlled, including both his own home address and a Post Office Box that he opened. Jaata used these welfare benefits for personal purchases. The charges against Nyima Jaata allege she stole more than \$82,000 in food stamp and Medicaid benefits by not disclosing her spouse Omar Jaata’s employment at HRA, as well as significantly underreporting her own employment income from a large grocery chain. Together, the couple earned more than \$66,000 in employment wages last year alone that was not reported to HRA.

These arrests and charges are part of an ongoing investigation that included the execution of a search warrant today by investigators from the Inspector General’s offices and the FBI at Omar Jaata’s place of employment in the Bronx.

“The theft of welfare benefits meant for New York families most in need is egregious at any level, but these defendants’ actions, particularly with the husband’s position as a public employee entrusted with administering these funds, makes this case particularly abhorrent. In essence, Mr. Jaata’s unfettered access at HRA enabled him to simply distribute taxpayer funds at a whim,” said Inspector General Leahy Scott. “I will continue to use all resources at my disposal, and work closely with my local, state and federal law enforcement partners, to investigate welfare fraud wherever it occurs, and protect public benefits for those who are most in need.”

An investigation by Inspector General Leahy Scott and the FBI found that Omar Jaata, in his position at HRA, was responsible for determining and verifying initial and continuing eligibility for individuals receiving welfare benefits. As part of his duties, Jaata was able to award food stamp benefits to qualified individuals. He was also authorized to award immediate “single issuance” food stamp benefits to individuals who had a documented, urgent need. The investigation found that Jaata abused this authority and created welfare cases for multiple phony applicants, and in addition, “authorized” emergency food stamp benefits to be issued to them at

addresses that he controlled. Jaata used his intimate knowledge of the HRA welfare benefits system to carry out his scheme, including overriding the computerized benefits system's safeguards. Such food stamp benefits accounts are administered through the use of Electronic Benefit Cards (EBT) which in this scheme, Jaata caused to be mailed to addresses he controlled. On numerous occasions, Jaata was observed by Investigators on surveillance video spending the money he fraudulently issued. In total, the charges allege he stole nearly \$143,000 in food stamp benefits which he then used for personal purchases at large wholesale clubs and bodegas in the Bronx and Manhattan.

The investigation also found that since 2012, Nyima Jaata applied for and received food stamp and Medicaid benefits without disclosing her spouse's employment income and much of her own income, as required. Her household income, had it been disclosed, disqualified her from any of the more than \$43,000 in food stamp benefits she received. Also, her household income disqualified her from nearly half of the Medicaid benefits she received -- more than \$39,000 of which was fraudulently obtained.

Both food stamps and Medicaid are welfare programs meant only for those qualified individuals who are in need of government financial assistance.

Omar and Nyima Jaata were both arraigned in United States Court of the Southern District of New York in Manhattan today. Omar Jaata was released on \$100,000 bond bail and Nyima Jaata was released on her own recognizance pending further court action.

Inspector General Leahy Scott thanked the FBI for their partnership in the investigation, the New York State Office of Temporary and Disability Assistance for their assistance with the investigation, and Acting United States Attorney for the Southern District of New York Joon H. Kim and his office for prosecuting this matter.

The defendants are 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. 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