

The Commonwealth of Massachusetts

EXECUTIVE OFFICE FOR ADMINISTRATION AND FINANCE,
 BUREAU OF WELFARE AUDITING
 141 MILK STREET, SUITE 450, BOSTON 02109,
 November 26, 1974

OCTOBER 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. 70T (6), the Bureau of Welfare Auditing, by its Director, submits this report of its activities for the period from October 1, 1974 through October 31, 1974.

During this month three hundred ninety-seven (397) 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.

October 1, 1974 – October 31, 1974

		*CASE								
CATEGORY		1	2	3	4	5	6	7	8	Total
*SOURCE OF COMPLAINTS	DPW	4	—	30	225	11	12	2	12	296
	AUD	—	—	1	2	—	—	—	—	3
	CIT	2	—	27	52	5	2	5	3	96
	INV	—	1	—	1	—	—	—	—	2
TOTAL		6	1	58	280	16	14	7	15	397

*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 Auditor

CIT: Complaints received from the General Public and Otherwise

INV: Complaints received from Bureau of Welfare Auditing
Personnel

Seventeen (17) cases indicating possible fraudulent receipt of or claim for payment from the Department of Public Welfare were reported in October 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>Region</u>
1	State Employee Investigation	Boston
1	Vendor Investigation	Boston
1	Vendor Investigation	Greater Boston
1	Undeclared Contributor of Income in the Home	Greater Boston
1	Unreported Income	Greater Boston
2	Undeclared Contributor of Income in the Home	Brockton
1	Unreported Income	Brockton
1	Undeclared Contributor of Income in the Home	Lawrence
2	Unreported Income	Lawrence
1	Ineligible/Non-Existent Recipient	Lawrence
1	Unreported Income	New Bedford
2	Undeclared Contributor of Income in the Home	Springfield
1	Unreported Income	Springfield
1	Unreported Income	Worcester

Forty-nine (49) criminal complaints were filed this month by the Bureau in the Commonwealth's district courts relative to welfare recipient violations.

Fifty-one (51) criminal matters investigated by this Bureau were prosecuted in October. Twenty-four 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 obtained by fraud, and four defendants were found "not guilty". Thirteen cases were "continued without a finding" with restitution ordered in all but two of those cases. The remaining ten cases were heard by a clerk of court who ordered restitution in all cases. The total amount of money repaid or ordered to be repaid to the Commonwealth in these cases was Ninety-Four Thousand Two Hundred Twenty-Two and 56/100 (\$94,222.56).

Fraud cases against two Medicaid providers were included in the court prosecutions described above. A North Shore druggist who was convicted of larceny was given a two and one-half-year suspended sentence to the House of Correction, two years of probation and ordered to repay nearly \$19,000 in restitution to the Welfare Department. A Norfolk County dentist who was also convicted of larceny was given a one-year suspended sentence to the House of Correction, two years probation and ordered to repay \$2,000 to the Welfare Department. Both providers face additional civil claims for alleged welfare overpayments and possible suspension by the Welfare Department from participation in the Medicaid Program.

Respectfully submitted,

RAYMOND F. JOWDY,
Director, Bureau of Welfare Auditing

