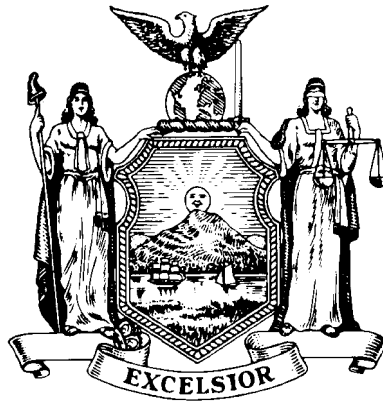


State of New York
Office of the Welfare Inspector General



2023 Annual Report

Kathy Hochul
Governor

Lucy Lang
Welfare Inspector General

Stealing from programs that provide a safety net for those in need victimizes our most vulnerable neighbors and the taxpaying public. Every dollar taken by those who lie to obtain public assistance to which they are not entitled is a dollar not going to someone who truly needs it. My office will continue to work tirelessly with our partners to root out this conduct whenever it occurs.¹

EXECUTIVE SUMMARY

The Offices of the New York State Inspector General (OIG) are comprised of the Office of the New York State Inspector General (NYSIG), the Office of the New York State Workers' Compensation Fraud Inspector General (WCFIG), and the Office of the Welfare Inspector General (OWIG).² On November 29, 2021, Governor Kathy Hochul appointed Lucy Lang to serve as the New York State Inspector General and the acting New York State Welfare Inspector General.³ On April 25, 2022, Ms. Lang was confirmed by the New York State Senate as the New York State Welfare Inspector General. The three offices are well integrated, with many staff cross-trained in the successful pursuit of public assistance fraud statewide.

OWIG's 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 2023, OWIG was led by an Attorney-in-Charge and Managing Investigator, who, in addition to being subject matter experts on welfare and benefits fraud, supervised all statewide investigations, served as a primary point of contact for external agencies, and oversaw internal and external training.

In 2023, OWIG continued to investigate significant cases resulting in criminal prosecutions throughout New York State and provided substantial regional and statewide support to its partners in order to identify, investigate, and prosecute public assistance fraud. The 2023 OWIG Annual Report demonstrates the successful execution of OWIG's mission.

¹ Inspector General Lang, April 20, 2023, following the sentencing of a Monroe County woman on charges that she stole over \$30,000 in public assistance benefits. <https://ig.ny.gov/news/monroe-county-woman-sentenced-after-pleading-guilty-welfare-fraud-0>

² Of note, as of June 18, 2021, the duties and responsibilities of the former Office of the Gaming Inspector General were transferred to and encompassed by the Office of the New York State Inspector General. *See* New York State Racing, Pari-mutuel Wagering and Breeding Law § 130.

³ Press Release, Governor Hochul Announces Administration Appointments, Nominations and Recommendations (October 21, 2021), <https://www.governor.ny.gov/news/governor-hochul-announces-administration-appointments-nominations-and-recommendations>.

OWIG reinforced its statewide presence in 2023, receiving complaints from nearly every county in the state. In 2023, OWIG reviewed 329 allegations of public assistance fraud and 698 allegations made against local social services districts, uncovering approximately \$1.3 million in fraud or improper social service benefits payments in the process. This fraud was seen in various social services programs, including unemployment insurance benefits, Small Business Administration (SBA) loans, and Paycheck Protection Loans (PPL).

OWIG's 2023 investigations also resulted in the arrest and criminal prosecution of five people, three of whom subsequently pled guilty, and the sentencing of ten additional people who had been arrested in previous years. Additionally, approximately \$17,281 in improper benefit payments were identified and recouped by local social services districts as a result of referrals made by OWIG. In total, OWIG investigations resolved in 2023 resulted in the ordering of over one million dollars in restitution and forfeiture. OWIG also continued to partner with federal, state, and local law enforcement, and with local social services districts to investigate public assistance fraud schemes.

In the past year, OWIG continued to see the results of ongoing multi-year investigations, including those arising from a recent focus on the theft of unemployment insurance benefits through the use of stolen personal identifying information. Such malfeasance took on particular importance because many victims of this type of fraud are recipients of public assistance in New York State, and the theft of their identities can potentially lead to the loss of eligibility for such assistance. These investigations, many of which began in 2021 and 2022, yielded numerous arrests, guilty pleas, and sentencings in 2023.

In one notable example, three Capital District men were sentenced in 2023 for their participation in a public assistance fraud scheme involving fraudulently obtained unemployment insurance benefits and identity theft. These sentences, which included the ordering of \$207,000 in restitution to the State and forfeiture of \$192,000 to the federal government, were the result of a joint investigation that commenced in 2021, in which OWIG partnered with agencies including the U.S. Department of Labor Office of Inspector General (USDOL OIG), the U.S. Department of Homeland Security Homeland Security Investigations (USDHS HSI), and the U.S. Postal Inspection Service (USPIS), among others.

In 2023, OWIG also expanded initiatives based on certain trends, patterns, and vulnerabilities identified through ongoing comprehensive analyses of complaints received and public assistance data. Specifically, OWIG heightened its focus on the theft and trafficking of Supplemental Nutrition Assistance Program (SNAP) benefits through the use of tactics such as “skimming,” and expanded its preventative fraud programs to combat the misuse of COVID stabilization and recovery funds, including those disbursed through the Emergency Rental Assistance Program (ERAP).

OWIG also continued to assist local social services districts in fighting public assistance fraud by providing training, equipment, and counsel to internal units within each social services district that are responsible for investigating fraud and abuse. In more complex investigations, OWIG and local social services districts conducted joint investigations. In other circumstances, OWIG’s investigative findings were referred to local social services districts with the recommendation that they complete public assistance benefit eligibility analyses, calculate the amount of any overpayments received by targets of investigations, and seek to recoup those overpayments.

PURPOSE AND SCOPE OF ANNUAL REPORT

New York State Executive Law §74(6) mandates that the Office of the Welfare Inspector General (OWIG) submit an annual report to the Governor, State Comptroller, Attorney General, and Legislative leaders summarizing the activities of the Office for each calendar year. Consistent with OWIG’s mandate, this report provides an overview of OWIG’s activities and accomplishments for 2023, including a summary of benefits fraud exposed by OWIG, significant prosecutions resulting from OWIG referrals, outreach, training, investigations, and initiatives commenced by OWIG.

INTRODUCTION AND BACKGROUND

In 1992, Executive Law §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 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.

Each public assistance program is designed to address the specific needs of various populations: Temporary Assistance provides allowances for basic grants, home energy, shelter, and fuel;⁴ HEAP assists with the cost of home heating;⁵ SNAP, which is administered by the United States Department of Agriculture (USDA) Food and Nutrition Service, provides nutrition assistance;⁶ SSI provides monthly payments to low-income people who are age 65 or older, blind or disabled;⁷ and Medicaid provides medical coverage to people who are unable to afford medical care or who are disabled.⁸ Eligible recipients receive SNAP and cash benefits by Electronic Benefit Transfer (EBT) and access the benefits by 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. These programs are overseen by the New York State Office of Temporary and Disability Assistance (OTDA), which works with each social services district and is a close partner with OWIG. 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.

In 2023, OWIG was led by an Attorney-in-Charge, who, in addition to being an experienced investigative counsel and subject matter expert on welfare and benefits fraud, supervised all statewide investigations, served as a primary point of contact for external agencies, and oversaw internal and external training. The OWIG Attorney-in-Charge was assisted by a highly experienced Managing Investigator, who is an expert on SNAP fraud and is often consulted by local, state, and federal law enforcement partners. The Managing Investigator has over fifteen years of investigatory and enforcement experience, including as an Unemployment Insurance Investigator for the New York State Department of Labor, where he

⁴ 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>

⁵ Office of Temporary and Disability Assistance Home, Programs, Home Energy Assistance Program (HEAP), <https://otda.ny.gov/programs/heap/>.

⁶ <https://www.fns.usda.gov/snap/supplemental-nutrition-assistance-program-snap>.

⁷ Social Security Administration Supplemental Security Income Booklet, May 2023, <http://www.ssa.gov/pubs/EN-05-11000.pdf>.

⁸ https://www.health.ny.gov/health_care/medicaid/

investigated complex cases of fraud and collusion of the New York State unemployment insurance program by both claimants and employers, and as a Welfare Fraud Investigator for the Albany County Department of Social Services.

INVESTIGATIONS

In 2023, OWIG received complaints from nearly every county in the State. During 2023, OWIG reviewed and processed 329 allegations of public assistance fraud and 698 allegations made against local social services districts. OWIG's investigations resulted in the arrest of five people, three of whom subsequently pled guilty, and the sentencing of ten additional people who had been arrested in previous years. These investigations uncovered approximately \$1.3 million in fraud and improper social service benefits payments, unemployment insurance benefits, Small Business Administration (SBA) loans, and Paycheck Protection Loans (PPL). An additional \$17,281 in improper benefit payments were also identified and recouped by local social services districts as a result of referrals made by OWIG. In total, OWIG investigations resolved in 2023 resulted in the ordering of \$1,133,188 in restitution and forfeiture.

OWIG receives complaints from various sources including telephone, online submission, email, mail, social media, at public forums, and personal delivery. Each complaint 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 OTDA, that contains a complete benefits history for each applicant or recipient. Following this analysis, OWIG may open an investigation into the allegations, close those matters either lacking in jurisdiction or enough information to warrant an investigation, or determine that the matter is most 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 an investigation is opened from a complaint, OWIG assigns a multi-disciplinary team including an attorney, investigator, and auditor to conduct each investigation. If 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. Funds may then be recovered through criminal prosecution or civil recoupment by the local social services district.

When evidence of criminality is discovered, OWIG partners with the appropriate prosecutorial agency to pursue criminal action. Thereafter, OWIG remains involved by offering additional resources and support to all aspects of the prosecution, including at hearings, trials, and during appeals. OWIG also encourages its prosecutorial partners to seek full restitution for the fraud.

In addition to criminal penalties, a person 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. A person 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 for any improperly received benefits and may be disqualified from receiving future public assistance benefits for a specified period. In egregious or repeated cases involving Temporary Assistance, the person may be barred from receiving benefits for a period of five years, and in egregious or repeated cases involving SNAP, the person may 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.⁹

CASES RESULTING IN PROSECUTION, CONVICTION, AND/OR SENTENCING

Monroe County Woman Sentenced to Three Years of Probation

In April 2023, a Monroe County woman was sentenced to three years of probation, 200 hours of community service, and ordered to pay approximately \$31,000 in restitution after pleading guilty to Welfare Fraud in the Fifth Degree for misrepresenting her income and household composition in public assistance applications to receive approximately \$31,000 in SNAP benefits to which she was not entitled.

The case was prosecuted by the Monroe County District Attorney's Office.

⁹ 18 N.Y.C.R.R. § 358.

Three Sentenced in Capital District Unemployment Insurance Fraud Scheme

In 2023, three men from the Capital District were sentenced for their participation in a scheme to commit mail and wire fraud in order to obtain more than \$200,000 in unemployment insurance benefits to which they were not entitled.

OWIG's joint investigation with the U.S. Department of Labor Office of Inspector General (USDOL OIG), the U.S. Department of Homeland Security Homeland Security Investigations (USDHS HSI), and the U.S. Postal Inspection Service (USPIS) revealed that the three men solicited personal identifying information from more than ten people on social media, which the Albany man then used to file false unemployment insurance claims via the New York State Department of Labor website. Many of the victims of the scheme were public assistance recipients in New York State.

One of the men, from Rensselaer, was sentenced in July 2023 to 13 months in prison, three years of supervised release following his incarceration, and ordered to pay approximately \$60,000 in restitution. The second man, from Troy, was sentenced in August 2023 to a three-year term of supervised release and ordered to pay approximately \$48,000 in restitution. The third man, from Albany, was sentenced in December 2023 to 27 months in prison, a two-year term of supervised release, and ordered to pay approximately \$207,000 in restitution to New York State and forfeit approximately \$192,000 to the United States government.

The case was prosecuted by the United States Attorney's Office for the Northern District of New York.

Albany Man Sentenced for Unemployment Insurance Scheme Involving a Stolen Identity

In July 2023, an Albany man pled guilty to Mail Fraud for submitting a false unemployment insurance application using the personal identifying information of another person to obtain more than \$16,000 in unemployment insurance benefits to which he was not entitled. Additionally, the man obtained a Paycheck Protection Program Loan and U.S. Small Business Administration loan to which he was not entitled, totaling more than \$28,000. In December 2023, he was sentenced to five years' probation and ordered to pay \$44,924 in restitution. The victim of the scheme was a public assistance recipient in New York State.

The case was prosecuted by the United States Attorney's Office for the Northern District of New York.

Schenectady Woman Sentenced for Grand Larceny in Unemployment Insurance Benefits Theft

In July 2023, a Schenectady woman was sentenced to one-to-three years in prison and ordered to pay \$161,000 in restitution after pleading guilty to conspiring with her cousin to steal the personal identifying information of several people and using that information to fraudulently apply for unemployment insurance benefits in New York State. Two of the victims of the scheme were public assistance recipients in New York State.

The case was prosecuted by the Schenectady County District Attorney's Office.

Schenectady Woman Sentenced for Identity Theft in Unemployment Insurance Benefits Investigation

In August 2023, a Schenectady woman was sentenced to five years' probation and ordered to pay \$40,000 restitution after pleading guilty to stealing the name and personal identifying information of another person and using that information to fraudulently apply for unemployment insurance benefits in New York State. The victim of the scheme was a public assistance recipient in New York State.

The case was prosecuted by the Schenectady County District Attorney's Office.

Schenectady Woman Arrested for Welfare Fraud in the Third Degree

In August 2023, a Schenectady woman was arrested and charged with Welfare Fraud in the Third Degree for concealing the income of the father of her children when applying for public assistance benefits in order to receive approximately \$12,000 in SNAP, HEAP, and Pandemic Emergency Assistance Program (PEAF) benefits to which she was not entitled.

The case, which is being prosecuted by the Schenectady County District Attorney's Office, remains pending.

Schenectady Man Pleads and is Sentenced for Grand Larceny in the Third Degree

In August 2023, a Schenectady man pled guilty to Grand Larceny in the Third Degree for stealing the identity of another and using that identity to collect approximately \$26,000 in unemployment insurance benefits to which he was not entitled. In December 2023, he was sentenced to six months in prison, five years of supervised release following his incarceration, and ordered to pay approximately \$26,000 in restitution.

The case was prosecuted by the Schenectady County District Attorney's Office.

Erie County Man Sentenced for Welfare Fraud

Later in August 2023, a Buffalo man was sentenced to three years' probation, 200 hours of community service, and ordered to pay approximately \$5,000 in restitution. The man was sentenced to Welfare Fraud in the Fifth Degree for applying for and receiving over \$5,000 in SNAP benefits for his children, even though he did not have custody of them. In fact, he was barred from seeing his children by active orders of protection.

The case was prosecuted by the Erie County District Attorney's Office.

Three Sentenced in Unemployment Insurance Benefits Scheme

In 2023, three men were sentenced on their previously entered pleas of guilty to the crimes of Aggregated Identity Theft, Access Device Fraud, Mail Fraud, Wire Fraud, and Money Laundering. The men had participated in a vast scheme that fraudulently used the identities of numerous people, including 19 public assistance recipients in New York State, to file false unemployment insurance applications and steal over \$700,000 in unemployment insurance benefits.

The first man, from Albany, was sentenced in September 2023 to 12 months in prison, a three-year term of supervised release, and ordered to pay approximately \$113,000 in restitution. The second man, from Pennsylvania, was sentenced in October 2023 to a three-year term of supervised release, ordered to pay approximately \$299,000 in restitution, and forfeit \$20,000. The third man, from Yonkers, was re-arrested on attempted murder charges and is pending sentence on this matter.

OWIG conducted the investigation jointly with USDHS HSI, USPIS, and the USDOL OIG. The matter was prosecuted by the United States Attorney's Office for the Northern District of New York.

Albany Man Arrested for Criminal Possession of Stolen Property

In November 2023, an Albany man was arrested and charged with several offenses, including Criminal Possession of Stolen Property and Identity Theft in the First Degree. OWIG's investigation found that the man fraudulently used the identity of a public assistance recipient to receive approximately \$39,000 in unemployment insurance benefits to which he was not entitled.

The case, which is being prosecuted by the Albany County District Attorney's Office, remains pending.

Schenectady Woman Arrested and Charged with Grand Larceny, Offering a False Instrument for Filing, and Identity Theft

In November 2023, a Schenectady woman was arrested and charged with Grand Larceny in the Second Degree, Criminal Possession of Stolen Property in the Third Degree, Offering a False Instrument for Filing in the First Degree, and Identity Theft in the First Degree for stealing the identity of another public assistance recipient and receiving approximately \$62,000 in unemployment insurance benefits to which she was not entitled.

The case, which is being prosecuted by the Schenectady County District Attorney's Office, remains pending.

Schenectady Man Arrested and Charged with Grand Larceny, Offering a False Instrument for Filing, Criminal Possession of Stolen Property, and Identity Theft

In December 2023, a Schenectady man was arrested and charged with Grand Larceny in the Second Degree, Criminal Possession of Stolen Property in the Third Degree, Offering a False Instrument for Filing in the First Degree, and Identity Theft in the First Degree for stealing the identity of another public assistance recipient and receiving approximately \$62,000 in unemployment insurance benefits to which he was not entitled.

The case, which is being prosecuted by the Schenectady County District Attorney's Office, remains pending.

INITIATIVES

OWIG initiates many of its investigations based on trends, patterns, and vulnerabilities identified through ongoing comprehensive analyses of complaints received and available public assistance data. In 2023, these analyses resulted in the continuance of several OWIG initiatives, including investigating the theft and trafficking of SNAP benefits intended for recipients in vulnerable populations, and an expansion of OWIG's public assistance fraud and identity theft initiative.

Additionally, OWIG launched several preventative fraud programs in 2023 to combat the fraud and misuse of COVID stabilization and recovery funds, including those disbursed as part of the Emergency Rental Assistance Program (ERAP).

SNAP Trafficking and Benefits Theft

The investigation and prosecution of those found to be engaged in SNAP trafficking and the theft of SNAP benefits, including theft by “skimming,” continued to be a priority for OWIG in 2023.

Federal and state governments can pursue civil penalties for SNAP trafficking. For example, the USDA’s Food and Nutrition Service can permanently bar a retailer found guilty of SNAP trafficking from continued 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.¹⁰ 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 2023, OWIG continued to partner with local and federal law enforcement organizations, including the USDA Office of Inspector General, USDHS, Federal Bureau of Investigation, various United States Attorney’s offices, local prosecutors, and local departments of social services to conduct SNAP trafficking and theft investigations.

In addition, OWIG is continuing its efforts to investigate SNAP theft that involves “skimming.” Skimming is a type of theft in which thieves place an overlay on a store’s card-swiping machine to copy EBT, credit, and debit card information. Thieves use this information to create fake EBT cards, which can be used to spend down the funds on the card. OWIG received numerous allegations of EBT card “skimming” in 2023, and opened preliminary investigations into these allegations. OWIG also liaised with law enforcement agencies and social service districts from around the country to gather more information on skimming patterns and to discuss ways to combat this theft.

COVID-19 Relief and Recovery Funds

In 2020 and 2021, the federal government passed a series of unprecedented COVID-19 relief and recovery funds amounting to approximately \$5.18 trillion.¹¹ These funds were distributed in connection with several acts passed to address the economic crisis brought on by COVID-19 restrictions. These acts include the Coronavirus Preparedness and Recovery Supplemental Appropriations Act; the Families First Coronavirus Response Act; the Coronavirus

¹⁰ 7 C.F.R. § 273.16(a)(1).

¹¹ See “The Impact of Coronavirus Relief Bills on Your Finances,” by Jim Probasco, updated October 18, 2023. <https://www.investopedia.com/how-the-coronavirus-stimulus-bills-affect-you-4800404>.

Aid, Relief, and Economic Security (CARES) Act; the Paycheck Protection Program and Health Care Enhancement Act; the Consolidated Appropriations Act (CAA); and the American Rescue Plan Act of 2021 (ARPA). The CARES Act, CAA, and ARPA provided billions to extend unemployment benefits, provide rental assistance, and support childcare.¹²

Investigations into fraud in these relief programs continued in 2023. Each act earmarked portions for each state based on population, which was administered by a local or state agency. In New York State, the extension of unemployment insurance benefits was administered by the New York State Department of Labor (DOL), rental assistance was administered by OTDA, and childcare subsidies were administered by the Office of Children and Family Services (OCFS). OWIG partnered with each of these agencies to assist with the investigation of fraud allegations and in some instances developed proactive programs to deter fraud.

OWIG Unemployment Insurance Benefits Initiative

In 2023, OWIG continued to focus its efforts on identity theft that victimizes public assistance benefit recipients. In these types of fraud, people receiving or applying for benefits are either denied or have their benefits reduced or revoked and only later discover that their identities were compromised and their personal information was used by others to apply for unemployment insurance benefits. OWIG believes that thefts of this type grew in both frequency and complexity because of the manner in which the CARES Act, CAA, and ARPA extended the amount and duration of available unemployment insurance benefits, thus making for a more lucrative target. OWIG worked with DOL and other law enforcement partners to develop criminal cases involving this scheme, which were then referred to the appropriate state, local, or federal prosecutor's office.

In 2023, OWIG investigations led to the arrests of three people for committing unemployment benefit theft by fraudulently using the identities of public assistance recipients. Similarly, OWIG investigations led to the prosecution and ultimate sentencing of six people for committing unemployment benefit theft for fraudulently using the identities of public assistance recipients. In 2024, OWIG will continue to focus on public assistance fraud crimes involving identity theft and develop these cases with our investigative partners.

¹² Id. It should be noted that these totals do not account for people and businesses with overlapping program opportunities.

Emergency Rental Assistance Program

CAA and ARPA, two 2021 federal relief acts, provided a nationwide combined total of \$46.55 billion in funding to assist households that were unable to pay rent or utilities due to the COVID-19 pandemic.¹³ New York State received \$2.4 billion in federal funding from these acts.¹⁴ This funding was combined with an additional \$250 million in State funding for the Emergency Rental Assistance Program (ERAP).¹⁵ OTDA is the State agency responsible for administering the ERAP program.

To deter instances of fraud in these programs, OWIG, in consultation with OTDA, developed a fraud identification and prevention program. Additionally, OTDA initiated a fraud review process with a vendor that includes the pre-screening of assistance applications. Those applications that contain certain proscribed fraud indicators are forwarded to OWIG for review and investigation. In 2023, OWIG proactively opened 23 preliminary investigations into potential ERAP fraud around the state, and continues to search for new cases which indicate that the applications might be fraudulent.

OUTREACH AND TRAINING

In 2023, OWIG 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 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 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. In 2023, OWIG designed and presented trainings at multiple conferences hosted by NYWFIA.

Additionally in 2023, OWIG visited various Department of Social Service (DSS) offices around the state, to make connections with DSS fraud prevention departments and to offer to design personalized trainings for DSS staff. In 2024, OWIG will continue this outreach.

¹³ Emergency Rental Assistance Program. <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/emergency-rental-assistance-program>.

¹⁴ See New York State Comptroller, COVID-19 Relief Program Tracker, <https://osc.state.ny.us/reports/covid-relief-program-tracker#notes>.

¹⁵ OTDA is reviewing and processing eligible ERAP applications submitted through January 20, 2023.

In 2023, OWIG continued its relationships with its state and federal investigative and prosecutorial partners through its participation in various interagency task forces. OWIG also continued its membership in several organizations that address public assistance fraud, including the Western, Central, and Metropolitan Regional Health Care Fraud Task Forces. In addition, OWIG is a member of the Document and Benefit Fraud Task Force led by the USDHS, Capital Region Bank Security Officers Association, the COVID-19 Pandemic Fraud Task Force, and the Cyber Fraud Task Force sponsored by the United States Secret Service's Buffalo Field Office. OWIG also participated in a multi-agency Suspicious Activity Report Task Force, which examines detailed financial reports for indicators of potential welfare fraud. 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 OTDA, DOL, and the New York State Department of Motor Vehicles to successfully identify fraudulent activity.

In addition, OWIG continued its membership in other welfare fraud fighting organizations such as the New York Public Welfare Association (NYPWA) and the United Council on Welfare Fraud. In January 2023, OWIG sent an attorney and investigator to the NYPWA Winter Conference to learn about trending topics in welfare fraud investigation and to potentially develop collaborations with various districts around the State. OWIG and local department of social services districts continued to discuss collaboration, successful investigative techniques, and the efficient and thorough oversight of New York State's welfare programs throughout 2023. Lastly, OWIG met with local and federal prosecutors in furtherance of the Office's efforts to improve fraud detection and successfully prosecute welfare fraud crimes.

CONCLUSION

The OWIG 2023 Annual Report documents the successful execution of OWIG's mission to investigate fraud, abuse, and criminal activity perpetrated within the department of social services or 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 2024, OWIG will continue to promote government efficiency and integrity through its education and outreach efforts, pursue proactive initiatives to curtail fraudulent activities, and obtain significant savings for these critical social welfare programs.