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**MANHATTAN U.S. ATTORNEY ANNOUNCES HEALTH CARE FRAUD
CHARGES AGAINST TWO EMPLOYEES OF THE NEW YORK CITY
HUMAN RESOURCES ADMINISTRATION**

Preet Bharara, the United States Attorney for the Southern District of New York, Janice K. Fedarcyk, the Assistant Director-in-Charge of the New York Office of the Federal Bureau of Investigation ("FBI"), Rose Gill Hearn, the Commissioner of the New York City Department of Investigation ("DOI"), and Raymond W. Kelly, the Police Commissioner of the City of New York ("NYPD"), today announced charges against KELVIN JENNINGS and PAMELA JONES, two long-time employees of the New York City Human Resources Administration ("NYC-HRA"), for allegedly creating and distributing fraudulent Medicaid cards in exchange for cash payments. JONES was arrested this morning and is expected to appear in Manhattan federal court later today. JENNINGS remains at large.

The following allegations are based on the Complaint unsealed earlier today in Manhattan federal court:

JENNINGS has been employed with NYC-HRA since 1982 and is a Medicaid eligibility specialist at Metropolitan Hospital in Manhattan. JONES has been employed with NYC-HRA since 2000 and is a Medicaid eligibility specialist in its Office of Mail Renewal in Manhattan.

From 2003 through 2011, JENNINGS and JONES were involved in a scheme to sell fraudulently obtained Medicaid accounts and Medicaid cards to individuals who were not entitled to Medicaid. In the course of this scheme, JENNINGS sold approximately 18 fraudulent Medicaid cards. As part of the scheme, JONES used her employee-specific identification number at her personal NYC-HRA workstation to create fraudulent Medicaid accounts in the names of fictitious individuals or the names of individuals who would ultimately receive the cards but were ineligible for Medicaid. In total, the eighteen fraudulent Medicaid accounts that

were part of this scheme resulted in the fraudulent billing of approximately \$387,000 to Medicaid.

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JENNINGS, 53, and JONES, 55, both of New York, New York, each face a maximum sentence of 40 years in prison.

Mr. Bharara praised the investigative work of the FBI, DOI, NYPD and the Drug Enforcement Administration in this investigation.

The case is being handled by the Office's Public Corruption Unit. Assistant U.S. Attorney Steve C. Lee is in charge of the prosecution.

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

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