

# **OFFICE OF WELFARE INSPECTOR GENERAL**

## **MISSION**

The Office of Welfare Inspector General was established in 1992 to prevent, investigate, and prosecute welfare fraud, waste, abuse and illegal acts involving social services programs at both the State and local levels. The Office investigates and when appropriate prosecutes welfare recipients who are dishonestly receiving benefits for which they are not eligible. It also investigates instances in which providers of Medicaid, day care or other social services are fraudulently receiving payments from government. The agency is also responsible for investigating any failure by State and local officials to investigate and prosecute such fraud and abuse within their jurisdiction. Furthermore, it is charged with recommending policies to prevent and to detect social services fraud, and then to monitor the implementation of these recommendations.

In carrying out its responsibilities, the Office works closely with various State agencies in support of fraud investigations. The Office of Temporary and Disability Assistance provides welfare program data and information concerning the application of program rules and regulations. Local social services districts assist the Office with identifying the amount of money fraudulently obtained from different welfare programs. The Attorney General assists the Office with the prosecution of those alleged to be involved in fraudulent activity. The Office also works with the Office of Children and Family Services on cases involving adult homes, and other community programs, as well as with the Department of Health and the Office of the Medicaid Inspector General on Medicaid-related cases.

## **ORGANIZATION AND STAFFING**

The Office is headed by the Welfare Inspector General who is appointed for a five-year term by the Governor with the advice and consent of the Senate. The Welfare Inspector General's statewide operations are administered from New York City with a field office in Albany.

## **BUDGET HIGHLIGHTS**

The Executive Budget recommends **\$1.6 million All Funds (\$420,000 General Fund; \$1.2 million Other Funds)** for the Office of Welfare Inspector General. This is an increase of **\$260,000 (\$12,000 General Fund increase; \$248,000 Other Funds increase)** from the 2007-08 Budget. This change primarily reflects inflation and fringe benefit costs.

The Office will have a workforce of **ten positions** for 2008-09, unchanged from the 2007-08 Budget.

## **PROGRAM HIGHLIGHTS**

The Office annually receives hundreds of complaints about alleged welfare fraud, waste and abuse that originate from citizens and other governmental agencies. The Office also generates investigations on its own initiative. Fraud investigations result in substantial savings for all levels of government by uncovering fraudulent activity by a member of a household receiving welfare, as well as unreported income or inappropriate claiming practices by those who provide day care, employment, health care or other services to

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welfare recipients. The Office annually works on approximately 200 fraud investigations and recovers funding which is repaid to the appropriate programs. Stopping fraudulent activity reduces future years' welfare costs by individuals who would otherwise continue to fraudulently take money from the government, and by providing a deterrent to those who may seek to defraud government programs.

In addition to investigations of individual welfare recipients, the Office completes investigations to uncover patterns of abuse within the welfare system including not only recipients but also social services agencies, organizations and contractors.

### **ALL FUNDS APPROPRIATIONS (dollars)**

| <b>Category</b>   | <b>Available<br/>2007-08</b> | <b>Appropriations<br/>Recommended<br/>2008-09</b> | <b>Change</b>  | <b>Reappropriations<br/>Recommended<br/>2008-09</b> |
|-------------------|------------------------------|---|----------------|---|
| State Operations  | 1,337,000                    | 1,597,000   | 260,000        | 0   |
| Aid To Localities | 0                            | 0   | 0              | 0   |
| Capital Projects  | 0                            | 0   | 0              | 0   |
| <b>Total</b>      | <b>1,337,000</b>             | <b>1,597,000</b>                                  | <b>260,000</b> | <b>0</b>  |

### **ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS**

#### **Full-Time Equivalent Positions (FTE)**

| <b>Program</b>   | <b>2007-08<br/>Estimated FTEs<br/>03/31/08</b> | <b>2008-09<br/>Estimated FTEs<br/>03/31/09</b> | <b>FTE Change</b> |
|--|--|--|-------------------|
| Welfare Inspector General, Office of the<br>General Fund | 4  | 4  | 0                 |
| Special Revenue Funds - Other                            | 6  | 6  | 0                 |
| <b>Total</b>   | <b>10</b>                                      | <b>10</b>                                      | <b>0</b>          |

### **STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)**

| <b>Fund Type</b>              | <b>Available<br/>2007-08</b> | <b>Recommended<br/>2008-09</b> | <b>Change</b>  |
|-------------------------------|------------------------------|--------------------------------|----------------|
| General Fund                  | 408,000                      | 420,000                        | 12,000         |
| Special Revenue Funds - Other | 929,000                      | 1,177,000                      | 248,000        |
| <b>Total</b>                  | <b>1,337,000</b>             | <b>1,597,000</b>               | <b>260,000</b> |

### **STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)**

| <b>Program</b>   | <b>Available<br/>2007-08</b> | <b>Recommended<br/>2008-09</b> | <b>Change</b>  |
|--|------------------------------|--------------------------------|----------------|
| Welfare Inspector General, Office of the<br>General Fund | 408,000                      | 420,000                        | 12,000         |
| Special Revenue Funds - Other                            | 929,000                      | 1,177,000                      | 248,000        |
| <b>Total</b>   | <b>1,337,000</b>             | <b>1,597,000</b>               | <b>260,000</b> |

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**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
2008-09 RECOMMENDED  
(dollars)**

| <b>Program</b>                           | <b>Total</b>   |               | <b>Personal Service Regular<br/>(Annual Salaried)</b> |               |
|--|----------------|---------------|---|---------------|
|  | <b>Amount</b>  | <b>Change</b> | <b>Amount</b>   | <b>Change</b> |
| Welfare Inspector General, Office of the | 420,000        | 12,000        | 420,000   | 12,000        |
| Total                                    | <u>420,000</u> | <u>12,000</u> | <u>420,000</u>  | <u>12,000</u> |

**STATE OPERATIONS - GENERAL FUND  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2008-09 RECOMMENDED  
(dollars)**

| <b>Program</b> | <b>Total</b>  |               |
|----------------|---------------|---------------|
|                | <b>Amount</b> | <b>Change</b> |
| Total          | <u>0</u>      | <u>0</u>      |

**STATE OPERATIONS - OTHER THAN GENERAL FUND  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2008-09 RECOMMENDED  
(dollars)**

| <b>Program</b>                           | <b>Total</b>     |                | <b>Personal Service</b> |               |
|--|------------------|----------------|-------------------------|---------------|
|  | <b>Amount</b>    | <b>Change</b>  | <b>Amount</b>           | <b>Change</b> |
| Welfare Inspector General, Office of the | 1,177,000        | 248,000        | 457,000                 | 13,000        |
| Total                                    | <u>1,177,000</u> | <u>248,000</u> | <u>457,000</u>          | <u>13,000</u> |

| <b>Program</b>                           | <b>Nonpersonal Service</b> |                |
|--|----------------------------|----------------|
|  | <b>Amount</b>              | <b>Change</b>  |
| Welfare Inspector General, Office of the | 720,000                    | 235,000        |
| Total                                    | <u>720,000</u>             | <u>235,000</u> |