



UNITED STATES ATTORNEY'S OFFICE

Southern District of New York

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FOR IMMEDIATE RELEASE
Tuesday, October 5, 2021
<http://www.justice.gov/usao/nys>

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FOUR DEFENDANTS CHARGED WITH COVID-19 FRAUD SCHEME

Defendants Charged With Abusing New York City's COVID-19 Hotel Room Isolation Program by Falsely Claiming to be Healthcare Workers and by Selling Hotel Rooms to Ineligible Individuals, Defrauding the Government of \$400,000

Audrey Strauss, the United States Attorney for the Southern District of New York, Margaret Garnett, the Commissioner of the New York City Department of Investigation ("DOI"), and Jonathan Mellone, Special Agent-in-Charge of the New York Regional Office of the U.S. Department of Labor - Office of Inspector General ("DOL-OIG"), announced charges against CHANETTE LEWIS, TATIANA BENJAMIN, TATIANA DANIEL, and HEAVEN WEST for participating in a scheme that defrauded New York City's COVID-19 Hotel Room Isolation Program of more than \$400,000. LEWIS was also charged with a second COVID-19 scheme involving unemployment benefits fraud. LEWIS and DANIEL were arrested today in New York and will be presented before Magistrate Judge Katharine H. Parker in Manhattan federal court. WEST was arrested in Atlanta, Georgia, and will be presented before Magistrate Judge Catherine M. Salinas in the Northern District of Georgia. BENJAMIN remains at large.

Manhattan U.S. Attorney Audrey Strauss said: "At the height of the COVID-19 pandemic in 2020, New York City designed a program to provide hotel rooms, free of cost, for qualifying individuals who could not safely self-isolate in their own homes, such as healthcare workers and individuals infected with COVID-19. As alleged, the defendants abused this program by falsely claiming to be healthcare workers and by selling hotel rooms to non-qualifying individuals. When, as alleged here, people illicitly exploit a public health crisis for private gain, they will find themselves facing criminal charges."

DOI Commissioner Margaret Garnett said: "During the heart of the COVID-19 pandemic, while this City grappled with soaring transmission and death rates, these defendants exploited the very City-run program meant to provide respite and isolation to healthcare workers and City residents desperately trying to find space to quarantine and stem the spread of the virus, according to the charges. These defendants shamelessly posted their illegal conduct on social media and sold personal identification information of medical professionals to further their scheme, which siphoned more than \$400,000 in hotel rooms paid for by the City and federal governments, according to the criminal complaint. DOI issued recommendations to the City Emergency Management to strengthen controls over this program, which has since ended, and

thanks the agency for reporting this matter to DOI. I want to also thank our federal law enforcement partners at the Office of the U.S. Attorney for the Southern District of New York and the Office of Inspector General for the U.S. Department of Labor for working in partnership with us to uncover these charged COVID-19-related crimes and holding those involved accountable.”

DOL-OIG Special Agent-in-Charge Jonathan Mellone said: “The Unemployment Insurance Program exists to provide needed assistance to qualified individuals who are unemployed due to no fault of their own. Fraud against the Unemployment Insurance Program distracts state workforce agencies from ensuring benefits go to individuals who are eligible to receive them. The Office of Inspector General will continue to work closely with our many law enforcement partners, to investigate those who exploit the Unemployment Insurance Program.”

According to the allegations contained in the Complaint:¹

In response to the COVID-19 pandemic, New York City created the COVID-19 Hotel Room Isolation Program (the “Program”). Funded by New York City and the Federal Emergency Management Agency, the Program provided free hotel rooms for qualifying individuals throughout New York City. The Program was open to: (1) healthcare workers who needed to isolate because of exposure to COVID-19; (2) patients who had tested positive for COVID-19; (3) individuals who believed, based on their symptoms, that they were infected with COVID-19; and (4) individuals who lived with someone who had COVID-19. As stated on the City’s website describing the Program, such individuals “may qualify to self-isolate in a hotel, free of charge, for up to 14 days if you do not have a safe place to self-isolate.” Those who wished to book a hotel room through the Program could either call a phone number or use an online hotel booking platform.

The four defendants defrauded the Program in at least two respects. First, they secured free Program hotel rooms for themselves by falsely claiming to be healthcare workers. Second, they sold fraudulently obtained hotel rooms – including rooms located in Manhattan and the Bronx – to customers who were ineligible for the Program. In total, the defendants collectively diverted more than 2,700 nights’ worth of hotel rooms through this scheme. The defendants charged varying amounts depending on the duration of the customers’ hotel stay (*e.g.*, \$150 for one week, or \$300 for two weeks). Customers paid the defendants in cash and using electronic payment services. The federal government and New York City paid more than approximately \$400,000 for the hotel rooms that were fraudulently diverted as a result of the defendants’ scheme.

LEWIS worked at a call center (“Call Center-1”) that handled phone calls and certain reservations for the Program for several months in 2020. LEWIS was hired specifically for the Program, and as a result of her employment, she had access to legitimate healthcare workers’ identifying information. LEWIS abused her position, including by misappropriating healthcare workers’ identifying information, revealing the Program’s inner workings to co-conspirators, and making unauthorized sales of Program hotel rooms to ineligible individuals. For instance, LEWIS sold BENJAMIN, for \$800, personal identifying information of at least five healthcare

¹ As the introductory phrase signifies, the entirety of the text of the Complaint and the description of the Complaint set forth below constitute only allegations, and every fact described should be treated as an allegation.

professionals, as well as certain “codes” to use when booking hotel reservations through the Program, such as the employee ID number and license number. LEWIS admitted, in Facebook messages, that she had stolen doctors’ identifying information in furtherance of the scheme, writing: “I work for 311 oem that how I got doctors licenses and stuff . . . I work in the part that I collect they information and I do and approval the booking . . . I take doctors and stuff certificate numbers and stuff.” LEWIS also advertised to potential customers that, when hotels asked for a healthcare worker’s identification, LEWIS would supply a purported paystub and a letter asserting that the individual was (purportedly) a healthcare worker.

All four defendants used Facebook to advertise the sale of fraudulently obtained Program hotel rooms; communicate with co-conspirators; and communicate directly with customers. LEWIS worked directly with BENJAMIN and DANIEL, while WEST worked with, among others, DANIEL. The defendants made various incriminating statements via Facebook, including the following statements: (1) LEWIS told one hotel customer, “I’m booking it as u a health care worker”; (2) BENJAMIN told a Facebook user, “Friend at 311 gave me the juice for the hotel so I been booking ppl rooms”; (3) DANIEL told LEWIS, “We gotta relocate that bitch they keep asking for employee ID”; and (4) when asked whether she had “rooms” available, WEST replied, “Nah I dead don’t bro / All essential hotels are clipped” and added: “They finding out we was scamming the system lol.” All four defendants were paid by, among other means, Cash App, and their Cash App accounts revealed payments where the memo line said, for instance, “1 month telly”, “Hotel Manhattan 2 week extension for Kenny []”, “for the 2 week room”, “ayo telly”, “2 week stay in Manhattan”, “the room”, and “hotel for july 4-6”.

LEWIS is also charged with a second COVID-19 scheme involving unemployment benefits fraud. LEWIS fraudulently obtained more than \$45,000 in unemployment benefits by claiming falsely that she had not been employed since February 2020 due to a lack of work because of the COVID-19 pandemic. In fact, LEWIS was employed for at least some of that period at Call Center-1, and LEWIS’s employment there ceased not because of the COVID-19 pandemic, but because LEWIS stopped showing up to work.

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The Complaint contains five counts. A chart containing the names, ages, residences, charges for each defendant, and maximum penalties, is set forth below. The statutory maximum sentences are prescribed by Congress and are provided here for informational purposes only, as any sentencing of the defendants will be determined by the judge.

Ms. Strauss praised the outstanding efforts of agents, investigators, and analysts from DOI, DOL-OIG, and the U.S. Attorney’s Office for the Southern District of New York. Ms. Strauss also thanked the New York/New Jersey High Intensity Drug Trafficking Area (HIDTA) Intelligence Analysts for their support and assistance in this investigation. She also expressed gratitude to the New York City Police Department, the New York State Department of Labor, and the DOL-OIG Atlanta Regional Office for their assistance. She added that the investigation is continuing.

This matter is being handled by the Office’s Complex Frauds and Cybercrime Unit. Assistant United States Attorney Michael D. Neff 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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Defendant, Age, Hometown	Charges, Maximum Penalties
<p>CHANETTE LEWIS, 30 Brooklyn, New York</p>	<p>Wire fraud: 20 years' imprisonment Wire fraud conspiracy: 20 years' imprisonment Honest services fraud: 20 years' imprisonment Aggravated identity theft: mandatory minimum term of 2 years' imprisonment, consecutive to any other term of imprisonment Theft of Government funds: 10 years' imprisonment</p>
<p>TATIANA BENJAMIN, 26 Queens, New York</p>	<p>Wire fraud: 20 years' imprisonment Wire fraud conspiracy: 20 years' imprisonment Aggravated identity theft: mandatory minimum term of 2 years' imprisonment, consecutive to any other term of imprisonment</p>
<p>TATIANA DANIEL, 27 Brooklyn, New York</p>	<p>Wire fraud: 20 years' imprisonment Wire fraud conspiracy: 20 years' imprisonment</p>
<p>HEAVEN WEST, 21 Brooklyn, New York</p>	<p>Wire fraud: 20 years' imprisonment Wire fraud conspiracy: 20 years' imprisonment</p>