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PRESS RELEASE

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**DA DONOVAN: WELFARE CHEATS LIVED THE HIGH LIFE WHILE
TAXPAYERS PAID THEIR MEDICAL BILLS**

***** *Eight Islanders Allegedly Hid Significant Wealth to get Undeserved Medicaid Benefits* *****

STATEN ISLAND, NY - Richmond County District Attorney Daniel M. Donovan, Jr. today announced the arrest of eight Staten Islanders on charges that include third-degree welfare fraud and grand larceny for hiding substantial assets and income in order to bilk the federal government out of tens of thousands of dollars in Medicaid benefits.

According to indictment unsealed today, the defendants had been on the welfare rolls for years despite living in million dollar homes in some of Staten Island's most exclusive neighborhoods, driving around in luxury cars and receiving six-figure incomes from rental properties, investments and businesses they owned.

"These defendants clearly had the means to pay for their own health care," D.A. Donovan said. "They lived the 'Lifestyles of the Rich and Shameless,' bilking taxpayers out of tens of thousands of dollars at a time when so many people are out of work or struggling just to make ends meet."

"Maintaining the integrity of the Medicaid program so we can continue to provide public health insurance to those who are truly eligible is at the core of the Human Resources Administration's mission," said HRA Commissioner Robert Doar. "Those who steal from our public assistance programs will be investigated and prosecuted to the fullest extent of the law. I would like to thank District Attorney Daniel Donovan and his team for their continuous commitment to pursue the prosecution of those who commit Medicaid fraud."

One couple –Hanna Youssef, 61 and Zaka Youssef, 55 – have received over \$40,000 in Medicaid benefits since 2008, even though they own a \$1.4 million, gated Todt Hill home and a strip mall on 350 Forest Ave which nets more than \$14,000 in monthly rent; and recently sold a restaurant in Brooklyn for \$700,000.

Hany Mekhael, 41 and Jackline Farag, 37, own more than \$2.1 million in real estate assets, including four properties on Staten Island and a physical therapy business in Brooklyn; and reported an annual income of up to \$174,000 per year – yet fraudulently received \$36,600 in Medicaid benefits since 2006.

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Richard Costa, 53 and Carrie Costa, 50 claimed they made \$400 week as day laborers on their application for Medicaid in 2008. But they did not disclose they purchased a \$1 million Tottenville home - with a \$360,000 down payment - a year earlier; or that Richard Costa reported making \$250,000 per year as vice president of a Manhattan Garment District company on lease applications for the two Mercedes Benz sedans the couple drives.

Kathleen Trabulsi, 33 and Rashad Trabulsi, 34, own a lucrative chiropractic clinic in Brooklyn, a half-million dollar home on Dellwood Road, another property in Brooklyn and a Hummer, an Infiniti and an Audi – yet they claimed to need Medicaid to pay for \$30,000 in healthcare expenses since 2008.

The defendants face a variety of charges: Welfare Fraud in the third, fourth and fifth degree; Grand Larceny in the third and fourth degree; Petit Larceny; and first degree Falsifying Business Records and Offering Up a False Instrument for Filing. The top charges carry a maximum penalty of 2 1/3 to 7 years in prison.

The defendants were arraigned in State Supreme Court before Justice Leonard P. Rienzi

The case is being prosecuted by Assistant District Attorneys Om Kakani and Gabriel McKeen, under the supervision of Assistant District Attorney Amy Legow, Bureau Chief of Investigations and Deputy Bureau Chief David Frey; and was investigated by Sgt. Matt Muscarello and detectives Patricia O'Brien, Steven Greco and Nicholas Arhakos and forensic accountant Dominick Perrotta, under the supervision of Lt. Kevin Gallagher of the Richmond County D.A. Detective Squad; and investigators Faiza Hashmi, Michael Santangelo, Thomas Toth and Kiran Kanwar of HRA's Bureau of Fraud Investigations.

The charges contained in the indictments are merely allegations, and the defendants are presumed innocent unless and until proven guilty.

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