

The Commonwealth of Massachusetts

TWENTY-SECOND REPORT
OF THE
BUREAU OF WELFARE AUDITING
OF ITS ACTIVITIES
FOR THE PERIOD
SEPTEMBER 1, 1973 TO SEPTEMBER 30, 1973.

(Submitted under authority
of Section 30T (6) of Chapter 7
of the General Laws)

September 30, 1973.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Seventy-Three.

EXECUTIVE OFFICE FOR ADMINISTRATION AND FINANCE

STATE HOUSE, BOSTON 02133, October 29, 1973.

SEPTEMBER REPORT OF
THE BUREAU OF WELFARE AUDITING

To: *His Excellency Francis W. Sargent, Governor*
Clerk of the Senate
Clerk of the House of Representatives

Gentlemen:

Pursuant to G.L., c. 7, s. 30T (6), the Bureau of Welfare Auditing, by its Director, submits this report of its activities for the period from September 1, 1973 through September 30, 1973.

During this month two hundred seventy-two (272) complaints were received by this Bureau, alleging a wrongful receipt or claim for payment under assistance programs administered by the Department of Public Welfare.

The chart below indicates the category and source of the referral of these complaints.

September 1, 1973 — September 30, 1973

*CASE										
CATEGORY		1	2	3	4	5	6	7	8	Totals
**SOURCE OF COMPLAINTS	DPW	1	1	18	144	3	2	1	8	178
	AUD	—	—	6	11	—	—	1	—	18
	CIT	4	3	20	34	3	2	4	5	75
	INV	1	—	—	—	—	—	—	—	1
TOTAL		6	4	44	189	6	4	6	13	272

*CASE CATEGORIES

1. Vendor Investigations
2. State Employee Investigations
3. Undeclared Contributor of Income in the Home
4. Unreported Income
5. Receipt of Multiple Payments/Benefits
6. Check Investigations
7. Residency Requirements Are Not Met
8. Ineligible/Non-Existent Recipient

**SOURCE OF COMPLAINTS

DPW: Complaints received from Department of Public Welfare

AUD: Complaints received from Department of the State Auditor

CIT: Complaints received from the General Public and Otherwise

INV: Complaints received from the Bureau of Welfare Auditing Personnel

Fourteen (14) cases indicating possible fraudulent receipt or claim for payment from the Department of Public Welfare were reported in September by this Bureau to the Attorney General for fraud evaluation and for such action as he may deem appropriate. Those cases are described below:

<u>Number of Cases</u>	<u>Case Category</u>	<u>Regions</u>
1	Unreported Income	Boston
1	Receipt of Multiple Payments/Benefits	Greater Boston
2	Unreported Income	Brockton
1	Ineligible/Non-Existent Recipient	Brockton
3	Unreported Income	Lawrence
1	Vendor Investigation	New Bedford
2	Unreported Income	New Bedford
1	Ineligible/Non-Existent Recipient	Springfield

1	Receipt of Multiple Payments/Benefits	Springfield
1	Undeclared Contributor of Income in the Home	Worcester

Fifty-one (51) criminal complaints were filed this month by the Bureau in the Commonwealth's district courts relative to welfare recipient violations.

Sixty (60) criminal matters investigated by this Bureau were prosecuted in court in September. Twenty-six defendants were found "guilty" with most of them given a suspended jail sentence and/or probation and a court order to fully repay the welfare money fraudulently obtained. Four defendants were found "not guilty" and the cases of nine others were "continued without a finding", with court orders of full restitution in each case. Two cases were "filed" and two others were dismissed, one of which made full restitution. The remaining seventeen cases were heard by a clerk of court who ordered full restitution in each case. The total amount of money repaid or ordered to be repaid to the Commonwealth in these cases was Fifty-Six Thousand Four Hundred Thirty and 06/100 (\$56,430.06) Dollars.

The Essex County grand jury, during its September session, returned an indictment for larceny against a pharmacist doing business as a vendor in the state's medical assistance program in the Lawrence region. This was the fourth such Medicaid vendor indicted in this state in the past fourteen months.

Also, during the third calendar quarter of 1973 this Bureau was responsible for the closing or reduction of 63 welfare assistance cases which following our investigation, were found to contain overpayments. These cases represent total estimated savings of Eighty-Five Thousand One Hundred Four 97/100 (\$85,104.97) Dollars.

Respectfully submitted,

RAYMOND F. JOWDY
Director, Bureau of Welfare Auditing