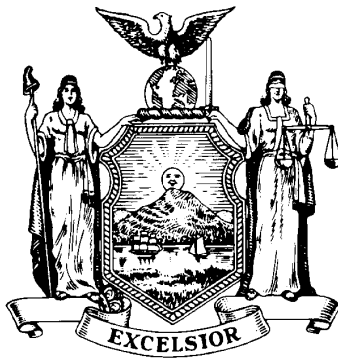


State of New York
Offices of the Inspector General



Investigation of the New York State Office of
Mental Health Hutchings Psychiatric Center

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Catherine Leahy Scott
Inspector General

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EXECUTIVE SUMMARY

The New York State Office of Mental Health (OMH) informed the Inspector General that Supplemental Nutrition Assistance Program (SNAP) benefits, which are commonly referred to as food stamps, had been stolen from a resident of a Richard H. Hutchings Psychiatric Center (Hutchings) community residence, operated by OMH. An investigation by the Inspector General and the Dewitt Police Department found that two community residence employees, Alphonso Bradshaw and Ethalyn Crowder, stole the benefit cards of a number of residents receiving SNAP benefits and used them to make illegal purchases. Bradshaw also schemed with others to use the benefit cards to make purchases in exchange for cash. This included Julia Shqair and Haider Alwaeli, the operators of Sabatino's Pizza and Deli in Syracuse, who Bradshaw provided with benefit cards belonging to five residents. Shqair and Alwaeli used these benefit cards, as well as others they obtained illegally, to make purchases. In all, Bradshaw's and Crowder's thefts from nine residents over a two-year period totaled \$17,836.57.

The investigation also revealed that OMH, Hutchings, and its two community residences lacked written policies on the management, use, and security of residents' benefit cards. In practice, the benefit cards and their Personal Identification Numbers were unsecured and accessible to all employees of the community residences. Further, neither OMH's Bureau of Audit nor Hutchings conducted an audit or otherwise reviewed benefit card usage in the community residences.

As a result of the investigation, the Onondaga County District Attorney's Office prosecuted Bradshaw, Crowder and 13 others. All defendants pled guilty to various misdemeanor and felony crimes, and all but one were ordered to pay restitution. Bradshaw and Crowder resigned from state service. Also as a result of this investigation, Hutchings implemented comprehensive procedures to safeguard residents' benefit cards. The new benefit card procedures require secure storage, limited access by staff, detailed ledger entries reflecting use, resident and staff sign-offs, weekly ledger reviews, and regular audits, among other things. The Inspector General subsequently conducted a quality assurance inspection to ensure compliance with the new benefit card procedures and noted a few deficiencies, which Hutchings immediately remedied. The Inspector General recommended OMH promulgate and implement statewide policy regarding the management, use, and security of residents' benefit cards in all of its residential facilities.

In response to the Inspector General's report, OMH advised it was in agreement with the findings and recommendations and has implemented a statewide policy regarding the management, use, and security of residents' benefit cards in its residential facilities.

The Inspector General will continue to work with OMH to ensure its new statewide policy complies with the recommendations contained within this report and corrective actions are implemented.

BACKGROUND

The New York State Office of Mental Health Richard H. Hutchings Psychiatric Center

The New York State Office of Mental Health operates 24 psychiatric centers across New York State that provide services including inpatient and outpatient programs, emergency, community support, residential and family care programs. The Richard H. Hutchings Psychiatric Center is headquartered in Syracuse, serving children and adults in Onondaga, Cayuga, Cortland, Madison, and Oswego counties.

State Operated Community Residences

Hutchings manages, among other facilities, two State Operated Community Residences, both located in Onondaga County. The community residences each provide room, board and a therapeutic living environment for approximately 10 individuals with mental illnesses. Through participation in treatment programs, residents develop skills necessary for successful reintegration into the community. The community residences, which are staffed with mental health therapy aides, residential program aides, and residential program managers, operate 24 hours a day, seven days a week. Staff duties include administering medications, transporting residents to and from appointments, and teaching daily life skills such as meal preparation, cleaning, and shopping.

Most residents, based on their income and other criteria, are eligible to receive SNAP benefits, which are commonly referred to as food stamps. Currently, single adults are eligible to receive a maximum amount of \$194 in SNAP benefits each month. These benefits are made available through monthly deposits to Common Benefit Identification Cards, which allow recipients to access SNAP benefits, as well as Medicaid and Temporary Assistance benefits, as applicable. The benefit cards are issued to them individually and bear their name, gender, date of

birth, and Client Identification Number. SNAP benefits, as mandated by federal and New York State laws, may only be used by the benefit recipient to buy food items.¹ Much like a debit card, benefits are accessed by using a Personal Identification Number (PIN).

Residents capable of managing their own finances are responsible for using and securing their benefit cards. The benefit cards issued to less independent residents are entrusted to community residence staff to be managed and secured on behalf of the resident. Staff members also assist such residents with their shopping needs by accompanying them to food stores to make purchases.

THE INVESTIGATION REVEALED UNSECURED AND MISMANAGED RESIDENTS' BENEFIT CARDS

On January 29, 2014, a resident living in a Hutchings operated community residence in the Town of Dewitt who requires the assistance of staff to use his benefit card discovered that his SNAP benefits had been depleted although he had not used them. Finding this suspicious, the assisting staff member alerted his supervisors. As a result, Hutchings reviewed transactions made with the resident's benefit card, as well as cards assigned to other residents, and identified a number of suspicious purchases. Hutchings's findings were referred to the Dewitt Police Department, which commenced an investigation that included video surveillance of the stores where the benefit cards had been used. The surveillance video revealed that the residents' benefit cards were being used by individuals other than the residents to which they were assigned. Based upon this information, OMH referred the matter to the Inspector General.

OMH, Hutchings and the Community Residences Lacked Benefit Card Policies

The Inspector General's investigation immediately revealed that OMH, Hutchings, and its two community residences lacked any written policies on the management, use, and security of residents' benefit cards. Moreover, it was found that in lieu of formal policies or guidance, the practices employed by staff in the community residences when using and securing benefit cards were woefully deficient and ripe for fraud. Indeed, the investigation discovered that for those residents who required assistance when using their benefit cards, the staff of the community residences maintained their benefit cards in an office accessible to all employees, and the PIN needed to use a card was kept on a note affixed to each card. Further, the community residences had no security measures in place and did not require staff to document transactions.

¹ 7 CFR 271-285 and New York State Social Services Law Sections 95 and 147.

Staff members were not required to submit receipts of purchases made using residents' benefit cards. Lastly, neither OMH's Bureau of Audit nor Hutchings conducted an audit or otherwise reviewed benefit card usage in the community residences. The most basic review would have exposed the irregular purchasing patterns discovered in this investigation.

The residential program manager charged with oversight of Hutchings's two community residences testified to the Inspector General that on occasion benefit cards "ended up missing" and would "then show up." The manager further advised that if the benefit card did not reappear after a few days, a new card would be ordered for the resident, with little further inquiry. This vulnerable system was exploited by at least two community residence employees, and resulted in the theft of SNAP benefits from nine different residents over a two-year period, totaling \$17,836.57. Additionally, the primary perpetrator, Alphonso Bradshaw, also sold or gave residents' benefits to at least 13 other unauthorized users who also profited from these ill-gotten gains.

Theft of Residents' Benefits by Hutchings Therapy Aide Alphonso Bradshaw

Alphonso Bradshaw, a therapy aide employed in Hutchings's community residences, was observed using residents' benefit cards to make unauthorized purchases on at least four occasions in surveillance video operated by three retail stores. Over almost a year-long period, Bradshaw made 12 purchases, which totaled \$279.07, and were most often made at times that Bradshaw was not on duty at the community residences. Moreover, on four of these occasions, the resident whose benefit card was being used was absent from the community residence and undergoing hospitalization.

Bradshaw, like other Hutchings community residence staff members, had unrestricted access to residents' benefit cards and personal identification numbers. In sworn testimony to the Inspector General and the Dewitt Police Department, Bradshaw admitted he had repeatedly used residents' benefit cards to purchase items for himself at grocery stores and supermarkets. Additionally, Bradshaw testified he provided residents' benefit cards to others in exchange for cash. According to Bradshaw, based on a benefit card's balance, he would instruct an unauthorized user to make purchases up to a set monetary limit, and then receive cash equal to 50 percent of the cost of the purchased items. After the transactions had taken place, Bradshaw recovered the benefit cards from the users and returned them to the community residences without detection.

Bradshaw Sells Residents' Benefits to a Friend, Relatives, and Acquaintances

The Inspector General and Dewitt Police Department identified 11 individuals who illegally used benefit cards that Bradshaw had stolen from the community residences and provided to them. Each of the 11 individuals had a personal connection to Bradshaw. Deborah Johnson and Bradshaw were friends; Evelyn Bradshaw, Rashida Cunningham, Chandrikka Skipp, David Skipp, and Diane Houston are related to Bradshaw; and Tamara Bachus, Shirley Davis, Larry Homer, Reita Williams, and Isaiah Williams are acquaintances of Bradshaw. When confronted with the findings of this investigation, all eventually pleaded guilty to criminal charges. Their fraud totaled at least \$11,671.59 in stolen SNAP benefits, for which they paid Bradshaw approximately half that amount, or \$5,835.79.

The ease with which Bradshaw brokered stolen benefit cards, and the willingness of others to engage in his illicit scheme, is illustrated by the following accounts of the actions of Bradshaw's nieces Chandrikka Skipp and Diane Houston. The investigation found that Chandrikka Skipp, using benefit cards of five residents that were provided to her by Bradshaw, made 21 purchases between May 2013 and January 2014, totaling \$3,134.93.

In a statement to the Inspector General, Skipp admitted she purchased the use of the residents' benefit cards from Bradshaw. Skipp stated:

“My uncle would call me and ask [if] I wanted to purchase use of the cards. I would pay him 50 percent of what was on the card. I then used them to shop at stores like Sam's Club and Price Chopper . . . [M]y uncle would give me time limits for how long I could have possession of the cards.”

Likewise, Houston, a Senior Operations Room Technician employed at Upstate Medical Hospital in Syracuse at an annual salary of \$41,756, made 19 illegal purchases totaling \$725.23 between February 2012 and February 2014, using the benefit cards of five residents. Although Houston testified that the cards and PINs had been provided to her by Bradshaw, and she knew that using the benefits cards was illegal, she claimed she did not know they belonged to residents of Hutchings's community residences.

Bradshaw's scheme was replicated with a friend, acquaintances, and other relatives, who all made illegal purchases using residents' benefit cards supplied by Bradshaw. Bradshaw's friend, Deborah Johnson, purchased \$529.50 in food items using a resident's benefit card. His wife, Evelyn Bradshaw, made \$940.38 in purchases, while his daughter, Rashida Cunningham,

and niece's husband, David Skipp, made purchases totaling \$31.35 and \$75.56, respectively. Illegal purchases were also made by acquaintances Tamara Bachus (\$300), Shirley Davis (\$136.94), Larry Homer (\$3,540.16), Reita Williams (\$1,563.73), and Isaiah Williams (\$693.81).

Bradshaw's criminal conduct, as well as the criminal conduct of those he provided with stolen benefit cards, was referred to the Onondaga County District Attorney's Office for prosecution, and all were charged. Alfonso Bradshaw pleaded guilty to felony Criminal Possession of Stolen Property in the Fourth Degree, was sentenced to six months in jail followed by five years of probation, and ordered to pay \$8,666.45 in restitution. Bradshaw also resigned from State service.

Chandrikka Skipp pleaded guilty to misdemeanor Misuse of Food Stamps, and ordered to pay \$1,567.47 in restitution. Diane Houston pleaded guilty to misdemeanor Misuse of Food Stamps, and ordered to pay \$362.62 in restitution.

Deborah Johnson pleaded guilty to misdemeanor Misuse of Food Stamps, and restitution was ordered in the amount of \$264.50. Evelyn Bradshaw pleaded guilty to misdemeanor Misuse of Food Stamps, and restitution was ordered in the amount of \$470.19. Rashida Cunningham pleaded guilty to a violation of Disorderly Conduct, and restitution was ordered in the amount of \$31.35. David Skipp pleaded guilty to a violation of Disorderly Conduct. Tamara Bachus pleaded guilty to misdemeanor Misuse of Food Stamps, and restitution was ordered in the amount of \$150. Shirley Davis pleaded guilty to misdemeanor Misuse of Food Stamps, and restitution was ordered in the amount of \$68.47. Larry Homer pleaded guilty to felony Misuse of Food Stamps, was sentenced to five years of probation, and restitution was ordered in the amount of \$1,394.88. Reita Williams pleaded guilty to misdemeanor Criminal Possession of Stolen Property in the Fifth Degree, and restitution was ordered in the amount of \$781.87. Lastly, Isaiah Williams pleaded guilty to misdemeanor Criminal Possession of Stolen Property in the Fifth Degree, and restitution was ordered in the amount of \$346.91.

Stolen SNAP Benefits Used to Stock Sabatino's Pizza and Deli in Syracuse

Additionally, Bradshaw engaged in the illegal use of benefit cards with Sabatino's Pizza and Deli in Syracuse. For the same terms he offered others, Bradshaw agreed to provide five residents' benefit cards to the operators of the pizza shop, Julia Shqair and Haider Alwaeli. Shqair and Alwaeli used the benefit cards to make \$3,392.47 in illegal purchases during the

period January 2012 to May 2013. In turn, Bradshaw received approximately 50 percent of the value of their purchases, amounting to \$1,696.23. Among Shqair and Alwaeli's purchases were ingredients to stock their business's pantry, including 105 pounds of cooking oil, 30 pounds of mozzarella and 15 pounds of pepperoni.

Such an illicit arrangement was familiar to Shqair and Alwaeli, who had conspired with other recipients of SNAP benefits who were not associated with Hutchings to use their benefit cards in exchange for cash. Between January 2012 and December 2014, Shqair made at least \$4,987.07 in purchases using benefit cards belonging to 13 other individuals, and Alwaeli made at least \$2,744.42 in purchases using benefit cards belonging to 20 individuals. During the investigation, 16 recipients of SNAP benefits who willingly sold their benefit card balances to Shqair and Alwaeli were identified, interviewed, and subsequently disqualified from receiving SNAP benefits for a year – a cost avoidance of \$28,560.

In total, Shqair and Alwaeli illegally used the benefit cards of 38 individuals, five of whom were living in Hutchings community residences, to make at least \$11,123.96 in purchases.

Moreover, testimony obtained by the Inspector General of customers of Sabatino's Pizza and Deli revealed that Shqair and Alwaeli used yet another scheme to profit from those receiving SNAP benefits. According to a number of customers of the pizza shop, Shqair and Alwaeli allowed benefit card users to purchase cigarettes and beer – both unauthorized items – and charged the benefit card two times the actual cost of the items purchased.

Shqair and Alwaeli's criminal conduct was referred to the Onondaga County District Attorney's Office, and both were charged. Julia Shqair pleaded guilty to misdemeanor Misuse of Food Stamps, and ordered to pay restitution in the amount of \$3,433.80. Haider Alwaeli also pleaded guilty to misdemeanor Misuse of Food Stamps, and was ordered to pay restitution in the amount of \$4,650.33.

Hutchings Therapy Aide Ethalyn Crowder's Theft of a Resident's Benefits

Ethalyn Crowder, a therapy aide assigned to a Hutchings community residence, provided daily assistance to a number of individuals with mental illnesses. Among other duties, she was entrusted with coordinating benefit card purchases for residents unable to manage their own finances. However, Crowder repeatedly stole the benefit card of a resident and illegally used it

to make purchases on four different dates between June 2012 and February 2013. Her purchases totaled \$503.67.

The Inspector General and Dewitt Police Department reviewed the purchases made with the resident's benefit card and found the transactions suspicious. They included purchases of milk and water, as well as four pounds of crab legs, one pound of lobster tails, and two pounds of shrimp, among other items. Notably, the purchases were most often made during times when Crowder was off-duty or the resident was otherwise occupied and unavailable for shopping. Furthermore, as Hutchings provides both milk and water to the individuals living in its community residences, it would be unusual for a resident to purchase these items. In addition, shellfish are highly regulated and usually prohibited in the community residences due to potential allergies.

When confronted with this information, Crowder admitted using the resident's benefit card, but incredulously claimed she made these purchases at the resident's request, except for the milk and water, which she "could have" purchased for herself. According to Crowder, among the several scenarios she advanced for the purchase of the shellfish, was that the residents had a "little soiree" one weekend at which they had feasted on shellfish. However, no other employee of the community residence recalled any such event or purchasing of lobster, crab legs, and shrimp for residents.

Crowder, who was prosecuted by the Onondaga County District Attorney's Office, pleaded guilty to misdemeanor Misuse of Food Stamps, and restitution was ordered in the amount of \$503.67. Crowder also resigned from State service.

Changes Implemented at Hutchings State Operated Community Residences

As a result of this investigation, Hutchings implemented corrective measures in the security and management of benefit cards. The new procedures were introduced at an annual residential training held in June 2014, and were formally promulgated as policy on August 1, 2016.

The new policy enhances security by requiring that benefit cards assigned to residents who require assistance when using the cards be stored in a locked cabinet with access limited to the residential program specialist and residential program manager. Further, PINs associated with benefit cards may not be written on the card or kept where they can be known to multiple

persons. For residents who are deemed competent to handle their financial transactions and personal records, benefit cards are to be maintained in a lockbox in the resident's bedroom. Each resident will be issued a key to the lockbox, and one master key will be secured in a locked cabinet with access limited to the residential program specialist and residential program manager.

The policy further requires that logs and supporting documentation be maintained for benefit card transactions, and that these records be periodically reviewed. Residential program specialists or residential program managers who use a benefit card on behalf of a resident must record in a ledger the date of use, to whom the card was given, time the card was removed and returned, and where the shopping occurred. Both the resident and staff are required to initial the ledger upon return of the card, and staple the receipt reflecting the purchase to the ledger. Staff members are required to also write progress notes in each resident's record whenever the card is used and include this information in the shift report. All shift reports must include the names of staff who worked at each location, including relief staff. Use of the lockbox key must be documented in shift reports as well, including which resident requested staff assistance to open their lockbox and the reason.

The policy also mandates that residential program managers conduct weekly reviews of the ledgers. Additionally, documentation maintained by each community residence reflecting the aforementioned procedures is to be audited every six months by a residential manager assigned to a different community residence.

The Inspector General's Quality Assurance Inspection of Hutchings's Procedures

In June 2016, the Inspector General conducted a quality assurance inspection and reviewed Hutchings's implementation and the effectiveness of the abovementioned procedures, interviewed several employees, and reviewed relevant documentation. The inspection found that Hutchings reassessed the residents' ability to handle benefit cards and significantly decreased the number of cards maintained by staff on behalf of residents. At the time of the Inspector General's quality assurance inspection, Hutchings maintained only one resident's benefit card. Additionally, the review noted that Hutchings was following its stated practices, including properly storing benefit cards, lockbox keys and PINs; maintaining benefit card ledgers and store receipts; and conducting weekly reviews of the ledgers. However, the Inspector General found that benefit card documentation was not audited every six months, as required, and one former

resident's benefit card records had been discarded upon his discharge from the community residence. In addition, benefit card use was not consistently reported in progress notes and shift reports, as required by the new procedures. The Inspector General reported these deficiencies to Hutchings, and on August 1, 2016, Hutchings provided evidence of full compliance with policy.

FINDINGS AND RECOMMENDATIONS OF THE INSPECTOR GENERAL

The Inspector General found that at the time of the thefts OMH, Hutchings, and its community residences lacked any written policies, and had in place woefully deficient practices, regarding the management, use and security of residents' benefit cards. As a result, residents' benefit cards were highly vulnerable to abuse by staff and others, and had been exploited by staff for many years. The Inspector General recommended OMH promulgate and implement statewide policy regarding the management, use, and security of residents' benefit cards in its residential facilities.

The findings of the Inspector General's investigation regarding Sabatino's Pizza and Deli were referred to the New York State Gaming Commission, which resulted in the revocation of its lottery license; and to the New York State Liquor Authority, and Federal Food and Nutrition Services, for consideration of the pizzeria's alcohol and SNAP benefits license, respectively.

OMH'S RESPONSE TO THE INSPECTOR GENERAL'S REPORT AND FINDINGS

In response to the Inspector General's report, OMH advised it was in agreement with the findings and recommendations and has implemented a statewide policy regarding the management, use, and security of residents' benefit cards in its residential facilities.

The Inspector General will continue to work with OMH to ensure its new statewide policy complies with the recommendations contained within this report and corrective actions are implemented.