



OFFICES OF THE NEW YORK STATE INSPECTOR GENERAL

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NEW YORK STATE

OFFICE OF THE WELFARE INSPECTOR GENERAL

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Message From The Inspector General

It was a pleasure meeting many of the commissioners at the New York Public Welfare Association conference in Saratoga this July. I want to take this opportunity to again offer my assistance and resources to you and your offices in combatting welfare fraud in your jurisdictions. This newsletter has been created to foster communications and productive partnerships between my office and all departments of social services throughout our great State.

This newsletter is meant to highlight some notable cases from my office, relevant legal issues impacting our mandates, and other pertinent matters.

The Office of the Welfare Inspector General maintains a statewide presence with offices from Buffalo to Long Island, and both I and my Deputy Inspector General for Welfare, [Michael C. Clarke](#), are readily available to work with all of you and answer any questions you may have. Please note our contact information at the end of this newsletter.

I look forward to our continued partnerships ensuring the integrity of the social service delivery system and combatting fraud.

Catherine Leahy Scott

About the NYS Welfare Inspector General's Office

The New York State Office of the Welfare Inspector General was established by [New York State Executive Law §74](#). The

Office of the Welfare Inspector General is tasked with maintaining the integrity of New York State's public assistance programs. Specifically, the Welfare Inspector General is responsible for conducting investigations of fraud, abuse or illegal acts perpetrated within local social services districts and by beneficiaries of public assistance services. Additionally, the Welfare Inspector General is charged with recommending policies relating to the prevention and detection of fraud and abuse, and to monitoring the implementation of those recommendations.

By statute, the Welfare Inspector General is authorized to:

- Have full and unrestricted access to all records, documents, and papers related to welfare programs; and,
- Request information, assistance and cooperation of any federal, state or local governmental department.

Pursuant to Executive Law §74, the Welfare Inspector General submits an annual report by February 1 to the Governor, State Comptroller, Attorney General and legislature, summarizing the activities of the Office of the Welfare Inspector General during the preceding calendar year. You can find the Welfare Inspector General's most recent annual report here: [2017 Annual Report](#).

Office of the Welfare Inspector General investigations have uncovered evidence of millions of dollars in fraud and/or improper social services benefit payments.

In addition to its extensive fraud investigations, the Office of the Welfare Inspector General is equally dedicated to fraud prevention. The Office of the Welfare Inspector General's early detection efforts help curtail the payment of unearned benefits and yield significant savings to New York State. The Office of the Welfare Inspector General conducts proactive initiatives that are aimed at the early detection and prevention of fraud.

The Office of the Welfare Inspector General has dedicated statewide legal and investigative staff with access to resources facilitating fraud investigations conducted by our own office as well as for matters worked jointly with various local, state and federal law enforcement partners. If any of our resources may be able to assist your offices, do not hesitate to contact us. For example, the Office of the Welfare Inspector General maintains access to specialized statewide databases and maintains its own computer and digital forensics division.

The Office of the Welfare Inspector General continues to raise awareness of public assistance fraud, educate stakeholders, and generate increased identification, detection and reporting of fraud.

NEWSWORTHY

OWNERS AND OPERATORS OF MEDICAL TRANSPORT COMPANIES CHARGED WITH MULTI-MILLION DOLLAR HEALTHCARE FRAUD

Medical transportation costs increased by over 800% in Essex County between 2012 and 2017.

Multi-agency investigation was conducted by the Office of the Welfare Inspector General, Office of the Workers' Compensation Fraud Inspector General, New York State Police, Essex County District Attorney, Essex County Department of Social Services, and the United States Attorney's Office (Northern District of New York).

The investigation led to [13 arrests](#), including owners and operators of 11 medical transport companies.

If you have concerns relating to medical transportation billings in your county, please contact the New York State Office of the Welfare Inspector General.

LINKS: RECENT NOTABLE CASES

Western New York business owner and wife charged with more than \$8,000 in welfare fraud while earning six-figure income. August 22, 2018. Link [here](#).

Globetrotting Long Island man charged with unemployment insurance and welfare fraud by using fictitious business records and concealed income. August 16, 2018. Link [here](#).

Bronx County couple sentenced for more than \$65,000 in welfare and unemployment insurance fraud by hiding household income and falsifying bank and employment records. June 26, 2018. Link [here](#).

Wealthy Queens County woman admits to welfare fraud and pays more than \$67,000 restitution for concealing indicted husband's six-figure income. June 26, 2018. Link [here](#).

EMPLOYEES AT GROUP HOME FOR DISABLED STOLE WELFARE BENEFITS INTENDED FOR RESIDENTS; UTILIZED THOSE BENEFITS FOR THEMSELVES AND FRIENDS

Supplemental Nutrition Assistance Program (SNAP) benefits were taken from residents of a 50-bed residential facility for mentally disabled adults located in Suffolk County.

Some of the stolen residents' Electronic Benefit Transfer (EBT) cards, which require a PIN code to use, were shared among several of the defendants. The EBT cards were used at local large grocery stores and wholesale clubs for bulk purchases of a variety of food products, including large quantities of king crab legs, steaks, chicken wings, racks of ribs, baby formula and a pallet of Red Bull energy drink, for their own use. There are no significant cooking facilities available at the group residence itself.

The investigation was conducted by the Office of the Welfare Inspector General, along with the Suffolk County District Attorney's Office and the Suffolk County Department of Social Services.

[13 were arrested](#) and charged in this scheme.

UPCOMING EVENTS

September 11-13, 2018, United Council on Welfare Fraud's [Annual Training Conference](#) (Milwaukee, Wisconsin)

2018 [OTDA/New York Welfare Fraud Investigators Association Regional Training](#), including presentations by the Welfare Inspector General's Office

- October 3, 2018 – Buffalo
- October 4, 2018 – Syracuse
- October 24, 2018 – Tarrytown
- October 25, 2018 – Tarrytown
- October 30, 2018 – Albany

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