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**DOI INVESTIGATION LEADS TO FRAUD AND THEFT CHARGES AGAINST
FORMER HRA EMPLOYEE AND THREE INELIGIBLE MEDICAID RECIPIENTS**

--More than \$160,000 in benefits stolen--

ROSE GILL HEARN, Commissioner of the New York City Department of Investigation ("DOI"), issued the following statement on a DOI investigation that led to criminal charges against a former Eligibility Specialist with the City Human Resources Administration's ("HRA's") Medical Assistance Program and three ineligible recipients in connection with the charged theft of a total of \$162,517 in Medicaid benefits. As charged, DOI's investigation found that, for a fee, the former HRA employee fraudulently reopened and recertified Medicaid cases for three recipients who were not entitled to Medicaid benefits, including one recipient who later became a police officer. This case is the second to be announced in the last two days in which a former HRA employee is charged with fraudulently issuing public assistance benefits, for personal gain, to ineligible recipients through the City's computer systems. HRA assisted DOI in these investigations. The office of New York County District Attorney Cyrus R. Vance, Jr. is prosecuting the criminal cases.

DOI Commissioner Rose Gill Hearn said, "Hardworking New Yorkers cannot afford to pick up the tab for individuals who abuse public benefit programs. City employees who abuse their positions to exploit these programs for personal profit will face criminal prosecution."

The following individuals have been charged:

- LARRY ELLISON, 60, of Brooklyn, a former HRA employee, was charged by complaint with Grand Larceny in the Third Degree and Welfare Fraud in the Third Degree, class D felonies; Falsifying Business Records in the First Degree and Defrauding the Government, class E felonies, and Official Misconduct, a class A misdemeanor. He is scheduled to appear in court on September 3, 2013.

ELLISON began employment with HRA in October 1983 and retired in July 2013, during this investigation. At the time of his retirement, ELLISON was receiving an annual salary of approximately \$36,876.

- NIVIA FONTANEZ, 32, of the Bronx, is charged with Grand Larceny in the Third Degree, Welfare Fraud in the Third Degree, class D felonies; and Offering a False Instrument for Filing in the First Degree, a class E felony. She was arraigned yesterday in the Supreme Court in Manhattan.

FONTANEZ began employment with the New York City Police Department in July 2008 and currently receives an annual salary of \$56,609 as a police officer. In April 2013, FONTANEZ was charged by criminal complaint in connection with this investigation. She was suspended for 30 days and was subsequently assigned to desk duty without a firearm.

- CATHERINE ULCEN, 42, of Queens, and SHANIKA BEVERLY, 34, of Queens, were each arrested today and charged in separate indictments with Welfare Fraud in the Second Degree, and Grand Larceny in the Second Degree, class C felonies.

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Upon conviction, a class C felony is punishable by up to 15 years in prison, a class D felony by up to seven years in prison, a class E felony by up to four years in prison, and a class A misdemeanor by up to a year's incarceration.

DOI's investigation started with an anonymous tip that ULCEN was fraudulently receiving Medicaid benefits and paid \$300 to an unnamed HRA employee to obtain a Medicaid card. As outlined in the criminal charges, DOI's investigation found that ULCEN, BEVERLY, and FONTANEZ paid ELLISON fees to reopen and recertify their Medicaid cases. DOI's investigation revealed that ULCEN received Medicaid benefits between June 2005 and August 2010, totaling approximately \$54,654; and BEVERLY received Medicaid benefits between January 2004 and February 2012, totaling approximately \$95,497. The investigation also found, it is charged, that FONTANEZ applied to become a police officer in May 2008 and signed a notarized application indicating she had received public benefits from May 1981 until approximately 1998, and was not receiving public assistance at the time she filled out the NYPD application, when in fact FONTANEZ received Medicaid benefits between January 2004 and May 2008, totaling approximately \$12,366. The investigation further found that ELLISON would receive \$100 to \$150 each time he fraudulently reopened a Medicaid case and that there was little to no supporting documentation in the case files for ULCEN, BEVERLY and FONTANEZ to justify their receipt of Medicaid benefits. With the assistance of HRA, it was further determined that all three recipients were employed and had incomes during all or most of the relevant time periods and that they were ineligible for the above-described Medicaid benefits.

Commissioner Gill Hearn thanked New York County District Attorney Cyrus R. Vance, Jr., HRA Commissioner Robert Doar, NYPD Commissioner Raymond W. Kelly, and their staffs, for their assistance in this investigation.

The investigation was conducted by DOI's Office of the Inspector General for HRA.

Assistant District Attorneys Greg LeDonne and Ryan Connors are assigned to the prosecution of the case, under the supervision of Assistant District Attorneys Daniela Gallo, Chief of the District Attorney's Public Assistance Fraud Unit and Luke Rettler, Chief of the District Attorney's Official Corruption Unit.

Criminal complaints and Indictments are accusations. Defendants are presumed innocent until proven guilty.

DOI is one of the oldest law-enforcement agencies in the country. The agency investigates and refers for prosecution City employees and contractors engaged in corrupt or fraudulent activities or unethical conduct. Investigations may involve any agency, officer, elected official or employee of the City, as well as those who do business with or receive benefits from the City.

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