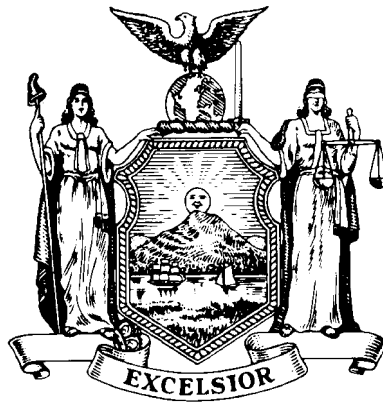


State of New York  
Office of the Welfare Inspector General



2018 Annual Report

Andrew M. Cuomo  
Governor

Catherine Leahy Scott  
Acting Welfare Inspector General

## EXECUTIVE SUMMARY

The New York State Office of the Welfare Inspector General's (OWIG) mission is to investigate fraud, abuse, and illegal acts perpetrated within New York State's public assistance system, which includes programs administered and funded by New York State, the federal government, and local social services districts, or by contractors or recipients of public assistance services. In 2018, OWIG investigated significant cases that are being prosecuted throughout New York State; implemented efficiencies and corrective actions based upon OWIG's broad oversight of New York State's public assistance delivery system; and provided substantial regional and statewide support to stakeholders identifying, investigating, and prosecuting welfare fraud. The 2018 OWIG Annual Report shows the successful execution of OWIG's mission.

In 2018, OWIG enjoyed continued success and reinforced its statewide presence, receiving complaints from nearly every county in the state.<sup>1</sup> OWIG also saw an increase in the number of complaints that it received. In 2018, OWIG reviewed 803 allegations of public assistance fraud, as compared to 650 complaints in 2017, a nearly 24 percent increase. In 2018, OWIG investigations uncovered more than \$8.3 million in fraud or improper social service benefits payments, resulting in the arrest and criminal prosecution of 35 individuals.<sup>2</sup> OWIG also conducted proactive initiatives aimed at early fraud detection and prevention. Additionally, OWIG partnered with federal, state, and local law enforcement, and with local social services districts, to target fraudulent schemes affecting vulnerable recipient populations and which occur in areas of the state where public assistance fraud is prevalent. For example, OWIG initiated multiple investigations into alleged thefts of Supplemental Nutrition Assistance Program (SNAP) benefits from people with disabilities. OWIG also continued its SNAP benefits trafficking initiative to further safeguard food and nutrition assistance for low-income New Yorkers. OWIG's early detection efforts helped curtail the payment of unearned benefits and yielded savings to New York State.

OWIG also assists local social services districts in fighting public assistance fraud. Each local district maintains a unit responsible for investigating fraud and abuse in welfare programs.

---

<sup>1</sup> OWIG received complaints from 58 of the 62 counties in New York State in 2018.

<sup>2</sup> The value of the overpayments includes over \$7.9 million of Medicaid funds paid to medical transportation companies, which resulted in 13 arrests. For the press release on this investigation, see footnote 4.

OWIG supports these units by providing equipment, counsel, and staff to enhance their efforts. On more complex investigations, OWIG and local social services districts conduct investigations jointly. In other circumstances, OWIG's investigative findings are referred to local social services districts with the recommendation that they complete welfare benefit eligibility analyses and calculate the amount of public assistance overpayments received by targets of investigations.

As well as serving as the acting New York State Welfare Inspector General, Catherine Leahy Scott serves as the New York State Inspector General and New York State Workers' Compensation Fraud Inspector General. The value of the perspective gained by these appointments, coupled with the proximity of the offices, cannot be overstated. Each fully compliments the others. Examples of the collaborative successes of these efforts in 2018 include the prosecutions of state workers who intentionally hid income to obtain benefits to which they are not entitled;<sup>3</sup> and the arrest of Medicaid providers who fraudulently billed New York's Medicaid program for services despite lacking authorization to do so because they did not carry workers' compensation insurance for their employees.<sup>4</sup>

## PURPOSE AND SCOPE OF ANNUAL REPORT

New York State Executive Law section 74(6) mandates that OWIG submit an annual report to the Governor, State Comptroller, Attorney General, and Legislature summarizing the activities of the office for each calendar year. Consistent with OWIG's mandate, this report provides an overview and summary of OWIG's activities and accomplishments for 2018, including benefits fraud exposed by OWIG, significant prosecutions resulting from OWIG referrals, outreach and training, and investigations and reviews commenced by OWIG.

## INTRODUCTION AND BACKGROUND

In 1992, Executive Law section 74 established OWIG and empowered it to investigate and prosecute fraud, abuse, and illegal acts involving social services programs and funds administered and funded by New York State, the federal government, and local social services

---

<sup>3</sup> Press Release, New York State Office of the Welfare Inspector General, Former State Employee Pleads Guilty to Theft of Over \$57,000 In Housing and Welfare Benefits Through Fraud (August 23, 2018), <https://ig.ny.gov/sites/default/files/pdfs/8-23-18%20KimJones%20Plea%20PR.pdf>.

<sup>4</sup> Press Release, New York State Office of the Welfare Inspector General, Owners and Operators of Medical Transport Companies Serving the Adirondacks and Capital Region Charged with Multi-Million-Dollar Health Care Frauds and Conspiracies (May 23, 2018), <https://ig.ny.gov/sites/default/files/pdfs/TaxiArrestsPR5-23-2018.pdf>. All defendants are innocent unless and until proven guilty in a court of law.

districts. These programs comprise several state and federal public assistance programs, including Temporary Assistance (which is comprised of Family Assistance and Safety Net Assistance), Home Energy Assistance Program (HEAP), Supplemental Nutrition Assistance Program (SNAP), Supplemental Security Income (SSI), and Medicaid.

Public assistance programs are designed to address specific needs of the indigent: Temporary Assistance provides allowances for basic grants, home energy, shelter, and fuel;<sup>5</sup> HEAP assists with the cost of home heating;<sup>6</sup> SNAP, which is administered by the United States Department of Agriculture (USDA) Food and Nutrition Service, provides nutrition assistance;<sup>7</sup> SSI provides monthly payments to low-income individuals who are age 65 or older, blind or disabled;<sup>8</sup> and Medicaid provides medical coverage to individuals who are unable to afford medical care.<sup>9</sup> Eligible recipients receive SNAP and cash benefits by Electronic Benefit Transfer (EBT) and access them using an EBT card, also known as a Common Benefit Identification Card (CBIC).

In New York State, local social services districts provide or administer publicly funded social service and cash assistance programs. New York State is divided into 58 local social services districts, including the five boroughs of New York City that comprise one district. Outside of New York City, each social services district corresponds to one of the other 57 counties in the state. OWIG's jurisdiction includes government employees and agencies that administer social services programs, recipients of public assistance benefits, and contractors that receive public funding for privately administered social services programs.

## INVESTIGATIONS

In 2018, OWIG, as it has in prior years, received complaints from nearly every county in the state. OWIG also saw an increase—nearly 24 percent—in the total number of allegations of public assistance fraud it received. Indeed, in 2018, OWIG's investigations uncovered more than

---

<sup>5</sup> New York State Office of Temporary and Disability Assistance, Temporary Assistance Source Book, Chapter 2, Section B, Family Assistance, and Section D, Safety Net Assistance (June 27, 2016),

<http://otda.ny.gov/programs/temporary-assistance/TASB.pdf>

<sup>6</sup> Office of Temporary and Disability Assistance Home, Programs, Home Energy Assistance Program (HEAP), <https://otda.ny.gov/programs/heap/>.

<sup>7</sup> <https://www.fns.usda.gov/snap/supplemental-nutrition-assistance-program-snap>.

<sup>8</sup> Social Security Administration Supplemental Security Income Booklet, August 2017, <http://www.ssa.gov/pubs/EN-05-11000.pdf>.

<sup>9</sup> [https://www.health.ny.gov/health\\_care/medicaid/#definition](https://www.health.ny.gov/health_care/medicaid/#definition).

\$8.3 million in fraud or improper social service benefits payments, resulting in the arrest and criminal prosecution of 35 individuals.

Each complaint received by telephone, online submission, email, mail, and personal delivery is evaluated by OWIG's Case Management Unit, executive staff, and senior management. OWIG conducts a preliminary analysis of complaints to compare the reported information against records of the Welfare Management System, a computerized database operated and maintained by the New York State Office of Temporary and Disability Assistance (OTDA) that contains a complete benefits history for each applicant or recipient. Following this analysis, OWIG opens investigations of the claims or closes those lacking jurisdiction or sufficient information to warrant an investigation. Once opened, OWIG assigns a multi-disciplinary team including an attorney, investigator, and auditor to conduct each investigation.

OWIG may then determine a matter is appropriate for referral to a local social services district or agency for further action. For these referred matters, OWIG remains involved with the investigation by reviewing progress reports from the local district or agency and providing resources such as staff and investigatory equipment. When OWIG discovers evidence of criminality, OWIG partners with the appropriate prosecutorial agency to pursue prosecution. Thereafter, OWIG remains involved with the investigation by offering additional resources and support to all aspects of the prosecution, including hearings, trials, and appeals. OWIG also encourages its prosecutorial partners to seek full restitution for the fraud uncovered by OWIG.

In addition to criminal penalties, an individual engaged in Temporary Assistance or SNAP fraud may be subject to civil sanctions following an Administrative Disqualification Hearing. After referral, and with the assistance of OWIG, OTDA conducts an Administrative Disqualification Hearing to determine whether a program recipient has committed an Intentional Program Violation by making false or misleading statements, misrepresentations, or otherwise concealing or withholding facts relevant to eligibility. Individuals may waive a hearing and enter into a Disqualification Consent Agreement, whereby the accused admits to committing an Intentional Program Violation and consents to the imposition of sanctions. Intentional Program Violation offenders must pay restitution of any improperly received benefits and may be disqualified from receiving the relevant public assistance benefit for a specified period. In egregious and/or repeated cases involving Temporary Assistance, the individual can be barred

for a period of five years, and in egregious and/or repeated cases involving SNAP, the individual can be barred for life. These administrative sanctions provide the state with a cost-avoidance savings equivalent to the amount that the beneficiary would have received.

Once OWIG establishes evidence of fraud and improper benefit payments, it conducts an analysis to determine the amount overpaid by the social services program, which is then confirmed by the local social services district. In cases where benefits are discontinued, OWIG in conjunction with the local social services district calculates the cost-avoidance to project the amount of money saved as a result. Funds may be recovered through criminal prosecutions and civil recoupment by the local social services districts.

### INITIATIVES

OWIG also commences investigative initiatives based on trends, patterns, and vulnerabilities identified from comprehensive analyses of complaints and public assistance data. Upon the receipt of a complaint, OWIG, along with the Office of the State Inspector General and Office of the Workers' Compensation Fraud Inspector General, assesses each complaint to identify trends in benefit fraud. In 2018, this analysis, coupled with the review of public assistance data, resulted in the identification and continuance of initiatives to combat the theft of SNAP benefits intended for people with disabilities, SNAP trafficking, and industry-specific public assistance fraud.

### **SNAP Benefit Fraud Involving Vulnerable Recipients of Public Assistance**

In 2018, OWIG continued an initiative to combat benefit fraud involving the theft of SNAP benefits intended for people with disabilities. For New Yorkers who qualify, SNAP benefits are critical to combatting hunger and food insecurity. Moreover, SNAP serves as a particularly vital support to children and adults with disabilities, and seniors with or without disabilities. The limited pool of resources to fill this critical need emphasizes the importance of ensuring the integrity of the program. Thus, in 2018, OWIG focused on this initiative to protect New York State's vulnerable public assistance recipients who depend upon these benefits.

In 2018, OWIG initiated multiple investigations into alleged thefts of SNAP benefits from people with disabilities. One such investigation resulted in the arrests of 13 individuals, each linked to a scheme in which several current and former employees of a Long Island residential facility for mentally disabled adults stole SNAP welfare benefits belonging to the

residents and shared these benefits with their family and friends. The SNAP benefits were then used to buy large quantities of food, including king crab legs, steaks, racks of ribs, chicken wings, baby formula, and a pallet of Red Bull energy drinks.<sup>10</sup>

### **SNAP Trafficking**

Another OWIG initiative that continues to be a priority for OWIG involves the identification and successful prosecution of those engaging in SNAP trafficking. One recent investigation of an individual employed with the New York City Human Resources Administration resulted in his plea of guilty to a federal crime for abusing his access to the New York City welfare benefits system to create multiple fake applicant accounts and steal over \$95,000 in SNAP benefits.<sup>11</sup> SNAP trafficking can also result in the criminal prosecution of both associated retailers<sup>12</sup> and benefit recipients.<sup>13</sup>

State and federal governments can also pursue civil penalties for SNAP trafficking. For example, the USDA Food and Nutrition Service can permanently bar a retailer found guilty of SNAP trafficking from participation in the SNAP program. State agencies must also investigate any recipient alleged to have committed an intentional SNAP violation and ensure that appropriate cases are acted upon through administrative disqualification hearings or by a court of appropriate jurisdiction.<sup>14</sup> Thus, SNAP trafficking investigations not only identify fraud but also result in the prevention of future fraudulent acts by those implicated in an investigation.

In 2018, OWIG partnered with local and federal law enforcement, including the USDA Office of the Inspector General, United States Department of Homeland Security, United States

---

<sup>10</sup> Press Release, New York State Office of the Welfare Inspector General, Employees at Long Island Group Home for Mentally Disabled Stole Residents' Food Stamps for Feasts for Themselves and Their Friends (June 18, 2018), <https://ig.ny.gov/sites/default/files/pdfs/SunkenMeadowsArrestsPR6-18-18.pdf>. All defendants are innocent unless and until proven guilty in a court of law.

<sup>11</sup> Press Release, New York State Office of the Welfare Inspector General, NYC Social Services Employee Pleads Guilty to Federal Fraud Charge for \$95,000 Food Stamp Theft Scheme (November 30, 2018), <https://ig.ny.gov/sites/default/files/pdfs/11-30-18%20Jaata%20Plea%20Final%20PR.pdf>.

<sup>12</sup> Press Release, New York State Office of the Welfare Inspector General, Rochester Fish Store Owner Sentenced to Prison and Ordered to Pay Restitution for \$1.4 Million Food Stamp Fraud Scheme (February 7, 2018), <https://ig.ny.gov/sites/default/files/pdfs/FeldmansentencePR2-7-18.pdf>.

<sup>13</sup> Press Releases, New York State Office of the Welfare Inspector General, Bronx Couple Pleads Guilty to More Than \$65,000 In Welfare and Unemployment Insurance Fraud By Hiding Household Income and Falsifying Bank and Employment Records (April 4, 2018), <https://ig.ny.gov/sites/default/files/pdfs/LetteraPleaPR4-4-18.pdf>; Queens Couple Charged with Near Six-Figure Welfare Fraud (May 8, 2018), <https://ig.ny.gov/sites/default/files/pdfs/SukhdeoarrestPR5-8-18.pdf>. All defendants are innocent unless and until proven guilty in a court of law.

<sup>14</sup> 7 C.F.R. § 273.16(a)(1).

Immigration and Customs Enforcement, Federal Bureau of Investigation (FBI), and several United States Attorney's Offices to conduct SNAP trafficking investigations. These investigations were commenced based upon allegations that SNAP trafficking was occurring at EBT provider locations or when an EBT provider's transaction history displayed patterns consistent with SNAP trafficking.

OWIG is continuing its efforts to investigate SNAP trafficking that involves the "delivery route" store classification. In neighborhoods where SNAP benefit recipients have limited access to large food retailers, the USDA Food and Nutrition Service permits mobile stores classified as "delivery routes." Delivery routes can be essential to SNAP benefit recipients living in areas defined as "food deserts" wherein "residents do not live near supermarkets or other food retailers that carry affordable and nutritious food" and "lack transportation" to access supermarket options other than small neighborhood and/or convenience stores where food options tend to be less healthy and more expensive.<sup>15</sup> Delivery routes, in theory, eliminate recipients' need to travel, bringing the supermarket to the recipient along with healthy food options. In 2018, OWIG investigated delivery route mobile stores allegedly involved in SNAP-trafficking schemes in which store owners pocket so-called fees charged for converting food assistance benefits into cash. In 2019, OWIG will continue to work with the USDA Office of the Inspector General, federal and local law enforcement, and county departments of social services to identify, investigate and prosecute delivery route fraud schemes.

### **Industry-Specific Welfare Fraud**

OWIG also conducts initiatives to investigate systemic fraud perpetrated by individuals in particular industries. As an example, in 2018, OWIG received multiple complaints from elected officials, local departments of social services, and the public at large reporting possible Medicaid fraud by medical transportation companies. Often, citizens in rural counties depend upon Medicaid-reimbursed transportation in order to attend necessary medical, surgical, and clinical visits. OWIG's analysis of relevant data confirmed increasing Medicaid-reimbursed medical transportation costs throughout New York State. Inspector General Leahy Scott initiated—through both OWIG and the Office of the Workers' Compensation Fraud Inspector

---

<sup>15</sup> "Access to Affordable, Nutritious Food [I]s Limited in 'Food Deserts,'" Michele Ver Ploeg (March 1, 2010), <https://www.ers.usda.gov/amber-waves/2010/march/access-to-affordable-nutritious-food-is-limited-in-food-deserts>.



General—investigations into many of these complaints. Other law enforcement partners participated in these efforts as well, including the Essex County District Attorney’s Office, the New York State Police, and the FBI, among others.

One investigation found the alleged theft of Medicaid benefits by medical transportation companies providing services to vulnerable individuals and resulted in the arrests of 13 owners and operators of 11 medical and taxi companies servicing the Adirondack and Capital regions of New York State. As well as providing questionable Medicaid-reimbursed services to a vulnerable population in these regions, the companies did so without the required workers’ compensation coverage for their employees. The criminal charges filed alleged millions of dollars in thefts and frauds against New York State’s Medicaid program and workers’ compensation system.<sup>16</sup> The prosecutions of these individuals by the United States Attorney’s Office for the Northern District of New York and the Rensselaer County District Attorney’s Office are ongoing.

#### QUALITY ASSURANCE AND COMPLIANCE OVERSIGHT

New York State Executive Law section 74 mandates that the Welfare Inspector General “conduct and supervise investigations related to the programs of the department of social services,” and investigate “fraud, abuse or illegal acts perpetrated within the department of social services or local social services districts.”<sup>17</sup> Pursuant to this mandate, OWIG has continued to review programs provided by the New York State Office of Children and Family Services (OCFS), New York State Office of Temporary and Disability Assistance (OTDA), and local social services districts to ensure their efficient and effective operation.

In one example involving a state licensed program, an OWIG investigation determined that deficient EBT card policies at community homes licensed by OASAS created vulnerabilities in New York’s public assistance delivery system. OWIG had received allegations that the EBT cards assigned to residents of a community home were being used illegally, presumably by employees of the community home. OWIG’s investigation of the community home, which is run by a private, not-for-profit corporation licensed by OASAS to provide housing for individuals

---

<sup>16</sup> See, footnote 4, *supra*.

<sup>17</sup> The New York State Welfare Reform Act of 1997 renamed the New York State Department of Social Services as the New York State Department of Family Assistance, which contains two autonomous offices: the New York State Office of Children and Family Services and the New York State Office of Temporary and Disability Assistance.

with substance abuse disorders, found that the residents' EBT cards had been used without authorization. However, the community home's failure to adequately secure and monitor the EBT cards made identification of the perpetrators of these thefts impossible.

To remedy these deficiencies, OWIG recommended that OASAS promulgate, implement, and train its staff on new EBT card policies addressing the security, use, and monitoring of residents' EBT cards in community home settings. Specifically, OWIG recommended that OASAS securely maintain residents' EBT cards, delineate staff members authorized to access EBT cards, maintain a log recording all staff that access the cards and each transaction, and discontinue the practice of assigning a common personal identification number (PIN) to residents' EBT cards. OASAS advised that it has written draft policies consistent with OWIG's recommendations and will disseminate final policies to the OASAS provider community in early 2019.

In 2018, OWIG also shared its investigative findings with local social services districts following 11 investigations and worked with the local social services districts to address systemic vulnerabilities and improve the integrity of New York's public assistance delivery system. As an example, an OWIG investigation found that an individual receiving public assistance had underreported his income and may have received benefits to which he was not entitled. OWIG reported these findings to a county department of social services and recommended that it review the matter, determine the individual's eligibility, calculate any overpayment, and issue an intentional program violation if warranted. However, the county department of social services advised it was unable to follow this recommendation due to the lack of supporting documentation in the individual's eligibility file. Specifically, the county department of social services reported its files lacked records documenting whether the benefit recipient had been interviewed and what his income and resources were, among other things. In response, and upon OWIG's recommendation, the county department of social services took corrective action, including providing its staff training on proper interview techniques, determining an applicant's income and resources with respect to the issuance of SNAP benefits, and the importance of maintaining complete files.

In 2019, OWIG will continue to evaluate state and local social service district programs in need of review and in doing so will further promote integrity in the administration of public benefit programs throughout New York State.

### OUTREACH AND TRAINING

In 2018, the Inspector General identified opportunities to provide training, promote awareness, and develop partnerships to enhance efforts at detecting and prosecuting public assistance fraud in New York State.

OWIG increased its statewide visibility through its continued participation in the New York Prosecutors Training Institute (NYPTI). NYPTI “provides comprehensive continuing legal education, training, advice, and assistance to New York State prosecutors.”<sup>18</sup> NYPTI also provides OWIG a unique opportunity to interact with the 62 county district attorney offices that comprise New York’s state prosecutorial community. Additionally, Inspector General Leahy Scott presented at NYPTI’s 20th Annual Summer College. This training program informed local prosecutors on how to develop qualifying Crimes Against Revenue Program (CARP) prosecutions and discussed the necessary elements for successful prosecutions.<sup>19</sup> The training was attended by 72 prosecutors and other law enforcement personnel representing 26 county prosecutor’s offices.

Since Inspector General Leahy Scott’s October 2012 appointment as acting Welfare Inspector General, OWIG has been a prominent member of the New York Welfare Fraud Investigator’s Association (NYWFIA) and has both participated in and served as a leader at all NYWFIA training events. NYWFIA provides support and training to its membership, consisting of investigators, administrators, prosecutors, eligibility workers, and claims and recovery specialists from local and state agencies that fight fraud, waste, and abuse in social services programs. Each year, NYWFIA conducts both annual and regional trainings regarding New York State Social Services Law and policies, as well as skills training.

---

<sup>18</sup> <http://www.nypti.org>.

<sup>19</sup> The CARP grant program was created in 2004 and was “designed to hold accountable those who deliberately fail to pay tax obligations, as well as those who commit Medicaid, welfare, unemployment and workers’ compensation fraud.” <http://www.criminaljustice.ny.gov/crimnet/ojsa/initiatives/carp.htm>.

At NYWFIA's 35th Annual Training Seminar/Conference in June 2018, which was attended by 254 members, OWIG presented educational sessions during the three-day event. In addition, Inspector General Leahy Scott delivered opening remarks at the conference and OWIG presented a welfare fraud investigation course entitled, "A Critical Analysis of Case Studies." The comprehensive course explored advanced techniques employed in successful public assistance fraud investigations. OWIG also presented industry-specific investigation techniques training. In October 2018, at NYWFIA's regional trainings, OWIG presented to over 475 public assistance stakeholders, including staff members of local departments of social services. The training provided steps to take to improve professional practice and the quality of fraud oversight and investigations, and how to successfully present evidence and findings to prosecutors. NYWFIA continues to be a valuable OWIG partner, in that NYWFIA provides multiple opportunities throughout the year to reach New York State's local investigative welfare fraud community.

As part of its efforts, OWIG strengthened relationships with its state and federal prosecutorial partners through its participation in interagency task forces. OWIG continued its membership in several organizations that address public assistance fraud, including the Western, Central, and Metropolitan Regional Health Care Fraud Task Forces. In 2018, OWIG also joined the Electronic Crimes Task Force sponsored by the United States Secret Service's Buffalo Field Office and attended M&T Bank's Law Enforcement Notable SAR (LENS) meeting in Buffalo. These task forces include law enforcement and private sector professionals who combine intelligence and resources to combat public assistance and other types of fraud. OWIG also worked closely with its state partners, including the New York State Office of Temporary and Disability Assistance, New York State Department of Labor, and New York State Department of Motor Vehicles, to successfully identify fraudulent activity.

Inspector General Leahy Scott also conducted additional outreach efforts, where OWIG's mission and mandate were discussed, at events held by the New York State Public Welfare Association (January and July 2018), New York Alliance Against Insurance Fraud (March 2018), National Insurance Crime Bureau (April and December, 2018), New York State Fair (August 2018), Long Island Labor Advisory Council (October 2018), and New York State Association of Self-Insured Counties (October 2018).

In August 2018, Inspector General Leahy Scott distributed the first of OWIG's newsletters to New York State's local social services district commissioners. The newsletter was created to foster communications and productive partnerships between OWIG and all departments of social services throughout New York State.<sup>20</sup>

In 2018, OWIG collaborated with large retail establishments doing business in New York State and made presentations to their executive management, asset protection, and loss prevention staff on OWIG's analysis and findings of SNAP fraud and the role of large retailers in identifying and combatting SNAP program abuse. These presentations were prompted by numerous investigations of small retail establishments that found SNAP trafficking facilitated by bulk purchases from large retail stores. In these schemes, small store owners pay cash for SNAP benefit cards, then utilize the cards to purchase items in bulk from large retail stores; and SNAP benefit recipients utilize their own cards to buy items in bulk at large retailers, then sell those items to small retailers. Through these presentations, the Inspector General hopes to raise awareness of SNAP trafficking and retail-based welfare fraud schemes, and to enhance direct identification and reporting of these criminal frauds.

OWIG visited 13 local department of social services districts in 2018 to discuss continued collaboration, successful investigation techniques, the efficient and thorough oversight of New York State's welfare programs, and to provide overall support to the districts' efforts.

Similarly, OWIG also met with 10 local and federal prosecutors in furtherance of the office's efforts to improve fraud detection and have welfare fraud related crimes successfully prosecuted.

In 2019, OWIG will continue to partner with outside organizations to provide training and conduct proactive initiatives to raise awareness and target public benefits fraud throughout New York State.

## CONCLUSION

The OWIG 2018 Annual Report documents the successful execution of OWIG's mission to investigate fraud, abuse, and illegal acts perpetrated within the department of social services or

---

<sup>20</sup> New York State Office of the Welfare Inspector General Newsletter, Issue 1 (August 2018), <https://ig.ny.gov/sites/default/files/pdfs/OWIG%20Newsletter%20Aug%202018.pdf>.

local social services districts, or by contractors or recipients of public assistance services, which involve social services programs administered and funded by New York State, the federal government, and each local social services district. In 2019, OWIG will continue to promote government efficiency and integrity through its education and outreach efforts and pursue proactive initiatives to curtail fraudulent activities and yield significant savings to New York State.