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Description of document: Weekly reports summarizing the activities of the Department of Veterans Affairs (VA) Inspector General (OIG) Office of Investigations, 2013-2014

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Source of document: Department of Veterans Affairs
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Release of Information Office (50CI)
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**Department of Veterans Affairs
Office of Inspector General
Washington, DC 20420**

September 22, 2014

This responds to your Freedom of Information Act (FOIA) request dated August 20, 2014, in which you asked for a copy of the weekly or bi-weekly reports summarizing the activities of the VA OIG Office of Audits and Evaluations, the VA OIG Office of Healthcare Inspections, the VA OIG Office of Investigations, and the VA OIG Office of Management and Administration. Your request was received in this office on August 20, 2014.

We have assigned FOIA Tracking Number 14-00976-FOIA to your request. Please refer to it whenever communicating with VA about your request.

No documents exist that are responsive to your request for weekly or bi-weekly reports summarizing the activities of the OIG Offices of Audits and Evaluations, Healthcare Inspections, and Management and Administration. However, we have enclosed a copy of the requested records pertaining to the OIG Office of Investigations. We are withholding all information which, if disclosed, would constitute a clearly unwarranted invasion of an individual's personal privacy under FOIA Exemption 6, 5 U.S.C. § 552 (b)(6). Specifically, names, job titles and other information which could reveal the identity of individuals mentioned in the records have been withheld. We do not find any public interest that outweighs the privacy interests of the individuals.

You may appeal this decision within 60 calendar days of the date of this determination by submitting a signed, written statement by mail, fax, or email. You may submit your appeal by using either of the following addresses or fax number:

U.S. Department of Veterans Affairs
Office of Inspector General
Office of the Counselor (50C)
810 Vermont Avenue, N.W.
Washington, DC 20420

VAOIGFOIA-Appeals@va.gov

(Fax) 202.495.5859

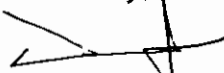
The appeal should include:

1. The name of the FOIA Officer
2. The date of the determination, if any
3. The precise subject matter of the appeal

If you choose to appeal only a portion of the determination, you must specify which part of the determination you are appealing.

The appeal should include a copy of the request and VA's response, if any. The appeal should be marked "Freedom of Information Act Appeal".

Sincerely,

A handwritten signature in black ink, appearing to read "Darryl Joe", is written over a horizontal line.

DARRYL JOE
Chief, Information Release Office

Enclosures

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
01/06/14

CHILD PORNOGRAPHY

A former Northport, NY VAMC environmental engineer was sentenced to 51 months' incarceration and 7 years' supervised release after having previously pled guilty to Accessing Child Pornography with Intent to View. As part of his supervised release, the defendant must submit to periodic polygraph examinations and avoid unsupervised contact with minors. A VA OIG and local police investigation revealed that while employed by VA the defendant searched for and accessed child pornography sites using VA systems. The investigation also disclosed that while the defendant was accessing the child pornography he was on bail for molesting an 11-year-old relative.

(2011-01080-IN-0052, SA (b)(6) Northeast Field Office)

THREATS

A veteran entered into a pre-trial diversion agreement with the United States Attorney's Office after making threats towards VA employees. The defendant must complete 12 months' probation and 24 hours' community service to comply with the agreement. A VA OIG and Federal Protective Service investigation revealed that in May 2013 the defendant made threats to use an explosive device to kill VA employees at the Winston-Salem, NC VARO.

(2013-02880-IA-0082, SA (b)(6) Fayetteville Resident Agency)

EDUCATION BENEFICIARY FRAUD

The owner of a beauty school in Richmond, VA, approved to teach cosmetology to students eligible to receive VA Post-9/11 GI Bill benefits, pled guilty to a criminal information charging her with False Statements. Additionally, the owner's friend, who previously owned a cosmetology school in Chesapeake, VA, also pled guilty to a criminal information charging her with False Statements. A VA OIG investigation determined that after the second defendant's school was destroyed by fire and she lost her teaching accreditation with the State of Virginia, she conspired with the first defendant to recruit and train students eligible to receive benefits in the Chesapeake area while submitting paperwork to VA fraudulently certifying that the students were enrolled and receiving training at the school in Richmond. The loss to VA is \$85,610.

(2013-01571-IA-0055, SA (b)(6) Mid-Atlantic Field Office)

THEFT OF GOVERNMENT FUNDS

A. A defendant pled guilty to Theft of Government Funds and Aggravated Identity Theft. A VA OIG and U.S. Department of State, Diplomatic Security Service investigation determined that the defendant used a fraudulent identity to enter the military and subsequently obtain VA education benefits. The investigation further determined that the defendant obtained multiple fraudulent passports using the stolen identities of at least five individuals. The loss to VA is \$122,134.

(2013-04226-IA-0104, SA (b)(6) Mid-Atlantic Field Office)

B. A veteran was charged with Larceny after a VA OIG and GSA OIG investigation revealed that he used a stolen GSA gas card, issued to VA, to make approximately \$2,217 in unauthorized gas purchases. When interviewed, the defendant admitted to purchasing gas for individuals in exchange for cocaine.

(2013-00598-IN-0032, SA (b)(6) Boston Resident Agency)

DECEASED BENEFICIARY FRAUD

The niece of a deceased VA beneficiary was indicted for Obtaining Property or Monies by False Pretenses. A VA OIG and local law enforcement investigation revealed that for 8 years the defendant received, forged, and negotiated her uncle's benefit checks after his death in March 2003. The loss to VA is \$67,000.

(2011-00056-IA-0095, SA (b)(6) Fayetteville Resident Agency)

DRUG DISTRIBUTION

A veteran was arrested for Selling and Delivering Oxycodone, Possession with Intent to Sell and Deliver Oxycodone, and Conspiracy. A VA OIG, NCIS, and local law enforcement investigation revealed that the defendant sold his VA prescribed Oxycodone and illegal drugs to other drug offenders and undercover law enforcement officers.

(2012-03533-IA-0101, SA (b)(6) Fayetteville Resident Agency)

BENEFICIARY TRAVEL FRAUD

A. A veteran was sentenced to 5 years' probation, 4 months' home confinement, and ordered to pay VA \$25,000 in restitution after pleading guilty to making False Claims. A VA OIG investigation revealed that the defendant filed fraudulent travel benefit claims with the White River Junction, VT VAMC resulting in the payment of inflated travel payments.

(2011-00786-IN-0075, SA (b)(6) Manchester Resident Agency)

B. A veteran was indicted and subsequently arrested for Theft of Government Funds. A VA OIG investigation revealed that the defendant submitted false claims to the Memphis, TN VAMC, certifying that he was traveling round-trip from Tupelo, MS, when he was actually residing approximately 1 mile from the medical center. The loss to VA is \$5,962.

(2011-01384-IS-0100, SA (b)(6) Nashville Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
01/13/14

SDVOSB FRAUD

The owner of a small business that contracted with VA to provide goods and services was arrested for fraudulently representing her company as a Service-Disabled Veteran-Owned Small Business in order to obtain more than \$1.2 million in Government contracts set aside for disabled veterans. A VA OIG, GSA OIG, and IRS CID investigation revealed that the defendant fraudulently certified that her father-in-law, who was a veteran, was the service-disabled owner of the company. The father-in-law was not service disabled and also had very little involvement with the company. In actuality, the company was managed by the defendant and her husband as they controlled all revenues and the company's daily operations.

(2011-02822-IN-0143, SA (b)(6) Northeast Field Office)

THEFT OF GOVERNMENT PROPERTY

A non-veteran was arrested for Theft and Burglary. A VA OIG and VA Police Service investigation revealed that on at least two occasions the defendant stole computers from the Tampa, FL VAMC. The defendant is also a suspect in the theft of additional computers from the same medical center. The defendant was apprehended while attempting to leave the facility with a computer and later told investigators that he intended to sell the computer for crack cocaine. The stolen computers were properly PGP encrypted. The loss to VA is approximately \$7,800.

(2014-01189-DS-0189, SA (b)(6) Southeast Field Office)

DRUG DIVERSION

A. A former UPS employee was sentenced to 70 to 84 months' incarceration and a \$50,000 fine after pleading guilty to larceny and possession of controlled substances. A VA OIG, local police, and UPS Corporate Security investigation revealed that the defendant stole four UPS packages containing VA prescribed narcotics shipped to veterans residing in North Carolina.

(2012-02462-IA-0011, SA (b)(6) Fayetteville Resident Agency)

B. A veteran was sentenced to 38 months' incarceration for selling and delivering Oxycodone. A VA OIG and local law enforcement investigation revealed that the

defendant sold his VA prescribed Oxycodone to undercover law enforcement officers.

(2012-04387-IA-0115, SA (b)(6) Asheville Resident Agency)

FRAUD

A veteran pled guilty to Wire Fraud, Aggravated Identity Theft, and Filing a False Tax Return. A multi-agency investigation revealed that from 2007 to 2013 the veteran created a series of fraudulent charter schools in order to receive approximately \$25,000,000 in surplus Government computer equipment under GSA's Computers for Learning Program. The defendant subsequently obtained computers from VA facilities located in multiple states. The computers fraudulently obtained from VA were valued at approximately \$1.9 million.

(2012-03920-IF-0083, SA (b)(6) Seattle Resident Agency)

IDENTITY THEFT

A Palo Alto, CA VAMC employee and three other subjects were indicted for Conspiracy, Bank Fraud, Access Device Fraud, Fraud in Connection with Identification Information, and Aggravated Identity Theft. A VA OIG and VA Police Service investigation revealed that the defendants conspired to access a protected VA computer system at the Palo Alto VAMC. The VAMC employee subsequently stole a VA employee's PII and used the identifiers to create unauthorized credit card accounts and counterfeit checks. All of the defendants subsequently used the credit card accounts and checks to make purchases at various stores. The purchased items were then sold for cash or traded for illegal narcotics.

(2014-01082-IF-0012, SA (b)(6) San Francisco Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
01/14/13

SEXUAL ASSAULT

A veteran was arrested for Sexual Battery of a Topeka, KS VAMC contract employee. A VA OIG and local police investigation revealed that the defendant sexually assaulted the female employee during a medical appointment. The defendant confessed to touching the employee without her consent.

(2012-4474-IC-0135, SA (b)(6) Kansas City Resident Agency)

THREATS

A veteran was sentenced to 4 months' home confinement, 5 years' probation, and a \$2,000 fine. The veteran was convicted at trial of making Terroristic Threats to a call taker at the Phoenix, AZ VA Call Center. A VA OIG and local police investigation revealed that the defendant told the call taker that he was going to the Atlanta VARO and shoot the first 3,000 people he saw if he did not receive a permanent rating decision within 5 business days.

(2012-01130-IS-0062, SA (b)(6) Atlanta Resident Agency)

EMBEZZLEMENT

A former Los Angeles, CA VAMC chief accountant was sentenced to 1 year of incarceration, 3 years' supervised release, and ordered to pay VA restitution of \$229,191 (missing funds). A VA OIG investigation revealed that the defendant embezzled \$681,087 of VA funds. The defendant stole checks sent to VA for various purposes to include prescription rebates, restitution from U.S. District Court, and insurance payments. The defendant then deposited the checks into the agent cashier's account at a commercial bank, later withdrawing the funds in a combination of cash and cashier checks. The defendant also embezzled funds from the State of California and non-profits working on the medical center campus.

(2010-02893-IW-0163, SA (b)(6) Western Field Office)

FIDUCIARY FRAUD

A. A former legal assistant working at a law firm was sentenced to 4 months' community confinement, 8 months' home confinement, 60 months' probation, and ordered to pay \$20,377 in restitution. A VA OIG investigation revealed that the defendant embezzled funds from 19 veteran fiduciary accounts. In an effort

to conceal the embezzlement from VA the defendant submitted falsified accountings to her fiduciary firm. The loss to VA is \$25,377.

(2009-03401-IS-0023, SA (b)(6) Atlanta Resident Agency)

B. A former VA court appointed fiduciary pled guilty to a criminal information charging him with Theft of Government Funds. A VA OIG and SSA OIG investigation revealed that the defendant embezzled \$460,679 of VA benefits and \$176,246 of SSA benefits from an incompetent veteran. The defendant admitted to submitting fraudulent accountings to both VA and the court by creating fake certificates of deposit.

(2012-03703-IS-0009, SA (b)(6) Nashville Resident Agency)

CONSPIRACY TO COMMIT HEALTH CARE FRAUD

The owner of a durable medical equipment provider was sentenced to 3 months' incarceration, 6 months' home confinement, 2 years' supervised release, and ordered to pay \$110,581 in restitution. The defendant previously pled guilty to Conspiracy to Commit Health Care Fraud. A former Cleveland, OH, VAMC purchasing agent working in the prosthetics department pled guilty to the same charge. The former VA employee used her position to provide competitor's bid information to the medical equipment provider and allowed for inflated payments for services provided. Also, in some instances the equipment was not installed by the provider, either because the veteran refused delivery or because the veteran died prior to delivery. The provider then charged VA as if the equipment had been installed.

(2007-3433-IC-0014, RAC (b)(6) Cleveland Resident Agency)

DECEASED BENEFICIARY FRAUD

A. An acquaintance of a deceased VA beneficiary was sentenced to 366 days' incarceration and ordered to pay VA \$52,677 in restitution after pleading guilty to Theft of Government Funds. A VA OIG investigation revealed that the defendant stole VA benefits that were direct deposited after the beneficiary's death in January 2005.

(2009-02871-IW-0213, RAC (b)(6) Phoenix Resident Agency)

B. The widow of a deceased veteran was indicted and subsequently arrested for Theft of Government Funds. The defendant admitted to stealing VA funds that were direct deposited and also to receiving, forging, and negotiating VA checks that were issued after her husband's death in December 2007. The loss to VA is \$76,998.

(2010-00025-IW-0106, SA (b)(6) San Francisco Resident Agency)

IDENTITY THEFT

A VA employee was sentenced to 24 months and 1 day of incarceration. A VA OIG and U.S. Secret Service investigation revealed that the defendant used stolen credit card numbers and identities to make over \$9,000 in online purchases from various retailers utilizing VA networks and computers.

(2009-02943-IS-0123, RAC (b)(6) West Palm Beach Resident Agency)

FUGITIVE FELON

A veteran wanted for Organized Scheme to Defraud was arrested at the West Palm Beach, FL VAMC by the local sheriff's office with the assistance of VA OIG and VA Police Service.

(2013-00086-IS-0046, SA (b)(6) West Palm Beach Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
01/20/14

CONSPIRACY TO KIDNAP

A former Bedford, MA VAMC Police Chief pled guilty to Conspiracy to Kidnap. A VA OIG and FBI investigation revealed that from the spring of 2011 to January 2013 the former police chief and two co-conspirators engaged in a series of email and instant message communications during which they discussed and planned the kidnapping, torture, and murder of the spouse and other family members of one of the co-conspirators. This planning included the co-conspirator providing the former police chief with photographs of these family members and the approximate location of their residence. The co-conspirators ceased active planning of the kidnapping when the FBI arrested a New York City police officer for a related kidnapping conspiracy and began investigating one of the co-conspirators. In addition, beginning in approximately January 2013, the former police chief, one of the co-conspirators, and an undercover agent began discussions about kidnapping a woman. The former police chief participated in multiple conversations with both the undercover agent and the other co-conspirator about the conspiracy's objective to kidnap and commit acts of violence against the intended victim (undercover FBI agent) and other women. The co-conspirator purchased a high-voltage Taser gun, based on the police chief's recommendation, which they intended to use in the commission of the kidnapping. VA computers were examined by the VA OIG Computer Crimes and Forensics Lab, resulting in the discovery of incriminating evidence. Charges against the two co-conspirators are pending further judicial action.

(2013-02472-IN-0102, RAC (b)(6) and SA (b)(6) Northeast Field Office)

THREATS

A former Seattle, WA VAMC employee was charged in a criminal information with making a threat to bomb the medical center. A VA OIG and VA Police Service investigation determined that the defendant wrote two separate letters indicating that multiple bombs would detonate somewhere in the medical center within two weeks. No bombs or improvised explosive devices were found. The defendant later admitted that he wrote the letters as a diversionary tactic in order to delay an investigation that was being conducted by VA Police Service and GSA OIG over his suspected misuse of a Government fuel credit card.

(2013-04522-IF-0002, SA (b)(6) Seattle Resident Agency)

FIDUCIARY FRAUD

A VA fiduciary pled guilty to Theft of Government Funds. A VA OIG and local District Attorney's investigation revealed that the defendant embezzled \$202,319 in VA benefits from five veterans. The defendant used the money to pay personal expenses, issue loans to other people, and other non-authorized expenses.

(2012-03668-ID-0005, SA (b)(6) Jackson Resident Agency)

DRUG DIVERSION

A former Togus, ME VAMC pharmacy technician was sentenced to 2 years' probation and a \$4,000 fine after pleading guilty to Theft of Government Property. A VA OIG investigation revealed that the defendant stole VA non-controlled pills (Simvastatin, Fioricet and Phrenalin) and one controlled narcotic (Vicodin) from the VA pharmacy. A subsequent inventory of the prescription, non-controlled pain medications disclosed that the pharmacy was missing over 4,700 pills. The defendant admitted to stealing the Simvastatin for her husband and the pain medications for her own use.

(2013-01358-IN-0060, SA (b)(6) Manchester Resident Agency)

COMPENSATION BENEFICIARY FRAUD

A veteran and his wife were arrested for Theft of Government Funds, False Statements, and Conspiracy to Defraud the United States. A VA OIG investigation revealed that the defendants submitted false claims to VA in order to receive VA disability compensation and education benefits for injuries allegedly sustained while in the United States Marine Corps. The loss to VA is approximately \$90,000.

(2013-0238-IS-0012, SA (b)(6) Southeast Field Office)

DECEASED BENEFICIARY FRAUD

A. The widow of a deceased veteran was sentenced to 5 months' incarceration, 36 months' probation, and ordered to pay VA \$76,998 in restitution after pleading guilty to Theft of Government Funds. A VA OIG investigation revealed that the defendant stole VA benefits that were direct deposited and issued by Treasury check after her husband's death in December 2007. The loss to VA is \$76,998.

(2010-00025-IW-0106, SA (b)(6) San Francisco Resident Agency)

B. The son of a deceased VA beneficiary was sentenced to 42 months' probation and ordered to pay restitution of \$57,792 after pleading guilty to Theft of Public Money. A VA OIG investigation revealed that the defendant received, forged,

and negotiated his father's VA benefit checks after his father's death in August 2007.

(2013-00120-IS-0097, SA (b)(6) Nashville Resident Agency)

DOCTOR SHOPPING

A veteran was sentenced to 36 months' probation and ordered to attend an alcohol and drug treatment program after pleading guilty to Obtaining a Controlled Substance by Fraud and Selling of a Controlled Substance. A VA OIG and local law enforcement investigation revealed that the defendant received narcotics from multiple providers and then sold the drugs for profit. The defendant's ability to receive controlled substances from VA has been terminated.

(2013-00210-IS-0131, SA (b)(6) Nashville Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
01/21/13

HOMICIDE

A former Richmond, VA VAMC housekeeping aid was sentenced to life imprisonment after pleading guilty to the use of a firearm in relation to a crime of violence that caused the death of another. A VA OIG and FBI investigation determined that the defendant, after engaging in a brief verbal confrontation with two individuals in the medical center parking lot, shot one of the individuals in the shoulder with a .38 caliber revolver. Upon seeing the victim fall to the ground, the defendant followed the second individual a short distance and then returned to the victim, shooting him a second time.

(2012-01868-IA-0050, SA (b)(6) Mid-Atlantic Field Office)

DRUG DISTRIBUTION

The last of six veterans was sentenced to 15 months' incarceration after previously pleading guilty to distributing and conspiring to distribute controlled substances at the Bedford, MA VAMC. Five of the veterans received probationary sentences with periods ranging from 2 to 5 years. These sentences followed an extensive 6 month VA OIG, VA Police Service, and DEA investigation into drug distribution at the medical center, a facility that has multiple services for substance abuse and addiction rehabilitation.

(2011-03876-IN-0178, SA (b)(6) Boston Resident Agency)

FIDUCIARY FRAUD

A former VA fiduciary was sentenced to a minimum 6 months' court supervised sobriety program and ordered to pay \$83,652 in restitution after pleading guilty to Theft of Government Funds. A VA OIG and SSA OIG investigation determined that from April 2005 to September 2009 the defendant, who was acting as his brother's fiduciary, embezzled VA and SSA benefits for his personal use.

(2011-01229-IF-0042, SA (b)(6) Seattle Resident Agency)

IDENTITY THEFT

A veteran pled guilty to Mail Fraud after fraudulently receiving advanced VA education payments under the GI Bill. A VA OIG investigation revealed that the defendant, while on active duty, obtained a personnel roster that contained Personally Identifiable Information of other service members. After being

discharged from the service, the defendant used the identities of the six veterans to request advanced VA education payments. The veteran had the checks, in the names of other veterans, mailed to her address and created false powers of attorney in order to negotiate the checks. The loss to VA is \$18,000.

(2011-02339-IF-0050, SA (b)(6) Seattle Resident Agency)

PENSION BENEFICIARY FRAUD

A veteran was sentenced to 5 years' probation and ordered to jointly pay VA \$177,108 in restitution. A VA OIG investigation revealed that the defendant and his live-in girlfriend structured their business in the girlfriend's name to hide the defendant's income in order to qualify for VA pension benefits. Accordingly, the veteran and his girlfriend operated the business for over 8 years while the veteran received VA pension benefits and co-pay exempt VA healthcare. The defendant is also being charged in a separate case with Delivery of a Controlled Substance for selling his VA prescribed morphine tablets.

(2009-02821-IW-0224, SA (b)(6) Northwest Field Office)

DRUG DIVERSION

A. A U.S. Postal Service (USPS) clerk was arrested for larceny, receiving stolen property, possession of heroin, oxycodone, other controlled pharmaceuticals, and trafficking of oxycodone. A VA OIG, USPS OIG, and local police investigation revealed that the defendant stole at least four VA shipments of controlled narcotics in addition to a large amount of U.S. mail. The items recovered included a VA test package, a stolen VA package containing oxycodone, 1.6 grams of heroin, approximately 24 cell phones, gift cards, and assorted U.S. mail.

(2013-00250-IN-0049, RAC (b)(6) Manchester Resident Agency)

B. A former VA community residential care home employee was arrested for Diversion of a Controlled Substance. A VA OIG investigation revealed that the defendant illicitly obtained clonazepam from several veterans living at the home and that she attempted to conceal the theft by replacing the stolen clonazepam with over-the-counter pills. This case was initiated when it was discovered that several veterans were going to be short on their monthly VA prescription medication supply.

(2011-03140-IN-0139, SA (b)(6) Boston Resident Agency)

C. A former United Parcel Service employee pled guilty to Theft of Government Funds. The defendant was observed on a surveillance camera at a sorting facility cutting open VA packages, removing the medication, and then hiding the

medication on his person. The defendant confessed that he targeted VA packages containing oxycontin and hydrocodone and that after stealing the drugs he used some for personal use, gave some to friends, and traded some for marijuana.

(2011-01836-IF-0033, SA (b)(6) Seattle Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
01/27/14

FIDUCIARY FRAUD

A. The brother of a VA beneficiary was indicted for Theft, Money Laundering, and Theft of Entrusted Property. A VA OIG, SSA OIG, and local police investigation revealed that the defendant, who was a VA appointed fiduciary, submitted an accounting to VA that falsely identified expenses pertaining to his brother for entertainment, clothing, and room and board. During this time period, the veteran was a bedridden inpatient at a VA medical center. The defendant was also found to have used his brother's Social Security benefits for personal gain. When interviewed, the defendant admitted to embezzling both the VA and SSA benefits and using those funds to buy a car and for travel. The loss to the VA beneficiary is over \$100,000.

(2013-00955-IN-0083, SA (b)(6) Northeast Field Office)

B. A former VA fiduciary pled guilty to Misappropriation by a Fiduciary. A VA OIG investigation revealed that from 2005 to 2009 the defendant misappropriated approximately \$72,169 in VA benefits from his brother and used the stolen funds to pay for personal expenses.

(2012-00263-IC-0012, SA (b)(6) Cleveland Resident Agency)

ASSAULT ON A FEDERAL OFFICER

A veteran was sentenced to a \$1,000 fine and a \$25 special assessment after pleading guilty to Assault on a Federal Officer. A VA OIG investigation revealed that the veteran struck a Reno, NV VAMC police officer in the face and chest while the officer was in the performance of his official duties.

(2013-03215-IF-0083, SA (b)(6) Sacramento Resident Agency)

DECEASED BENEFICIARY FRAUD

The granddaughter of a deceased VA beneficiary pled guilty to Theft of Government Funds. A VA OIG investigation determined that the defendant stole VA funds that were direct deposited after her grandmother's death in January 2008. The loss to VA is \$49,179.

(2011-00055-IS-0139, SA (b)(6) Atlanta Resident Agency)

DRUG DISTRIBUTION

A VA employee and her husband pled guilty to Trafficking Oxycodone and the Sale of Marijuana. The pleas stemmed from a 7 month undercover multi-agency drug diversion task force investigation (Operation Tango Vax). Operation Tango Vax focused on combating the sale and distribution of illicit and controlled prescription pharmaceutical drugs at the West Palm Beach, FL VAMC and in the surrounding community by VA employees, veterans, and their associates. The investigation identified the majority of all criminal activity occurred at the medical center resulting in over 3,000 Oxycodone pills, two vehicles, and \$180,920 in cash seized during the investigation.

(2011-00113-IS-0048, RAC (b)(6) and SA (b)(6) West Palm Beach Resident Agency)

IDENTITY THEFT

A veteran's brother pled guilty to possession of a fraudulent Florida driver's license, making a false application for a Florida driver's license, and fraudulent use of identification. A VA OIG and Florida Highway Patrol investigation revealed that the defendant, who was not a veteran, obtained a Florida driver's license and received treatment at the Miami, FL VAMC while using his brother's identity. The defendant received approximately \$59,403 in VA medical care to which he was not entitled.

(2011-00924-IS-0132, SA (b)(6) West Palm Beach Resident Agency)

THEFT OF GOVERNMENT PROPERTY

A. A former Cleveland, OH VAMC employee pled guilty to Theft of Government Property and False Statements. A VA OIG and VA Police Service investigation revealed that the defendant stole 3,220 pounds of aluminum conduit piping from the medical center and sold it to a metal recycling center. The stolen aluminum piping and inside wiring were for a backup generator at the medical center. When the generator was tested after the theft, there were multiple computer network failures, including the computerized patient record system. The piping and wiring had to be replaced in order for the backup generator to function. The defendant agreed to pay VA \$12,338 in restitution.

(2013-02557-IC-0085, SA (b)(6) Cleveland Resident Agency)

B. A veteran pled guilty to Interstate Transportation of Stolen Property. VA construction equipment and VA contractor equipment were stolen from the Chillicothe, OH VAMC. Some of the stolen VA equipment was subsequently located in West Virginia. The defendant admitted to transporting and selling the stolen property in West Virginia, as well as selling some of the stolen equipment

at a local pawn shop. A stolen generator was also recovered during a search of the defendant's residence. The value of the stolen property is approximately \$89,200.

(2012-00471-IC-0121, SA (b)(6) Cleveland Resident Agency)

THEFT OF GOVERNMENT FUNDS

Two former West Palm Beach, FL VAMC employees were indicted for Conspiracy, Theft, and False Statements. A VA OIG investigation revealed that one of the defendants, who previously worked at the U.S. Attorney's Human Resources (HR) office, conspired with a fellow VA HR employee to alter and forge leave records from the Department of Justice. The altered and forged documents enabled the employee to fraudulently receive approximately \$16,608 in leave.

(2011-04290-IS-0167, RAC (b)(6) West Palm Beach Resident Agency)

BENEFICIARY TRAVEL FRAUD

The last of sixteen defendants was sentenced as a result of a VA OIG and VA Police Service travel benefits fraud investigation at the Cleveland, OH VAMC. The defendants received sentences ranging from probation to 18 months' incarceration. In addition, eight additional defendants were charged in state court with filing false travel vouchers. The loss to VA was approximately \$353,000.

(2010-01347-IP-0051, SA (b)(6) Cleveland Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
1/28/13

COMPENSATION BENEFICIARY FRAUD

A. A veteran pled guilty to Theft of Government Property after a VA OIG investigation disclosed that he made false statements in order to fraudulently obtain VA disability benefits. From 2000 to 2012 the defendant received VA compensation payments for panic disorder with agoraphobia, a back injury, and aid and attendance. The defendant admitted that he defrauded VA by exaggerating his disabilities and lying about his ability to work. The loss to VA is approximately \$329,000.

(2010-02490-IN-0050, SA (b)(6) Manchester Resident Agency)

B. A veteran and his spouse pled guilty to Conspiracy, False Statements, Theft of Government Funds, and Social Security Administration (SSA) Fraud and were subsequently sentenced to 30 months and 20 months' incarceration respectively. The defendants were also ordered to pay \$326,390 in restitution to VA and SSA and were required to forfeit \$78,804 in funds that were previously seized from their bank account. A VA OIG, SSA OIG, FBI, and U.S. Air Force investigation revealed that the defendants conspired to fraudulently obtain benefits from VA and SSA by providing numerous false statements and forged documents which reflected that the veteran had participated in Special Operations combat duty in Vietnam and Iran while he was a member of the U.S. Air Force.

(2010-00296-IS-0032, SA (b)(6) Nashville Resident Agency)

IDENTITY THEFT

A. A superseding indictment was filed charging a veteran with Possession of Child Pornography, Failure to Register as a Sex Offender, False Statements in Order to Acquire a Firearm, Health Care Fraud, and Aggravated Identity Theft, in addition to the original charges of Fraudulently Obtaining a U.S. Passport and Possessing Firearms as a Convicted Felon. A VA OIG investigation revealed that the defendant, who resided in Vermont, assumed a North Carolina veteran's identity for the past 7 years and used the false identity to obtain a U.S. passport, purchase firearms, vote, obtain employment, and obtain VA-funded medical care through the VA fee basis program. A computer analysis conducted by VA OIG's Computer Forensics Laboratory identified child pornography linked to the defendant. The defendant continues to be detained.

(2012-04547-IN-0260, SA (b)(6) Manchester Resident Agency)

B. A non-veteran was arrested for the Criminal Use of a Personal Identification, Fraudulently Obtaining Goods or Services from a Healthcare Provider, and Organized Scheme to Defraud. A VA OIG, VA Police Service, and local police investigation revealed that the defendant stole a veteran's identity in order to fraudulently receive approximately \$19,000 in VA medical care and services.

(2013-00475-IS-0074, SA (b)(6) West Palm Beach Resident Agency)

DECEASED BENEFICIARY FRAUD

The son of a deceased beneficiary was sentenced to 24 months' probation and a \$2,000 fine. The defendant had previously paid full restitution of \$64,048 to VA. A VA OIG investigation determined that the defendant continued to access a joint bank account after his mother's death in April 2007 and used the VA benefits to pay for personal expenses.

(2011-00055-IS-0075, SA (b)(6) Southeast Field Office)

DRUG DIVERSION

A veteran was sentenced to time served (2 days' incarceration) and ordered to pay \$850 in fees and fines after pleading guilty to Delivery of a Controlled Substance. During a VA OIG and local police investigation, the defendant sold his VA prescribed morphine tablets to an undercover detective.

(2009-02821-IW-0224, SA (b)(6) Spokane Resident Agency)

BENEFICIARY TRAVEL FRAUD

A veteran was sentenced to 21 months' incarceration, 3 years' supervised release, and ordered to pay restitution of \$14,333. A VA OIG investigation revealed that the defendant, who resided in Gainesville, FL, filed false travel claims for travel from St. Augustine, FL to the Gainesville, FL VAMC.

(2011-00140-IS-0034, SA (b)(6) Tallahassee Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
02/03/14

ASSAULT

A veteran was indicted for Assault after a VA OIG and VA Police Service investigation revealed that he assaulted two VA police officers while at the Bath, NY VAMC. At the time of the assault, the defendant was being processed by the medical staff for possible admission into an addiction treatment unit. The veteran was previously arrested on a criminal complaint and is being held pending further judicial action.

(2014-00099-IN-0035, SA (b)(6) Buffalo Resident Agency)

DRUG DIVERSION

A former Nashville, TN VAMC supervisory pharmacist was indicted and arrested for Theft and Official Misconduct. A VA OIG investigation revealed that the defendant diverted large amounts of drugs from the medical center where she was employed as the night shift supervisor.

(2013-03074-IS-0192, RAC (b)(6) Nashville Resident Agency)

EDUCATION BENEFICIARY FRAUD

A veteran was indicted for Theft of Government Funds after a VA OIG investigation revealed that he falsely claimed to be attending school at a community college. The defendant made these fraudulent claims in order to obtain Post 9/11 GI Bill benefits and carried out his scheme by obtaining and submitting VBA documentation used by schools to certify enrollment. The loss to VA is approximately \$70,000.

(2013-02533-IF-0087, SA (b)(6) San Francisco Resident Agency)

THEFT OF GOVERNMENT PROPERTY

A. A former Lexington, KY VA Police Service lieutenant was sentenced to time served, 36 months' probation, and ordered to pay \$765 in restitution. A VA OIG investigation revealed that the defendant, a police armorer, was allowed unescorted access to the VA Police armory. Subsequently, the defendant stole four Beretta 9mm semi-automatic handguns. The defendant then pawned the handguns for cash throughout the local community. VA OIG and the VA Police Service were able to recover the stolen weapons.

(2012-03485-IS-0177, RAC (b)(6) Nashville Resident Agency)

B. A former Jackson, MS VAMC x-ray technician was indicted and subsequently arrested for the theft of a VA computer from an examination room at the medical center. The laptop was recovered at a junior college by VA OIG and the campus police.

(2013-02477-ID-0032, SA (b)(6) Jackson Resident Agency)

THEFT OF GOVERNMENT FUNDS

A certified nursing assistant providing contract services to the Philadelphia, PA VAMC pled guilty to Theft of Government Funds. A VA OIG investigation revealed that the defendant filed fraudulent time sheets with her employer who then billed VA for payment. The defendant claimed to work an average of 100 hours per week during a period when no actual work was performed. The defendant's employer assisted during the investigation and because of a Corporate Integrity Agreement with the Government from a previous investigation and deferred prosecution, repaid VA's loss of \$78,819 following the defendant's plea.

(2013-03114-IN-0144, SA (b)(6) Northeast Field Office)

DRUG THEFT

A former United Parcel Service employee was indicted for Theft and Possessing a Schedule II Drug. A VA OIG investigation revealed that the defendant stole a VA package containing Oxycodone and then used some of the stolen narcotics.

(2013-00210-IS-0171, SA (b)(6) Nashville Resident Agency)

DECEASED BENEFICIARY FRAUD

A. The daughter of a deceased VA beneficiary pled guilty to Theft of Government Funds. A VA OIG investigation determined that the defendant stole VA benefits that were direct deposited after the beneficiary's death in December 2005. The defendant admitted to using the stolen funds for personal expenses. The loss to VA is \$56,744.

(2012-00030-IS-0178, SA (b)(6) Tallahassee Resident Agency)

B. The sister of a deceased beneficiary pled guilty to Theft of Government Funds. A VA OIG investigation determined that the defendant stole VA benefits from a joint bank account after her brother's death in November 2008. The loss to VA is \$39,454.

(2012-00030-IS-0174, SA Michael Newberg, Tallahassee Resident Agency)

C. The niece of a deceased VA beneficiary was indicted for Theft of Government Funds. A VA OIG investigation revealed that the defendant stole VA benefits that were direct deposited to a joint bank account after the beneficiary's death in July 2007. The loss to VA is \$44,057.

(2009-00276-ID-0177, SA (b)(6) Houston Resident Agency)

D. The grandson of a deceased VA and SSA beneficiary was arrested for Theft by Deception and Forgery. A VA OIG and SSA OIG investigation revealed that the defendant received, forged, and negotiated VA and SSA benefit checks after his grandfather's death in October 2006. The loss to the Government is \$18,224.

(2013-02112-IN-0126, SA (b)(6) Northeast Field Office)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
2/04/13

SDVOSB FRAUD

A veteran was sentenced to 100 hours' community service at a veterans' service organization, 5 years' probation, and a \$206,844 fine after pleading guilty to Making False Statements for representing his company as a Service Disabled Veteran Owned Small Business (SDVOSB). A VA OIG investigation revealed that the defendant submitted claims to VBA for service connected disability in 1969 and 2009 and was denied service connection for each of his claims. The defendant fraudulently certified his company as an SDVOSB and VA awarded approximately \$5,849,000 in VA SDVOSB set-aside contracts to the company between August 2009 and March 2011. Approximately \$3,571,000 of the contract awards were funded with American Reinvestment and Recovery Act funds.

(2011-02893-IF-0069, SA (b)(6) Seattle Resident Agency)

ASSAULT

An inpatient at the Northampton, MA VAMC was arrested for assaulting a VA employee. A VA OIG and VA Police Service investigation revealed that the defendant punched the victim in the head several times and bit the employee on the side of the neck. The employee required medical treatment to include blood testing.

(2012-04471-IN-0006, SA (b)(6) Manchester Resident Agency)

CHILD PORNOGRAPHY

A veteran was arrested after being indicted for Possession of Child Pornography. A VA OIG investigation determined that the defendant viewed sexually explicit images of minor children while a patient at the Dayton, OH VAMC. The defendant had the material on a removable computer storage device and viewed the images in a computer room available to patients at the medical center. The defendant was previously convicted of possessing child pornography in 2003.

(2010-03373-IC-0131, SA (b)(6) Cleveland Resident Agency)

FIDUCIARY FRAUD

A former VA fiduciary was sentenced to 5 years' probation and ordered to pay VA \$68,358 in restitution after pleading guilty to Theft of Government Funds. A VA OIG investigation determined that the defendant continued to receive and

negotiate VA benefit checks, as the VA appointed fiduciary, for a veteran who died in October 2009.

(2012-00113-IW-0006, SA (b)(6) Phoenix Resident Agency)

HEALTH CARE FRAUD

A non-veteran was arrested for Theft of Government Funds after a VA OIG investigation revealed that he fraudulently received VA health care. The investigation determined that the defendant never served in the U.S. Marine Corps and was previously un-enrolled from the Naval Reserve Officer Training Corps. The defendant admitted to lying about being a combat veteran and receiving injuries from an improvised explosive device while in Afghanistan in order to receive VA medical benefits. The defendant fraudulently received approximately \$100,000 in VA medical care.

(2012-02201-IS-0211, SA (b)(6) West Palm Beach Resident Agency)

DECEASED BENEFICIARY FRAUD

A deceased widow's son was sentenced to 3 months' incarceration, 3 months' home detention, 21 months' supervised release, and ordered to pay \$63,876 in restitution after pleading guilty to Theft of Government Funds. A VA OIG investigation revealed the defendant stole VA benefits deposited into his mother's bank account after her death in June 2004.

(2009-00264-IS-0039, SA (b)(6) Nashville Resident Agency)

COMPENSATION BENEFICIARY AND WORKERS COMPENSATION FRAUD

A veteran was found guilty at trial of Mail Fraud, Wire Fraud, False Statements, and Workers Compensation Fraud against VA and the U.S. Navy. A VA OIG and NCIS investigation revealed that since 2005 the veteran received over \$400,000 in fraudulent VA individual unemployability benefits and Department of Labor workers compensation benefits by claiming dual compensation for an on the job injury and by failing to disclose to VA that he was in receipt of OWCP benefits. Additionally, while receiving both benefits the veteran was managing a successful landscaping business. The loss to VA is over \$143,000.

(2012-01240-IW-0088, RAC (b)(6) San Diego Resident Agency)

DRUG DIVERSION

A former United Postal Service employee was sentenced to 2 years' probation and ordered to pay \$992 in restitution. A VA OIG and local law enforcement investigation revealed that from December 2011 to May 2012 the defendant opened and stole medication from VA packages. The defendant specifically targeted vicodin, methadone, oxycodone, oxycontin, hydrocodone, and morphine. The defendant estimated that he stole approximately 500 pills from 40 to 50 VA packages and that the drugs were stolen for personal use.

(2012-01541-IF-0077, SA (b)(6) Seattle Resident Agency)

EMPLOYEE THEFT

A former Togus, ME VAMC Canteen Service cashier was sentenced to 12 months' deferred prosecution, 40 hours' community service, a \$300 fee, and ordered to pay \$344 in restitution. A VA OIG and VA Police Service investigation, which included the use of a polygraph, determined that the defendant stole cash from the Canteen Service's retail store. The defendant subsequently resigned from VA.

(2013-00541-IN-0037, SA (b)(6) Manchester Resident Agency)

DESTRUCTION OF GOVERNMENT PROPERTY

A Prescott, AZ VAMC employee was indicted for Fraudulent Schemes and Theft-Converting Services or Property. A VA OIG investigation revealed that the defendant intentionally allowed time sensitive laboratory reagents to expire and then destroyed them because she did not want to complete the work involved in validating newly purchased lab equipment with these reagents. The loss to VA is approximately \$50,000.

(2012-03051-IW-0108, SA (b)(6) Phoenix Resident Agency)

FORGERY

A subject was charged with Forgery and Receiving Stolen Property. A VA OIG and local police investigation revealed that the defendant stole and forged VA and Social Security benefit checks and gave them to a now deceased friend to negotiate. The loss to the Government is \$2,641.

(2012-01356-IN-0238, SA (b)(6) Manchester Resident Agency)

BENEFICIARY TRAVEL FRAUD

A veteran was charged with Theft of Government Property after a VA OIG investigation revealed that from May 2005 to June 2011 he filed 126 fraudulent travel vouchers at the Boise, ID VAMC. The defendant, who resided in subsidized housing in Boise, claimed that he resided in another part of the state or in a different state. The loss to VA is \$10,641.

(2012-01803-IF-0044, SA (b)(6) Spokane Resident Agency)

FUGITIVE FELON

A veteran wanted for felony Theft and Drug Possession was arrested by local law enforcement and U.S. Marshals with the assistance of VA OIG agents.

(2013-00086-IS-0077, SA (b)(6) West Palm Beach Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
02/10/14

THREAT

A veteran was sentenced to 8 months' incarceration and 2 years' probation after pleading guilty to making a false bomb threat. A VA OIG and sheriff's office investigation revealed that the veteran called the VA Crisis Hotline and said he had four pounds of C4 and ball bearings and that he was going to the Detroit VARO for payback after being denied benefits.

(2013-03247-IC-0086, SA (b)(6) Central Field Office)

IDENTITY THEFT

A. A veteran pled guilty to Aggravated Identity Theft, Wire Fraud, and Bank Fraud. A VA OIG, SSA OIG, Treasury OIG, and Washington Social and Health Services investigation revealed that the defendant stole the personal identification of two veterans to establish fraudulent VA e-Benefit accounts and re-route compensation payments to prepaid debit cards. The defendant obtained information on over 100 individuals and caused a combined loss of over \$85,000 to VA, SSA, private individuals, and corporations.

(2013-01083-IF-0039, SA (b)(6) Seattle Resident Agency)

B. A non-veteran was found guilty at trial of Wire Fraud, Theft of Government Funds, and Aggravated Identity Theft. A VA OIG, IRS CID, and Florida Highway Patrol investigation revealed that the defendant used veterans' Personal Identifying Information (PII) from stolen VA medical records and other information to file \$630,783 in fraudulent tax returns.

(2012-03445-IS-0052, SA (b)(6) Southeast Field Office)

C. A non-veteran pled guilty to Conspiracy to Defraud the Government, Access Device Fraud, and Aggravated Identity Theft. A VA OIG, IRS CID, and local police investigation revealed that the defendant used veterans' PII from stolen VA medical records and other information to file \$522,981 in fraudulent tax returns.

(2012-03448-IS-0031, SA (b)(6) Southeast Field Office)

DECEASED BENEFICIARY FRAUD

A. The son of a deceased VA beneficiary was charged with Theft of Government Funds. A VA OIG and FBI investigation revealed that the defendant stole VA benefits that were direct deposited to a joint account after his father's death in December 2010. The defendant admitted to using the VA funds for personal use. The loss to VA is \$83,979.

(2013-4443-IF-13, SA (b)(6) Seattle Resident Agency)

B. The daughter of a deceased veteran pled guilty to Theft of Government Funds. A VA OIG investigation revealed that the daughter received, forged, and negotiated VA benefit checks that were issued after her mother's death in April 2008. The loss to VA is \$44,570.

(2013-00123-IF-0080, SA (b)(6) Sacramento Resident Agency)

C. The niece of a deceased beneficiary pled guilty to Theft of Public Money. After her aunt's death in April 2005, the defendant transferred VA funds from her deceased aunt's account into another account in her aunt's name. The defendant then withdrew the funds and used them to pay her expenses. The loss to VA is \$105,765.

(2013-00119-IC-0068, SA (b)(6) Central Field Office)

D. The friend of a VA widow beneficiary was sentenced to 2 years' probation and ordered to pay restitution of \$130,071 after pleading guilty to Theft of Government Funds. A VA OIG investigation revealed that the defendant stole VA benefits that were direct deposited after the beneficiary's death in April 2003.

(2013-01943-IC-0082, SA (b)(6) Central Field Office)

COMPENSATION BENEFICIARY FRAUD

A veteran was indicted for Health Care Fraud and False Statements Relating to Health Care Matters. A VA OIG investigation revealed that the defendant misrepresented the extent and severity of his disabilities. Specifically, the veteran claimed, and was rated for, the loss of use of both of his feet. In actuality, the defendant is capable of walking unassisted. The loss to VA is approximately \$260,000.

(2010-02158-ID-0010, SA (b)(6) Houston Resident Agency)

EMPLOYEE MISCONDUCT

A VA Police Officer was sentenced to 2 months' incarceration, 1 year of supervised release, and ordered to pay a \$300 special assessment fee. A VA OIG investigation revealed that the officer used his position to access a state law enforcement database to obtain personal information regarding a U.S. Army service member and extorted the service member by threatening to post sexually explicit images and provide embarrassing information on social media if the victim failed to pay additional money on a previously satisfied personal loan. The defendant used VA networks and computers to send the extortion emails to the victim. Also, while off-duty and not in any official capacity, the defendant conducted a traffic stop of an off-duty local police officer, using his personally owned vehicle, equipped with emergency lights, siren, and radio.

(2012-02510-IS-0125, RAC (b)(6) West Palm Beach Resident Agency)

DOCTOR SHOPPING

A veteran was arrested for Obtaining a Controlled Substance by Misrepresentation, Fraud, Forgery or Deception after a VA OIG and state Attorney General investigation revealed that for 5 months the veteran received over 1,000 tablets of Schedule II controlled substances from VA and non-VA providers.

(2013-02905-IA-0092, SA (b)(6) Pittsburgh Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
2/11/13

HEALTHCARE FRAUD

A. Three former New Orleans, LA VAMC employees pled guilty to a criminal information charging them with Conspiracy to Commit Healthcare Fraud. A VA OIG investigation revealed that between January 2001 and December 2008 the defendants devised a scheme to defraud VA by creating false companies and billing patient files using the identities of veterans registered with the medical center. The health care services were never provided to the veterans. The payments associated with the fraudulently submitted bills were then split among the defendants. The loss to VA is approximately \$563,000.

(2011-02323-ID-0073, SA (b)(6) Jackson Resident Agency)

B. A veteran, who was ineligible to receive VA benefits, was indicted for Theft of Government Services. A VA OIG investigation revealed that the defendant submitted a fraudulent DD-214 to VA and that from April 2009 to August 2012 he received extensive VA medical care and medication from various VA medical centers. The loss to VA is approximately \$307,000.

(2012-04227-IA-0110, SA (b)(6) Columbia Resident Agency)

DRUG DIVERSION

A. A former Roseburg, OR VAMC pharmacy technician was sentenced to 24 months' incarceration and ordered to pay \$23,475 in restitution. A VA OIG and DEA investigation revealed that for approximately 18 months the defendant stole over 6,000 tablets of controlled narcotics from the medical center pharmacy by posting false drug orders in the Vista database. As part of the scheme, the defendant manipulated Vista by placing disbursement orders to make it appear narcotics were being replenished in narcotic dispensing machines located throughout the medical center. In particular, the technician selected dispensing machines that did not normally stock a narcotic and so avoided inventory contradictions, automated replenishment orders, and oversight controls. The loss to VA was approximately \$23,500.

(2011-03215-IF-0071, SA (b)(6) Seattle Resident Agency)

B. A former UPS employee was sentenced to 35 to 42 months' incarceration and a \$50,000 fine after pleading guilty to Trafficking in Oxycodone. A VA OIG and state police investigation revealed that the defendant and a co-conspirator stole parcels containing VA prescribed narcotics while processing UPS packages.

The thefts impacted approximately 44 veterans causing delays in their health care. The co-conspirator has also pled guilty and is awaiting sentencing.

(2010-02356-IA-0083, SA (b)(6) Fayetteville Resident Agency)

PRESCRIPTION FRAUD

A former Biloxi, Mississippi VAMC nurse was charged with Prescription Forgery. A VA OIG and state investigation revealed that the defendant used the names and personal identifying information of two veterans from the medical center to commit the fraud.

(2012-01330-ID-0031, SA (b)(6) Jackson Resident Agency)

PENSION BENEFICIARY FRAUD

A veteran was indicted for Theft of Government Funds and False Statements. A VA OIG investigation revealed that for several years the defendant concealed his income from VA. Due to his alleged severe disabilities, the defendant received Aid and Attendance and his wife was appointed as his VA fiduciary. The defendant was rated as permanently and totally disabled and having no income. In actuality, the defendant was employed as a pastor at different churches, worked as a handyman, and drove a race car in a stock car race. The loss to VA is approximately \$254,000.

(2011-02786-IA-0130, SA (b)(6) Columbia Resident Agency)

COMPENSATION BENEFICIARY FRAUD

A. A veteran was indicted and arrested for Theft of Government Funds, Workers Compensation Fraud, and False Statements. The VA rated the defendant as 100% service disabled for PTSD, fibromyalgia, and back issues after reporting that he was socially isolated, could not tolerate crowded areas, lift heavy objects, and was unable to function in society. A VA OIG, U. S. Postal Service OIG, and DOL OIG investigation revealed that during this time the defendant coached youth sports, participated in events, bred and sold dogs for profit, and lifted heavy objects. The loss to VA is approximately \$51,000 and the loss to the U.S. Postal Service is in excess of \$288,000.

(2009-03018-IA-0049, SA (b)(6) Fayetteville Resident Agency)

B. A veteran was indicted and arrested for Interstate Threats against VA Employees, Theft of Government Funds, False Impersonation of an Officer or Employee of the United States, and Smuggling Night Vision Goggles from the United States. The defendant was rated 100% service disabled for PTSD, back and neck issues, and Chronic Obstructive Pulmonary Disease. A VA OIG, DCIS,

and ICE investigation revealed that the defendant submitted a fraudulent DD-214 to VA, misrepresented his true level of functioning, impersonated military personnel, participated in civilian contracted military exercises, taught martial arts, and illegally bought and sold military grade lasers overseas. The loss to VA is approximately \$120,000.

(2009-03435-IA-0034, SA (b)(6) Fayetteville Resident Agency)

DECEASED BENEFICIARY FRAUD

The son of a deceased VA beneficiary was indicted for Theft of Government Funds. A VA OIG investigation determined the defendant withdrew VA benefits from a joint bank account after his mother's death in October 2009. The loss to VA is \$33,600.

(2012-00031-IA-0034, SA (b)(6) Pittsburgh Resident Agency)

BENEFICIARY TRAVEL FRAUD

A veteran was arrested after being indicted for False Statements and False Claims. A VA OIG investigation revealed that for 16 months the defendant submitted fraudulent beneficiary travel claims to the White River Junction, VT VAMC. The loss to VA is approximately \$26,000.

(2011-00786-IN-0075, SA (b)(6) Manchester Resident Agency)

EMPLOYEE THEFT

A Lyons, NJ VAMC employee was arrested for Theft after a VA OIG, GSA OIG, and local prosecutor's office investigation determined that he was using the GSA Fleet card to purchase fuel for his personally owned vehicle. The investigation further determined that the defendant fueled his vehicle twice a week from June 2012 to February 2013. The loss to VA is approximately \$7,500.

(2012-03627-IN-0237, SA (b)(6) Northeast Field Office)

FUGITIVE FELON

A veteran wanted for felony Assault on a Police Officer was arrested at the Phoenix, AZ VAMC by local law enforcement with the assistance of VA OIG agents.

(2013-00088-IW-0035, SA (b)(6) Phoenix Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
02/17/14

PROPERTY MANAGEMENT FRAUD/BID RIGGING

Three defendants were sentenced after pleading guilty to Wire Fraud. The first defendant was sentenced to 2 years' incarceration and 3 years' supervised release. The second defendant was sentenced to 5 years' probation and the third defendant was sentenced to 2 years' incarceration and 3 years' supervised release. All three defendants were ordered to pay VA a total of \$147,285 in restitution. A VA OIG investigation revealed that these defendants and three others were involved in rigging bids to refurbish VA-acquired properties. The other defendants were previously sentenced.

(2007-01908-IC-0081, SA (b)(6) Central Field Office)

BRIBERY

A former Palo Alto, CA VAMC employee pled guilty to Bribery. A VA OIG and FBI investigation revealed that the defendant, who was a Contracting Officer's Representative, accepted bribes to include cash, airplane tickets for personal travel, and payments for his personal credit card bills in exchange for his influence in getting work for VA contractors. The defendant also provided contractors with confidential pricing information on various construction projects and used his influence to promise continued work to the contractors. The investigation determined that the defendant received \$16,527 in bribes and gifts.

(2006-03469-IW-0291, SA (b)(6) San Francisco Resident Agency)

IDENTITY THEFT

A former volunteer at the Tampa, FL VAMC pled guilty to Conspiracy to Defraud the Government, Access Device Fraud, and Aggravated Identity Theft. A VA OIG, IRS CID, and local police investigation revealed that the defendant stole VA patients' Personal Identifying Information (PII), traded it for crack cocaine and used the PII to file \$522,981 in fraudulent tax returns.

(2012-03448-IS-0031, SA (b)(6) Southeast Field Office)

DRUG DIVERSION

A former U.S. Postal Service (USPS) employee was sentenced to 27 days' incarceration (time served) after pleading guilty to Theft of Mail by an Employee. A VA OIG and USPS OIG investigation determined that the defendant opened

and removed Schedule II narcotics from VA drug parcels before delivering the remaining pills to the recipient. The defendant admitted to stealing the narcotics for personal use.

(2013-00210-IS-0133, SA (b)(6) Nashville Resident Agency)

FORGERY

A veteran was sentenced to 3 months' incarceration, 15 years' probation, and ordered to pay \$20,691 in restitution after pleading guilty to Forgery in the First Degree. A VA OIG, U.S. Secret Service, USPS OIG, and Georgia Department of Revenue investigation revealed that the defendant participated in an organized scheme to negotiate stolen U.S. Treasury and state revenue checks.

(2011-01022-IS-0069, SA (b)(6) Atlanta Resident Agency)

COMPENSATION BENEFICIARY FRAUD

The widow of a deceased veteran pled guilty to a criminal information charging her with Theft of Government Funds. A VA OIG investigation revealed that the defendant submitted false statements to VA in an effort to conceal her remarriage in 2011, resulting in the continued payment of VA DIC benefits. The loss to VA is \$23,511.

(2013-00494-ID-0015, SA (b)(6) Jackson Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
2/18/13

SEXUAL ASSAULT

A veteran was arrested for sexually assaulting a VA employee at the Manchester, NH VAMC. A VA OIG, VA Police Service, and local police investigation revealed that the defendant grabbed the employee in the groin area while at the employee's desk. The victim was subsequently absent from work because she felt frightened by the incident.

(2013-01409-IN-0069, SA (b)(6) Manchester Resident Agency)

EMBEZZLEMENT

A former American Federation of Government Employees union president pled guilty to Theft of Union Funds. A VA OIG and Department of Labor, Office of Labor Management Standards, investigation revealed that the defendant, while serving as the president of the VA Hospital Workers Union, wrote approximately 187 checks to himself for \$112,477 from the union's checking account.

(2008-02800-IN-0018, SA (b)(6) New York Resident Agency)

EMPLOYEE THEFT

A former VA Pacific Islands Health Care System employee was sentenced to 56 months' probation, ordered to participate in a mental health program, and to pay VA \$3,841 in restitution after pleading guilty to Theft of Government Funds. A VA OIG investigation determined that the defendant stole funds from a cash donation made to VA for use in support of a veteran's community center. The defendant subsequently resigned from VA.

(2012-01463-IF-0034, SA (b)(6) San Francisco Resident Agency)

DECEASED BENEFICIARY FRAUD

The daughter of a deceased beneficiary was arrested after being indicted for Theft of Government Funds. A VA OIG and SSA OIG investigation determined that the defendant stole \$68,086 in VA benefits and \$120,332 in SSA benefits that were direct deposited into her mother's account after her mother's death in April 2003. The defendant admitted to using the stolen funds for personal use.

(2013-00194-IS-0017, SA (b)(6) Atlanta Resident Agency)

DRUG THEFT

A former contract driver for the U.S. Postal Service was sentenced to 33 months' incarceration and ordered to pay \$1,113 in restitution after pleading guilty to Theft of Mail and Possession of Oxycodone with Intent to Distribute. A VA OIG and Postal Inspection Service investigation revealed that the defendant stole mail, to include VA controlled substances. The defendant admitted to stealing and selling the VA drugs.

(2012-002520-IS-0179, SA (b)(6) Nashville Resident Agency)

FORGERY

A. The girlfriend of a veteran was indicted for Theft of Government Funds after a VA OIG investigation disclosed that she stole, forged, and negotiated two VA benefits checks intended for the veteran. The loss to VA is \$32,063.

(2012-03390-IS-0043, SA (b)(6) Tallahassee Resident Agency)

B. The former neighbor of a veteran was charged with Theft by Deception after a VA OIG and local police investigation revealed that she stole and forged the veteran's VA pension benefit check. The defendant was identified in bank surveillance photos. The loss to VA is \$1,522.

(2012-01356-IN-0238, SA (b)(6) Manchester Resident Agency)

BENEFICIARY TRAVEL FRAUD

A veteran who was previously charged with Grand Theft pled nolo contendere and was sentenced to 48 months' probation, a \$550 fine, and ordered to pay VA \$3,369 in restitution. From May 2011 to October 2012 the defendant claimed that he traveled 82 miles round trip to the St. Petersburg, FL VAMC, when in actuality, he resided approximately 7 miles from the medical center.

(2012-04013-IS-0028, SA (b)(6) Southeast Field Office)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
02/24/14

BRIBERY/KICKBACKS

The former Director of the Cleveland, OH VAMC and the Dayton, OH VAMC pled guilty to 64 corruption-related charges. The plea agreement also requires the defendant to pay more than \$400,000 in restitution, forfeiture, and fines. A 2 year VA OIG and FBI investigation revealed that the defendant engaged in money laundering, fraud, and conspiracy to defraud VA by accepting thousands of dollars from contractors in exchange for inside information. As part of the scheme, the defendant conspired with employees of a company to defraud VA by providing confidential information about VA contracts and projects the company was seeking to obtain, causing a potential loss to the Government of approximately \$20 million.

(2012-00275-IC-0051, SA (b)(6) Cleveland Resident Agency)

ASSAULT

A veteran was arrested for assaulting an East Orange, NJ VAMC employee. A VA OIG investigation revealed that the defendant attacked a social worker by spitting in her face and fracturing her elbow. The defendant was held pending a bail hearing.

(2014-01695-IN-0065, SA (b)(6) Northeast Field Office)

THEFT OF GOVERNMENT PROPERTY

A defendant was charged in a criminal information with Theft of Government Property and with Introducing into Interstate Commerce a Stolen Device that was Misbranded. A VA OIG and Food and Drug Administration investigation revealed that the defendant stole eight Olympus endoscopy and colonoscopy scopes from VA medical centers in Dayton, OH and Fort Wayne, IN. The defendant also admitted to the theft of scopes from other public and private hospitals. The loss to VA is approximately \$220,000.

(2012-0947-IC-0068, SA (b)(6) Central Field Office)

IDENTITY THEFT

A. A veteran was sentenced to 30 months' incarceration, 36 months' supervised release, and ordered to pay VA \$178,607 in restitution. A VA OIG investigation revealed that for over 7 years the defendant, a wanted fugitive felon, used the

identity of his brother and fraudulently received approximately \$178,000 in VA healthcare benefits and pension benefits. The defendant's brother resides in the Netherlands and never applied for or received any VA benefits. During the investigation, evidence was secured by the State Department through the Dutch National Police that was critical to the defendant's conviction.

(2007-03301-IN-0049, SA (b)(6) Northeast Field Office)

B. A non-veteran pled guilty to Conspiracy to Defraud the Government, Access Device Fraud, and Aggravated Identity Theft. A second non-veteran pled guilty to Access Device Fraud and Aggravated Identity Theft. A VA OIG, IRS CID, and local police investigation revealed that the defendants used veterans' Personal Identifying Information (PII) obtained from stolen Tampa, FL VAMC medical records to file \$469,391 in fraudulent tax returns.

(2011-03512-IS-0001, SA (b)(6) Southeast Field Office)

PENSION BENEFICIARY FRAUD

A veteran was sentenced to 60 months' probation, 180 days' home detention, and ordered to pay VA \$63,562 in restitution after pleading guilty to making False Statements. A VA OIG investigation revealed that between August 2007 and July 2011 the defendant failed to report his earnings in order to fraudulently receive VA pension benefits. The loss to VA is \$63,562.

(2009-00520-IS-0103, SA (b)(6) Southeast Field Office)

TRAVEL BENEFICIARY FRAUD

A veteran pled guilty to Theft of Government Funds after a VA OIG investigation revealed that for over 5 years the defendant filed more than 450 fraudulent travel vouchers with the Tuscaloosa, AL VAMC. The defendant claimed to be traveling from Mississippi when he actually resided in Tuscaloosa. The loss to VA is \$42,750.

(2013-00463-IS-0071 SA (b)(6) Southeast Area Field Office)

ADMINISTRATIVE INVESTIGATION

The Administrative Investigations Division issued a report titled: Administrative Investigation, Failure to Properly Supervise, Misuse of Official Time and Resources, and Prohibited Personnel Practice, VA Center for Innovation, VA Central Office.

(2013-01488-IQ-0010, Administrative Investigator (b)(6) 51Q)

WEEKLY HIGHLIGHTS
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2/25/13

ASSAULT

A veteran pled guilty to the assault of a Lyons, NJ VAMC police officer. A VA OIG investigation revealed that the veteran, while an in-patient at the medical center, assaulted VA police officers on multiple occasions while officers were responding to several different medical assistance calls. The defendant was held without bail since his arrest in July 2012 due to his assaultive behavior towards the judge, the prosecutor, and the U. S. Marshals during his initial appearance. The defendant was released into the custody of state officials for parole violations while he awaits sentencing.

(2012-03371-IN-0208, SA (b)(6) Northeast Field Office)

DECEASED BENEFICIARY FRAUD

The son of a deceased VA beneficiary was arrested for Forgery, Theft by Unlawful Taking or Disposition, Theft by Deception, and Receiving Stolen Property. A VA OIG and local police investigation revealed that for several years the defendant received, forged, and negotiated approximately 49 checks intended for his deceased mother by depositing the checks into his bank account. The loss to VA is \$6,517.

(2012-00032-IN-0249, SA (b)(6) Northeast Field Office)

DRUG THEFT

A United Parcel Service (UPS) employee was sentenced to 2 years' probation after pleading guilty to stealing VA controlled substance packages. A VA OIG and UPS Security investigation revealed that for approximately 6 months the defendant opened and removed controlled substances and other drugs from packages at a UPS distribution center. According to pharmacy records, the substances diverted included oxycodone, hydromorphone, and diazepam. In order to conceal the theft, the defendant taped the packages and placed them back onto the shelves for distribution.

(2012-03182-IN-0209, SA (b)(6) New York Resident Agency)

DRUG DIVERSION

A. A former Tucson, AZ VAMC nurse was indicted for Fraudulent Schemes and Acquisition of a Narcotic Drug. A VA OIG investigation revealed that for 6 months the defendant stole over 1,700 controlled substance medications to

include morphine, oxycodone, and hydromorphone. The defendant tested positive for hydromorphone and morphine use after completing a drug screen.

(2011-02983-IW-0007, SA (b)(6) Phoenix Resident Agency)

B. A former Martinsburg, WV VAMC registered nurse pled guilty to Acquiring and Obtaining a Controlled Substance by Misrepresentation, Fraud, Forgery, Deception, and Subterfuge. A VA OIG and VA Police Service investigation revealed that on approximately 78 occasions the defendant retrieved controlled medication from the facility's automated Pyxis medication dispensers using the names of VA patients whose electronic medical records indicated that they did not receive the medication.

(2009-03645-IA-0037, SA (b)(6) Mid-Atlantic Field Office)

C. The wife of a deceased veteran was indicted for False Statements Relating to Health Care Matters and Mail Fraud. A VA OIG investigation revealed that on multiple occasions after the death of her husband the defendant requested and received refills of his VA prescription narcotics. The defendant admitted to receiving and using the VA pharmaceuticals for her own use.

(2012-02029-ID-0064, SA (b)(6) South Central Field Office)

THEFT OF GOVERNMENT PROPERTY

A former Fayetteville, NC VA Compensated Work Therapy worker was sentenced to 31 days' incarceration (time served) after pleading guilty to Felony Larceny and Obtaining Property by False Pretenses. Final judgment was continued indefinitely due to the defendant's terminal cancer. A VA OIG and local police investigation determined that the defendant stole and then sold several VA laptop computers.

(2012-00812-IA-0026, SA (b)(6) Fayetteville Resident Agency)

BENEFICIARY TRAVEL FRAUD

A veteran pled guilty to Theft of Government Property after a VA OIG investigation revealed that from May 2005 to June 2011 he filed 126 fraudulent travel vouchers at the Boise, ID VAMC. The defendant claimed VA beneficiary travel from multiple states, when in actuality he resided less than 3 miles from the medical center. The loss to VA is \$10,641.

(2012-01803-IF-0044, SA (b)(6) Spokane Resident Agency)

WEEKLY HIGHLIGHTS
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3/03/14

BRIBERY

A former VA contracting officer pled guilty to Receipt of a Bribe by a Public Official. A VA OIG and FBI investigation revealed that for approximately 4 years the defendant, responsible for administering VA contracts worth millions of dollars, accepted bribes including cash, two vehicles, airplane tickets, hotel stays, and professional football tickets all worth \$105,742 in exchange for her influence in awarding contracts. In return for the bribes, the defendant was able to ensure continuous work for the contractors at various VA campuses.

(2006-03469-IW-0291, SA (b)(6) San Francisco Resident Agency)

PROCUREMENT FRAUD

A VA contractor was arrested for Conspiracy, Mail Fraud, Wire Fraud, and Bank Fraud relating to a large-scale Ponzi scheme. A VA OIG and FBI investigation revealed that the defendant accepted more than \$125 million from investors who believed they were financing company contracts to supply latex gloves to VA. In reality, company sales totaled only about \$25,000 per year. As part of the scheme, the defendant falsified VA invoices and letters, and also requested one of his employees to impersonate a VA contracting official.

(2014-00183-IF-0009, SA (b)(6) Sacramento Resident Agency)

COMPENSATION BENEFICIARY FRAUD

A. A veteran was indicted and subsequently arrested for Wire Fraud, Theft, Identity Theft, Aggravated Identity Theft, False Statements, and False Statements in Application and Use of a Passport. A VA OIG and Bureau of Diplomatic Security Service (DSS) investigation revealed that the defendant fraudulently enlisted in the U.S. Army by using his cousin's identity after being discharged and barred from re-enlistment under his own identity. The defendant admitted to using his cousin's identity in order to fraudulently re-enlist and obtain VA compensation, education, and medical benefits. The loss to VA is approximately \$904,000.

(2011-03433-IS-0029, SA (b)(6) West Palm Beach Resident Agency)

B. A veteran pled guilty to Conspiracy to Defraud the United States. A VA OIG investigation revealed that the defendant submitted false claims to VA in order to receive VA disability compensation and education benefits for injuries allegedly sustained while in the United States Marine Corps. The loss to VA is approximately \$90,000.

(2013-0238-IS-0012, SA (b)(6) Southeast Field Office)

C. The widow of a veteran receiving Dependency and Indemnity Compensation benefits pled guilty to Theft of Public Money. A VA OIG investigation revealed that the defendant failed to notify VA of her remarriage. The loss to VA is \$61,353.

(2013-00010-IS-0051, SA (b)(6) Nashville Resident Agency)

D. A veteran was sentenced to 5 months' incarceration, 5 months' home detention, 1 year of supervised probation, and ordered to pay VA restitution of \$101,163 after pleading guilty to Knowingly Making False Statements Related to a Health Care Matter. A VA OIG investigation revealed that the defendant made materially false statements concerning his physical abilities and alleged physical limitations. The loss to VA is \$119,490.

(2008-02302-ID-0204, SA (b)(6) Little Rock Resident Agency)

E. A veteran voluntarily surrendered after being indicted for Health Care Fraud and Making False Statements Pertaining to Healthcare Matters. A VA OIG investigation revealed that the subject misrepresented the extent and severity of his disabilities. The defendant claimed he was unable to walk and was rated for loss of use of both feet. In actuality, the defendant was able to walk without any assistance. The loss to VA is approximately \$260,000.

(2010-02158-ID-0010, SA (b)(6) Houston Resident Agency)

F. A veteran was charged with Making False Statements, Mail Fraud, Wire Fraud, and Fraud relating to the defendant's receipt of VA Compensation and Office of Workers' Compensation benefits. A VA OIG, DOL OIG, USPS OIG, and VA Police Service investigation revealed that in 2008 the defendant sought to increase his VA benefit payments and advised VA that due to an injury connected with his military service in 1978 he was confined to a wheelchair and unable to engage in everyday activities like walking, driving, and dressing. Though this claim was initially denied, it was later awarded on appeal and the defendant was paid a large retroactive payment. Additionally, the defendant, in order to obtain Workers' Compensation benefits from his employment with the United States Postal Service, falsely claimed that his mobility was limited due to a work injury, that he was only able to walk with the assistance of a cane, and

could not lift more than five pounds. Investigators observed and secured video of the defendant engaging in activities that contradicted his disability claims.

(2012-03358-IN-0201, SA (b)(6) Buffalo Resident Agency)

G. A veteran pled guilty to Theft of Government Property after fraudulently obtaining individual unemployability benefits. A VA OIG investigation revealed that between February 2006 and October 2007 the defendant concealed his employment from VA on multiple employment questionnaires. The loss to VA is \$26,900.

(2007-01641-IS-0204, SA (b)(6) Nashville Resident Agency)

DECEASED BENEFICIARY FRAUD

A. The son of a deceased VA beneficiary was sentenced to 60 months' probation and ordered to pay \$58,027 in restitution after pleading guilty to Theft of Government Funds. A VA OIG investigation determined the defendant stole VA benefits that were direct deposited to a joint account after his mother's death in October 2009. The defendant admitted to using the VA funds for personal expenses.

(2013-00120-IS-0132, SA (b)(6) Tallahassee Resident Agency)

B. The son of a VA Dependency and Indemnity Compensation beneficiary pled guilty to a criminal information charging him with Theft of Government Property. A VA OIG investigation disclosed that from January 2010 to October 2013 the defendant stole over \$53,000 in VA benefits that were direct deposited after his mother's death in January 2010.

(2014-00063-IN-0005, SA (b)(6) Manchester Resident Agency)

WORKERS' COMPENSATION FRAUD

A Dallas, TX VAMC licensed vocational nurse pled guilty to Making a False Statement to Obtain Federal Employee's Compensation. A VA OIG and DOL OIG investigation revealed that from November 2007 to June 2011 the defendant received OWCP benefits while she was gainfully employed during all or part of that time period. The defendant admitted to being employed while receiving OWCP benefits and to providing false information in an effort to conceal her employment.

(2011-04446-ID-0021, SA (b)(6) South Central Field Office)

FORGERY

Four defendants were arrested after being indicted for Conspiracy, Mail Fraud, Check Forgery, Aggravated Identity Theft, and Access Device Fraud. A VA OIG and U.S. Secret Service investigation revealed that the defendants were involved in a conspiracy to steal and negotiate U.S. Treasury checks from VA and IRS. One of the co-conspirators was a former VISN employee. After indictment, two defendants fled and were captured two months later by the U.S. Marshals Service. Both subjects were ordered held pending trial.

(2013-02978-ID-0049, SA (b)(6) Jackson Resident Agency)

DRUG THEFT

A former U.S. Postal Service maintenance manager was sentenced to 5 years' probation and ordered to pay a \$8,000 fine and \$558 in restitution. A VA OIG and USPS OIG investigation revealed that between April and October 2012 the defendant stole more than 17 mail packages containing the Schedule II narcotic Vicodin that was shipped from a VA Consolidated Mail Outpatient Pharmacy. The defendant confessed to stealing all of the VA's missing medications and was in possession of two of the packages when caught by postal supervisors.

(2012-02765-IN-0227, SA (b)(6) Manchester Resident Agency)

DRUG DISTRIBUTION

A veteran was arrested for Possession of Heroin with Intent to Distribute. A VA OIG and VA Police Service investigation revealed that the defendant sold heroin to patients at the Boston, MA VAMC. The defendant was identified during an undercover operation at the medical center, and when confronted the defendant admitted to being in possession of heroin that he intended to sell.

(2013-02500-IN-0101, SA (b)(6) Boston Resident Agency)

THEFT

A former employee of a VA affiliated non-profit research institute pled guilty to Theft from Programs Receiving Federal Funds and Misuse of a Passport. A VA OIG, ICE, DDS, and SSA OIG investigation revealed that the defendant used a false Social Security Number (SSN), date of birth, and passport to conceal his criminal history and obtain employment with the research institute. After gaining employment, the defendant fraudulently opened two corporate accounts in the name of a VA research group and deposited 20 checks totaling approximately \$68,000. When arrested, the defendant was living approximately 100 miles away from his initial location and had obtained employment and housing using another fictitious name, SSN, date of birth, and passport. The other investigative

agencies joined the case after it was determined that the defendant committed additional criminal offenses in an effort to elude capture and gain new employment.

(2013-01278-IN-0050, SA (b)(6) Boston Resident Agency)

BENEFICIARY TRAVEL FRAUD

A. A veteran was sentenced to 60 months' probation and ordered to pay VA restitution of \$10,687 after pleading guilty to Theft of Government Funds. A VA OIG investigation revealed the defendant submitted 148 fraudulent travel vouchers falsely claiming that he attended VA sponsored physical therapy appointments at an affiliate university and also provided forged letters from the university to support his claim.

(2012-00523-IW-0014, SA (b)(6) Las Vegas Resident Agency)

B. A veteran pled guilty to Theft of VA benefits after submitting nearly \$4,000 in false beneficiary travel claims to the Togus, ME VAMC between August and December 2012. The veteran admitted to submitting the false travel claims after a VA OIG investigation determined that the property address listed by the veteran did not exist.

(2013-00782-IN-0075, SA (b)(6) Manchester Resident Agency)

FUGITIVE FELON

A veteran was arrested by the local police with the assistance of VA OIG and the VA Police Service at the Phoenix, AZ VAMC. The veteran had been shot by local police and was wanted for unlawful flight from law enforcement and aggravated assault with a weapon against an officer.

(2014-00074-IW-0042, SA (b)(6) Phoenix Resident Agency)

WEEKLY HIGHLIGHTS
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COMPENSATION BENEFICIARY FRAUD

A veteran pled guilty to aggravated Misappropriation, Misrepresentation, Fraud, and Possession and Transfer of False Documents and was sentenced to time served, order to pay \$652,652 in restitution, and to serve probation until he repays the full restitution amount, including a provision that the defendant is to spend 1 day in jail for each instance of non-payment to VA. A VA OIG Benefits Inspections revealed that the defendant fraudulently received both VA compensation and pension benefits based upon multiple fraudulent enlistments in the U.S. Army and a fraudulent Social Security card. This case is the VA OIG's first prosecution and conviction in the Commonwealth of Puerto Rico after securing legal standing from Puerto Rico's Attorney General. The VA OIG became the first Federal Law Enforcement Agency to have the ability to present criminal cases directly to the Commonwealth Attorney for prosecution.

(2009-03006-IS-0046, SA (b)(6) West Palm Beach Resident Agency)

CHILD PORNOGRAPHY

A former West Los Angeles, CA VAMC employee was found guilty at trial of Possession of Child Pornography and was sentenced to 9 years' incarceration, followed by a lifetime of supervised release. The defendant previously pled guilty to the sexual abuse of his daughter in his apartment which was located at the Hines, II VAMC.

(2010-02317-IW-0157, SA (b)(6) Western Field Office,)

PATIENT ABUSE

A Phoenix, AZ VAMC nurse was indicted for Vulnerable Adult Abuse, Fraudulent Schemes, Forgery, Theft, Identity Theft, and Negligent Homicide. A VA OIG and local law enforcement investigation determined that the defendant provided inadequate care and treatment to VA placed veterans at three assisted living facilities that she owned and operated. The state of Arizona subsequently closed down the facilities and condemned the buildings. The veterans were returned to the medical center or placed in other facilities approved by VA. The defendant also forged CPR certifications for her staff by forging the name of a retired medical center CPR trainer.

(2010-03881-IW-0203, RAC (b)(6) Phoenix Resident Agency)

DRUG DISTRIBUTION

A VA respiratory therapist was sentenced to 12 years' incarceration, with a 6 year mandatory minimum, and a \$157,860 fine after pleading guilty to trafficking in oxycodone. The plea stemmed from a 7 month multi-agency drug diversion task force investigation. Operation Tango Vax focused on combating the sale and distribution of illicit and controlled prescription pharmaceuticals at the West Palm Beach, FL VAMC and the surrounding community by VA employees, veterans, and their associates. The investigation determined that the majority of all criminal activity occurred at the medical center and resulted in the seizure of over 3,000 oxycodone pills, 2 vehicles, and \$180,920 in cash.

(2011-00113-IS-0048, RAC (b)(6) and SA (b)(6) West Palm Beach Resident Agency)

LOAN ORIGATION FRAUD

A non-veteran was indicted and arrested for Conspiracy, Mail Fraud, Wire Fraud, and Bank Fraud. A VA OIG and FBI investigation determined that the defendant provided down payments to multiple buyers during real estate closings in the form of gift funds that were reported to the lenders as originating from a family member of the buyer. The funds were fraudulently reported on the Uniform Residential Loan Application to increase the buyers' credit score and allowed them to qualify for mortgages. Thirteen loans were identified in the scheme, including a VA guaranteed home loan. The potential loss to VA should this guaranteed VA home loan default is approximately \$152,203.

(2012-00821-IS-0099, SA (b)(6) Tallahassee Resident Agency)

IDENTITY THEFT

A former New York, NY VAMC nursing assistant was indicted for making a False Statement in the Application for a Passport and for Aggravated Identity Theft. A VA OIG and Bureau of Diplomatic Security investigation revealed that the defendant fraudulently gained employment with VA on two separate occasions and obtained a U.S. Passport by using the identity of a person who had died in 1988.

(2011-02315-IN-0174, RAC (b)(6) New York Resident Agency)

BENEFICIARY TRAVEL FRAUD

A veteran was sentenced to 24 months' incarceration for False Claims and Conspiracy to defraud VA. The defendant was one of nine veterans and two VA travel clerks who participated in a conspiracy to defraud VA by submitting hundreds of inflated and fictitious travel benefit vouchers to the Seattle, WA VAMC. Kickbacks were paid by the veterans to the VA travel clerks who

processed the vouchers. This defendant also participated in the collection of kickback payments from other veterans involved in the scheme. The estimated loss is in excess of \$160,000.

(2012-01411-IF-0058, SA (b)(6) Seattle Resident Agency)

EMPLOYEE THEFT

A former Bay Pines, FL VAMC employee was sentenced to time served, 36 months' probation, ordered to participate in a mental health and substance abuse program, reside at a Residential Reentry Center for a period of 6 months, and to pay VA \$32,844 in restitution. The defendant had previously pled guilty to Theft of Government Funds and Use and Trafficking of Unauthorized Access Devices Affecting Interstate Commerce. A VA OIG investigation determined that the defendant stole a GSA fuel card and subsequently purchased and sold fuel using the card.

(2012-03960-IS-0216, SA (b)(6) Southeast Field Office)

DECEASED BENEFICIARY FRAUD

The daughter of a deceased beneficiary was indicted and arrested for Theft of Government Funds. A VA OIG investigation determined that the defendant failed to notify VA of her mother's death in September 2006 and subsequently stole the VA benefits that were direct deposited to a joint account. The loss to VA is \$75,618.

(2013-00120-IS-0044, SA (b)(6) Southeast Field Office)

WEEKLY HIGHLIGHTS
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THREATS

A veteran was indicted for Unlawful Possession of a Firearm, Unlawful Possession of Ammunition, and Threats by Telephone to Unlawfully Damage and Destroy a Building. A VA OIG and ATF investigation revealed that the defendant made a telephonic threat to destroy the Buffalo, NY VAMC by means of an explosive. The veteran was also discovered to be in possession of a firearm and ammunition and was charged for these offenses based on previous commitments to a psychiatric facility.

(2012-03918-IN-0234, SA (b)(6) Buffalo Resident Agency)

IDENTITY THEFT

A. A former Tampa, FL VAMC employee was sentenced to 72 months' incarceration, 36 months' supervised release, 50 hours' community service, and ordered to pay \$105,271 in restitution after pleading guilty to Access Device Fraud and Aggravated Identity Theft. A VA OIG, IRS CID, and local police investigation revealed that the defendant, a former Tampa VAMC medical support assistant, stole the Personal Identifying Information (PII) of inpatients and then traded the information for crack cocaine. The PII was subsequently used to file \$831,890 in fraudulent tax returns and to obtain lines of credit. The sentence in this case included a vulnerable victim enhancement penalty because the defendant targeted medical center inpatients.

(2012-04251-IS-0143, SA (b)(6) Southeast Field Office)

B. A defendant was sentenced to 61 months' incarceration, 3 months' probation, and ordered to pay VA \$122,134 in restitution after pleading guilty to Theft of Government Funds and Aggravated Identity Theft. A VA OIG and U.S. Department of State, Diplomatic Security Service investigation determined that beginning in approximately 1986 the defendant assumed the identities of at least five different individuals. On four occasions, the defendant entered the military under fraudulent identities and obtained VA education benefits using one of these fraudulent identities. This investigation also determined that the defendant obtained U.S. passports under two fraudulent identities and had applied for passports under other identities.

(2013-04226-IA-0104, SA (b)(6) Mid-Atlantic Field Office)

WORKERS' COMPENSATION FRAUD

A former Dublin, GA VAMC nurse, who was collecting Workers' Compensation Benefits, pled guilty to a criminal information charging her with Mail Fraud. A VA OIG and DOL OIG investigation revealed that the defendant made more than 200 false claims for mileage and medical cost reimbursements to the OWCP. The loss to the Government is approximately \$461,000. The defendant was remanded into custody while awaiting sentencing.

(2011-03588-IS-0140, SA (b)(6) Atlanta Resident Agency)

DECEASED BENEFICIARY FRAUD

A. The daughter of a deceased VA beneficiary was sentenced to 10 months' confinement in a halfway house, 60 months' probation, 12 months' home detention, and ordered to pay VA \$103,557 in restitution. A VA OIG investigation revealed that the defendant failed to report her mother's May 2005 death to VA and subsequently stole VA benefits that were direct deposited to the beneficiary's account. The loss to VA is \$103,557.

(2012-00030-IS-0025, SA (b)(6) Southeast Field Office)

B. The son of a deceased widow was sentenced to 1 year of home detention, 3 years' probation, and ordered to pay VA \$74,093 in restitution. A VA OIG investigation revealed that the defendant stole VA DIC benefits that were direct deposited after his mother's death in May 2005.

(2011-00053-IF-0021, SA (b)(6) Seattle Resident Agency)

PENSION BENEFICIARY FRAUD

A Long Beach, CA VAMC employee, who was also a veteran, was arrested for Pension Fraud. A VA OIG investigation revealed that while employed by the medical center the defendant applied for and received approximately \$60,746 in VA pension benefits without disclosing that between 2007 and 2011 he had earned approximately \$155,000 in wages.

(2011-04181-IW-0015, SA (b)(6) Western Field Office)

COMPENSATION BENEFICIARY FRAUD

The widow of a deceased veteran was indicted for Theft of Government Funds. A VA OIG investigation revealed that the widow failed to report to VA her 2007 remarriage. The loss to VA is approximately \$62,142.

(2013-00634-IS-0090, SA (b)(6) Atlanta Resident Agency)

DRUG DIVERSION

A. A former Bath, NY VAMC nurse pled guilty to a criminal information charging her with Possession of Oxycodone. A VA OIG and VA Police Service investigation determined that the defendant diverted controlled substances for her own use. The defendant utilized "as needed" orders to withdraw the medications, documenting the charts as if she had administered the drugs to patients. The defendant usually diverted drugs on the night shift when most of the patients reported being asleep.

(2013-00334-IN-0034, SA (b)(6) Buffalo Resident Agency)

B. A former UPS employee pled guilty to a criminal information charging him with Theft from Interstate Shipments and Possession of Controlled Substances. A VA OIG and Maine DEA investigation disclosed that on four occasions between March and June 2013 the defendant stole VA packages containing prescription medications, including Percocet and Oxycodone, from UPS trucks that he was loading.

(2013-02810-IN-0116, SA (b)(6) Manchester Resident Agency)

C. A veteran's ex-girlfriend's sister was sentenced to 364 days' incarceration (suspended), 1 year of probation, and ordered to pay a \$130 fine/fee after pleading guilty to Theft of a Controlled Drug. A VA OIG and Maine DEA investigation revealed that the defendant stole VA drugs that were shipped to the veteran's prior address. The defendant admitted to stealing the drugs for both personal use and sale.

(2013-03011-IN-0121, SA (b)(6) Manchester Resident Agency)

DRUG DISTRIBUTION

A veteran was sentenced to 90 days' incarceration (60 days suspended), 2 years' probation, and 25 hours' community service after pleading guilty to Possession of a Controlled Substance Not in its Original Container. During a VA OIG and local law enforcement investigation, the defendant was discovered to be in possession of 102 narcotic pills fraudulently obtained from VA along with over \$3,000 in cash.

(2014-01155-IS-0053, SA (b)(6) Nashville Resident Agency)

DOCTOR SHOPPING

A. A veteran was indicted and arrested for Obtaining a Controlled Substance by

Fraud. A VA OIG investigation revealed that the defendant received narcotics from a VA provider as well as physicians in the local community. The defendant's actions also violated his VA opioid agreement.

(2014-00502-IS-0041, SA (b)(6) Nashville Resident Agency)

B. A non-veteran was sentenced to 2 years' incarceration and ordered to pay a \$7,500 fine after being found guilty at trial of multiple drug possession charges. A VA OIG investigation revealed that a veteran obtained over 2,200 doses of a controlled substance from VA and his private physician. The controlled substances were then provided to the defendant. A felony warrant for the veteran remains outstanding.

(2012-04495-IC-0032, SA (b)(6) Cleveland Resident Agency)

C. A veteran was indicted and arrested for Obtaining a Controlled Substance by Fraud. A VA OIG investigation revealed that the defendant received narcotics from a VA provider as well as physicians in the local community. The defendant's actions also violated his VA opioid agreement.

(2014-00429-IS-0031, SA (b)(6) Nashville Resident Agency)

D. A veteran was indicted and arrested for Obtaining a Controlled Substance by Fraud. A VA OIG investigation revealed that the defendant received narcotics from a VA provider as well as physicians in the local community. The defendant's actions also violated his VA opioid agreement.

(2014-00498-IS-0054, SA (b)(6) Nashville Resident Agency)

FORGED PRESCRIPTIONS

A veteran was arrested after being indicted for Obtaining a Controlled Substance by Fraud and Aiding and Abetting. A VA OIG investigation revealed that the defendant altered a legitimate VA prescription form issued in 2009 and produced blank copies to obtain narcotics issued under the name of a VA nurse practitioner. As part of the scheme, the defendant used multiple aliases, forged the signature of the nurse practitioner, and used a false DEA number. The defendant is currently on state probation for a similar offense committed in 2011.

(2013-03872-IC-0001, SA (b)(6) Denver Resident Agency)

ACCEPTING GIFTS OR GRATUITIES

A Los Angeles, CA VAMC engineer's employment was terminated for engaging in activities that created a conflict of interest by accepting gifts or gratuities from contractors and for lack of candor. A VA OIG investigation determined that the

employee engaged a contractor to perform work on his personal residence at a significantly discounted price. The employee then failed to disclose this relationship when participating in VA contract negotiations and price determinations involving this contractor.

(2011-02332-IW-0089, SA (b)(6) Western Field Office)

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3/11/13

SDVOSB FRAUD

A veteran was indicted for Wire Fraud and Aggravated Identity Theft after a VA OIG and SBA OIG investigation revealed that in order to obtain VA contracts for architectural and engineering services he fraudulently claimed to be the owner of a Service-Disabled Veteran-Owned Small Business (SDVOSB). The defendant had been discharged from the Navy with a pre-existing condition, after which he filed for and was denied VA benefits. When his company was scheduled for an on-site review to verify his company as an SDVOSB, the defendant again filed for and was denied VA benefits. As a result of his fraudulent actions the company was paid over \$1.4 million, approximately \$156,500 of which was funded with American Reinvestment and Recovery Act funds.

(2010-03241-ID-0132, SA (b)(6) South Central Field Office)

VA GRANT FRAUD

A veteran, purporting to be an advocate for homeless veterans, was charged in a criminal information with Theft of Public Funds and Making False Statements. A VA OIG investigation revealed that the defendant founded a company with a stated purpose of providing training, transportation, and housing for homeless veterans in the Nashville, TN area. The defendant provided false information in her applications submitted to the VA Grant and Per Diem Program, subsequently obtained the grants, and then diverted the majority of the VA funds to her own personal use, to include vacation trips to gambling establishments. The defendant improperly obtained \$360,600 as part of the grant fraud scheme.

(2011-03749-IS-0018, RAC (b)(6) Nashville Resident Agency)

FIDUCIARY FRAUD

A former fiduciary pled guilty to Theft of Public Funds. A VA OIG investigation revealed that the defendant embezzled funds from the accounts of various veterans. The defendant withheld the veterans' funds from deposits or wrote checks to himself from the veterans' accounts. The loss in VA funds is \$236,204.

(2010-01023-IC-0089, RAC (b)(6) Denver Resident Agency)

LOAN GUARANTY FRAUD

A veteran was charged with Theft for fraudulently obtaining a \$58,000 VA Home Loan Guaranty. A VA OIG investigation determined that the defendant falsely

certified to VA that he would occupy the home as his primary residence. The defendant provided a fraudulent lease agreement to VA and the lender regarding his primary residence in order to qualify for the home loan. In 2011, the defendant refinanced the home and again falsely certified that he had previously occupied the home as his primary residence. The defendant subsequently admitted that he never intended to occupy the home as his primary residence, and in fact, purchased the home for his son.

(2010-03723-IW-0065, SA (b)(6) Phoenix Resident Agency)

COMPENSATION BENEFITS FRAUD

A veteran pled guilty to Theft of Government Funds. A VA OIG investigation determined that the defendant, who was a widower, concealed his remarriage from VA in order to continue to receive DIC benefits. The loss to VA is \$132,332.

(2012-1536-IC-0067, SA (b)(6) Kansas City Resident Agency)

DECEASED BENEFICIARY FRAUD

A. The daughter of a deceased beneficiary was sentenced to 5 years' probation and ordered to pay VA \$27,440 in restitution after pleading guilty to Theft of Government Funds. A VA OIG investigation revealed that the defendant stole VA benefits that were direct deposited after her mother's death in January 2006. The defendant forged her deceased mother's name on personal checks and used the stolen funds to pay personal bills.

(2008-00126-ID-0127, SA (b)(6) South Central Field Office)

B. The son of a deceased VA beneficiary pled guilty to a criminal information charging him with Theft of Government Funds. The defendant admitted to disguising his voice in an attempt to sound like his mother when he was telephonically contacted by a Veterans Service Representative regarding an address change he fraudulently submitted to VA. The defendant also admitted to stealing the VA benefits that were direct deposited to his mother's account after her death in November 2003. The loss to VA is \$107,848.

(2012-00826-IN-0110, SA (b)(6) Northeast Field Office)

C. The son of a deceased widow was sentenced to 3 months' incarceration, 3 months' home detention, 21 months' supervised release, and was ordered to pay \$63,876 in restitution after pleading guilty to Theft of Government Funds. A VA OIG investigation revealed the defendant stole VA benefits direct deposited into his mother's bank account after her death in June 2004.

(2009-00264-IS-0039, SA (b)(6) Nashville Resident Agency)

DRUG THEFT

A U.S. Postal Service employee was indicted for Theft of Mail by a Postal Employee. A VA OIG and USPS OIG investigation determined that VA prescriptions were being stolen from a particular post office and identified a possible suspect. When confronted, the defendant denied the theft. However, after the defendant gave his consent for a search a VA prescription test parcel and an additional actual VA prescription parcel were discovered in his personal vehicle.

(2012-02987-IA-0098, SA (b)(6) Pittsburgh Resident Agency)

THEFT OF GOVERNMENT PROPERTY

A non-veteran was indicted and arrested for Theft of Government Property. A VA OIG and local police investigation revealed that the defendant sold a stolen \$32,000 retroactive VA benefit check to an undercover officer.

(2012-03204-IS-0055, SA (b)(6) Southeast Field Office)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
3/17/14

FIDUCIARY FRAUD

The son of a VA beneficiary was indicted for Theft from an Elderly Person and Forgery. A VA OIG investigation revealed that the defendant, who was a VA appointed fiduciary, misappropriated approximately \$30,800 in VA benefits from his father and used the stolen funds to pay for personal expenses. As a result of the misappropriation, the veteran and his spouse accrued \$53,022 in debt to their assistant living facility. The defendant also forged and negotiated a \$95,763 life insurance check paid to the veteran. The loss to the veteran is approximately \$126,583.

(2013-04006-IC-0007, SA (b)(6) Cleveland Resident Agency)

COMPENSATION BENEFICIARY FRAUD

A. A veteran pled guilty to Theft of Government Funds and Conspiracy in Making False Statements to Federally Licensed Firearms Dealers. A VA OIG investigation revealed that the defendant fraudulently obtained VA compensation benefits of approximately \$7,500 per month by claiming the loss of the use of both legs. The veteran was observed ambulating freely, driving a vehicle, rolling hay bales, and operating a riding lawnmower. The veteran's wife was placed into a pre-trial diversion program and ordered to pay restitution for her part in the scheme to defraud VA. Additionally, the veteran's mother and step father pled guilty to Conspiracy in Making False Statements to Federally Licensed Firearms Dealers after the investigation revealed that in 2011 and 2012 they purchased over 25 firearms for the defendant, who is a registered sex offender and is prohibited from possessing firearms due to a prior felony conviction for committing a lewd act with a minor. The loss to VA is \$159,297.

(2012-01177-IA-0039, SA (b)(6) Columbia Resident Agency)

B. The widow of a deceased veteran was indicted and arrested for Obtaining Property Under False Pretenses and Uttering Forged Instruments. A VA OIG and local police investigation revealed that the defendant failed to report her 2010 remarriage to VA by submitting false documentation to conceal the marriage. The loss to VA is approximately \$22,000.

(2014-00379-IA-0035, SA (b)(6) Asheville Resident Agency)

C. A veteran pled guilty to Theft of Government Funds. A VA OIG and Postal Service OIG investigation revealed that the defendant, who was in receipt of VA

individual unemployability and other Federal disability benefits, was the owner and operator of an auto sales and laundromat business while reporting that he was unemployed and had no income. The total loss to the Government is approximately \$500,000, with VA's loss being approximately \$105,000.

(2012-03551-IA-0012, SA (b)(6) Fayetteville Resident Agency)

DECEASED BENEFICIARY FRAUD

The niece of a deceased VA beneficiary was charged with Theft of Government Funds. A VA OIG investigation revealed that the defendant stole VA funds from a joint bank account after her aunt's death in July 2007. The loss to VA is approximately \$44,000.

(2009-00276-ID-0177, SA (b)(6) Houston Resident Agency)

EDUCATION BENEFICIARY FRAUD

The owner of a beauty school, who was approved to teach cosmetology to students eligible to receive VA education benefits, was sentenced to 20 months' incarceration, 3 years' supervised release, and ordered to pay VA \$85,610 in restitution after pleading guilty to False Statements. A VA OIG investigation determined that after a second defendant's cosmetology school in Chesapeake, VA was destroyed by fire and she lost her teaching accreditation with the State of Virginia, the second defendant conspired with the defendant to recruit and train students eligible to receive benefits in the Chesapeake area while submitting paperwork to VA fraudulently certifying that the students were enrolled and receiving training at the school in Richmond. The second defendant also pled guilty to False Statements and is pending sentencing.

(2013-01571-IA-0055, SA (b)(6) Mid-Atlantic Field Office)

THEFT OF GOVERNMENT PROPERTY

A former Dell contractor assigned to the Jackson, MS VAMC was indicted for Theft of Government Property. A VA OIG investigation revealed that the defendant stole desktop and laptop computers from the medical center and sold them on Craig's List. Two stolen VA computers were recovered during the investigation.

(2014-00647-ID-0011, SA (b)(6) Jackson Resident Agency)

DOCTOR SHOPPING

A. A veteran was indicted and arrested for Obtaining a Controlled Substance by Fraud. A VA OIG investigation revealed that the defendant received narcotics

from a VA provider as well as physicians in the local community. The defendant's actions also violated her VA opioid agreement.

(2014-00461-IS-0039, SA (b)(6) Nashville Resident Agency)

B. A veteran was arrested for Obtaining Controlled Substances by Fraud and Trafficking in Opiates. A VA OIG and local law enforcement investigation revealed that the defendant simultaneously obtained Hydrocodone from multiple providers. The defendant was held on a \$1.5 million bond.

(2013-03907-IA-0059, SA (b)(6) Asheville Resident Agency)

FORGERY

The daughter of a veteran and her boyfriend were indicted for Forgery, Fraudulent Schemes, Identity Theft, and Theft. A VA OIG investigation revealed that the defendants called a VA Call Center, posed as the veteran, and changed the delivery address of the VA benefits in order to steal, forge, and negotiate the veteran's checks. The loss to VA is approximately \$25,000.

(2013-01736-IW-0066, SA (b)(6) Phoenix Resident Agency)

BENEFICIARY TRAVEL FRAUD

A former Richmond, VA housekeeping aid was sentenced to 134 days' incarceration (time served), 3 years' supervised release, and ordered to pay VA \$2,334 after pleading guilty to Theft of Government Benefits. A VA OIG investigation revealed that the defendant submitted fraudulent travel reimbursement vouchers to the medical center claiming that he was traveling from a non-existent address in Lynchburg, VA.

(2012-00597-IA-0014, SA (b)(6) Mid-Atlantic Field Office)

FUGITIVE FELON

A veteran wanted for Sexual Battery, Burglary with Assault, and False Imprisonment was arrested by the U.S. Marshals Service with the assistance of VA OIG agents.

(2014-00073-IS-0090, SA (b)(6) West Palm Beach Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
3/18/13

SEXUAL MISCONDUCT

A Topeka, KS VAMC neurologist pled no contest to Aggravated Sexual Battery and Sexual Battery. A VA OIG, VA Police Service, and local police investigation revealed that the defendant administered full pelvic examinations without a chaperone and without any medical necessity for such procedures. Five victims were identified in a one year period.

(2012-0300-IC-0024, SA (b)(6) Kansas City Resident Agency)

SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS (SDVOSB) FRAUD

Two contractors were arrested for committing Major Fraud against the United States. A VA OIG and FBI investigation revealed that the two defendants, who owned and operated a separate non-SDVOSB construction company, used the service disabled veteran status of a relative to bid on and be awarded Government contracts through a second company. At the time the second company was bidding on contracts specifically set aside for service disabled veterans, the service disabled veteran owner was serving on reserve duty and was not in control of the company. As a result of the scheme, the defendants were awarded contracts valued at over \$13 million.

(2011-00403-IN-0054, SA (b)(6) Buffalo Resident Agency)

FIDUCIARY FRAUD

A. The former estate manager of a non-profit corporation, who was also a VA fiduciary, was sentenced to 13 months' incarceration, 3 years' supervised release, and ordered to pay approximately \$54,000 in restitution. A VA OIG, SSA OIG, and local law enforcement investigation revealed that the defendant embezzled funds from 23 victims, including 3 disabled veterans, by creating a payee code that issued checks to the defendant and by purchasing gift cards at retail stores. After discovering discrepancies in the victims' accounts, the non-profit corporation took prompt action to terminate the employee, notify authorities, and refund the victims.

(2011-00666-IN-0036, SA (b)(6) Manchester Resident Agency)

B. A former VA fiduciary was sentenced to 1 year of incarceration, 9 years' probation, and ordered to pay \$26,083 in restitution after pleading guilty to Theft of Government Funds. A VA OIG investigation determined that the defendant

embezzled benefits from a VA beneficiary and used the funds for his personal use.

(2009-00809-IS-0071, SA (b)(6) Atlanta Resident Agency)

HEALTH CARE FRAUD

A veteran was sentenced to 366 days' incarceration, 36 months' probation, and ordered to pay VA \$7,042 in restitution and "Vacations for Veterans" \$2,093 in restitution. A VA OIG investigation revealed that the defendant submitted an altered DD-214 in order to fraudulently receive VA health care benefits from three different VA medical centers. The defendant also submitted fraudulent documents to a VARO in an attempt to obtain unauthorized claims for various physical conditions. Further investigation revealed that the defendant received a donated vacation to Hawaii from a veteran's charity by submitting fraudulent documents and by representing himself as a Purple Heart recipient with terminal cancer.

(2012-03416-0209, SA (b)(6) Southeast Field Office)

PRESCRIPTION FRAUD

Four defendants pled guilty and were sentenced for altering and using fraudulent VA oxycodone prescriptions. The first defendant was placed into a county drug court for 1 year. The second defendant was sentenced to 18 months' probation and a \$600 fine and the third defendant to 364 days' incarceration (suspended), 24 months' probation, 232 hours' community service, and a \$500 fine. The fourth defendant was sentenced to 21 months' probation, 240 hours' community service, and a \$600 fine. A VA OIG investigation revealed that one of the defendants, a veteran, forged the signature and the DEA number of a VA Community-Based Outpatient Clinic contract nurse. The veteran then conspired with the other defendants to create prescriptions using spurious names and addresses and then submitting them to various retail drug stores.

(2011-03983-IF-0007, SA (b)(6) Seattle Resident Agency)

DRUG DIVERSION

A former Temple, TX VAMC mailroom employee was indicted for Possession of Stolen Mail (prescription drugs) and Theft of Government Property. A VA OIG and VA Police Service investigation determined that the defendant removed the narcotics prior to transferring the packages to the U.S. Postal Service.

(2011-02209-ID-0032, SA (b)(6) South Central Field Office)

IDENTITY THEFT

A. The former home health aide of a disabled veteran was indicted for Identity Theft, Exploitation of the Elderly and Disabled, Theft by Taking, and Theft by Deception. A VA OIG investigation revealed that the defendant stole the veteran's personal and financial information while acting as a caregiver. Using the veteran's information, the defendant subsequently contacted VA and redirected the veteran's VA compensation benefits. To further the scheme, the defendant applied for and received several prepaid debit cards in the veteran's name and used the prepaid debit cards for his personal use. The loss to VA is approximately \$17,900.

(2012-02681-IS-0050, SA (b)(6) Atlanta Resident Agency)

B. The brother of a veteran was indicted for Theft of Government Funds and Aggravated Identity Theft. The defendant, a non-veteran, utilized his brother's identity in order to fraudulently receive approximately \$10,000 in medical care from the St. Louis, MO VAMC. Also, the defendant is in custody and awaiting trial for local charges of child molestation and assault.

(2009-03279-IC-0014, RAC (b)(6) Kansas City Resident Agency)

COMPENSATION BENEFICIARY FRAUD

A veteran was arrested after being indicted for False Statements. A VA OIG investigation revealed that the defendant claimed to have PTSD resulting from combat during Operation Urgent Fury, the invasion of Grenada that occurred in 1983. The investigation further revealed the defendant served during peacetime from 1985 through 1987. As the result of his false claims of having PTSD from combat the defendant received approximately \$28,000 in VA health care and \$5,237 in VA travel pay for PTSD appointments. The veteran also used his false claims of PTSD to receive SSA benefits.

(2010-0950-IC-0088, RAC (b)(6) Kansas City Resident Agency)

PENSION BENEFICIARY FRAUD

Three former veteran caretakers were indicted and subsequently arrested for Conspiracy and Theft of Government Funds. A VA OIG and U.S. Postal Inspection Service investigation revealed that the defendants applied and received VA pension benefits without the knowledge of the veteran while he resided in their personal care home. From August 2003 to October 2010 the defendants used a Post Office box to receive and negotiate all of the veterans VA benefit checks. The approximate loss to VA is \$123,000.

(2011-00022-IS-0071, SA (b)(6) Atlanta Resident Agency)

DECEASED BENEFICIARY FRAUD

The daughter of a deceased VA and SSA beneficiary was sentenced to 366 day's incarceration, 2 years' supervised release, and ordered to pay \$177,694 in restitution after pleading guilty to Conspiracy, Theft, and False Statements. A VA OIG and SSA OIG investigation revealed that the defendant provided false statements to VA and SSA after her mother's death in July 2002 and then continued to receive, forge, and negotiate her deceased mother's benefit checks. The loss to VA is \$119,642.

(2010-03196-ID-0118, SA (b)(6) South Central Field Office)

BANK FRAUD

A former member of the VA Hospital Federal Credit Union in Augusta, GA was indicted and subsequently arrested for Bank Fraud, Making, Uttering, Possessing Counterfeit Securities, and Aggravated Identity Theft. A VA OIG investigation revealed that the defendant forged her employer's signature on a false document that authorized her to deposit her employer's business checks into her personal bank account. The defendant subsequently stole, forged, and negotiated the checks through her personal account at the VAH Federal Credit Union. The loss is approximately \$23,400.

(2010-02152-IS-0006, SA (b)(6) Atlanta Resident Agency)

FUGITIVE FELON

An Orlando, FL VAMC employee wanted for felony Distribution of Cocaine was arrested by local law enforcement with the assistance of VA OIG and VA Police Service.

(2013-00086-IS-0110, SA (b)(6) Southeast Field Office)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
3/24/14

THREATS

A veteran pled guilty to Aggravated Harassment in the Second Degree. A VA OIG investigation revealed that the defendant told a VA Call Center that he was going to blow up the Buffalo, NY VAMC.

(2013-03683-IN-0139, SA (b)(6) Buffalo Resident Agency)

FIDUCIARY FRAUD

A former VA fiduciary was arrested for Dealing in the Proceeds of Unlawful Activity, Theft, and Theft by Deception. A VA OIG investigation determined that the defendant, a fiduciary for his veteran brother, embezzled VA funds and used the money for gambling and other personal expenses. The loss to the veteran is approximately \$41,000.

(2013-03860-IN-0023, SA (b)(6) Northeast Field Office)

STOLEN VALOR

A veteran was sentenced to 5 years' probation, ordered to pay \$10,000 in restitution and to participate in a substance abuse treatment program after pleading guilty to false statements related to the delivery of healthcare. The defendant fraudulently claimed military service during the Vietnam War and that he received military awards and citations to include the Purple Heart, Bronze Star, Silver Star, and Combat Infantry Badge. Over the past 7 years, the defendant received VA health care and VA travel benefits for PTSD appointments.

(2010-0950-IC-0088, RAC (b)(6) Kansas City Resident Agency)

COMPENSATION BENEFICIARY FRAUD

A veteran was arrested for Fraud and False Statements, Mail Fraud, Wire Fraud, and False Statements to Obtain Federal Workers' Compensation Benefits. A VA OIG, USPS OIG, and DOL OIG investigation revealed that the defendant, who receives over \$9,000 a month in VA and workers' compensation benefits, greatly exaggerated his disabilities and was observed engaging in activities that were inconsistent with his claims. Though allegedly wheelchair bound, the defendant has only been observed using a wheelchair for his appointments with VA and using a cane when attending scheduled DOL and USPS exams. The defendant

was also observed playing horseshoes, riding a bicycle, and engaging in a wide variety of physical activities while on a cruise.

(2012-03358-IN-0201, SA (b)(6) Buffalo Resident Agency)

FALSIFICATION OF EMPLOYMENT RECORDS

A superseding indictment was filed against a former Lebanon, PA VAMC employee after a VA OIG investigation revealed that the defendant made materially false statements on an application for employment. The defendant was previously arrested by DCIS and HHS OIG for healthcare fraud and structuring currency.

(2014-00084-IN-0028, SA (b)(6) Northeast Field Office)

DECEASED BENEFICIARY FRAUD

The son of a deceased veteran pled guilty to Theft of Government Funds. A VA OIG and U.S. Postal Inspection Service investigation revealed that the defendant stole, forged, and negotiated VA benefit checks issued after his father's death in November 2008. The loss to VA is \$69,352.

(2010-03622-IC-0001, SA (b)(6) Central Field Office)

FUGITIVE FELON

A Phoenix, AZ VAMC employee was arrested by the local police with the assistance of VA OIG and VA Police Service. The employee was wanted for the rape of a 9-year-old girl.

(2014-00074-IW-0052, SA (b)(6) Phoenix Resident Agency)

**WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
3/24/14**

THREATS

A veteran pled guilty to Aggravated Harassment in the Second Degree. A VA OIG investigation revealed that the defendant told a VA Call Center that he was going to blow up the Buffalo, NY VAMC.

(2013-03683-IN-0139, SA (b)(6) Buffalo Resident Agency)

FIDUCIARY FRAUD

A former VA fiduciary was arrested for Dealing in the Proceeds of Unlawful Activity, Theft, and Theft by Deception. A VA OIG investigation determined that the defendant, a fiduciary for his veteran brother, embezzled VA funds and used the money for gambling and other personal expenses. The loss to the veteran is approximately \$41,000.

(2013-03860-IN-0023, SA (b)(6) Northeast Field Office)

STOLEN VALOR

A veteran was sentenced to 5 years' probation, ordered to pay \$10,000 in restitution and to participate in a substance abuse treatment program after pleading guilty to false statements related to the delivery of healthcare. The defendant fraudulently claimed military service during the Vietnam War and that he received military awards and citations to include the Purple Heart, Bronze Star, Silver Star, and Combat Infantry Badge. Over the past 7 years, the defendant received VA health care and VA travel benefits for PTSD appointments.

(2010-0950-IC-0088, RAC (b)(6) Kansas City Resident Agency)

COMPENSATION BENEFICIARY FRAUD

A veteran was arrested for Fraud and False Statements, Mail Fraud, Wire Fraud, and False Statements to Obtain Federal Workers' Compensation Benefits. A VA OIG, USPS OIG, and DOL OIG investigation revealed that the defendant, who receives over \$9,000 a month in VA and workers' compensation benefits, greatly exaggerated his disabilities and was observed engaging in activities that were inconsistent with his claims. Though allegedly wheelchair bound, the defendant has only been observed using a wheelchair for his appointments with VA and using a cane when attending scheduled DOL and USPS exams. The defendant

was also observed playing horseshoes, riding a bicycle, and engaging in a wide variety of physical activities while on a cruise.

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(2014-00084-IN-0028, SA (b)(6) Northeast Field Office)

DECEASED BENEFICIARY FRAUD

The son of a deceased veteran pled guilty to Theft of Government Funds. A VA OIG and U.S. Postal Inspection Service investigation revealed that the defendant stole, forged, and negotiated VA benefit checks issued after his father's death in November 2008. The loss to VA is \$69,352.

(2010-03622-IC-0001, SA (b)(6) Central Field Office)

FUGITIVE FELON

A Phoenix, AZ VAMC employee was arrested by the local police with the assistance of VA OIG and VA Police Service. The employee was wanted for the rape of a 9-year-old girl.

(2014-00074-IW-0052, SA (b)(6) Phoenix Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
3/25/13

COMPENSATION BENEFICIARY FRAUD

A. A retired Maryland Department of Veterans Affairs state employee and eight other veterans, to include a retired Baltimore VARO employee, were indicted for Wire Fraud and Hobbs Act violations. From 2003 to 2011, while working at the Maryland Department of Veterans Affairs, the state employee created fraudulent doctor notes and amendment forms, commonly referred to as DD-215s, as part of claims for service connected disability. A VA OIG investigation revealed that the state employee solicited and received cash payments from the veterans in exchange for assistance with their claims. The doctor's notes claimed the veterans had been diagnosed with diabetes and were insulin dependent. The fraudulent DD-215s were used as proof of service in Vietnam. The state employee also filed a fraudulent DD-215 form to increase his own rating for PTSD. A total of 17 veterans received compensation benefits using the fraudulent forms. The loss to VA is \$1,151,219. The state employee also assisted the veterans in receiving \$255,555 in property tax waivers from the state that they were not entitled to receive.

(2011-01320-IA-0072, SA (b)(6) Mid-Atlantic Field Office)

B. The wife of a deceased veteran was indicted and subsequently arrested for falsifying VA documentation. A VA OIG investigation determined that the defendant failed to report her remarriage that occurred in 1978 to VA in order to continue to receive benefits she was no longer entitled to receive. The loss to VA is approximately \$308,000.

(2011-03982-ID-0117, SA (b)(6) Jackson Resident Agency)

THEFT OF GOVERNMENT FUNDS

The ex-girlfriend of a veteran was arrested for Forgery. A VA OIG investigation revealed that while the veteran was incarcerated the defendant stole, forged, and negotiated VA benefit checks issued to the veteran. Also, it was determined that the veteran's benefits should have been reduced because of his incarceration. The loss to VA is \$39,440.

(2010-03908-ID-0032, SA (b)(6) Jackson Resident Agency)

WORKERS COMPENSATION FRAUD

A former Richmond, VA VAMC social worker was indicted for Mail Fraud and False Statements. A VA OIG and DOL OIG investigation revealed that the

defendant, beginning in June 2011, submitted approximately 380 fraudulent travel vouchers claiming reimbursements for taxi rides for physician and rehabilitation appointments. The false travel vouchers were related to two different injury compensation claims filed while the defendant was employed at the West Los Angeles, CA VAMC. The loss to VA is approximately \$44,000.

(2013-00508-IA-0013, SA (b)(6) Mid-Atlantic Field Office)

HEALTH CARE FRAUD

A former Cleveland, OH VAMC purchasing agent was sentenced to 10 days' incarceration, 6 months' home confinement, 3 years' probation, and ordered to pay \$110,581 in restitution after pleading guilty to Conspiracy to Commit Health Care Fraud. The owner of a durable medical equipment provider was sentenced to 3 months' incarceration, 6 months' home confinement, 2 years' supervised release, and ordered to pay \$110,581 in restitution. A VA OIG investigation revealed that the former VA employee used her position to provide competitor's bid information to the medical equipment provider and inflate payments for services. In some instances the medical equipment was not installed, either because the veteran refused delivery or because the veteran died waiting for their ramp or ceiling lift to be delivered. The company charged as if the equipment had been installed and then kept the unused equipment for a subsequent veteran.

(2007-01245-IC-0102, RAC (b)(6) Cleveland Resident Agency)

PRESCRIPTION FRAUD

A former Community-Based Outpatient Clinic registered nurse was arrested after being indicted for Unlawfully Distributing Oxycodone, Obtaining Oxycodone through Fraud, Forgery and Subterfuge, and Conspiring. A VA OIG, VA Police Service, and local police investigation revealed that on eight occasions between May and September 2010 the defendant stole prescription forms from a nurse practitioner at the VA clinic and forged the nurse practitioner's name on prescriptions for oxycodone. The prescriptions were subsequently filled by the defendant or others at a local pharmacy.

(2012-00668-IN-0051, SA (b)(6) Buffalo Resident Agency)

DECEASED BENEFICIARY FRAUD

The daughter of a deceased VA beneficiary was charged with Theft. A VA OIG and U.S. Secret Service investigation revealed that the defendant withdrew VA funds from a joint account after her mother's death in January 2007 and used the funds for her personal use. The loss to VA is \$20,198.

(2011-3119-IC-0018, SA (b)(6) Central Field Office)

BENEFICIARY TRAVEL FRAUD

A. A veteran pled guilty to a criminal information charging him with submitting False Claims and Conspiracy to Defraud VA. The defendant was one of nine veterans and two VA travel clerks who participated in a scheme to defraud VA by submitting hundreds of inflated and fictitious travel benefit vouchers to the Seattle, WA VAMC. Kickbacks were paid by the veterans to the VA travel clerks who processed the vouchers. The estimated loss to VA is in excess of \$160,000.

(2012-01411-IF-0058, SA (b)(6) Seattle Resident Agency)

B. A veteran pled guilty to Theft by Fraud and was subsequently sentenced to 3 years' hard labor (suspended), 3 years' probation, and ordered to pay VA \$5,443 in restitution. A VA OIG investigation revealed that the defendant submitted false travel claims to the New Orleans, LA VAMC certifying that she was traveling over 104 miles round trip from a residence in Mississippi, when in actuality she resided within 5 miles of the medical center.

(2011-03015-ID-0105, SA (b)(6) Jackson Resident Agency)

ADMINISTRATIVE INVESTIGATIONS

The Administrative Investigations Division issued a report titled: Administrative Investigation, Misuse of Official Time and Resources and Failure to Properly Supervise, Office of Human Resources and Administration, Washington, DC.

(2012-02503-IQ-0091, Administrative Investigators (b)(6) and (b)(6) (b)(6) 51Q)

The Administrative Investigations Division issued a report titled: Administrative Investigation, Improper Locality Pay, Service Area Office West and Desert Pacific Healthcare Network, Long Beach, CA.

(2012-01841-IQ-0156, Administrative Investigator (b)(6), 51Q)

**WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
3/31/14**

ASSAULT

A former Augusta, GA VAMC nurse was indicted and subsequently arrested for assaulting a patient. A VA OIG investigation revealed that the defendant entered a patient's room, with other staff present, and without provocation punched the patient on his side, resulting in two fractured ribs.

(2013-02402-IS-0164, SA (b)(6) Atlanta Resident Agency)

THREATS

A. A veteran was sentenced to 2 years' incarceration and 4 years' probation after pleading guilty to making terroristic threats. A VA OIG investigation revealed that the defendant threatened to kill Atlanta, GA VAMC medical staff by going to his residence to get a weapon, return and shoot them in the head if he wasn't granted a 100% disability pension rating. The veteran left the medical center and before he could return got into a shootout with local police at his residence after the officers responded to a domestic disturbance call. The veteran was charged separately for this offense.

(2012-01157-IS-0092, SA (b)(6) Atlanta Resident Agency)

B. A veteran was arrested for Communicating an Interstate Threat. A VA OIG, FBI, VA Police Service, and local police investigation revealed that the defendant threatened to kill his ex-wife, a Roseburg, OR VAMC employee. The defendant made threatening statements to his wife by text messages and voicemails while she was on-duty at the medical center.

(2014-02272-IF-0032, SA (b)(6) Seattle Resident Agency)

CHILD PORNOGRAPHY

A former Vietnam Veterans of America service officer was sentenced to 48 months' incarceration, lifetime probation, and ordered to register as a sex offender after pleading guilty to Possession of Child Pornography. A VA OIG investigation revealed that the defendant possessed child pornography on his personal laptop that was located in an office at the St. Petersburg, FL VARO.

(2013-01103-IS-0113, SA (b)(6) Southeast Field Office)

HEALTHCARE FRAUD

A former Brooklyn, NY VAMC psychiatrist was sentenced to 18 months' incarceration, 36 months' supervised release, and ordered to forfeit \$1.2 million and pay Medicare restitution after pleading guilty to Healthcare Fraud. A VA OIG and HHS OIG investigation revealed that the defendant submitted false and fraudulent Medicare claims while operating a private practice. The fraud included home visits billed to Medicare while the defendant was on approved sick or bereavement leave from VA.

(2012-02632-IN-0235, SA (b)(6) New York Resident Agency)

COMPENSATION BENEFICIARY FRAUD

A. A veteran was arrested for Theft of Government Funds and False Statements. A VA OIG investigation revealed that the defendant, in order to receive VA compensation, fraudulently claimed Vietnam service and submitted an altered DD-214 indicating that he received a Purple Heart and Vietnam Gallantry Cross. A review of the veteran's service record indicated that he never served in Vietnam and did not receive the claimed military awards. The defendant served aboard Navy ships that were not deployed to Vietnam or to any other combat zone. The loss to VA is approximately \$102,000.

(2013-04436-IN-0006, SA (b)(6) New York Resident Agency)

B. The widow of a deceased veteran was sentenced to 5 years' probation, 6 months' home confinement, and ordered to pay \$61,353 in restitution after pleading guilty to Theft of Public Money. A VA OIG investigation revealed that the defendant failed to notify VA that she had been remarried for over 8 years.

(2013-00010-IS-0051, SA (b)(6) Nashville Resident Agency)

DECEASED BENEFICIARY FRAUD

A. The granddaughter of a deceased VA beneficiary was sentenced to 5 years' probation, 120 hours' community service, 2 months' home confinement, and ordered to pay \$49,179 in restitution after pleading guilty to Theft of Government Funds. A VA OIG investigation determined that the defendant stole VA benefits that were direct deposited after her grandmother's death in January 2008.

(2011-00055-IS-0139, SA (b)(6) Atlanta Resident Agency)

B. A defendant was sentenced to 33 months' incarceration, 3 years' supervised release, and ordered to pay restitution of \$177,694 (\$58,052 to SSA and \$119,642 to VA) jointly and severally with another defendant after pleading guilty to Misuse of a Social Security Number. A VA OIG and SSA OIG investigation

revealed that the defendant conspired with the daughter of a deceased beneficiary to receive, forge, and negotiate VA and SSA benefit checks that were issued after the beneficiary's death in July 2002.

(2010-03196-ID-0118, SA (b)(6) South Central Field Office)

DOCTOR SHOPPING

A. A veteran was sentenced to 3 years' probation and ordered to comply with the provisions of his VA controlled substance contract after pleading guilty to Obtaining a Controlled Substance Illegally. A VA OIG and HHS OIG investigation determined that the veteran, who was being treated under a VA opioid medication treatment agreement, obtained narcotics from VA and also from several medical providers.

(2012-03832-IF-0012, RAC (b)(6) Seattle Resident Agency)

B. A veteran was indicted and arrested for Obtaining a Controlled Substance by Fraud. A VA OIG investigation revealed that the defendant received narcotics from a VA provider as well as physicians in the local community. The defendant's actions also violated her VA opioid agreement.

(2014-00450-IS-0024, RAC (b)(6) Nashville Resident Agency)

DRUG DIVERSION

A former USPS employee was indicted for Theft of Mail by a Postal Employee and other charges. A VA OIG and USPS OIG investigation determined that for approximately 3 years the defendant sold VA narcotics that he stole from a USPS distribution facility. A search of the defendant's residence revealed large quantities of stolen narcotics as well as other stolen mail matter.

(2013-00210-IS-0167, SA (b)(6) Nashville Resident Agency)

TRAVEL BENEFIT FRAUD

A veteran was sentenced to 4 month's home detention, 5 years' probation, and ordered to pay restitution of \$23,795. A VA OIG investigation revealed that from September 2008 to June 2013 the defendant submitted 740 fraudulent travel benefit vouchers to the Clarksburg, WV VAMC. The defendant claimed that he resided 40 miles from the facility when he actually lived a few miles from the medical center.

(2013-02288-IA-0073, SA (b)(6) Pittsburgh Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
3/31/14

ASSAULT

A former Augusta, GA VAMC nurse was indicted and subsequently arrested for assaulting a patient. A VA OIG investigation revealed that the defendant entered a patient's room, with other staff present, and without provocation punched the patient on his side, resulting in two fractured ribs.

(2013-02402-IS-0164, SA (b)(6) Atlanta Resident Agency)

THREATS

A. A veteran was sentenced to 2 years' incarceration and 4 years' probation after pleading guilty to making terroristic threats. A VA OIG investigation revealed that the defendant threatened to kill Atlanta, GA VAMC medical staff by going to his residence to get a weapon, return and shoot them in the head if he wasn't granted a 100% disability pension rating. The veteran left the medical center and before he could return got into a shootout with local police at his residence after the officers responded to a domestic disturbance call. The veteran was charged separately for this offense.

(2012-01157-IS-0092, SA (b)(6) Atlanta Resident Agency)

B. A veteran was arrested for Communicating an Interstate Threat. A VA OIG, FBI, VA Police Service, and local police investigation revealed that the defendant threatened to kill his ex-wife, a Roseburg, OR VAMC employee. The defendant made threatening statements to his wife by text messages and voicemails while she was on-duty at the medical center.

(2014-02272-IF-0032, SA (b)(6) Seattle Resident Agency)

CHILD PORNOGRAPHY

A former Vietnam Veterans of America service officer was sentenced to 48 months' incarceration, lifetime probation, and ordered to register as a sex offender after pleading guilty to Possession of Child Pornography. A VA OIG investigation revealed that the defendant possessed child pornography on his personal laptop that was located in an office at the St. Petersburg, FL VARO.

(2013-01103-IS-0113, SA (b)(6) Southeast Field Office)

HEALTHCARE FRAUD

A former Brooklyn, NY VAMC psychiatrist was sentenced to 18 months' incarceration, 36 months' supervised release, and ordered to forfeit \$1.2 million and pay Medicare restitution after pleading guilty to Healthcare Fraud. A VA OIG and HHS OIG investigation revealed that the defendant submitted false and fraudulent Medicare claims while operating a private practice. The fraud included home visits billed to Medicare while the defendant was on approved sick or bereavement leave from VA.

(2012-02632-IN-0235, SA (b)(6) New York Resident Agency)

COMPENSATION BENEFICIARY FRAUD

A. A veteran was arrested for Theft of Government Funds and False Statements. A VA OIG investigation revealed that the defendant, in order to receive VA compensation, fraudulently claimed Vietnam service and submitted an altered DD-214 indicating that he received a Purple Heart and Vietnam Gallantry Cross. A review of the veteran's service record indicated that he never served in Vietnam and did not receive the claimed military awards. The defendant served aboard Navy ships that were not deployed to Vietnam or to any other combat zone. The loss to VA is approximately \$102,000.

(2013-04436-IN-0006, SA (b)(6) New York Resident Agency)

B. The widow of a deceased veteran was sentenced to 5 years' probation, 6 months' home confinement, and ordered to pay \$61,353 in restitution after pleading guilty to Theft of Public Money. A VA OIG investigation revealed that the defendant failed to notify VA that she had been remarried for over 8 years.

(2013-00010-IS-0051, SA (b)(6) Nashville Resident Agency)

DECEASED BENEFICIARY FRAUD

A. The granddaughter of a deceased VA beneficiary was sentenced to 5 years' probation, 120 hours' community service, 2 months' home confinement, and ordered to pay \$49,179 in restitution after pleading guilty to Theft of Government Funds. A VA OIG investigation determined that the defendant stole VA benefits that were direct deposited after her grandmother's death in January 2008.

(2011-00055-IS-0139, SA (b)(6) Atlanta Resident Agency)

B. A defendant was sentenced to 33 months' incarceration, 3 years' supervised release, and ordered to pay restitution of \$177,694 (\$58,052 to SSA and \$119,642 to VA) jointly and severally with another defendant after pleading guilty to Misuse of a Social Security Number. A VA OIG and SSA OIG investigation

revealed that the defendant conspired with the daughter of a deceased beneficiary to receive, forge, and negotiate VA and SSA benefit checks that were issued after the beneficiary's death in July 2002.

(2010-03196-ID-0118, SA (b)(6) South Central Field Office)

DOCTOR SHOPPING

A. A veteran was sentenced to 3 years' probation and ordered to comply with the provisions of his VA controlled substance contract after pleading guilty to Obtaining a Controlled Substance Illegally. A VA OIG and HHS OIG investigation determined that the veteran, who was being treated under a VA opioid medication treatment agreement, obtained narcotics from VA and also from several medical providers.

(2012-03832-IF-0012, RAC (b)(6) Seattle Resident Agency)

B. A veteran was indicted and arrested for Obtaining a Controlled Substance by Fraud. A VA OIG investigation revealed that the defendant received narcotics from a VA provider as well as physicians in the local community. The defendant's actions also violated her VA opioid agreement.

(2014-00450-IS-0024, RAC (b)(6) Nashville Resident Agency)

DRUG DIVERSION

A former USPS employee was indicted for Theft of Mail by a Postal Employee and other charges. A VA OIG and USPS OIG investigation determined that for approximately 3 years the defendant sold VA narcotics that he stole from a USPS distribution facility. A search of the defendant's residence revealed large quantities of stolen narcotics as well as other stolen mail matter.

(2013-00210-IS-0167, SA (b)(6) Nashville Resident Agency)

TRAVEL BENEFIT FRAUD

A veteran was sentenced to 4 month's home detention, 5 years' probation, and ordered to pay restitution of \$23,795. A VA OIG investigation revealed that from September 2008 to June 2013 the defendant submitted 740 fraudulent travel benefit vouchers to the Clarksburg, WV VAMC. The defendant claimed that he resided 40 miles from the facility when he actually lived a few miles from the medical center.

(2013-02288-IA-0073, SA (b)(6) Pittsburgh Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
4/01/13

THREATS

A veteran was sentenced to 10 years' incarceration (suspended), 3 years' probation, a \$1,500 fine, and ordered to have no contact with the VA clinic in Dothan, AL after pleading guilty to Making Terroristic Threats. A VA OIG investigation revealed that the defendant threatened to use his .45 caliber handgun to kill 42 people at the Dothan, AL CBOC. The initial contact with the defendant at his residence resulted in a 2 hour standoff as he barricaded himself in his home with a firearm. The defendant was arrested without incident after he attempted to flee from the residence.

(2012-04342-IS-0024, SA (b)(6) Atlanta Resident Agency)

DOCTOR SHOPPING

A veteran was sentenced to 100 days' incarceration (suspended) and 24 months' probation after pleading guilty to Obtaining Controlled Substances by Fraud. A VA OIG investigation determined that the defendant received hydrocodone from three separate providers. Also, as a result of the investigation, the veteran is no longer permitted to receive controlled substances from VA.

(2004-01135-IS-0123, SA (b)(6) Nashville Resident Agency)

HEALTHCARE FRAUD

An Augusta, GA VAMC physician was indicted and arrested for Theft of Services after misusing his authority to receive free VA health care services. A VA OIG investigation revealed that the defendant was notified by the VHA Eligibility Center (HEC) that he was ineligible to receive free health care services from VA due to his priority group. Subsequent to the notification from the HEC, the defendant directed a first year resident to enter an electronic referral into the system so he could receive minor surgery from the VA's Plastic Surgery Department. The loss to VA is \$2,156.

(2012-01562-IS-0227, SA (b)(6) Atlanta Resident Agency)

BENEFICIARY TRAVEL FRAUD

A veteran was sentenced to 4 months' incarceration, 2 years' probation, and ordered to pay VA \$9,173 in restitution after pleading guilty to Fraudulent Schemes. A VA OIG investigation revealed that the defendant submitted false

travel claims to the Prescott, AZ VAMC claiming that she was traveling over 500 miles round trip, when in actuality she was traveling only 180 miles.

(2010-03413-IW-0028, (b)(6) Phoenix Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
4/07/14

THREATS

A. A former Seattle, WA VAMC employee was sentenced to 364 days' incarceration (suspended), 30 days in a community work program, 12 months' probation, and ordered to pay \$2,722 in restitution and to have no contact with VA after pleading guilty to threatening to bomb the medical center. A VA OIG and VA Police Service investigation determined that the defendant wrote two letters indicating that multiple bombs would detonate somewhere in the hospital within two weeks. No bombs or improvised explosive devices were found. The defendant later admitted that he wrote the letters as a diversionary tactic in an attempt to delay an investigation that was being conducted regarding his misuse of a Government fuel credit card.

(2013-04522-IF-0002, SA (b)(6) Seattle Resident Agency)

B. A veteran was arrested for making threats to do bodily harm. A VA OIG investigation revealed that the defendant told a VA Call Center that he was going to get a gun and shoot employees at the Roanoke, VA VARO.

(2014-02191-IA-0072, SA (b)(6) Mid-Atlantic Field Office)

PATIENT ASSAULT

A. A former Salisbury, NC VAMC nursing assistant was charged in a criminal information with the assault of an elderly dementia patient at the medical center. A VA OIG investigation revealed the defendant struck the patient under his eye and attempted to conceal her actions by leaving the scene. The defendant subsequently confessed to striking the patient, who passed away a few months following the incident.

(2013-02031-IA-0056, SA (b)(6) Columbia Resident Agency)

B. Another former Salisbury, NC VAMC nursing assistant was charged in a criminal information with assault of an elderly dementia patient at the medical center. A VA OIG investigation revealed that after being struck by the patient, the defendant became angry, wrapped the patient's arm around his neck, and pulled him down the hallway to his room and then forced him into his bed. Prosecution was declined on a second nursing assistant who admitted to restraining the same patient to his wheelchair by stretching the patient's sleeves of his t-shirt over the handles of the wheelchair. Both employees resigned from their positions as a result of this investigation.

(2013-01222-IA-0040, SA (b)(6), Columbia Resident Agency)

ATTEMPTED ROBBERY

A former Salisbury, NC VAMC police officer was indicted for attempted robbery of a credit union located on the campus of the medical center. A VA OIG and FBI investigation revealed that while on duty, the defendant attempted to rob the credit union by forcing a credit union employee into the building as she was opening for the day. The defendant concealed his identity by wearing overalls, ski mask, and gloves. Two construction workers witnessed the incident and chased the defendant as he fled from the scene. The defendant evaded the workers by hiding in an HVAC room, exiting in his uniform, and assisting in the search for the "suspect." Later that day, a duffel bag containing items worn during the attempted robbery was located in the locked HVAC room. The defendant returned a few days later to retrieve the duffel bag and was captured on surveillance video. The defendant confessed during an interview and agreed to surrender himself after indictment.

(2013-03146-IA-0080, SA (b)(6), Columbia Resident Agency)

IDENTITY THEFT

A. A non-veteran was sentenced to 90 months' incarceration, 48 months' supervised release, and ordered to pay \$418,723 in restitution after pleading guilty to Aggravated Identity Theft and Theft of Government Funds. A VA OIG, IRS CID, and local police investigation revealed that the defendant, a convicted murderer, used veterans' PII from stolen Tampa, FL VAMC medical records to file \$418,723 in fraudulent tax returns.

(2011-03512-IS-0001, SA (b)(6), Southeast Field Office)

B. A non-veteran was indicted for Conspiracy to Commit Mail and Wire Fraud, Aggravated Identity Theft, and Felon in Possession of a Firearm. A VA OIG, IRS CID, ATF, and local police investigation revealed that the defendant used veterans' PII obtained from stolen VAMC medical records and other sources to file approximately \$3.1 million in fraudulent tax returns. Also, the defendant, who is a convicted felon, was in possession of multiple firearms.

(2014-00572-IS-0081, SA (b)(6), Southeast Field Office)

DOCTOR SHOPPING

A veteran was indicted and arrested for Obtaining a Controlled Substance by Fraud. A VA OIG investigation revealed that the defendant received narcotics from a VA provider as well as non-VA providers during the same timeframe. The defendant's actions also violated his VA opioid agreement.

(2014-00444-IS-0028, SA (b)(6) Nashville Resident Agency)

DRUG DISTRIBUTION

A defendant pled guilty to Possession of a Controlled Substance. A VA OIG investigation determined that the defendant, who resided in transitional housing for homeless veterans, sold heroin to veterans receiving treatment at the Lyons, NJ VAMC where the transitional facility is co-located.

(2011-03812-IN-0172, SA (b)(6) Northeast Field Office)

FORGERY

The former spouse of a veteran was sentenced to 1 to 6 years' incarceration (suspended), 48 months' probation, 120 hours' community service, and ordered to pay VA \$5,912 in restitution after pleading guilty to Forgery. A VA OIG investigation disclosed that VA benefit checks, made payable to the veteran, continued to be mailed to the defendant's residence while the veteran was deployed to Afghanistan. The veteran assumed that because of his deployment the VA benefit checks were no longer being issued.

(2012-04611-IN-0013, SA (b)(6) Manchester Resident Agency)

EDUCATION BENEFICIARY FRAUD

The owner of a cosmetology school in Chesapeake, VA was sentenced to 20 months' incarceration, 3 years' supervised release, and ordered to pay VA \$85,610 in restitution after pleading guilty to Making False Statements. A VA OIG investigation determined that after the defendant's school was destroyed by fire she lost her teaching accreditation with the State of Virginia. The defendant conspired with a second defendant, who owned a cosmetology school in Richmond, VA that was eligible to receive VA education benefits, to recruit and train students eligible to receive benefits in the Chesapeake area while submitting paperwork to VA fraudulently certifying that the students were enrolled and receiving training at the school in Richmond. The second defendant previously pled guilty to False Statements and received the same sentence.

(2013-01571-IA-0055, SA (b)(6) Mid-Atlantic Field Office)

THEFT OF GOVERNMENT PROPERTY

A subject was arrested for Theft of Government Property. A VA OIG and VA Police Service investigation revealed that the defendant used a stolen VA credit card to purchase electronics and other items at local retail stores. The loss to VA is \$5,358.

(2013-01467-IA-0065, SA (b)(6) Mid-Atlantic Field Office)

DECEASED BENEFICIARY FRAUD

The cousin of a deceased VA beneficiary was sentenced to 5 years' incarceration (all suspended except for 4 weekends), 5 years' supervised probation, and ordered to pay VA \$40,677 in restitution after pleading guilty to Theft of Government Funds. A VA OIG investigation revealed that the defendant stole VA benefits that were direct deposited to a joint account after the beneficiary's death in July 2009.

(2012-00031-IA-0100, SA (b)(6) Mid-Atlantic Field Office)

HEALTH CARE FRAUD

A non-veteran, who claimed to have served in Vietnam with the U.S. Marine Corps, pled guilty to False Statements. A VA OIG investigation revealed that the defendant received VA healthcare and other benefits that he was not entitled to receive. The defendant was previously convicted in 2008 for defrauding VA of more than \$75,000 and was sentenced to 2 years' incarceration. The current loss to VA is \$31,696.

(2013-00069-IA-0028, SA (b)(6) Asheville Resident Agency)

DRUG DIVERSION

A veteran was sentenced to 66 months' incarceration and 36 months' supervised release after pleading guilty to selling his VA prescribed narcotics to a co-conspirator. The defendant was also ordered to be released to immigration officials following his incarceration for potential deportation.

(2010-02692-IA-0101, SA (b)(6) Fayetteville Resident Agency)

VA FUNDS RECOVERED

A VA OIG investigation revealed that VA direct deposited compensation benefits into the bank account of a veteran who died in March 1981. The bank eventually abandoned the funds to the Commonwealth of Virginia in October 2011. Working in conjunction with VA's Debt Management Center, VA OIG was able to recover \$684,384 from the Commonwealth of Virginia.

(2013-00118-IA-0057, SA (b)(6) Mid-Atlantic Field Office)

FUGITIVE FELON

A. A veteran was arrested by the local sheriff's office with the assistance of VA OIG and the U.S. Marshals Service at the West Palm Beach, FL VAMC. The defendant was wanted for Violation of Probation stemming from Aggravated Assault with a Deadly Weapon.

(2014-00073-IS-0088, SA (b)(6) West Palm Beach Resident Agency)

B. A veteran was arrested without incident by the U.S. Marshals Service with the assistance of VA OIG and the VA Police Service at the Bay Pines, FL VAMC. The veteran was wanted for Failure to Appear.

(2014-00073-IS-0105, SA (b)(6) Southeast Field Office)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
4/08/13

FIDUCIARY FRAUD

A former VA fiduciary was sentenced to 41 months' incarceration, 36 months' supervised probation, and ordered to pay \$639,618 in restitution after pleading guilty to Theft of Government Funds. A VA OIG investigation revealed that the defendant embezzled \$460,679 of VA benefits and \$176,246 of SSA benefits from an incompetent veteran. The defendant admitted to submitting fraudulent accountings to both VA and the court by altering reports and creating fraudulent certificates of deposit.

(2012-03703-IS-0009, SA (b)(6) Nashville Resident Agency)

GRANT AND PER DIEM FRAUD

A former participant in the VA Homeless Grant and Per Diem program pled guilty to making False Statements to VA. A VA OIG investigation revealed that the defendant made false representations when applying for a grant to provide funds for the purchase of property to be used to house indigent veterans. The defendant later admitted to keeping \$25,000 of the \$80,600 provided by VA and failing to make mortgage payments, which resulted in foreclosure. The defendant also received an additional \$280,000 in grant funds for the purchase of an apartment building to house veterans and a specialty van to provide transportation for indigent veterans, neither of which was purchased.

(2012-03749-IS-0018, SA (b)(6) Nashville Resident Agency)

LOAN ORIGINATION FRAUD

A defendant was sentenced to 30 months' incarceration, 36 months' supervised release, and ordered to pay VA \$437,000 in restitution after pleading guilty to Wire Fraud. A VA OIG and NCIS investigation revealed that the defendant submitted fraudulent science and engineering degrees to the U.S. Navy and was subsequently accepted into the nuclear program with the rank of Ensign. The defendant then used her fraudulently acquired military status to apply for a VA-backed home loan and submitted forged and fraudulent bank statements and military documents confirming her actual and anticipated income and assets. In 2010, after the investigation revealed that the defendant had never been awarded any of the degrees, she was court-martialed and incarcerated for the false representations relating to her enlistment. The defendant will serve her new sentence after her current period of imprisonment.

(2011-01275-IN-0110, SA (b)(6) Northeast Field Office)

EDUCATION BENEFICIARY AND HEALTHCARE FRAUD

A veteran was sentenced to 12 months' incarceration, 3 years' supervised probation, and ordered to pay VA \$10,051 in restitution. A VA OIG investigation determined that the defendant submitted fraudulent DD-214s to the Montana National Guard and the Ft. Harrison, MT VAMC. Before being discharged from active duty as "Other than Honorable," the veteran purchased eight fictitious DD-214s from a service member at the Miramar Air Force Base indicating an "Honorable" discharge. The veteran then used an ink signature stamp to make the DD-214s appear more authentic. The veteran then submitted one of the fictitious DD-214s to re-enter the military, where he immediately made a claim for VA educational benefits under the GI Bill. The veteran also submitted one of the fictitious DD-214s to the medical center and began receiving VA healthcare benefits to which he was not entitled.

(2011-00892-DF-0028, SA (b)(6) Spokane Resident Agency)

COMPENSATION BENEFICIARY FRAUD

A veteran was sentenced to 50 months' incarceration and ordered to pay \$1,300 in court fees after being found guilty at trial of Theft. Restitution will be determined at a later time. A VA OIG investigation revealed that the defendant claimed that he was still married after his divorce in order to receive the higher married rate for his disability benefits. The loss to VA is \$6,913.

(2010-02094-IF-0003, SA (b)(6) Seattle Resident Agency)

DECEASED BENEFICIARY FRAUD

A. The granddaughter of a deceased VA beneficiary pled guilty to a criminal information charging her with Theft of Government Funds. A VA OIG and U.S. Secret Service investigation revealed that the defendant provided false statements to VA after her grandmother's death in September 2007 and then continued to receive, forge, and negotiate her grandmother's benefit checks. The loss to VA is \$13,181.

(2010-02515-IN-0020, SA (b)(6) Buffalo Resident Agency)

B. The son of a deceased veteran was sentenced to 366 days' incarceration, 3 years' supervised release, and ordered to pay \$202,662 in restitution. A VA OIG investigation determined that the defendant stole VA benefits that were direct deposited to a joint account after his father's death in March 2006. The defendant admitted to spending the stolen funds at night clubs and playing golf.

(2012-00025-IF-0095, SA (b)(6) Seattle Resident Agency)

HEALTH CARE FRAUD

A non-veteran pled guilty to Theft of Government Funds. A VA OIG investigation revealed that the defendant never served in the U.S. Marine Corps or sustained the injuries supposedly caused by an improvised explosive device while serving in Afghanistan. As a result, the defendant fraudulently obtained approximately \$100,000 of VA medical benefits he was not entitled to receive.

(2012-02201-IS-0211, SA (b)(6) West Palm Beach Resident Agency)

DRUG DISTRIBUTION

A former registered nurse at a VA Community Based Outpatient Clinic (CBOC) was indicted and arrested for Conspiracy, Possession with Intent to Distribute a Controlled Substance, and Obtaining a Controlled Substance by Fraud. A VA OIG and local police investigation determined that the defendant stole prescription forms from a nurse practitioner at the clinic and subsequently forged prescriptions for oxycontin that she then sold to co-conspirators for cash. A friend of the former defendant was also arrested and charged with Possession of a Controlled Substance and Possession of a Forged Instrument. The friend received multiple forged oxycontin prescriptions in his name from the defendant and filled them at local pharmacies.

(2012-00668-IN-0051, SA (b)(6) Buffalo Resident Agency)

DRUG DIVERSION

A former Nashville, TN VAMC certified nursing assistant was sentenced to 12 months' incarceration (suspended), 12 months' supervised probation, and a \$444 fine after pleading guilty to Abuse or Neglect of an Impaired Adult. The sentencing prohibits the defendant from working as a nursing assistant during the probationary period. A VA OIG investigation revealed that the defendant removed fentanyl patches from terminally ill patients and either placed them on his own body or chewed them to support his drug addiction. The employee resigned from his position at the medical center after conviction.

(2012-00252-IS-0201, SA (b)(6) Nashville Resident Agency)

DRUG THEFT

A former United Parcel Service (UPS) employee was sentenced to 12 months' probation and 20 hours' community service. During a VA OIG investigation, the defendant was observed on a surveillance camera cutting open a VA package and stealing the medication. The defendant later confessed that he had been specifically targeting VA packages containing oxycotin and hydrocodone and that

he used some of the drugs, gave some to friends, and traded some for marijuana.

(2011-01836-IF-0033, SA (b)(6) Seattle Resident Agency)

IDENTITY THEFT

A defendant was sentenced to 65 months' incarceration, 36 months' supervised probation, ordered to pay \$462,039 in restitution, and forfeit \$159,265 after pleading guilty to Wire Fraud and Aggravated Identity Theft. A VA OIG, IRS CID, and local police investigation revealed that the defendant used veterans' personal identifying information stolen from VA medical records to file fraudulent Federal income tax returns. Additional stolen identities of non-veterans obtained outside VA were also used by the defendant during this scheme. The defendant received approximately \$462,039.60 in illicit proceeds from fraudulent returns and attempted to file additional fraudulent income tax returns in an amount exceeding \$600,000.

(2011-04532-IS-0030, SA (b)(6) Southeast Field Office)

BENEFICIARY TRAVEL FRAUD

A veteran, who previously pled guilty to filing false claims for travel benefits, was sentenced to 5 years' probation and ordered to pay VA \$17,361 in restitution. A VA OIG investigation disclosed that from June 2009 to February 2012 the defendant submitted 156 false travel claims reporting that he was driving to the Togus, ME VAMC from locations that were over 300 miles round-trip, when in actuality he resided only 3 miles from the medical center.

(2012-01565-IN-0099, SA (b)(6) Manchester Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
4/14/14

ASSAULT

A veteran was indicted for Assault after a VA OIG investigation revealed that he struck a Waco, TX VAMC police officer in the mouth, resulting in injuries.

(2014-1854-ID-0028, SA (b)(6) South Central Field Office)

ROBBERY

Two non-veterans were arrested for the armed robbery of a VA employee at the Memphis, TN VAMC. A VA OIG, VA Police Service, and local police investigation revealed that the defendants stole the employee's backpack at gunpoint in the medical center parking lot.

(2014-00882-IS-0096, SA (b)(6) Nashville Resident Agency)

COMPENSATION BENEFICIARY FRAUD

A veteran pled guilty to the Theft of Government Funds. A VA OIG, IRS CID, and DOL OIG investigation revealed that the defendant, who was receiving VA compensation and Individual Unemployability (IU), reported to VA that he was not employed. The investigation further revealed that while collecting the IU benefits the defendant was employed as a building contractor. The defendant reimbursed VA \$122,993, which is the amount of the stolen funds.

(2010-02416-IS-0020, SA (b)(6) Tallahassee Resident Agency)

DECEASED BENEFICIARY FRAUD

A. The daughter of a deceased VA widow beneficiary was sentenced to 2 years' probation, 100 hours' community service, and ordered to pay VA \$45,607 in restitution after pleading guilty to Theft of Government Funds. A VA OIG investigation disclosed that the defendant stole VA funds that were direct deposited after her mother's death in July 2010.

(2013-00120-IS-0106, SA (b)(6) Tallahassee Resident Agency)

B. The son of a deceased VA beneficiary pled guilty to Theft by Deception. A VA OIG investigation determined that the defendant stole VA funds that were direct

deposited to a joint account after his mother's death in April 2009. The loss to VA is approximately \$58,000.

(2013-02014-IN-0153, SA (b)(6) Northeast Field Office)

C. The grandson of a deceased VA beneficiary was indicted for Theft by Deception and Forgery. A VA OIG and SSA OIG investigation revealed that the defendant stole, forged, and negotiated VA and SSA benefit checks issued after his grandfather's death in November 2006. The loss to the Government is \$18,224.

(2013-02112-IN-0126, SA (b)(6) Northeast Field Office)

LOAN ORIGINATION FRAUD

A mortgage broker was sentenced to 4 months' incarceration, 6 months' home detention, 3 years' probation, and ordered to forfeit \$327,039 after pleading guilty to Conspiracy to Commit Mail, Wire, and Bank Fraud. A VA OIG and FBI investigation determined that the defendant provided funds to multiple buyers that were used as the down payment during real estate closings. The funds were fraudulently reported on the Uniform Residential Loan Application as gifts from a family member and were used to increase the buyer's credit scores allowing them to qualify for larger mortgages. Thirteen loans were identified in the scheme, including a VA guaranteed home loan. The potential loss to the VA should this guaranteed VA home loan default is approximately \$152,203.

(2012-00821-IS-0099, SA (b)(6) Tallahassee Resident Agency)

DRUG DIVERSION

A Gainesville, FL, VAMC medical support assistant was arrested for Fraudulently Acquiring Controlled Substances. A VA OIG investigation revealed that the defendant intentionally removed and ingested wasted controlled substances from sharps containers.

(2014-00796-IS-0060, SA (b)(6) Tallahassee Resident Agency)

PRESCRIPTION FRAUD

A veteran was sentenced to 265 days' confinement, 24 months' drug offender probation, an additional 24 months' standard probation, and a fine of \$1,095 after being found guilty of altering and forging narcotic prescriptions. A VA OIG investigation revealed that the defendant attempted to obtain prescribed hydrocodone and morphine from the Tallahassee, FL VA OPC by altering the prescriptions' issue dates and forging the doctor's signature.

(2012-00252-IS-0056, SA (b)(6) Tallahassee Resident Agency)

DOCTOR SHOPPING

A veteran was sentenced to 3 to 6 months' incarceration (suspended), 1 year of probation, and ordered to obtain substance abuse treatment after pleading guilty to Possession of a Narcotic. A VA OIG and state police investigation revealed that the defendant received 195 oxycodone pills from the White River Junction, VT VAMC and a private physician within a 40-day timeframe. The defendant made false statements to both the medical center and the local hospital in order to obtain more oxycodone.

(2013-03692-IN-0020, SA (b)(6) Manchester Resident Agency)

WEEKLY HIGHLIGHTS
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4/15/13

ASSAULT

A veteran was arrested for the assault of a Northport, NY VAMC employee and a patient. A VA OIG and VA Police Service investigation revealed that the defendant, while an in-patient, assaulted a VA pharmacy technician and a fellow patient, resulting in extensive head injuries to the employee. The defendant previously assaulted a medical center nurse and VA police officer in the emergency room. The defendant was criminally charged based on the severity of the injuries sustained by the victims and the subject's past history of violence. The defendant is being held without bail pending a psychiatric evaluation.

(2013-02305-IN-0097, SA (b)(6) New York Resident Agency)

THREATS

A. A former VA Compensated Work Therapy Program (CWT) employee was indicted for Making Terroristic Threats. A VA OIG and VA Police Service investigation revealed that the defendant threatened to assault his supervisor after he accused the supervisor of intentionally short-changing his salary. During the course of the investigation, the defendant also threatened to shoot law enforcement officers if they attempted to initiate contact with him.

(2013-00603-IS-0064), SA (b)(6) Atlanta Resident Agency)

B. A veteran was sentenced to 90 days' incarceration, \$392 in court costs, and ordered to attend anger management counseling after being found guilty of the harassment of a VA employee. Seventy-six days of the incarceration were suspended contingent upon successful completion of the course. Also, the defendant was ordered to avoid contact with the VA employee and to not visit the Montgomery, AL VAMC. A VA OIG investigation determined that the defendant threatened to shoot a VA vocational rehabilitation employee.

(2013-00232-IS-0022, SA (b)(6) Atlanta Resident Agency)

THEFT OF GOVERNMENT PROPERTY

A veteran was sentenced to 5 days' incarceration after pleading "no contest" to possession of stolen property. A VA OIG investigation determined that the defendant stole a gold-plated church tabernacle valued at over \$4,000, three Pyxes, and an altar cross from the White River Junction, VT VAMC chapel. The pyxes were subsequently recovered; however, although the defendant agreed to assist VA OIG agents with the recovery of the tabernacle and cross, the items

were not located. The defendant initially fled the state but returned after his benefits were suspended as the result of the VA OIG Fugitive Felon Program.

(2010-01103-IN-0108, SA (b)(6) Manchester Resident Agency)

COMPENSATION BENEFICIARY FRAUD

A. A veteran was sentenced to 15 months' incarceration, 3 years' supervised release, and ordered to pay restitution of \$77,850 after pleading guilty to Theft of Government Funds. A VA OIG investigation revealed that for over 4 years the defendant was receiving individual unemployability benefits while employed with the U.S. Coast Guard.

(2010-00862-IA-0074, SA (b)(6) Mid-Atlantic Field Office)

B. A veteran was indicted for Theft of Government Funds, False Statements, and Structuring. A VA OIG, IRS CID, and Department of Labor (DOL) investigation revealed that the defendant, while receiving VA individual unemployability benefits, was employed as a building contractor. The defendant also falsified VA employment questionnaires to reflect that he was not employed. The loss to VA is approximately \$99,400, and the loss to DOL is approximately \$49,900.

(2010-02416-IS-0020, SA (b)(6) Southeast Field Office)

DECEASED BENEFICIARY FRAUD

A. The daughter of a deceased VA beneficiary was sentenced to 4 years' probation and ordered to pay \$63,300 in restitution after pleading guilty to Theft of Government Funds. A VA OIG investigation determined that the defendant stole VA benefits that were direct deposited into a joint account after her mother's death in May of 2007. The defendant admitted to converting the funds for personal use.

(2012-00030-IS-0183, SA (b)(6) Southeast Field Office)

B. The daughter of a deceased veteran was indicted for Theft of Government Funds. A VA OIG investigation determined that the defendant received, forged, and negotiated VA benefit checks after her father's death in March 2005. The loss to VA is \$24,203.

(2013-00120-IS-0135, SA (b)(6) Southeast Field Office)

DRUG DIVERSION

A contract-carrier employee with the U. S. Postal Service was sentenced to 57 months' incarceration, 36 months' probation, and ordered to pay approximately

\$3,000 in restitution after pleading guilty to Mail Theft. A VA OIG and Postal Service OIG investigation revealed that for approximately 6 months the defendant stole approximately 9,600 pills and approximately 2,000 doses of controlled medication shipped from a VAMC. The defendant admitted to selling and consuming the medication.

(2012-01375-IA-0042, RAC (b)(6) Asheville Resident Agency)

BENEFICIARY TRAVEL FRAUD

Two Seattle, WA VAMC travel clerks pled to Conspiracy to Defraud the United States and Solicitation and Receipt of Bribes by a Public Official. The defendants, along with nine veterans, participated in a conspiracy to defraud VA by submitting hundreds of inflated and fictitious travel benefit vouchers to the medical center. Kickbacks were paid by the veterans to the travel clerks who processed the vouchers. The estimated loss is in excess of \$160,000.

(2012-01411-IF-0058, SA (b)(6) Seattle Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
4/22/13

SDVOSB FRAUD

A business owner pled guilty to Making False Statements. A VA OIG and SBA OIG investigation revealed that the defendant used personal information from a service-disabled veteran to form a joint venture. The defendant then signed the veteran's name on bids and correspondence and was subsequently awarded two VA construction contracts for \$1,029,598.

(2010-00743-IS-0067, SA (b)(6) Atlanta Resident Agency)

ASSAULT

A veteran was charged with Assault of a Federal Employee. A VA OIG and VA Police Service investigation revealed that the veteran, who was an inpatient at the Portland, OR VAMC, assaulted a registered nurse. The defendant punched the victim in the face and broke his jaw.

(2013-01406-IF-0049, SA (b)(6) Seattle Resident Agency)

COMPENSATION BENEFICIARY FRAUD

A. A Gulf War veteran pled guilty to Theft of Government Funds. A VA OIG investigation revealed that the defendant submitted false claims to VA, related to PTSD, in order to receive healthcare and compensation benefits that she was not entitled to receive. The defendant, who claimed to be unemployable and housebound since 1996, earned a Bachelor's and Master's Degree in Education and worked full time as a teacher. The loss to VA is \$205,402.

(2008-02296-IS-0159, SA (b)(6) Tallahassee Resident Agency)

B. A VA beneficiary pled guilty to Theft of Government Funds and False Statements. A VA OIG investigation revealed that the beneficiary failed to notify VA that she remarried in 1978 and subsequently submitted numerous fraudulent VA Marital Status Questionnaires. The defendant fraudulently received DIC benefits from 1978 to 2011. The loss to VA is \$308,040.

(2011-03982-ID-0117, SA (b)(6) Jackson Resident Agency)

DECEASED BENEFICIARY FRAUD

The son of a deceased veteran was arrested after being indicted for Theft of Government Funds. A VA OIG and U.S. Postal Inspection Service investigation revealed that the defendant received, forged, and negotiated 26 VA benefit checks after his father's death in March 2008. The loss to VA is \$69,602.

(2010-03622-IC-0001, SA (b)(6) Central Field Office)

DRUG DIVERSION

A. A Manchester, NH VAMC physician was sentenced to 3 years' probation as a result of his conviction for fraudulently obtaining controlled substances. A VA OIG, DEA, and OPM OIG investigation disclosed that from June 2010 to January 2011 the defendant wrote approximately 17 prescriptions (68,760 total milligrams) for oxycodone and oxycontin that were not documented in the medical records of one of his patients. Some of these prescriptions were written for the patient after the defendant went on workers' compensation leave. This was in addition to 82,800 mg of oxycodone and oxycontin that the patient received from VA during the same time period. The patient later provided some of these pills to the defendant. As part of his plea agreement, the defendant agreed to surrender his DEA registration and to never seek another one. The defendant also entered into a separate civil agreement to resolve allegations that he violated Federal regulations when he issued prescriptions that were not for a legitimate medical purpose and were outside the scope of his DEA registration. While not admitting to any wrongdoing, the defendant paid \$25,000 to resolve his potential civil liability.

(2011-02015-IN-0106, SA (b)(6) Manchester Resident Agency)

B. A U.S. Postal Service (USPS) employee was sentenced to 1 year of probation as a result of her conviction for Theft of Mail by an Employee. A VA OIG and USPS OIG investigation revealed that between June 2011 and April 2012 the defendant stole approximately 18 VA shipments of controlled narcotics.

(2012-00230-IN-0008, SA (b)(6) Manchester Resident Agency)

BENEFICIARY TRAVEL FRAUD

A veteran was indicted for Theft of Government Funds. A VA OIG investigation revealed that the defendant submitted false travel claims to the Tucson, AZ VAMC certifying that he was traveling approximately 500 miles round trip, when in actuality he was riding his bicycle a few blocks to the medical center. The loss to VA is approximately \$30,500.

(2012-00525-IW-0013, SA (b)(6) Phoenix Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
4/28/14

BRIBERY

A former Palo Alto, CA VAMC employee pled guilty to Bribery. A VA OIG and FBI investigation revealed that the former employee, a Contracting Officer Representative, accepted bribes, including cash and car payments, in exchange for ensuring that VA contractors received continuous work. The defendant received approximately \$32,400 in bribes and gifts. As a result of the same investigation, a former VA contractor pled guilty to Providing a Gratuity to a Public Official. The investigation revealed that the contractor gave gifts and cash valued at \$143,068. The gifts included vehicles, paying for personal travel expenses, and working on the home of a VA employee.

(2006-03469-IW-0291, SA (b)(6) San Francisco Resident Agency)

ASSAULT

A veteran was arrested for Assault, Vandalism, and Battery after a VA OIG and VA Police Service investigation revealed that while he was a patient at the Long Beach, CA VAMC he assaulted a nurse, punched and kicked another patient, and ripped a water fountain off the wall.

(2014-02624-IW-0069, SA (b)(6) Western Field Office)

THREATS

A veteran was arrested for making Terroristic Threats after a VA OIG and VA Police Service investigation revealed that he threatened to kill a Long Beach, CA VAMC physician, the physician's family, and three VA police officers. The defendant made the threats because he wanted more narcotics. Also, an assault rifle was seized from the veteran's residence.

(2014-02713-IW-0068, SA (b)(6) Western Field Office)

CHILD PORNOGRAPHY

A Kerrville, Texas, VAMC employee was arrested for Receipt of Child Pornography. A VA OIG investigation revealed that while the defendant was working a midnight shift he regularly searched for and downloaded child pornography using the VA computer in his work area. The defendant admitted to routinely engaging in similar conduct while at home and gave consent for FBI agents to conduct a search of his residence and personal computer.

(2012-02217-ID-0059, RAC (b)(6) Houston Resident Agency)

HEALTHCARE FRAUD

A non-veteran was arrested after being indicted for Theft of Government Funds and False Statements. A VA OIG and HUD OIG investigation determined that the defendant, who never served in the U.S. armed forces, received medical treatment at the Topeka, KS VAMC and HUD-VASH housing benefits. The defendant also filed for VA disability compensation and pension benefits on multiple occasions, all of which were denied. The loss to VA is \$223,664 and the loss to HUD is \$5,131.

(2013-03122-IC-0107, SA (b)(6) Kansas City Resident Agency)

DECEASED BENEFICIARY FRAUD

A. The daughter of a deceased widow beneficiary was sentenced to 8 months' home detention with electronic monitoring, 3 years' probation, and ordered to pay VA restitution of \$44,570 after pleading guilty to Theft of Government Funds. A VA OIG investigation revealed that the defendant received, forged, and negotiated VA benefit checks that were issued after her mother's death in April 2008.

(2013-00123-IF-0080, SA (b)(6) Sacramento Resident Agency)

B. The son of a deceased DIC beneficiary pled guilty to the Fraudulent Acceptance of VA Benefits. A VA OIG investigation revealed that the defendant stole VA funds that were direct deposited after his mother's death in August 2005. The loss to VA is \$92,152.

(2010-00022-IC-0062, RAC (b)(6) Denver Resident Agency)

C. The daughter of a deceased DIC beneficiary was charged in a civil complaint with violating the False Claims Act. The complaint was the result of a VA OIG investigation that determined the daughter stole VA benefits that were direct deposited to a joint account after her mother's death in May 2006. The complaint seeks a judgment of \$162,954.

(2010-00022-IC-0074, SA (b)(6) Central Field Office)

D. The daughter of a deceased VA beneficiary was sentenced to 36 months' probation and ordered to pay \$4,422 in restitution after pleading guilty to Theft of Government Funds. A VA OIG investigation revealed that the defendant received, forged, and negotiated VA benefit checks issued after her mother's death in July 2007.

(2012-00030-IS-0004, SA (b)(6) Tallahassee Resident Agency)

THEFT OF GOVERNMENT FUNDS

A veteran was sentenced to 24 months' incarceration, 2 years' supervised release, and ordered to pay \$364,000 in restitution after pleading guilty to Making False Material Statements and Theft of Government Funds. A VA OIG investigation revealed that the defendant fraudulently obtained three separate grants from the VA Grant and Per Diem Program. The grants were intended to provide housing and assistance to homeless veterans. However, the defendant used the grant funds for personal gain. Also, during the execution of a search warrant at the defendant's residence large amounts of lottery tickets, gambling slips, and other gambling paraphernalia were found.

(2011-03749-IS-0018, RAC (b)(6) Nashville Resident Agency)

DRUG DIVERISON

A St. Louis, MO VAMC registered nurse was indicted for Health Care Fraud and Aggravated Identity Theft. A VA OIG investigation revealed that the defendant diverted Dilaudid from patients in the emergency room for personal use.

(2014-02570-IC-0054, SA (b)(6) Kansas City Resident Agency)

DRUG THEFT

A UPS employee was arrested for Theft of a Controlled Substance, Forgery, and Possession of a Controlled Substance. A VA OIG, local police, and UPS security investigation revealed that beginning in October 2013 the defendant stole VA parcels containing morphine pills from UPS.

(2014-02108-IC-0057, SA (b)(6) Kansas City Resident Agency)

TRAVEL BENEFIT FRAUD

Eight veterans were indicted for Theft of Public Money. A VA OIG and VA Police Service investigation revealed that each of the defendants submitted fraudulent travel voucher claims to the Mt. Home, TN VAMC. Each defendant claimed a false address which increased their distance of travel to and from the medical center. The total loss to VA is \$40,188.

(2012-02666-IS-0163, 2012-00419-IS-0176, 2014-00442-IS-0046, 2014-00492-IS-0056, 2014-00494-IS-0057, 2014-00477-IS-0061, 2014-00500-IS-0062, 2014-01435-IS-0067, SA (b)(6) and RAC (b)(6) Nashville Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
4/29/13

SDVOSB FRAUD

The owner of a large construction company was charged with obstructing a grand jury investigation by altering and deleting documents from his computer. A VA OIG, GSA OIG, Army CID, SBA OIG, and DOL OIG investigation revealed that the defendant, a minority owner of two Service-Disabled Veteran-Owned Small Businesses (SDVOSB), received a grand jury subpoena for records relating to his business dealings with another company. The defendant deleted documents on his computer that were required by the subpoena.

(2010-00304-IN-0229, SA (b)(6) and SA (b)(6) Manchester Resident Agency)

THREAT

A veteran was sentenced to time served, 1 year of probation, and ordered not to visit the Memphis, TN VAMC for 3 years after pleading guilty to knowingly and recklessly causing fear of imminent bodily injury to another. The defendant was involuntarily committed for a mental evaluation after his arrest. A VA OIG investigation revealed that the defendant harassed and threatened a VA doctor after he refused to prescribe pain medication to the defendant.

(2013-01582-IS-0094, SA (b)(6) Nashville Resident Agency)

DOCTOR SHOPPING

A veteran was arrested for Obtaining Controlled Substances by Fraud and Forgery. A VA OIG and local police investigation revealed that for over 12 months the defendant fraudulently received controlled substances to include diazepam, hydrocodone, carisoprodol, oxycodone, and alprazolam from private physicians, nurse practitioners, and pharmacies while also receiving the drugs from VA.

(2013-00403-IA-0022, SA (b)(6) Fayetteville Resident Agency)

COMPENSATION BENEFICIARY FRAUD

A veteran was indicted for Unlawful Procurement of Naturalization, Making a False Statement in Connection with the Purchase of a Firearm, and Making a False Statement in a Passport Application. A VA OIG and U.S. State Department investigation revealed that the defendant used fraudulent

documentation in order to emigrate from Ghana to the United States. The defendant then fraudulently enlisted in the U. S. Navy and received VA healthcare and compensation benefits based on this service.

(2012-01193-IA-0061, (b)(6) Mid-Atlantic Field Office)

BENEFICIARY TRAVEL FRAUD

A veteran pled guilty to Theft of Government Funds after a VA OIG investigation revealed that he filed fraudulent travel claims. The defendant claimed that he was traveling from Tallahassee, FL to the Lake City VAMC and Gainesville VAMC, when in actuality he resided about 4 miles from the Lake City, FL VAMC. This is the defendant's second indictment for the same crime and he committed the second offense while he was appearing in court for the first offense. The loss to VA is \$5,893.

(2011-00375-IS-0006, SA (b)(6) Tallahassee Resident Office)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
5/05/14

ASSAULT

An Oakland, CA VA Community Based Outpatient Clinic (CBOC) employee was charged with Battery. A VA OIG and VA Police Service investigation revealed that the defendant slapped a patient after the patient greeted the employee as "buddy." The employee believed that the term "buddy" was a racial slur. When interviewed the employee stated that if he had thought about it more he would have used a closed fist and knocked the patient out.

(2014-02324-IF-0033, SA (b)(6) San Francisco Resident Agency)

THREATS

A veteran was indicted for Terroristic Threats. A VA OIG investigation revealed that the defendant called a VA Telephone Care Service Hotline and threatened to kill a physician assistant at the Beaumont, TX VA CBOC. The phone call was recorded, and the defendant subsequently confessed to making the threats.

(2014-01020-ID-0042, SA (b)(6) Houston Resident Agency)

FIDUCIARY FRAUD

The brother of a VA beneficiary was arrested for Theft, Money Laundering, and Theft of Entrusted Property. A VA OIG and local police investigation revealed that the defendant, a VA-appointed fiduciary, submitted an accounting to VA that falsely identified expenses pertaining to his brother for entertainment, clothing, and room and board. During this time period, the veteran was a bedridden inpatient at a VAMC. When interviewed, the defendant admitted to embezzling his brother's VA benefits and using those funds to buy a car and for travel expenses. The loss to the veteran is over \$100,000.

(2013-00955-IN-0083, SA (b)(6) Northeast Field Office)

COMPENSATION BENEFICIARY FRAUD

A veteran was indicted and arrested for Theft of Government Funds and False Statements. A VA OIG investigation revealed that the defendant misrepresented the extent and severity of his disabilities in order to obtain a fraudulent disability rating. Specifically, the veteran claimed and was rated for blindness with best corrected vision making him capable of counting fingers at one foot. The defendant was observed driving a vehicle on a daily basis, as well as performing

other daily activities that required better vision than claimed. The loss to VA is approximately \$344,700.

(2011-03969-IS-0026, SA (b)(6) Tallahassee Resident Agency)

DECEASED BENEFICIARY FRAUD

The son of a deceased VA beneficiary was arrested for Theft by Fraud. A VA OIG investigation revealed that the defendant received, forged, and negotiated VA benefit checks that were issued after his mother's death in December 2010. The defendant admitted to using the stolen funds to pay for personal expenses. The loss to VA is \$17,607.

(2013-00121-ID-0008, SA (b)(6) Jackson Resident Agency)

THEFT OF GOVERNMENT PROPERTY

A Mountain Home, TN VAMC employee was indicted and arrested for Theft of Government Property. A VA OIG and VA Police Service investigation identified the defendant on video stealing VA property valued at over \$5,000.

(2014-02353-IS-0119, SA (b)(6) Nashville Resident Agency)

DRUG DISTRIBUTION

A. A veteran was arrested after being indicted for weapon and drug distribution charges. A VA OIG, ATF, DCIS, and local police investigation revealed that the defendant participated in a plan with at least two other veterans to steal and transport at least two machine guns allegedly taken from Fort Bragg. Controlled buys of the guns were conducted and two separate arrests were made regarding those purchases. Following the arrests, the defendant continued his illicit activity, which included selling a shotgun, ammunition, a bullet proof vest, and his VA prescription medications to one of the previously arrested individuals. The investigation of the defendant relating to his suspected fraudulent claim and receipt of VA compensation benefits is continuing and, if proven, will result in additional charges. The defendant was remanded pending a custody hearing.

(2013-02720-IN-0044, SA (b)(6) Buffalo Resident Agency)

B. A veteran was sentenced to 1 year of probation after pleading guilty to Possession of Heroin with Intent to Distribute. A VA OIG and VA Police Service investigation revealed that the defendant sold heroin to patients at the Boston, MA VAMC. The defendant was identified during an undercover operation at the medical center. When confronted, the defendant admitted to being in possession of heroin that he intended to sell.

(2013-02500-IN-0101, SA (b)(6) Boston Resident Agency)

DRUG THEFT

A. A U. S. Postal Service employee was arrested for Larceny of Drugs and Possession of a Class E Drug. A VA OIG, USPS OIG, and local police investigation revealed the defendant stole drugs out of parcels, to include VA parcels that contained prescription medications. The defendant admitted to using his position as a USPS employee to target packages that he believed contained prescription drugs and steal a portion of those pills for personal use.

(2014-02496-IN-0128, SA (b)(6) Boston Resident Agency)

B. A veteran's son was arrested for Theft, Identity Theft, Forgery, Computer Fraud, and Obtaining a Controlled Substance by Fraud. A VA OIG, VA Police Service, and local police investigation revealed that the defendant, disguised as his deceased sister, obtained his father's prescriptions for controlled substances from the Alexandria, LA VAMC pharmacy.

(2014-01607-ID-0030, SA (b)(6) Jackson Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
5/06/13

COMPENSATION BENEFICIARY FRAUD

A. A retired Baltimore, MD VARO employee and five other veterans pled guilty to Wire Fraud. From 2003 to 2011, while working at the Maryland Department of Veterans Affairs, an employee created fraudulent doctor notes and amendment forms, commonly referred to as DD-215s, as part of claims for service connected disabilities. A VA OIG investigation revealed that the state employee solicited and received cash payments from the veterans in exchange for assistance with their claims. The doctor's notes claimed the veterans had been diagnosed with diabetes and were insulin dependent. The fraudulent DD-215s were used as proof of service in Vietnam. The state employee also filed a fraudulent DD-215 form to increase his own rating for PTSD. Seventeen veterans received compensation benefits using the fraudulent forms. The loss to VA is \$1,151,219. The state employee also assisted the veterans in receiving \$255,555 in property tax waivers from the state that they were not entitled to receive. Plea hearings for the remaining three defendants are pending.

(2011-01320-IA-0072, SA (b)(6) Mid-Atlantic Field Office)

B. A veteran was arrested for Theft of Government Funds relating to his fraudulent award of VA compensation benefits for PTSD. A VA OIG investigation revealed that the defendant was awarded compensation at the 100% rate based on false stressors he fabricated to support his claim. Some of the stressors that were determined to be fraudulent included his claimed participation in a dead body detail during Operation Desert Storm, his involvement in an incident where a fellow soldier's vehicle was fired upon causing the vehicle to crash, and that he was subjected to constant incoming rounds. The loss to VA is approximately \$185,000. Also, the defendant was previously convicted in 1996 of defrauding VA's home loan guarantee program.

(2012-01560-IN-0142, SA (b)(6) Northeast Field Office)

THEFT OF GOVERNMENT FUNDS AND PROPERTY

A former Miami, FL VAMC chief of canteen service was arrested for Organized Fraud and Grand Theft. A VA OIG investigation revealed that the defendant stole VA property, cash, a laptop, a Blackberry, misused his government issued travel card, and negotiated several bad checks. The defendant's thefts total \$22,450.

(2012-02892-IS-0004, RAC (b)(6) West Palm Beach Resident Agency)

CHILD PORNOGRAPHY

A former VA contract employee was sentenced to 78 months' incarceration after pleading guilty to Possession of Child Pornography and Receipt of Child Pornography. A VA OIG investigation determined that the defendant accessed internet websites containing images of child pornography and then saved the images to his VA issued computers while working at two VA clinics in New Mexico.

(2012-02318-IW-0057, SA (b)(6) Phoenix Resident Agency)

IDENTITY THEFT

A. A non-veteran was sentenced to 152 days' incarceration and ordered to pay VA \$19,072 in restitution after pleading guilty to Organized Scheme to Defraud. A VA OIG, VA Police Service, and local police investigation revealed that the defendant stole a veteran's identity and for 3 months fraudulently received VA medical care.

(2013-00475-IS-0074, SA (b)(6) West Palm Beach Resident Agency)

B. A veteran was sentenced to 25 months' incarceration and ordered to pay \$4,824 in restitution after pleading guilty to Theft of Government Funds. A VA OIG investigation determined that for approximately 3 years the defendant assumed the identity of a deceased veteran in order to obtain medical treatment at four different VA medical centers. In addition to obtaining medical care, the defendant also applied for and received pension benefits under the assumed identity. During the subject interview, the defendant stated that he assumed the identity of the deceased veteran because he knew he had an outstanding warrant and would not be able to obtain medical care from VA under his own name. The loss to VA is in excess of \$182,000.

(2010-03045-IW-0176, SA (b)(6) San Diego Resident Agency)

FIDUCIARY FRAUD

A former VA fiduciary pled guilty to harboring a foreign national. A female co-defendant also pled guilty to a similar immigration charge. A VA OIG investigation revealed that the VA fiduciary became romantically involved with the co-defendant and helped arrange a fraudulent marriage between the co-defendant and an incompetent veteran. The VA fiduciary and co-defendant

subsequently embezzled funds from the veteran to help fund immigration fees and living expenses. The fiduciary has agreed to make full restitution.

(2011-00203-IF-0007, SA (b)(6) San Francisco Resident Agency)

DECEASED BENEFICIARY FRAUD

A. The daughter of a deceased beneficiary was indicted for Theft of Government Funds. A VA OIG investigation revealed that the defendant failed to report her mother's death to VA and then stole VA benefits that were direct deposited after the beneficiary's death in May 2005. The loss to VA is \$103,557.

(2012-00030-IS-0025, SA (b)(6) Southeast Field Office)

B. The daughter of a deceased beneficiary was indicted for Theft by Taking. A VA OIG investigation determined that the defendant failed to notify VA of the beneficiary's death in 2008 and continued to use the VA benefits for personal expenses. The loss to VA is \$48,548.

(2012-0003-IS-0144, SA (b)(6) Atlanta Resident Agency)

PENSION BENEFICIARY FRAUD

Two former caretakers of a veteran pled guilty to Conspiracy and Theft of Government Funds and one other former caretaker pled guilty to Conspiracy. A VA OIG and U.S. Postal Inspection Service investigation revealed that the defendants applied for and received VA pension benefits without the knowledge of the veteran while he resided in their personal care home. The defendants used a post office box to receive all of the veteran's VA benefit checks from August 2003 to October 2010. The approximate loss to VA is \$123,000.

(2011-00022-IS-0071, SA (b)(6) Atlanta Resident Agency)

STOLEN VALOR

A veteran was indicted for False Claims and False Statements. A VA OIG investigation revealed that the defendant submitted fraudulent military documents to VA in order to receive VA compensation benefits for PTSD. The defendant claimed to be an Air Force Ranger, to have been under fire and engaged in hand to hand combat in Vietnam, to have 7 confirmed kills, and to have saved a comrade by carrying him for 6 miles to safety. A VA OIG investigation revealed that the defendant was a carpenter in the military with no foreign service. These false statements were discovered early in the investigation and prevented the awarding of any VA compensation benefits.

(2012-03275-IS-0194, SA (b)(6) Southeast Field Office)

BENEFICIARY TRAVEL FRAUD

A. A veteran was sentenced to 60 months' probation, 100 hours' community service, and ordered to pay restitution of \$57,535 after pleading guilty to Theft of Government Funds. A VA OIG investigation revealed that the defendant submitted fraudulent travel benefit vouchers to the Bay Pines FL VAMC since 1998. The defendant claimed that he resided in Sebring, FL, and traveled 224 miles round-trip, when in actuality he lived in St. Petersburg, FL, and only traveled approximately 18 miles round-trip to the medical center.

(2012-00218-IS-0073, SA (b)(6) Southeast Field Office)

B. A veteran was indicted for False Claims after a VA OIG investigation revealed that he submitted 146 false travel claims to the Albuquerque, NM VAMC. A VA OIG investigation revealed that the defendant was certifying that he was traveling approximately 400 miles round-trip when in actuality he was residing in HUD/VASH housing in Albuquerque, NM. The loss to VA is approximately \$24,000.

(2013-00769-IW-0023, SA (b)(6) Phoenix Resident Agency)

C. A veteran was sentenced to 15 months' incarceration and ordered to pay restitution of \$3,796 after pleading guilty to Grand Theft. A VA OIG investigation revealed that the defendant filed 101 fraudulent travel vouchers at the Bay Pines FL VAMC claiming that he traveled 55 miles round-trip from Sarasota, FL, when in actuality he resided in St. Petersburg, FL and only traveled approximately 18 miles per trip.

(2012-00419-IS-0001, SA (b)(6) Southeast Field Office)

FUGITIVE FELON

A. VA OIG assisted a local sheriff's office with the arrest of a Loma Linda, CA VAMC housekeeping supervisor wanted for a Dangerous Drug violation. During a search of the subject incident to the arrest, agents found hidden inside the employee's sock a plastic bag containing a white substance and a glass pipe. A field test of the white substance tested positive for methamphetamines. The employee was transported by the local sheriff's office, and a new charge was filed for Possession of Controlled Substances. The employee has an extensive drug history and is pending judicial and administrative procedures.

(2013-00088-IW-0048, SA (b)(6) San Diego Resident Agency)

B. The VA OIG and VA Police Service assisted the local police with the arrest of a veteran at the Asheville, NC VAMC. The fugitive was wanted for Discharging a Firearm into an Occupied Residence and Assault with a Deadly Weapon with Intent to Kill.

(2013-00084-IP-0003, SA (b)(6) Asheville Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
5/12/14

PROCUREMENT FRAUD

A VA contractor pled guilty to Wire Fraud. A VA OIG investigation revealed that the defendant had a contract to supply latex gloves to VA, and based on this contract he accepted more than \$150 million from investors who believed they were supplying financing for performance on the contract. In actuality, the defendant's sales to VA totaled only about \$25,000 per year. The defendant admitted to operating a large-scale Ponzi scheme, falsifying VA documents, and instructing his employees to impersonate VA officials. The defendant is awaiting sentencing and has agreed to pay restitution in the amount of \$50 million.

(2014-00183-IF-0009, SA (b)(6) Sacramento Resident Agency)

EMBEZZLEMENT

A former temporary employee of a VA-affiliated non-profit research institute was sentenced to 21 months' incarceration, 36 months' supervised release, and ordered to pay VA restitution of \$59,979 after pleading guilty to Theft from Programs Receiving Federal Funds and Misuse of a Passport. A VA OIG, ICE, DSS, and SSA OIG investigation revealed that the defendant used a false Social Security Number (SSN), date of birth, and passport to conceal his criminal history and obtain employment with the research institute. After gaining employment, the defendant fraudulently opened two corporate accounts in the name of the VA research group and deposited 20 checks totaling approximately \$68,000, withdrawing almost \$60,000 for personal use. When arrested, the defendant was living approximately 100 miles away from his initial location and had obtained employment and housing using another fictitious name, SSN, date of birth, and passport. The other investigative agencies joined the investigation after it was determined that the defendant committed additional criminal offenses in an effort to elude capture and gain new employment.

(2013-01278-IN-0050, SA (b)(6) Boston Resident Agency)

WORKERS' COMPENSATION FRAUD

A former VA medical assistant at the Rochester, NY Community Based Outpatient Clinic was sentenced to 6 months' home confinement, 5 years' probation, and ordered to pay \$14,524 in restitution after pleading guilty to Workers' Compensation Fraud. A VA OIG and Department of Labor (DOL) OIG investigation revealed that the defendant claimed to have suffered a back injury while employed by VA and was medically limited to the number of hours she

could work. The defendant began receiving workers' compensation in August 2010 and during the same time period applied for a State license to open a liquor store in which she was listed as president, manager, and sole proprietor. The defendant was observed on multiple occasions working in the liquor store, climbing staircases, reaching for and replacing bottles, carrying large heavy bags, and assisting customers. The defendant continued filing forms with DOL certifying that she was not engaged in any outside employment.

(2012-03059-IN-0231, (b)(6) Northeast Field Office)

DECEASED BENEFICIARY FRAUD

The son of a deceased veteran was arrested for Welfare Fraud and Theft. A VA OIG investigation revealed that after the veteran's death the defendant changed the name on the veteran's bank account to his own name. The defendant then stole VA benefits that were direct deposited after his father's death in August 2012 and used the funds for his own expenses. The loss to VA is \$18,704.

(2014-00061-IC-0013, SA (b)(6) Central Field Office)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
5/12/14

PROCUREMENT FRAUD

A VA contractor pled guilty to Wire Fraud. A VA OIG investigation revealed that the defendant had a contract to supply latex gloves to VA, and based on this contract he accepted more than \$150 million from investors who believed they were supplying financing for performance on the contract. In actuality, the defendant's sales to VA totaled only about \$25,000 per year. The defendant admitted to operating a large-scale Ponzi scheme, falsifying VA documents, and instructing his employees to impersonate VA officials. The defendant is awaiting sentencing and has agreed to pay restitution in the amount of \$50 million.

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could work. The defendant began receiving workers' compensation in August 2010 and during the same time period applied for a State license to open a liquor store in which she was listed as president, manager, and sole proprietor. The defendant was observed on multiple occasions working in the liquor store, climbing staircases, reaching for and replacing bottles, carrying large heavy bags, and assisting customers. The defendant continued filing forms with DOL certifying that she was not engaged in any outside employment.

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(2014-00061-IC-0013, SA (b)(6) Central Field Office)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
5/13/13

CHILD PORNOGRAPHY

A former veteran service officer was indicted for Possession of Child Pornography. The indictment included a forfeiture of two computers and an external hard drive. A VA OIG investigation determined that the defendant accessed internet websites containing images of child pornography on his personal computer and then saved the images to an external hard drive. The defendant then used the same laptop while working at the St. Petersburg, FL VARO to access these images.

(2013-01103-IS-0113, SA (b)(6) Southeast Field Office)

STOLEN VALOR

A. A veteran was arrested after being indicted for False Claims and False Statements. A VA OIG investigation revealed that the defendant submitted fraudulent military documents to VA in order to receive VA compensation benefits for PTSD.

(2012-03275-IS-0194, SA (b)(6) Southeast Field Office)

B. A veteran was arrested for Forgery and Uttering. A VA OIG investigation revealed that the defendant altered his DD-214 to reflect combat service in Vietnam and being awarded a Combat Infantryman's Badge, Vietnam Campaign Medal, Vietnam Service Medal, and Purple Heart. The defendant submitted the altered DD-214 in order to qualify for additional compensation for PTSD and healthcare benefits. The defendant admitted to altering the DD-214 and to never having served in Vietnam.

(2012-04166-IS-0072, SA (b)(6) West Palm Beach Resident Agency)

EMPLOYEE THEFT

A Long Beach, CA VAMC healthcare technician was indicted and arrested for Theft and False Statements. A VA OIG investigation confirmed the results of an administrative investigation concerning time card fraud by the defendant, who was terminated from employment. The defendant submitted fraudulent attendance and overtime information to her timekeeper and was paid for 1,695 hours of overtime pay. The loss to VA is \$55,502.

(2009-01918-IW-0236, SA (b)(6) Western Field Office)

DECEASED BENEFICIARY FRAUD

The daughter of a deceased beneficiary was arrested for Theft of Government Funds. A VA OIG investigation revealed that the defendant failed to report her mother's death to VA and then stole VA benefits that were direct deposited after the beneficiary's death in May 2005. The loss to VA is \$103,557.

(2012-00030-IS-0025, SA (b)(6) Southeast Field Office)

WORKERS COMPENSATION FRAUD

A former Rochester, NY CBOC employee was arrested for Making False Statements to Obtain Federal Employee Compensation. A VA OIG and Department of Labor OIG investigation revealed that the defendant, who claimed an on-duty back injury and that she could only work for VA a limited number of hours each day, failed to disclose to the Department of Labor or VA that she was working at a liquor store that she owned and operated. The defendant was observed on numerous occasions working at her store after her shift at VA.

(2012-03059-IN-0231, SA (b)(6) Buffalo Resident Agency)

THEFT

A healthcare worker at a VA contracted facility pled guilty to Theft and was sentenced to 30 days' incarceration, ordered to have no contact with the veteran for 10 years, to pay restitution of \$9,303, and not to have any employment (paid or volunteer) with vulnerable adults for 10 years. A VA OIG and local police investigation revealed that the defendant stole VA compensation funds from an elderly veteran's bank account.

(2012-00086-IF-0018, RAC (b)(6) Seattle Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
5/19/14

BRIBERY

A VA contractor was arrested in San Jose, CA for bribery and providing gratuities to VA-contracting officials. A VA OIG and FBI investigation revealed that from July 2009 to March 2011 the contractor paid bribes and gratuities totaling \$43,436. In exchange for the payments, the contractor received 27 VA contracts and task orders totaling \$7,411,305.

(2012-01178-IF-0035, SA (b)(6) San Francisco Resident Agency)

HARASSMENT

A defendant was sentenced to 81 days' incarceration and ordered to stay away from the victim, a VA employee, after pleading guilty to Harassment. A VA OIG, U.S. Secret Service, Federal Protection Service, VA Police Service, and local law enforcement investigation disclosed that the defendant placed a letter on the Government vehicle of a VA OIG agent that was addressed "To All Americans," and identified the author as a VA supervisor. The letter reported that the author had an arsenal of ammunition, guns, and dangerous chemicals. The letter also warned of a big threat coming soon and made threats to kill the President within 1 month. The defendant previously made unfounded allegations against the VA supervisor after the defendant learned that he would not be interviewed for a full-time VA position.

(2013-01966-IN-0088, SA (b)(6) Manchester Resident Agency)

FIDUCIARY FRAUD

A former fiduciary, who was also the daughter of an incompetent veteran, was sentenced to 366 days' incarceration and 2 years of supervised release after pleading guilty to Misappropriation by a Fiduciary. No restitution was ordered because the defendant had already repaid the veteran's estate in full. A VA OIG investigation revealed that the defendant embezzled approximately \$251,534 from her father's account.

(2012-01354-IN-0081, SA (b)(6) Manchester Resident Agency)

HEALTHCARE FRAUD

The owner of a home health aid agency was indicted for Healthcare Claims Fraud, Forgery, Medicaid Fraud, and Falsifying or Tampering with Records after billing Medicaid and VA over \$100,000 for services that were never provided. A

VA OIG and state investigation revealed that between May 2011 and April 2013 the defendant made false certification and representations regarding licensing and training to Medicaid and fraudulently received over \$44,000 from VA by billing for services that were not provided.

(2013-03233-IN-0132, SA (b)(6) Northeast Field Office)

DRUG DISTRIBUTION

Five veterans were arrested for illegally selling a controlled substance. A VA OIG and VA Police Service investigation revealed that veterans were selling controlled prescription pharmaceuticals and illegal narcotics at the Long Beach, CA VAMC. During the investigation, two of the defendants also sold a handgun and an automatic rifle to an undercover officer.

(2013-03557-IW-0081, SA (b)(6) Western Field Office)

DRUG DIVERSION

A former Palo Alto, CA VAMC registered nurse pled guilty to Obtaining a Controlled Substance by Fraud. A VA OIG investigation revealed that the defendant diverted approximately 1,200 syringes of Hydromorphone, totaling more than 3,850 milligrams, by taking the doses that she claimed to have given to patients, logging in under the profiles of other nurses or initiating false wasting entries under both her profile and those of the other nurses.

(2013-00850-IF-0025, SA (b)(6) San Francisco Resident Agency)

WORKERS' COMPENSATION FRAUD

A former VA cemetery mechanic was ordered at sentencing to pay VA restitution of \$15,281 and was also fined \$25,000. A VA OIG investigation revealed that the defendant, who filed a worker's compensation claim for an on-the-job injury in 2006, was working as a mechanic at a local auto body shop. The defendant failed to report his employment to the DOL Office of Workers' Compensation and also claimed he could not return to work because of his injuries.

(2007-02122-IN-0061, RAC (b)(6) New York Resident Agency)

THEFT OF GOVERNMENT PROPERTY

A. A West Haven, CT VAMC facilities maintenance supervisor pled guilty to Theft of Government Property. A VA OIG, VA Police Service, and GSA OIG investigation revealed that for over 3 years the defendant used VA employees, materials, vehicles, and equipment to make renovations to her basement, kitchen, bathrooms, and deck. The loss to VA is between \$15,000 and

\$20,000. Additionally, the defendant and 11 other VA employees are facing administrative sanctions.

(2013-02913-IN-0120, SA (b)(6) Northeast Field Office)

B. A veteran and former Compensated Work Therapy employee was sentenced to time served (6 months), 6 months' community confinement, 3 years' supervised release, and ordered to pay \$2,590 in restitution. The defendant previously pled guilty to theft of copper wire and pipe fittings from the Togus, ME VAMC. A VA OIG investigation disclosed that the defendant sold over 400 pounds of wire and pipe fittings to a local recycling company and used the money to support his drug addiction. The loss to VA is approximately \$4,000.

(2013-00506-IN-0043, SA (b)(6) Manchester Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
5/20/13

MAIL FRAUD

A veteran was arrested for Mail Fraud after a VA OIG and IRS CID investigation determined that he fraudulently took payments from 16 veterans with the promise of getting the veterans VA compensation benefits at a 100% rating. The payments were allegedly used to pay an attorney to do research and file the claims with VA. The defendant stole over \$400,000 from these veterans and never filed a single claim on their behalf.

(2010-03763-IN-0011, SA (b)(6) Northeast Field Office)

DRUG DIVERSION

A former Roseburg, OR pharmacy technician was charged with Theft of Government Property. A VA OIG investigation revealed that the defendant received stolen narcotics from another pharmacy technician who was previously prosecuted. That technician diverted the narcotics from the pharmacy through an elaborate scheme of manipulating inventory control safeguards and creating false entries indicating that the narcotics were dispensed to automated dispensing machines throughout the facility. The technician then removed the narcotics from the pharmacy and shared a portion of the drugs with the defendant. The loss to VA was approximately \$26,000.

(2011-03215-IF-0071, SA (b)(6) Seattle Resident Agency)

IDENTITY THEFT

A former Bronx, NY VAMC nursing assistant pled guilty to False Statements in Application for a Passport and Theft of Government Funds. The defendant also consented to a judgment of \$4,495 that represented the proceeds obtained as a result of the offenses. A VA OIG and Diplomatic Security Service investigation revealed that the defendant fraudulently gained employment with VA on two separate occasions and obtained a U.S. Passport by using the identity of a person who died in 1988. The defendant resigned from VA in November 2012.

(2011-02315-IN-0174, RAC (b)(6) New York Resident Agency)

CHILD PORNOGRAPHY

A former veteran service officer was arrested after being indicted for Possession of Child Pornography. A VA OIG investigation determined that the defendant

accessed internet websites containing images of child pornography on his personal computer and then saved the images to an external hard drive. The defendant then used the same laptop while working at the St. Petersburg, FL VARO to access these images.

(2013-01103-IS-0113, SA (b)(6) Southeast Field Office)

COMPENSATION BENEFICIARY FRAUD

A. A veteran pled guilty to Theft of Government Funds and Making False Statements after a VA OIG, Postal Service OIG, and DOL OIG investigation revealed that he was committing Workers Compensation fraud against the Postal Service and disability fraud against VA by claiming he could not work due to his medical issues. The investigation further determined that the defendant was coaching little league sports, going on vacations, breeding and selling dogs for profit, and lifting heavy objects. The loss to VA is \$51,269 and the loss to the Postal Service is in excess of \$288,000.

(2009-03018-IA-0049, SA (b)(6) Fayetteville Resident Agency)

B. A veteran pled guilty to Interstate Threats against VA employees and False Impersonation of an Officer or Employee of the United States. A VA OIG, DCIS, and ICE investigation revealed that the defendant submitted a fraudulent DD-214 to VA that misrepresented his true level of functioning. The defendant also impersonated military personnel, participated in civilian contracted military exercises, taught martial arts, and brought and sold military grade lasers overseas while fraudulently collecting VA compensation benefits. When the veteran learned he was about to have his benefits reduced, he threatened to kill VA employees. The loss to VA is \$120,093.

(2009-03435-IA-0034, SA (b)(6) Fayetteville Resident Agency)

DECEASED BENEFICIARY FRAUD

A. The niece of a deceased VA beneficiary was arrested for Obtaining Property or Monies by False Pretenses. A VA OIG and local law enforcement investigation revealed that the defendant received, forged, and negotiated her uncle's benefit checks after his death in March 2003. The loss to VA is \$67,000.

(2011-00056-IA-0095, SA (b)(6) Fayetteville Resident Agency)

B. The granddaughter of a deceased VA beneficiary was charged in a criminal information with Theft of Government Funds. A VA OIG investigation determined that the defendant stole VA benefits from her grandmother's bank account after her grandmother's death in April 2009. The defendant admitted to using the VA funds for her own expenses. The loss to VA is \$51,227.

(2013-00123-IF-0016, SA (b)(6) San Francisco Resident Agency)

C. The son of a deceased beneficiary was arrested after being indicted for Theft of Government Funds. A VA OIG and U.S. Secret Service investigation determined that the defendant stole VA benefits that were direct deposited into a joint account after his father's death in July of 2008. The defendant admitted to using the VA benefits to pay for personal expenses. The loss to VA is \$20,853.

(2013-01422-IS-0082, SA (b)(6) Southeast Field Office)

EMPLOYEE PURCHASE CARD FRAUD

An Asheville, NC VAMC supply technician was arrested for misuse of a Government purchase card. A VA OIG investigation revealed that the employee made 17 unauthorized purchases over 5 days, beginning the day the card was issued. The investigation also revealed that 2 years ago the employee fraudulently charged approximately \$5,000 on his Government travel card. The defendant was administratively disciplined for that incident. The current loss to VA is \$4,293.

(2013-02787-IA-0071, SA (b)(6) Asheville Resident Agency)

RECORD FORGERY

A VA nurse educator at the Texas Valley Coastal Bend Health Care System was indicted for Forgery, Tampering with Government Records, and misdemeanor Perjury. A VA OIG investigation revealed that the defendant falsified training records by forging the signatures of several VA employees on fraudulent course rosters and posting the data to the VA Talent Management System in an attempt to obstruct a VHA audit of the Resuscitation Education Initiative Program. The defendant also lied to VA OIG special agents during the course of the investigation, resulting in the misdemeanor perjury charge.

(2012-03124-ID-0071, SA (b)(6) Houston Resident Agency)

BENEFICIARY TRAVEL FRAUD

A veteran was sentenced to 3 years' probation and ordered to pay VA \$3,471 in restitution for fraudulently claiming travel reimbursements to the Togus, ME VAMC. A VA OIG investigation revealed that on numerous occasions the defendant claimed to have driven nearly 400 miles roundtrip from his residence to the medical center, with some trips being driven multiple days in a row. The local police department and U.S. Postal Service confirmed that the residence address provided by the defendant did not exist. The investigation further

disclosed that the defendant actually lived with his girlfriend at a location much closer to the medical center.

(2012-01195-IN-0068, SA (b)(6) Manchester Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
5/26/14

SDVOSB FRAUD

The president and owner of a company that contracted with VA as a Service-Disabled Veteran-Owned Small Business (SDVOSB) pled guilty to False Claims. A VA OIG, GSA OIG, and IRS CID investigation revealed that the defendant and her company had been doing business with VA under a GSA Schedule as a Woman-Owned business since 2008. In 2009, the defendant began holding her company out to be an SDVOSB claiming her father-in-law was the service disabled owner and operator of the business. In reality, her father-in-law had been denied service connection by VA and never owned or operated the business. After the creation of the Center for Veterans Enterprise and the subsequent certification process in order to be included in the Vet Biz registry, the defendant went to great lengths to change and submit corporate, banking, and IRS tax records to provide proof to VA that the company was an SDVOSB, all the while maintaining her Woman-Owned status with New York state. During her plea, the defendant admitted that she knew her claims were false and that they led to dozens of contracts to provide furniture and interior space planning at VA facilities. The loss to the Government is approximately \$1.2 million.

(2011-02822-IN-0143, SA (b)(6) Northeast Field Office)

SEXUAL ASSAULT

A Cleveland, OH VAMC employee was sentenced to 60 days' incarceration and 2 years' community control under the supervision of the Adult Probation Department's Sex Offender Unit after pleading guilty to Sexual Imposition and Unlawful Restraint. A VA OIG and VA Police Service investigation revealed that for approximately 6 months and on numerous occasions the defendant physically restrained another VA employee against her will while groping and kissing her. The defendant would follow the victim into various rooms at the medical center, close the door, and prevent her from escaping while he assaulted her.

(2013-02264-IC-0087, SA (b)(6) Cleveland Resident Agency)

ASSAULT

A veteran was arrested for assaulting a VA physician during a medical appointment at the San Jose, CA Community Based Outpatient Clinic (CBOC). A VA OIG and VA Police Service investigation revealed that while at the CBOC the defendant repeatedly requested the physician to refill his prescription for Xanax. The physician believed the veteran was drug seeking and refused to refill

his prescription. The defendant became disruptive, verbally abusive, and attacked the physician from behind. The veteran fled the CBOC and was subsequently arrested by the local sheriff's office.

(2014-01912-IF-0027, SA (b)(6) San Francisco Resident Agency)

PATIENT ABUSE

A former VA dental assistant was convicted at trial of practicing dentistry without a license. A VA OIG and local sheriff's office investigation determined that the defendant was performing dental procedures on individuals she met from her work at a VA outpatient clinic and with materials she obtained from VA. The defendant's actions resulted in multiple victims requiring oral surgery to correct damage done by the procedures.

(2014-02464-IS-0171, RAC (b)(6) Tallahassee Resident Agency)

LOAN GUARANTY FRAUD

A defendant and chief executive of a VA-approved direct lender was sentenced to 51 months' incarceration, 5 years' supervised release, and ordered to pay restitution of \$3,242,888 after pleading guilty to Wire Fraud. A VA OIG, FBI, and the Special Inspector General for the Troubled Asset Relief Program investigation revealed that the defendant defrauded a major bank, which resulted in losses of approximately \$5.3 million. The defendant secured funds from the bank by making false representations relating to a line of credit he allegedly maintained with a separate title company where he held an undisclosed affiliation and failed to pay off certain loans the second company was responsible to pay. The defendant used the money to pay off other loans not disclosed to the lending bank and for personal enrichment.

(2012-03352-IN-0055, SA (b)(6) Northeast Field Office)

IDENTITY THEFT

A non-veteran was sentenced to 87 months' incarceration, 36 months' supervised release, and ordered to pay \$630,753 in restitution. A VA OIG, IRS CID, and Florida Highway Patrol investigation revealed that the defendant used veterans' PII from stolen Tampa, FL VAMC medical records and other non-veterans' PII to file \$819,659 in fraudulent tax returns.

(2012-03445-IS-0052, SA (b)(6) Southeast Field Office)

DECEASED BENEFICIARY FRAUD

A. The daughter of a deceased VA beneficiary was sentenced to 60 months' probation, 200 hours' community service, and ordered to pay VA \$56,744 in restitution after pleading guilty to Theft of Government Funds. A VA OIG investigation revealed that the defendant stole VA benefits that were direct deposited to a joint account after her mother's death in December 2005. The defendant admitted to using the stolen funds to pay for personal expenses.

(2012-00030-IS-0178, SA (b)(6) Tallahassee Resident Agency)

B. The sister of a deceased VA beneficiary was sentenced to 36 months' probation and ordered to pay VA \$39,454 in restitution after pleading guilty to Theft of Government Funds. A VA OIG investigation revealed that the defendant stole VA benefits that were direct deposited after her brother's death in November 2008.

(2012-00030-IS-0174, SA (b)(6) Tallahassee Resident Agency)

C. The daughter and son-in-law of a deceased VA beneficiary were arrested for Grand Theft. A VA OIG and local police investigation revealed that the defendants solicited payments from the VA-appointed fiduciary after the beneficiary's death in August 2011. The defendants continued the scheme by telling the fiduciary that the beneficiary was still alive. The loss to VA is \$24,443.

(2014-00829-IS-0134, SA (b)(6) West Palm Beach Resident Agency)

D. The son of a deceased VA beneficiary was sentenced to 5 years' probation and ordered to pay VA restitution of \$58,558. A VA OIG investigation determined that the defendant stole VA funds that were direct deposited to a joint account after his mother's death in April 2009.

(2013-02014-IN-0153, SA (b)(6) Northeast Field Office)

DRUG DIVERSION

One pharmacist and four pharmacy technicians employed at the Long Beach, CA VAMC were charged with committing Computer Access and Fraud and/or Receiving Stolen Property. A VA OIG investigation revealed that three pharmacists, four pharmacy technicians, and one distribution supervisor diverted non-controlled VA medications or received stolen VA medications. Since 2011, over 16,000 tablets of prescription medications were diverted from the pharmacy robots and medications that were returned in the mail from the CMOPs.

(2014-00766-IW-0014, SA (b)(6) Western Field Office)

DOCTOR SHOPPING

A. A veteran was sentenced to 1 year of incarceration and a \$500 fine after pleading guilty to Obtaining a Controlled Substance by Fraud. The sentence was then judicially deferred while the defendant serves 1 year of supervised probation. A VA OIG investigation substantiated that the defendant received narcotics from a VA provider as well as physicians in the local community.

(2014-00429-IS-0031, SA (b)(6) Nashville Resident Agency)

B. A veteran was sentenced to 9 months' probation after pleading guilty to Doctor Shopping. A VA OIG and State Bureau of Narcotics investigation revealed that the defendant, a veteran being prescribed 150 Percocet pills each month at a VA CBOC, was being prescribed an additional 250 Percocet pills from a private doctor unbeknownst to VA and in violation of the veteran's opioid agreement.

(2013-01837-IN-0119, SA (b)(6) Northeast Field Office)

DRUG THEFT

A UPS employee was arrested for Possession of Controlled Substances. A VA OIG, UPS Security, VA Police Service, and a County Drug Task Force investigation resulted in catching the defendant in the act of opening a VA prescription package. When interviewed, the defendant admitted to stealing VA and non-VA controlled substances for his personal use.

(2014-00617-IN-0085, SA (b)(6) New York Resident Agency)

DRUG DISTRIBUTION

A. Two veterans previously arrested for their roles in distributing heroin, crack cocaine, and pharmaceutical controlled substances at two VA Medical Centers pled guilty to Possession of Controlled and Dangerous Drugs. The defendants were arrested following a joint undercover and consensual monitoring operation with VA OIG, FBI, and VA Police Service targeting drug distribution that was interfering with drug treatment being provided to veterans at the VA facilities.

(2011-03812-IN-0172, SA (b)(6) Northeast Field Office)

B. Two veterans were indicted for drug distribution charges. A VA OIG and State Police investigation resulted in five controlled buys with one defendant during which the defendant sold a total of 196 Percocet pills, and two controlled buys with the second defendant during which that defendant sold a total of 40 morphine 30mg pills and 60 oxycodone 5mg pills. Both defendants obtained these pills from VA.

(2013-02612-IN-0112, SA (b)(6) Manchester Resident Agency)

CREDIT CARD FRAUD

A. A veteran was arrested for Uttering a Forgery, Petit Theft, Fraudulent Use of Personal Identification Information, and Fraudulent Use of a Credit Card. A VA OIG and VA Police Service investigation revealed that the defendant stole a West Palm Beach, FL, VA physician's purse while receiving treatment at the medical center. The defendant used the credit cards to make multiple fraudulent purchases.

(2013-02151-IS-0018, SA (b)(6) West Palm Beach Resident Agency)

B. A Gainesville, FL VAMC nursing assistant was arrested for Abuse of Elderly or Disabled, Grand Theft, and Fraud. A VA OIG investigation revealed that the defendant unlawfully gained access and stole funds from an elderly VA patient's bank account.

(2014-01635-IS-0104, SA (b)(6) Tallahassee Resident Agency)

BENEFICIARY TRAVEL FRAUD

A veteran was sentenced to 6 months' home confinement, 3 years' probation, and ordered to pay VA \$10,448 in restitution for filing false claims with VA. A VA OIG investigation revealed that from October 2011 to January 2013 the defendant submitted 64 fraudulent travel claims to VA reporting that he traveled 260 miles each way to appointments at the Togus, ME VAMC. In actuality, the mileage from the defendant's residence to the medical center was only 40 miles each way.

(2012-003568-IN-0228, SA (b)(6) Manchester Resident Agency)

FUGITIVE FELON

A U.S. Marshals Service Fugitive Task Force, with assistance of VA OIG, arrested a Miami, FL, VAMC employee who was wanted on an out of state warrant for a probation violation stemming from drug trafficking charges. The fugitive failed to report to probation as directed and absconded probation supervision.

(2014-00073-IS-0135, SA (b)(6) West Palm Beach Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
5/27/13

DRUG ABUSE CAUSING DEATH

A former Lyons, NJ VAMC patient pled guilty to Misprision of the Felony of Distribution of Heroin. A VA OIG investigation revealed that the defendant and a second defendant, who has also been charged and is scheduled to plead guilty, used heroin in the victim's room at the medical center. While using the drug, the veteran collapsed and the defendant and the other patient departed the room, failing to notify staff. The deceased victim's body was discovered the next morning, and the body's positioning initially led VA OIG to investigate his death as an apparent accidental suicide. Subsequent information developed through a confidential source revealed that the second defendant actually administered the heroin to the victim. After the victim died, the second defendant propped up the body to make it appear as though the veteran had taken the heroin and overdosed on his own.

(2011-03528-IN-0165, SA (b)(6) Northeast Field Office)

IDENTITY THEFT

A. A veteran pled guilty to Possession of Child Pornography, Failure to Register as a Sex Offender, Health Care Fraud, and Possession of Firearms as a Convicted Felon. A VA OIG investigation revealed that for 7 years the defendant, who resided in Vermont, assumed a North Carolina veteran's identity and used the false identity to obtain a U.S. Passport, purchase firearms, vote, obtain employment, and obtain VA medical care through the VA fee basis program. A computer analysis conducted by VA OIG's Computer Forensics Laboratory also linked the defendant to child pornography. The defendant continues to be detained, and sentencing is scheduled for September 2013.

(2012-04547-IN-0260, SA (b)(6) Manchester Resident Agency)

B. A veteran was sentenced to 3 months' incarceration, 3 months' home detention, 3 years' supervised release, and ordered to pay \$18,000 in restitution. A VA OIG investigation determined that the defendant assumed the identities of six other veterans in order to fraudulently receive advanced education payments under the GI Bill. While on active duty the defendant obtained a personnel roster that contained personally identifiable information of other service members. After the defendant's discharge, she assumed the identities of the six veterans in order to request advance education payments online. The defendant had the checks mailed to her residence and created false powers of attorney in order to negotiate the checks. The loss to VA is \$18,000.

(2011-02339-IF-0050, SA (b)(6) Seattle Resident Agency)

SEXUAL MISCONDUCT

A Topeka, KS VAMC neurologist was sentenced to 32 months' incarceration for Aggravated Sexual Battery and 12 months' incarceration (concurrent) for Sexual Battery. The defendant was granted a suspended imposition of sentence and received 36 months' probation. A VA OIG, VA Police Service, and local police investigation revealed that the defendant administered full pelvic examinations, without a chaperone, to five patients without any medical necessity for such procedures.

(2012-0300-IC-0024, SA (b)(6) Kansas City Resident Agency)

DRUG DIVERSION

A former Martinsburg, WV registered nurse was sentenced to 14 days' incarceration and a \$100 special assessment after previously pleading guilty to Acquiring and Obtaining a Controlled Substance by Misrepresentation, Fraud, Forgery, Deception, and Subterfuge. A VA OIG and VA Police Service investigation revealed that on approximately 78 occasions the defendant retrieved controlled medication from the facility's automated Pyxis medication dispensers using the names of VA patients whose electronic medical records indicated did not receive the drugs.

(2009-03645-IA-0037, SA (b)(6) Mid-Atlantic Field Office)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
6/02/14

FIDUCIARY FRAUD

A former VA fiduciary pled guilty to Misappropriation by a Fiduciary and Theft of Government Funds. A VA OIG, Social Security Administration (SSA) OIG, and a state financial crimes task force investigation substantiated that the fiduciary embezzled \$206,368 in VA funds from multiple veterans and collected another \$62,781 in fees from VA that she was not entitled to receive. The fiduciary also embezzled \$23,092 in SSA benefits. The total loss is \$292,242.

(2012-00178-IC-0011, RAC (b)(6) Denver Resident Agency)

COMPENSATION BENEFICIARY FRAUD

A veteran was sentenced to 18 months' incarceration, 36 months' supervised release, and ordered to pay \$89,277 in restitution after pleading guilty to Conspiracy to Defraud VA. A VA OIG investigation revealed that the defendant received VA disability compensation and education benefits for injuries not sustained while in the United States Marine Corps.

(2013-0238-IS-0012, SA (b)(6) Southeast Field Office)

DECEASED BENEFICIARY FRAUD

A. The daughter of a deceased widow beneficiary pled guilty to Theft of Government Funds. A VA OIG investigation disclosed that the defendant fraudulently stole VA benefits that were direct deposited after her mother's death in March 1993. The loss to VA is \$271,402.

(2014-02643-IS-0114, SA (b)(6) Tallahassee Resident Agency)

B. The daughter of a deceased VA beneficiary was arrested for Theft of Government Funds. A VA OIG investigation revealed that the defendant failed to report her mother's death to VA and subsequently stole VA benefits that were direct deposited after her mother's death in October 2012. The loss to VA is \$10,895.

(2013-03689-IS-0005, SA (b)(6) Southeast Field Office)

C. The niece and VA-appointed fiduciary of a deceased beneficiary was arrested for Theft of Government Funds. A VA OIG investigation revealed that the defendant failed to notify VA of her aunt's death and subsequently stole, forged,

and negotiated VA benefit checks issued after her aunt's death in April 2009. The loss to VA is \$30,240.

(2013-03804-ID-0004, SA (b)(6) Jackson Resident Agency)

IDENTITY THEFT

A Gainesville, FL VAMC medical support assistant was arrested for Impersonation Fraud. A VA OIG, IRS CID, and local police investigation revealed that the defendant unlawfully obtained veterans' Personal Identification Information with the intent of filing false tax refunds.

(2014-02261-IS-150, SA (b)(6) Tallahassee Resident Agency)

EMBEZZLEMENT

A former home health aide, employed by a company contracted by VA to provide home healthcare services to a blind veteran, was charged with theft of \$7,300 from the veteran's account using multiple wire transfers. A VA OIG and local police investigation disclosed that the defendant gained access to the veteran's account and hid this fact from her employer because she knew it was against company policy. The defendant confessed that she embezzled the money without the veteran's knowledge.

(2014-00323-IN-0051, SA (b)(6) Manchester Resident Agency)

THEFT OF GOVERNMENT PROPERTY

An Orlando, FL VAMC work-study employee was sentenced to 12 months' probation after pleading guilty to Theft of Government Property. A VA OIG and VA Police Service investigation revealed that the defendant stole Continuous Positive Airway Pressure (CPAP) equipment from the medical center and then sold and shipped the equipment from the VA mailing facility. The loss to VA is \$29,902.

(2014-00632-IS-0100, SA (b)(6) Southeast Field Office)

DRUG DISTRIBUTION

A. One veteran and one non-veteran were arrested for obtaining controlled substances by fraud, possessing controlled substances, and selling controlled substances to an undercover officer. A second veteran, who is a registered sex offender, was arrested for possessing, transporting, and selling controlled substances to an undercover officer. If convicted, this would be the veteran's third felony conviction, which may result in a life sentence. This veteran's bail was set at \$1,050,000. A VA OIG and VA Police Service investigation revealed

that the defendants were selling controlled prescription pharmaceuticals and illegal narcotics at the Long Beach, CA VAMC.

(2013-03557-IW-0081, SA (b)(6) Western Field Office)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
6/03/13

THREATS

A veteran was arrested for making Threats. A VA OIG and FBI investigation revealed that the defendant, upset with his VA medical care, called a U.S. Congressman's office and threatened to physically assault a Congressional staff member and a VA patient advocate.

(2013-01794-IS-0159, SA (b)(6) West Palm Beach Resident Agency)

COMPENSATION BENEFICIARY FRAUD

A veteran was arrested for Theft of Government Funds and False Statements. A VA OIG and SSA OIG investigation revealed that the defendant was awarded individual unemployability and Social Security Disability Insurance based on a false claim that he was unable to work due to service related injuries. The defendant, a full-time treasurer of a Fire Department since 2007, had his salary paid to his wife in order to hide his income from VA and SSA. The loss to VA is \$60,837, and the loss to the SSA is \$141,181.

(2013-02076-IS-0149, SA (b)(6) Tallahassee Resident Agency)

DECEASED BENEFICIARY FRAUD

A. The granddaughter of a deceased VA beneficiary pled guilty to Theft of Government Funds. A VA OIG investigation determined that the defendant stole VA benefits from her grandmother's bank account after her grandmother's death in April 2009. The defendant admitted to using the VA funds for her own expenses. The loss to VA is \$51,227.

(2013-00123-IF-0016, SA (b)(6) San Francisco Resident Agency)

B. The daughter of a deceased VA beneficiary was sentenced to 1 year of incarceration (suspended), 2 years' probation, and ordered to pay VA \$8,078 in restitution after pleading guilty to Theft by Deception. A VA OIG and local police investigation revealed that the defendant stole VA Dependency and Indemnity Compensation benefit payments that were issued after her mother's death in June 2010.

(2011-02156-IS-0148, SA (b)(6) Nashville Resident Agency)

EMPLOYEE THEFT

A former Philadelphia, PA VAMC nursing assistant and an accomplice pled guilty to Theft by Deception. A VA OIG investigation revealed that the defendant stole the credit card number of a veteran who resided at the medical center nursing home and with the assistance of the co-defendant used or attempted to use the number to obtain merchandise from various vendors. When interviewed, the former employee admitted that in addition to stealing the veteran's credit card number, she also stole cash from various veterans residing in the nursing home. The defendants were responsible for approximately \$17,000 in actual or attempted losses.

(2012-04060-IN-0254, SA (b)(6) Northeast Field Office)

THEFT

The granddaughter of a veteran pled guilty to Theft of Government Funds. A VA OIG and SSA OIG investigation determined that after the defendant was appointed as the veteran's conservator and representative payee she stole the veteran's VA and Social Security benefits. The loss to VA is \$21,061, and the loss to the SSA is \$10,453.

(2012-01786-IS-0142 SA (b)(6) Atlanta Resident Agency)

EMPLOYEE MISCONDUCT

A former San Francisco, CA social worker resigned her position after a VA OIG investigation determined that she entered a veteran's room and stole his prescription morphine.

(2013-02542-IF-0067, SA (b)(6) San Francisco Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
6/09/14

ASSAULT

A veteran was arrested for assaulting a VA physician at the Miami, FL VAMC. A VA OIG investigation revealed that the defendant, upset about having to wait to see his physician, shouted obscenities and injured the physician by hitting him with a door.

(2014-03193-IS-0144, SA (b)(6) West Palm Beach Resident Agency)

PROCUREMENT FRAUD

A defendant was indicted for Conspiracy to Defraud the Government with Respect to Claims and False, Fictitious and Fraudulent Claims. A VA OIG, Defense Criminal Investigative Service, Small Business Administration OIG, Department of Labor OIG, and FBI investigation revealed that the defendant, who was a program manager for an 8(a) company, was involved in the alteration of two subcontractors' proposals. One of the altered proposals was submitted by a SDVOSB company to the Clarksburg, WV VAMC. The loss to VA is \$73,793. The other proposal was submitted by another 8(a) company to a Navy facility. The loss to the Navy is \$297,022.

(2011-02119-IA-0105, SA (b)(6) Pittsburgh Resident Agency)

IDENTITY THEFT

A non-veteran was sentenced to 18 months' incarceration after pleading guilty to Identity Theft. A VA OIG investigation revealed that the defendant assumed the identity of a veteran and then from September 2010 to March 2013 fraudulently used the veteran's PII to obtain medical care at the Cleveland, OH VAMC. The loss to VA is \$13,800.

(2014-00743-IC-0015, SA (b)(6) Cleveland Resident Agency)

DRUG DIVERSION

A pharmacist, three pharmacy technicians, and a distribution supervisor at the Long Beach, CA VAMC were arrested for committing Computer Access and Fraud or Receiving Stolen Property. A VA OIG investigation revealed three pharmacists, four pharmacy technicians, and the distribution supervisor diverted non-controlled VA medications or received stolen VA medications. Since 2011, over 16,000 tablets of prescription medications were diverted.

(2014-00766-IW-0014, SA (b)(6) Western Field Office)

DRUG DISTRIBUTION

A defendant was sentenced to 6 months' home confinement and 5 years' probation after pleading guilty to Possession of a Controlled Substance. A VA OIG investigation determined that the defendant, who resided in transitional housing for homeless veterans, sold heroin on numerous occasions to veterans receiving treatment at the Lyons, NJ VAMC where the transitional facility is co-located. This case was a result of a long term drug investigation, Operation Red White and Blue, that resulted in several defendants being arrested for drug distribution.

(2011-03812-IN-0172, SA (b)(6) Northeast Field Office)

STOLEN VALOR

A defendant was indicted for Embezzlement, Theft, Conversion of Government Funds, and Obtaining a Controlled Substance by Fraud. A VA OIG investigation revealed that the defendant submitted altered DD-214s, a fraudulent Purple Heart certificate, and a forged "buddy statement" to VA in support of his claim for PTSD. To date, the defendant has received over \$500,000 in VA compensation benefits. The investigation also revealed that from January 2010 to August 2012 the defendant was doctor shopping.

(2013-00006-IA-0027, SA (b)(6) Pittsburgh Resident Agency)

COMPENSATION BENEFICIARY FRAUD

The widow of a veteran signed a Pretrial Diversion Agreement requiring her to be under supervision for 18 months, serve 40 hours' community service, and pay VA \$57,585 in restitution. A VA OIG investigation determined that the defendant continued to receive DIC benefits after failing to report a marriage and subsequent divorce to VA.

(2013-00752-IS-0142, SA (b)(6) Tallahassee Resident Agency)

DECEASED BENEFICIARY FRAUD

A. The daughter of a deceased VA beneficiary was sentenced to 9 months' home detention, 3 years' probation, and ordered to pay VA \$12,938 in restitution after pleading guilty to Theft of Government Funds. A VA OIG investigation disclosed that the defendant stole VA benefits that were direct deposited to a joint account after her mother's death in January 2012. The loss to VA is \$16,401.

(2012-04417-IS-0083, SA (b)(6) Tallahassee Resident Agency)

B. The son of a deceased widow beneficiary was indicted for Theft of Government Funds. A VA OIG investigation revealed that the defendant received, forged, and negotiated ten VA benefit checks issued after his mother's death in September 2009. The loss to VA is \$10,020.

(2013-00637-IA-0037, SA (b)(6) Pittsburgh Resident Agency)

THEFT OF GOVERNMENT FUNDS

A non-veteran was arrested for Forgery after a VA OIG and local police investigation revealed she unlawfully obtained and negotiated a veteran's benefit check. The loss to VA is \$20,454.

(2014-03087-DS-0428, SA (b)(6) Atlanta Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
6/16/14

BRIBERY

A VA construction contractor pled guilty to Bribery, Conspiracy to Defraud the U.S. Government, and Tax Fraud. A VA OIG, FBI, and IRS CID investigation revealed that between 2007 and 2012 the defendant paid over \$671,975 in bribes to a former supervisory engineer at the East Orange, NJ VAMC in connection with VA contracts. Additionally, the investigation disclosed the defendant and the VA engineer conspired to set up three companies (one a fraudulent SDVOSB company) to obtain VA contracts, and then the VA engineer directed more than \$6 million worth of VA construction projects to those companies with more than \$3 million being paid to the falsely claimed SDVOSB.

(2011-00826-IN-0084, SA (b)(6) Northeast Field Office)

ASSAULT

A veteran was arrested for Assault on a Federal Officer. A VA OIG, VA Police Service, and FBI investigation revealed that Wilmington, DE VAMC police officers, responding to a complaint of a man with a gun, confronted the suspect on VA property and ordered him to drop his weapon. The suspect failed to comply and raised his weapon in an apparent threatening manner. VA Police fired twice and struck the suspect in the hand. The suspect was taken into custody, treated for his injuries, and transported to a local psychiatric facility for evaluation.

(2014-03450-IN-0168, SA (b)(6) Northeast Field Office)

IDENTITY THEFT

A. A veteran was sentenced to 48 months' incarceration, 60 months' probation, and ordered to pay \$86,273 in restitution after pleading guilty to Aggravated Identity Theft, Wire Fraud, and Bank Fraud. A VA OIG, SSA OIG, Treasury OIG, and state social and health services investigation revealed that the defendant stole and utilized the personal identification of two veterans to establish fraudulent VA e-Benefits accounts and re-route service compensation payments to prepaid debit cards. The veteran also utilized Direct Express to set up fraudulent accounts through prepaid debit card issuing banks in order to launder VA and SSA payments. The defendant obtained personal identifying information of over 100 individuals from various sources and caused a combined fraud loss of over \$86,000 to VA, SSA, private individuals, and corporations.

(2013-01083-IF-0039, SA (b)(6) Seattle Resident Agency)

B. A defendant pled guilty to Conspiracy, Fraud in Connection with Identification Information, and Aiding and Abetting. A VA OIG and VA Police Service investigation revealed that this defendant along with a Palo Alto, CA VAMC employee and two other individuals conspired to steal the personal identifying information of a VAMC employee and used the information to create unauthorized credit card accounts and counterfeit checks. Criminal charges have also been filed against the VA employee and the other two subjects. The defendants used the credit card accounts and counterfeit checks to make purchases at various retail stores with the purchased items then being either sold or traded for narcotics.

(2014-01082-IF-0012, SA (b)(6) San Francisco Resident Agency)

COMPENSATION BENEFICIARY FRAUD

A veteran was sentenced to 60 months' probation and ordered to pay VA \$53,270 in restitution after pleading guilty to Theft of Government Funds and False Statements. A VA OIG investigation revealed that in an effort to support his claims for compensation benefits the defendant feigned a greater degree of hearing loss to VA physicians, made false statements to VA mental health providers, and altered a DD-214 to fraudulently reflect service in Vietnam and to having received a Bronze Star and a Purple Heart.

(2012-01914-IS-0157, SA (b)(6) Southeast Field Office)

DRUG DIVERSION

A former Dayton, OH VAMC physician pled guilty to aiding and abetting another in the possession of a controlled substance absent a valid prescription. A VA OIG, state medical board, and DEA Tactical Diversion Squad investigation revealed that the defendant, who was the supervisor of the medical center's pain management clinic, wrote VA prescriptions for Oxycodone to a veteran and his non-veteran spouse, which were then filled at outside pharmacies. The extra Oxycodone was intended for the veteran with whom the defendant admitted to having a sexual relationship. As part of her plea, the defendant agreed to permanently surrender her medical license and DEA number after having previously been removed from her position at the VAMC.

(2013-0607-IC-0066, SA (b)(6) Cleveland Resident Agency)

DRUG DISTRIBUTION

A defendant was sentenced to 1 year of incarceration and 4 years' probation after pleading guilty to Possession for Sale of Narcotics and Child

Endangerment. A VA OIG, U.S. Postal Inspection Service, Wisconsin Department of Justice, and local anti-crime task force investigation revealed that the defendant mailed several pounds of Marijuana and 456 Oxycodone pills to a subject in Wisconsin in exchange for approximately \$15,000. A search warrant of the defendant's house revealed several pounds of Marijuana packaged for sale and more than 1,700 Oxycodone pills obtained from VA. The defendant was also charged with Child Endangerment because the seized drugs were easily accessible to small children living in his residence.

(2014-00040-IF-0001, SA (b)(6) San Francisco Resident Agency)

DOCTOR SHOPPING

A. A veteran was sentenced to 2 years' probation and ordered to complete 50 hours' community service after pleading guilty to Obtaining a Controlled Substance by Fraud. A VA OIG investigation revealed that the defendant obtained controlled substances from both VA and non-VA providers during the same time period. Based on this investigation, the veteran is no longer authorized to receive controlled substances from VA.

(2014-00502-IS-0041, SA (b)(6), Nashville Resident Agency)

B. A veteran, who was also a VA employee, was arrested and charged with Withholding Information from a Practitioner in Order to Obtain a Controlled Substance by Fraud. A VA OIG and DEA Task Force investigation determined that the defendant simultaneously received controlled pharmaceuticals from VA and non-VA physicians on multiple occasions within the same 30 day period.

(2014-02163-DS-0318, SA (b)(6) Southeast Field Office)

DRUG THEFT

A former UPS employee was sentenced to 1 month of incarceration, 1 year of supervised release, and ordered to pay \$390 in restitution after pleading guilty to Theft from Interstate Shipments and Possession of Controlled Substances. A VA OIG, state DEA, and UPS security investigation disclosed that on four occasions between March and June 2013 the defendant stole VA packages containing prescription pain medications, including Percocet and Oxycodone, from UPS trucks that he was loading. The defendant was caught in the act as he attempted to steal a fifth package containing VA narcotics.

(2013-02810-IN-0116, SA (b)(6) Manchester Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
6/17/13

SDVOSB FRAUD

The owner of a large construction company pled guilty to obstructing a Federal grand jury investigation by altering and deleting documents from his computer. A multi-agency investigation revealed that the defendant, a former minority owner of two Service-Disabled Veteran Owned Small Businesses (SDVOSB), received a grand jury subpoena for records relating to his business dealings with another company and claims that this other company was an SDVOSB. The defendant subsequently deleted documents on his computer that were relevant to the pending investigation.

(2010-00304-IN-0229, SA (b)(6) and SA (b)(6) Manchester Resident Agency)

WIRE FRAUD

A veteran was arrested for Wire Fraud after a multi-agency investigation revealed that from 2007 to 2013 he created a series of fraudulent charter schools in order to receive approximately \$25,000,000 in surplus Government computer equipment under a GSA Computers for Learning program. The defendant subsequently obtained computers from VA facilities located in various states. Also, the defendant stole the identity of a former VA employee and listed the employee as a director of one of the schools. The loss to VA is approximately \$1,932,070.

(2012-03920-IF-0083, SA (b)(6) Seattle Resident Agency)

COMPENSATION BENEFICIARY FRAUD

A veteran was indicted for Theft of Government Funds and Healthcare Benefits Fraud. The defendant falsely claimed compensation for disabilities to include pain in his back, ankle and shoulder pain that prevented him from lifting his child, pain that required him to walk with a cane, and depression so severe that he was unemployable and socially isolated. A VA OIG investigation revealed that the defendant frequented bars in the area, attended college, and played recreational men's softball at an extremely high athletic level. The loss to VA is \$119,490.

(2008-02302-ID-0204, SA (b)(6) Little Rock Resident Agency)

DRUG DIVERSION

A. A veteran was arrested at the Charlotte, NC Community Based Outpatient Clinic for drug trafficking and maintaining a dwelling in furtherance of narcotics trafficking. A VA OIG and local law enforcement investigation revealed that the defendant sold his VA provided Oxycodone to other people, to include an undercover officer. The veteran was held on a \$100,000 secured bond.

(2013-04387-IA-0115, SA (b)(6) Asheville Resident Agency)

B. A veteran was sentenced to 87 to 117 months' incarceration and ordered to pay a \$50,000 fine and \$2,254 in court costs after being convicted of Trafficking in Opium or Heroin. A VA OIG and local drug task force investigation revealed that the defendant sold his VA provided hydrocodone to other people, to include an undercover officer.

(2012-02346-IA-0060, SA (b)(6) Asheville Resident Agency)

THEFT OF GOVERNMENT FUNDS

A former Pittsburgh, PA VAMC program support clerk was charged in a criminal information with Theft of Government Funds and False Statements. A VA OIG and VA Police Service investigation revealed that the defendant submitted to VA a fraudulent Special Order document from the Pennsylvania Air National Guard. The Special Order stated that the defendant was being deployed for active duty, and as a result, VA placed the defendant into a military leave and pay status entitling the defendant to special leave and pay benefits. The investigation determined that the defendant accepted employment with a local township Government and never reported for active duty. The defendant received \$14,164 in special leave and pay benefits, which included health care benefits.

(2012-02858-IA-0002, RA (b)(6), Pittsburgh Resident Agency)

CREDIT CARD FRAUD

A Waco, TX VAMC Police Service employee was indicted and arrested for Theft of Government Property and Access Device Fraud. A VA OIG and GSA OIG investigation revealed that the defendant fraudulently used the GSA fleet vehicle credit card to purchase gas and services for others in exchange for cash.

(2013-01918-DD-0153, SA (b)(6) South Central Field Office)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
6/23/14

SDVOSB FRAUD

A. The owner of a New Mexico construction company was sentenced to 57 months' incarceration and ordered to forfeit \$1.1 million. The owner's son-in-law was sentenced to 37 months' incarceration and ordered to forfeit \$250,000. Both defendants previously pled guilty to Conspiracy and to Committing a Major Fraud Against the United States. A VA OIG investigation determined that the owner of the company paid his stepbrother approximately \$50,000 to use his service-disabled veteran status in order to qualify for and obtain \$10.9 million in VA Service-Disabled Veteran-Owned Small Business (SDVOSB) contracts. The owner's stepbrother previously pled guilty to Conspiracy, Major Fraud, and Wire Fraud.

(2011-00834-IW-0030, SA (b)(6) Phoenix Resident Agency)

B. A veteran was indicted for Wire Fraud after obtaining payment through a fraudulently obtained SDVOSB contract. The veteran, along with other unindicted co-conspirators, obtained a contract from VA to transport wheelchair bound veterans and claimed that a service disabled veteran owned 51% of the business. It was further alleged that his company met all criteria to obtain the set aside contract; and as a result, the subjects were paid in excess of \$3.2 million. Civil forfeiture provisions were also included as part of the indictment. Also, the purported service disabled veteran is the subject of further investigation as he had been declared blind and was observed operating a motor vehicle. As a result of the alleged disability, the veteran was paid approximately \$600,000 in VA benefits.

(2012-02351-IA-0062, SA (b)(6) Asheville Resident Agency)

THREATS

A veteran was sentenced to 20 months' incarceration and 3 years' probation after pleading guilty to Threatening to Murder a Government Employee. A VA OIG and VA Police Service investigation determined that the defendant threatened to kill Seattle, WA VAMC police officers while they were engaged in the performance of their official duties.

(2013-04100-IF-0103, RAC (b)(6) Northwest Field Office)

FIDUCIARY FRAUD

A VA-appointed fiduciary was sentenced to 5 years' probation and ordered to pay restitution of \$45,060 after pleading guilty to Theft of Government Funds. A VA OIG investigation revealed that the defendant stole VA funds intended for his disabled brother.

(2011-00890-IA-0037, SA (b)(6) Asheville Resident Agency)

COMPENSATION BENEFICIARY FRAUD

A. A veteran was arrested for Criminal Use of Personal Identification, Grand Theft Auto, Filing a False Police Report, and Filing a False Insurance Claim. A VA OIG and Florida State Division of Insurance Fraud investigation revealed that the defendant forged a VA physician's signature on two VA forms, used them to obtain multiple vehicles under the VA Automobile Allowance Grant Program, filed a false police report when one of the vehicles was repossessed, and then filed a false insurance claim. Additionally, the defendant submitted to VA an altered DD-214 and fraudulent Bronze Star Medal and Purple Heart Medal certificates claiming to have served in combat with a Navy Special Warfare Boat Unit in Iraq. These documents were submitted in support of a fraudulent Traumatic Brain Injury disability claim. The loss to VA is \$10,208.

(2014-02343-IS-0154, SA (b)(6) Southeast Field Office)

B. A veteran's wife was sentenced to 24 months' supervised release and ordered to pay \$19,536 in restitution after pleading guilty to Conspiracy to Defraud the United States. A VA OIG investigation revealed that the defendant conspired with her husband to allow him to receive additional VA disability compensation for injuries he did not sustain while in the United States Marine Corps.

(2013-00238-IS-0012, SA (b)(6) South East Field Office)

PENSION BENEFICIARY FRAUD

A veteran pled guilty to Theft of Government Funds after a VA OIG investigation revealed he fraudulently obtained VA pension benefits while operating a construction company. The loss to VA is \$33,470.

(2013-00023-IA-0033, SA (b)(6) Asheville Resident Agency)

DOCTOR SHOPPING

A. A veteran was arrested and charged with Withholding Information from a Practitioner in Order to Obtain a Controlled Substance by Fraud. A VA OIG and DEA Task Force investigation determined that the defendant simultaneously received controlled pharmaceuticals from VA and non-VA physicians on multiple occasions within the same 30-day period.

(2014-02160-IS-0147, SA (b)(6) Southeast Field Office)

B. A veteran was sentenced to time served after pleading guilty to Doctor Shopping. A VA OIG and state law enforcement investigation revealed that for approximately 1 year the defendant concurrently obtained VA and private physician prescribed Hydrocodone.

(2013-03884-IA-0102, SA (b)(6) Asheville Resident Agency)

DRUG DIVERSION

A veteran's girlfriend was sentenced to incarceration for a period of not less than 1 year nor more than 4 years (suspended), 18 months' probation, and 200 hours' community service after pleading guilty to Obtaining a Controlled Substance by Fraud. A VA OIG and state police investigation revealed that on nine occasions the defendant signed for her veteran boyfriend's VA prescription of Percocet while the veteran was incarcerated. The defendant admitted to subsequently trading the Percocet for Marijuana.

(2013-00891-IA-0060, SA (b)(6) Pittsburgh Resident Agency)

THEFT OF GOVERNMENT PROPERTY

A defendant was indicted for Theft Scheme and Credit Card Theft. A VA OIG and VA Police Service investigation determined that the defendant used a stolen VA credit card to purchase electronics and other retail items at area stores. The fraud loss is \$5,358.

(2013-01467-IA-0065, SA (b)(6) Mid-Atlantic Field Office)

THEFT

A former West Palm Beach, FL VAMC employee was arrested for Organized Scheme to Defraud. A VA OIG investigation revealed that the defendant requested funds from fellow van pool participants, who were VA employees, in excess of what was required to run the program and then kept the funds instead of paying the necessary fees. The loss is \$5,108.

(2014-00095-IS-0045, SA (b)(6) West Palm Beach Resident Agency)

FUGITIVE FELON

An Atlanta, GA VARO employee was arrested by the local police with the assistance of VA OIG and VA Police Service. The employee was wanted for aggravated sodomy, aggravated assault, battery (family violence), cruelty to

children, and aggravated assault-family violence.

(2014-00073-IS-0140, SA (b)(6) Atlanta Resident Agency)

WEEKLY HIGHLIGHTS
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THREAT

A veteran was arrested for Making Terroristic Threats by Telephone. A VA OIG and local sheriff's investigation was initiated after the veteran called the VA Crisis Hotline and said he had four pounds of C4 and ball bearings and that he was going to the Detroit VARO for payback after being denied benefits. Arrest and search warrants were subsequently obtained for the veteran and his residence. The Michigan State Police SWAT team executed the entry and took the veteran into custody, who resisted and attempted to flee. Two shotguns and a 30-06 scoped rifle were recovered from the veteran's home.

(2013-03247-IC-0086, SA (b)(6), Central Field Office)

COMPENSATION BENEFICIARY FRAUD

A veteran was sentenced to 36 months' incarceration, 36 months' supervised release, and ordered to pay \$142,668 in restitution after pleading guilty to Theft of Government Property. A VA OIG investigation disclosed that the defendant made false statements in order to fraudulently obtain VA disability benefits. From 2000 to 2012, the defendant received VA compensation payments for panic disorder with agoraphobia, a back injury, and aid and attendance. The defendant admitted that he exaggerated his disabilities and lied about his ability to work. Because the veteran violated his probation on an unrelated case by committing this fraud, he was sentenced to an additional 8 months' incarceration to be served consecutive to the sentence imposed in this VA OIG case. The loss to VA is approximately \$329,000.

(2010-02490-IN-0050, SA (b)(6), Manchester Resident Agency)

LOAN GUARANTY FRAUD

A veteran was indicted for fraudulently obtaining a \$58,000 VA Home Loan Guaranty. A VA OIG investigation determined that the defendant falsely certified to VA that he would occupy the home as his primary residence. The defendant provided a fraudulent lease agreement to VA and the lender regarding his primary residence in order to qualify for the home loan. In 2011, the defendant refinanced the home and again falsely certified that he had previously occupied the home as his primary residence. The defendant subsequently admitted that he never intended to occupy the home as his primary residence, and in fact, purchased the home for his son.

(2010-03723-IW-0065, SA (b)(6) Phoenix Resident Agency)

DRUG THEFT

A. A U.S. Postal Service (USPS) mail carrier was indicted for Theft of Mail. During a VA OIG and USPS OIG investigation, the defendant was caught on video and in person stealing VA narcotic parcels. The defendant admitted to stealing the narcotics for personal use, consuming 40 pills per day.

(2013-01260-IW-0039, SA (b)(6) Phoenix Resident Agency)

B. A USPS maintenance manager pled guilty to Theft of U.S. Mail. A VA OIG and USPS OIG investigation revealed that from April to September 2012 the defendant stole approximately 17 VA parcels of controlled narcotics intended for disabled veterans.

(2012-02765-IN-0227, SA (b)(6) Manchester Resident Agency)

PENSION BENEFICIARY FRAUD

A. A VA pension beneficiary was sentenced to 21 months' home confinement with electronic monitoring, 5 years' probation, and ordered to pay \$351,000 in restitution to VA and New York City after pleading guilty to Mail Fraud and Theft of Government Funds. A VA OIG and local police investigation revealed that the defendant fraudulently received her deceased husband's teacher's pension, which she failed to report to VA, causing VA to pay her approximately \$132,000 in VA pension benefits she was not entitled to receive.

(2012-01331-IN-0123, SA (b)(6) New York Resident Agency)

B. The granddaughter of a veteran pled guilty to Theft of Government Funds. A VA OIG and Social Security Administration OIG investigation determined that the defendant, who was appointed the veteran's guardian, received and negotiated the veteran's VA and Social Security benefit checks and used the funds for personal expenses. The loss is \$31,514.

(2012-01786-IS-0142, SA (b)(6) Atlanta Resident Agency)

DECEASED BENEFICIARY FRAUD

The daughter-in-law of a deceased beneficiary was arrested for Theft by Taking. A VA OIG investigation determined that the defendant stole VA benefits from her mother-in-law's bank account after the beneficiary's death in 2008. The loss to VA is \$48,548.

(2012-00030-IS-0144, SA (b)(6) Atlanta Resident Agency)

WEEKLY HIGHLIGHTS
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STALKING

A veteran was arrested for Stalking after VA OIG, VA Police Service, and a local District Attorney's Office investigation revealed that he was regularly sending letters and leaving sexually explicit telephone messages for a VA social worker, formerly assigned to the defendant's care. The defendant had been warned several times by both VA police officers and VA OIG agents not to have any contact with the victim. After an interview with VA OIG, the defendant attempted to meet with the victim near her residence. In conjunction with the arrest, a Temporary Order of Protection was issued.

(2014-02566-IN-0172, RAC (b)(6) New York Resident Agency)

THEFT OF GOVERNMENT PROPERTY

A former Olympus field service engineer was sentenced to 1 day time served, 2 years' supervised release with 1 year of home detention, and ordered to pay restitution of \$197,770. A VA OIG and FDA investigation determined that the defendant stole four Olympus endoscopy and colonoscopy scopes, one of which was an Olympus Gastro Scope, from the Fort Wayne, IN VAMC. The value of the stolen scopes was \$114,210. The defendant also admitted to the theft of additional scopes from VA bringing the total value of stolen VA medical equipment to \$220,000.

(2012-0947-IC-0068, SA (b)(6) Central Field Office)

IDENTITY THEFT

A non-veteran pled guilty to Identity Theft and Conspiracy to Obtain Property by False Pretenses. The defendant failed to appear for sentencing, and the presiding judge issued orders for arrest and set a \$1,000,000 secured bond. A VA OIG and local law enforcement investigation revealed that the defendant used 26 victims' identities, to include 13 veterans, to fraudulently open more than 150 cable accounts and then sold those accounts to other people.

(2012-02003-IA-0054, SA (b)(6) Fayetteville Resident Agency)

IMPERSONATION OF A VA EMPLOYEE

A veteran was indicted and arrested for Impersonating an Officer/Employee of the U. S. Government and Wire Fraud. A VA OIG and local law enforcement

investigation revealed that the defendant impersonated a VA employee by telephone communication and by faxing VA Regional Office and VA Medical Center letterhead to U.S. Foods. The veteran established a fraudulent account with the vendor in the name of "Dept. of Veterans Affairs" and subsequently received \$6,428 in food related goods.

(2014-00440-IA-0027, SA (b)(6) Fayetteville Resident Agency)

DRUG THEFT

A U.S. Postal Service letter carrier was indicted and subsequently arrested for Mail Theft. A VA OIG and USPS OIG investigation revealed that for over a year the defendant stole at least 20 VA-issued narcotic parcels from a mail sorting facility.

(2014-00656-IF-0008, SA (b)(6) Seattle Resident Agency)

DRUG DISTRIBUTION

A veteran was indicted for Selling and Delivering Oxycodone, Possession with Intent to Sell and Deliver Oxycodone, and Conspiracy. A VA OIG, NCIS, and local law enforcement investigation revealed the defendant sold his VA-prescribed Oxycodone and illicit drugs to other drug offenders and undercover law enforcement officers.

(2012-03533-IA-0101, SA (b)(6) Fayetteville Resident Agency)

DECEASED BENEFICIARY FRAUD

A. The son of a deceased VA beneficiary pled guilty to Theft of Government Funds. A VA OIG investigation revealed that the defendant stole VA benefits that were direct deposited into a joint account after his mother's death in May 2007. The loss to VA is \$83,472.

(2013-00122-IW-0055, SA (b)(6) Western Field Office)

B. The niece of a deceased VA beneficiary was sentenced to 60 months' supervised probation and ordered to pay VA restitution of \$15,000 after pleading guilty to Obtaining Property or Monies by False Pretenses. The remaining restitution of \$51,633 will be paid through a Civil Judgment. A VA OIG and local law enforcement investigation revealed that for 8 years the defendant received, forged, and negotiated her uncle's VA benefit checks after his death in March 2003. The loss to VA is \$67,000.

(2011-00056-IA-0095, SA (b)(6) Fayetteville Resident Agency)

THEFT OF PUBLIC FUNDS

A former contracted Certified Nursing Assistant working at the Philadelphia, PA VAMC was sentenced to 5 months' incarceration, 36 months' supervised release, and ordered to pay restitution of \$75,819. A VA OIG investigation revealed that the defendant submitted false time sheets to her employer fraudulently claiming that she was working an average of 100 hours per week, causing VA to over pay \$75,819. The defendant submitted over \$108,000 in false time sheet hours.

(2013-03114-IN-0144, SA (b)(6) Northeast Field Office)

ILLICIT SALARY SUPPLEMENTATION

A Northport, NY VAMC Information Technology Specialist was arrested for Illicit Salary Supplementation. A VA OIG investigation revealed that the defendant unlawfully accepted over \$40,000 in gifts, to include expense paid vacations, dinners, golf outings, and concert tickets from sales representatives working for a telecommunications firm contracted by the medical center. The gifts were paid to the defendant because of a long standing relationship he developed with the contractor and not for any specific act.

(2013-03132-IN-0148, SA (b)(6) New York Resident Agency)

WEEKLY HIGHLIGHTS
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SDVOSB FRAUD

Two owners of a construction company were sentenced after pleading guilty to defrauding the Service-Disabled Veteran-Owned Small Business (SDVOSB) and 8(a) Business Development Programs. The non-veteran defendant, who actually founded and managed the construction company, was sentenced to 366 days' incarceration, 2 years' probation, and a criminal asset forfeiture of \$399,000. The service-disabled veteran defendant, who was listed as president and majority owner of the company but who actually worked full-time for an unrelated company, was sentenced to 6 months' home confinement, 2 years' probation, 200 hours' community service, and a criminal forfeiture of approximately \$38,000. A multi-agency investigation revealed that the defendants conspired to create an SDVOSB using the service disabled defendant's status knowing that he was essentially only a figurehead and that the non-veteran defendant was in actuality managing the company. The defendants submitted false certifications to the Government regarding the company's SDVOSB status, and while seeking 8(a) status with SBA, submitted other false documents to support their claim of being eligible for that program. The defendants caused the company to receive more than \$20 million in contracts from VA, the U.S. Army, and GSA that were set aside or preferred for SDVOSB or 8(a) entities. This case was one of the original fraudulent companies identified in GAO's 2009 report concerning SDVOSB fraud.

(2010-00743-IN-0032, SA (b)(6) Manchester Resident Agency)

BRIBERY

A contractor pled guilty to bribing a VA official. A VA OIG and FBI investigation revealed that the contractor became affiliated with two businesses that were applying to be placed on a VA list known as the MATOC (Multiple Award Task Order Contract) and that certain VA construction projects were available only to contractors who were placed on this list. Between October 2012 and February 2013, the contractor offered to make a \$5,000 bribe payment to a VA employee for assistance in having his two companies placed on the MATOC. Subsequently, the contractor made two cash payments totaling \$1,000 to the VA employee in exchange for the employee's assistance in placing the two businesses on the list.

(2011-00826-IN-0009, SA (b)(6) Northeast Field Office)

SEXUAL ASSAULT

A veteran was sentenced to 18 months' incarceration and a \$1,855 fine after being convicted at trial of disorderly conduct and sexually assaulting two VA staff members at the Great Falls, MT Community Based Outpatient Clinic. The defendant is facing additional charges of sexual assault as a result of this investigation.

(2012-03264-IF-0071, SA (b)(6) Spokane Resident Agency)

THEFT OF GOVERNMENT PROPERTY

A former Roseburg, Oregon VAMC pharmacy technician pled guilty to receipt of stolen property. A VA OIG and DEA investigation revealed that for over 18 months the defendant received a portion of over 6,000 tablets of controlled narcotics from another pharmacy technician. These thefts occurred through the posting of false drug orders in the Vista Database. The loss to VA is approximately \$23,475.

(2011-03215-DF-0202, SA (b)(6) Seattle Resident Agency)

HEALTH CARE FRAUD

A non-veteran was sentenced to 10 months' incarceration, 36 months' supervised release, and ordered to pay \$100,012 in restitution after pleading guilty to Theft of Government Property. A VA OIG investigation revealed that the defendant never served in the U.S. Marine Corps and was previously removed from the Naval Reserve Officer Training Corps. The defendant admitted lying about being a Marine Corps combat veteran and receiving injuries from an improvised explosive device while serving in Afghanistan in order to fraudulently receive VA medical benefits.

(2012-02201-IS-0211, SA (b)(6) West Palm Beach Resident Agency)

DRUG ABUSE CAUSING DEATH

A second former VAMC patient pled guilty to Obstruction of Justice in the overdose death of a veteran at the Lyons, NJ VAMC. A VA OIG investigation determined that the defendant lied about his whereabouts at the time of the veteran's overdose death, claiming that he and his co-defendant were only smoking cigarettes and never left the grounds of the medical center. Sentencing is scheduled for September 2013.

(2011-03528-IN-0165, SA (b)(6) Northeast Field Office)

DECEASED BENEFICIARY FRAUD

A. The son of a deceased veteran entered into a pre-trial diversion agreement and was ordered to pay VA \$110,840 in restitution. A VA OIG and U.S. Secret Service investigation revealed that the defendant failed to report his father's July 2007 death to VA and subsequently stole VA benefits that were direct deposited to his father's account.

(2012-00688-ID-0030, SA (b)(6) Jackson Resident Agency)

B. The granddaughter of a deceased VA beneficiary was sentenced to 5 years' probation, 100 hours' community service, and a \$13,181 fine after pleading guilty to Theft of Government Funds. A VA OIG investigation revealed that the defendant received, forged, and negotiated her mother's VA benefit checks after her mother's death in September 2007. The loss to VA is \$13,181.

(2010-02515-IN-0020, SA (b)(6) Buffalo Resident Agency)

BENEFICIARY TRAVEL FRAUD

A veteran was sentenced to 5 years' probation and ordered to pay VA \$10,641 in restitution after pleading guilty to Theft of Government Property. A VA OIG investigation revealed that from May 2005 to June 2011 the defendant filed 126 fraudulent travel benefit vouchers at the Boise, ID VAMC. The defendant claimed to travel from multiple states, while actually residing less than three miles from the medical center.

(2012-01803-IF-0044, SA (b)(6) Spokane Resident Agency)

FUGITIVE FELON

A. A veteran wanted for Aggravated Battery on a Law Enforcement Officer with a Deadly Weapon was arrested at the West Palm Beach, FL VAMC with the assistance of VA OIG and the VA Police Service.

(2013-00086-IS-0162, SA (b)(6) West Palm Beach Resident Agency)

B. A veteran wanted for Aggravated Battery and Aggravated Assault with a Firearm was arrested at the West Palm Beach, FL VAMC with the assistance of VA OIG and the VA Police Service.

(2013-00086-IS-0163, SA (b)(6) West Palm Beach Resident Agency)

WEEKLY HIGHLIGHTS
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EDUCATION BENEFITS FRAUD

Two owners of a training center were arrested for Grand Theft, Organized Scheme to Defraud, and Conspiracy. A VA OIG investigation revealed that the defendants owned and operated a school that billed VA between \$5,750 and \$7,750 for courses taken by veterans as part of their Post-9/11 GI Bill benefits, while charging non-veterans between \$249 and \$645 for the same courses. The loss to VA is \$635,465.

(2014-00981-IS-0131, SA (b)(6) West Palm Beach Resident Agency)

THEFT OF GOVERNMENT FUNDS

A veteran's widow was arrested for First Degree Murder and Conspiracy to Commit First Degree Murder. A VA OIG, SSA OIG, Tennessee Bureau of Investigation, and State District Attorney's Office investigation revealed that the defendant and her current spouse conspired to murder her previous husband, a combat veteran and VA beneficiary, by forcing him to overdose on prescription drugs and then staging a crime scene to make it appear that he committed suicide. The defendant later applied for DIC benefits and falsely claimed that her husband's drug overdose was related to his service-connected PTSD. The defendant's current spouse has pled guilty to Conspiracy to Commit First Degree Murder and has agreed to fully cooperate with the prosecution against his wife in exchange for a reduced sentence. The loss to VA is over \$100,000.

(2013-01708-IS-0154, SA (b)(6) Nashville Resident Agency)

DRUG DISTRIBUTION

A West Palm Beach, FL VAMC employee and her husband were sentenced to a combined 71 months' incarceration and assessed \$160,292 in fines and court fees after pleading guilty to Trafficking Oxycodone and the Sale of Marijuana. These sentences stemmed from a 7-month OIG and local drug diversion task force investigation. Operation Tango Vax focused on combating the sale and distribution of illicit and controlled prescription pharmaceutical drugs at the West Palm Beach, FL, VAMC and the surrounding community. The investigation identified that the majority of all criminal activity occurred at the medical center and resulted in the seizure of over 3,000 Oxycodone pills, two vehicles, and \$180,920 in cash.

(2011-00113-IS-0048, RAC (b)(6) and SA (b)(6) West Palm Beach Resident Agency)

CREDIT CARD FRAUD

A veteran was sentenced to 366 days' incarceration after pleading guilty to Uttering a Forgery, Petit Theft, Fraudulent Use of Personal Identification Information (PII), and Fraudulent Use of a Credit Card. A VA OIG and VA Police Service investigation revealed that the defendant stole a VA physician's purse while receiving treatment at the West Palm Beach, FL VAMC and used the physician's credit cards to make fraudulent transactions.

(2013-02151-IS-0018, SA (b)(6) West Palm Beach Resident Agency)

IDENTITY THEFT

A non-veteran pled guilty to Access Device Fraud and Aggravated Identify Theft. A VA OIG, IRS CID, and local sheriff's office investigation revealed that during an undercover operation the defendant purchased what he believed to be Tampa, FL VAMC patient's PII. The defendant subsequently used the "controlled" PII, in conjunction with deceased individual's PII, to file \$307,721 in fraudulent tax returns.

(2013-02034-IS-0152, SA (b)(6), Southeast Field Office)

ADMINISTRATIVE INVESTIGATIONS

The Administrative Investigations Division issued a report titled: Administrative Investigation, Prohibited Personnel Practice and Preferential Treatment, National Cemetery Administration, VA Central Office.

(2013-03899-IQ-0226, Administrative Investigator (b)(6) 51Q)

WEEKLY HIGHLIGHTS
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ASSAULT

A veteran was indicted for Felony Assault of a Federal Officer after assaulting a Reno, NV VAMC police officer. The defendant became upset after learning that his travel pay would not be issued in cash and began yelling racial slurs and profanities. VA Police responded and the defendant became combative. When the officers attempted to take the veteran into custody, he punched one of the officers in the face and chest.

(2013-03215-IF-0083, SA (b)(6) Sacramento Resident Agency)

PROGRAM FRAUD

A veteran was indicted for Wire Fraud, Mail Fraud, and Aggravated Identity Theft. A multi-agency investigation revealed that from 2007 to 2013 the defendant created a series of fraudulent charter schools in order to receive approximately \$25,000,000 in surplus Government computer equipment under a GSA Computers for Learning program. The defendant subsequently obtained computers from VA facilities located in multiple states. The loss to VA is approximately \$1,900,000.

(2012-03920-IF-0083, SA (b)(6) Seattle Resident Agency)

STOLEN VALOR

A criminal information was filed charging a veteran with using a false military discharge certificate. A VA OIG investigation revealed that the veteran applied for VA benefits in 2010 claiming PTSD from combat service in Vietnam. The veteran submitted an altered DD-214 reflecting 2 years of combat service and multiple medals for valor and injuries sustained in combat. The investigation determined that the veteran never served in Vietnam, knowingly submitted an altered DD-214, and made multiple false statements for the purpose of gaining VA benefits.

(2013-01027-IF-0041, SA (b)(6) Seattle Resident Agency)

DECEASED BENEFICIARY FRAUD

The granddaughter of a deceased VA beneficiary was sentenced to 5 years' probation, 100 hours' community service, and ordered to pay restitution of \$13,181 after pleading guilty to Theft of Government Funds. A VA OIG and U.S.

Secret Service investigation revealed that the defendant provided false statements to VA after her grandmother's death in September 2007 and then continued to receive, forge, and negotiate her grandmother's benefit checks.

(2010-02515-IN-0020, SA (b)(6) Buffalo Resident Agency)

DRUG DIVERSION

A former contract driver for the U.S. Postal Service pled guilty to a criminal information charging him with Mail Theft. A VA OIG and U.S. Postal Inspection Service investigation revealed that for over 3 months the defendant stole, for personal use, numerous VA and non-VA packages containing controlled substances.

(2012-04541-IN-0001, SA (b)(6) Buffalo Resident Agency)

WEEKLY HIGHLIGHTS
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QUI TAM

A medical equipment company reached a civil settlement of \$6 million with the Federal Government. The agreement resulted from a HHS OIG, DOL OIG, DOD OIG, and VA OIG investigation into allegations that the medical equipment company entered into a kickback scheme by creating personal service agreements with staff members of physician offices to promote the use of the company's bone growth stimulators. The bone growth stimulators are medical devices used to repair bone fractures that are slow to heal. The company also refurbished used bone growth stimulators and billed the Government for the price of new bone growth stimulators. VA will receive \$66,488 of the settlement.

(2012-00874-IN-0048, SA (b)(6) New York Resident Agency)

THREATS

A. A veteran was sentenced to 3 years' probation and ordered to attend special counseling pertaining to education, employment, and self-help after pleading guilty to Aggravated Harassment. A VA OIG investigation revealed that the defendant made bomb threats against a VAMC because of a reduction in benefits and a wage garnishment letter he received in the mail.

(2013-03683-IN-0139, SA (b)(6) Buffalo Resident Agency)

B. A veteran who threatened to blow up VA, put his guns to use, and also threatened the Postal Service was arrested after fleeing for 10 days from his residence in Delaware. The veteran was located and arrested in another state and is awaiting extradition.

(2014-03739-IN-0176, SA (b)(6) Northeast Field Office)

CHILD ENTICEMENT

A Las Vegas, NV VAMC employee was convicted at trial of Coercion and Enticement. A VA OIG and local police investigation revealed that the defendant used VA computers to post ads on Craig's List stating that he was seeking a sexual relationship with a young girl. The employee corresponded with an undercover officer, who he believed was a 14 year old girl, and was subsequently arrested when he arrived at a meeting location.

(2013-02147-IW-0075, SA (b)(6) Las Vegas Resident Agency)

COMPENSATION BENEFICIARY FRAUD

A former U.S. Marine Captain was sentenced to 4 months' incarceration, 1 year of home confinement, and ordered to pay \$90,602 in restitution after pleading guilty to Wire Fraud. A VA OIG and Naval Criminal Investigative Service investigation revealed that the defendant failed to inform VA that he returned to active duty and continued to receive VA disability benefits that he was not entitled to receive. The defendant also falsely claimed military housing reimbursement for rent he never paid. Also, while on active duty the defendant tried to increase the amount of his improper disability payments. The loss to VA is \$41,862, and the loss to DOD is \$48,740.

(2011-04215-IW-0008, SA (b)(6) San Diego Resident Agency)

DRUG DIVERSION

A. A Mountain Home, TN VAMC nurse was indicted and arrested for Theft of a Controlled Substance. A VA OIG and VA Police Service investigation revealed that on numerous occasions the defendant diverted Oxycodone tablets from a psychiatric patient. The defendant subsequently confessed to stealing the veteran's narcotics. Administrative action is also pending against the defendant.

(2014-00396-IS-0036, SA (b)(6) Nashville Resident Agency)

B. A Gainesville, FL VAMC registered nurse was arrested for Fraudulently Acquiring Controlled Substances. A VA OIG investigation revealed that on multiple occasions the defendant removed hydromorphone from medical center Pyxis machines for her own use.

(2014-01099-IS-0070, SA (b)(6) Tallahassee Resident Agency)

C. A former Bath, NY VAMC licensed practical nurse was sentenced to 5 years' probation after pleading guilty to Possession of Oxycodone. A VA OIG and VA Police Service investigation revealed that the defendant diverted medications intended for patients for personal use.

(2013-00334-IN-0034, SA (b)(6) Buffalo Resident Agency)

WEEKLY HIGHLIGHTS
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BRIBERY

A former director of the Cleveland, OH VAMC was arrested as the result of a VA OIG and FBI investigation that included the execution of a search warrant at the defendant's residence. The defendant was indicted for Conspiracy to Commit Mail and Wire Fraud and Honest Services Mail and Wire Fraud, Bribery of Public Officials, Disclosing Public Contract Information, Acts Affecting a Personal Financial Interest, Activities of Employees in Claims Against and Other Matters Affecting the Government, False Statements, One Year Ban on Communications, Wire Fraud, Mail Fraud, and Money Laundering. The investigation revealed that the defendant engaged in the fraudulent activity while he was the director at two different VA medical centers and after his retirement from VA.

(2012-00275-IC-0051, SA (b)(6) Cleveland Resident Agency)

DRUG DISTRIBUTION

Seven veterans were arrested on Federal drug distribution charges. The arrests were the result of a 2 year VA OIG, FBI, and VA Police Service investigation undertaken following the death of a veteran at the Lyons, NJ VAMC from a drug overdose. The subsequent investigation resulted in the purchase of various drugs including heroin, crack cocaine, and pharmaceuticals from the defendants on VA property. Following arraignment, five of the defendants were remanded into custody based on their extensive criminal histories.

(2011-03812-IN-0172, SA (b)(6) Northeast Field Office)

GUARDIANSHIP FRAUD

A former VA appointed guardian pled guilty to Misappropriation by a Fiduciary. A VA OIG investigation determined that the defendant stole funds payable to his sister, who is the incompetent dependent of a deceased veteran, and used the funds for his own use. The loss is approximately \$153,000.

(2009-02284-IS-0099, SA (b)(6) Nashville Resident Agency)

FIDUCIARY FRAUD

A former fiduciary pled guilty to a criminal information charging her with Fraudulent Acceptance of Payments. A VA OIG investigation revealed that the

defendant used VA funds intended for her brother for personal use. The loss to the veteran is \$10,046.

(2011-04226-IA-0136, SA (b)(6) Asheville Resident Agency)

IDENTITY THEFT

A. A Tampa, FL VAMC medical support assistant was indicted and subsequently arrested for Wrongful Disclosure of Health Information, Access Device Fraud, and Aggravated Identity Theft. A VA OIG and local police investigation revealed that the defendant stole patients' personal identifying information from the medical center and exchanged the information with another person for crack cocaine. The stolen information was subsequently used to file \$575,261 in fraudulent tax returns.

(2012-04251-IS-0143, SA (b)(6) Southeast Field Office)

B. A veteran was arrested for Aggravated Identity Theft, Wire Fraud, and Mail Fraud. A VA OIG, Social Security Administration (SSA) OIG, Treasury OIG, and Washington Department of Social and Health Services investigation revealed that the defendant stole the personal identification of two veterans in order to establish fraudulent VA e-benefits accounts and re-route VA compensation payments to prepaid debit cards. As part of the scheme, the defendant utilized Direct Express to set up fraudulent accounts with prepaid debit card issuing banks. Also, a recent search of the defendant's residence revealed numerous stolen and counterfeit Washington state driver licenses, Social Security cards, business checks, birth certificates, and debit and credit cards. A cursory examination of the evidence revealed that there are over 25 identity theft victims. At this time, the loss to VA is approximately \$60,000.

(2013-01083-IF-0039, SA (b)(6) Seattle Resident Agency)

C. A non-veteran was indicted and subsequently arrested for Aggravated Identity Theft, Wire Fraud, and Theft of Government Funds. A VA OIG, IRS CID, and state police investigation revealed that the defendant used veterans' personal identifying information obtained from stolen VAMC medical records and other individuals' information to file \$630,783 in fraudulent tax returns.

(2012-03445-IS-0052, SA (b)(6) Southeast Field Office)

SDVOSEB FRAUD

A defendant pled guilty to Mail Fraud and a second defendant pled guilty to Wire Fraud and Making Material False Statements. A multi-agency investigation determined that the owner of a company utilized veterans for labor without paying them wages and utilized a service-disabled veteran's name to apply for

and receive Government contracts. Both of the above defendants were employed by this company. The company was awarded a painting contract under a set-aside SDVOSB solicitation and was paid \$44,742 by the Buffalo, NY VAMC. Criminal charges are still pending against the owner of the company and two additional defendants.

(2010-03584-IC-0012, SA (b)(6) Central Field Office)

STOLEN VALOR

A veteran pled guilty to Using a Falsely Altered Military Discharge Certificate. A VA OIG investigation revealed that the defendant applied for VA benefits in 2010 claiming PTSD from combat service in Vietnam. The veteran submitted an altered DD-214 reflecting 2 years of combat service, multiple medals for valor, and injuries sustained in combat. The investigation determined that the veteran never served in Vietnam and made multiple false statements for the purpose of receiving VA benefits.

(2013-01027-IF-0041, SA (b)(6) Seattle Resident Agency)

THEFT

A U.S. Postal Service (USPS) employee pled guilty to Grand Larceny in the Second Degree. A VA OIG, USPS OIG, and local police investigation revealed that the defendant befriended the victim, an elderly veteran who has resided at the Batavia, NY VAMC since 2005. The defendant subsequently gained access to the veteran's accounts and stole funds, including VA benefits, totaling \$400,000 through a series of ATM withdrawals and balance transfers.

(2013-02195-IN-0108, SA (b)(6) Buffalo Resident Agency)

COMPENSATION BENEFICIARY FRAUD

A. A veteran was sentenced to 18 months' incarceration, 3 years' supervised probation, and ordered to pay \$221,500 in restitution to VA and \$174,926 in restitution to the SSA after pleading guilty to the Theft of Government Funds and False Statements to Obtain Federal Benefits. A VA OIG, USPS OIG, and SSA OIG investigation revealed that the defendant, who was in receipt of VA individual unemployability, as well as other Federal disability benefits, reported that he was unemployed and had no income. In actuality, the defendant was employed as the Bishop of a church and also owned and operated a daycare.

(2011-02047-IA-0093, SA (b)(6) Fayetteville Resident Agency)

B. A veteran was indicted and subsequently arrested for Theft of Government Funds and Mail Fraud. A VA OIG and USPS OIG investigation revealed that the

defendant, who was in receipt of VA individual unemployability, as well as other Federal disability benefits, reported he was unemployed and had no income. The investigation determined that the defendant owned and operated an auto sales and laundromat business and also owned several rental properties. The loss to the Government is approximately \$500,000, which includes VA's loss of approximately \$125,000.

(2012-03551-IA-0012, SA (b)(6) Fayetteville Resident Agency)

C. A veteran pled guilty to Making Materially False Statements after a VA OIG and U.S. Postal Inspection Service investigation determined that the defendant was employed while in receipt of VA individual unemployability benefits. The veteran purportedly created a medicinal remedy for several serious ailments and received monetary compensation as well as royalties for his product. The defendant subsequently sold stock in his product, which was later determined to be fraudulent. The loss to VA is \$82,912.

(2012-02537-IA-0070, SA (b)(6) Fayetteville Resident Agency)

DECEASED BENEFICIARY FRAUD

A. The son of a deceased Dependency and Indemnity Compensation beneficiary was indicted for Theft of Government Funds. A VA OIG investigation revealed that the defendant stole VA benefits that were direct deposited to a joint account after his mother's death in August 2005. The loss to VA is \$92,152.

(2010-00022-IC-0062, RAC (b)(6) Denver Resident Agency)

B. The son of a deceased veteran pled guilty to Program Fraud. A VA OIG and SSA OIG investigation revealed that the defendant failed to report his father's January 2007 death to VA and the SSA. The defendant subsequently stole \$62,110 in SSA benefits and \$16,995 in VA benefits that were direct deposited to his father's account.

(2013-00459-IA-0034, SA (b)(6) Mid-Atlantic Field Office)

C. The daughter of a deceased VA beneficiary was indicted for Theft of Government Funds. A VA OIG investigation determined the defendant continued to receive, forge, and negotiate her mother's benefit checks after her mother's death in April 2010. The loss to VA is \$38,640.

(2013-00118-IA-0070, SA (b)(6) Columbia Resident Agency)

EDUCATION BENEFICIARY FRAUD

A veteran and a former business owner of a Veteran Vocational training program were indicted for Theft by Deception, Forgery in the First Degree, and Identity Fraud. A VA OIG investigation revealed that the defendant forged signatures and submitted false certifications to the VA Education Program, falsely claiming that the co-defendant was an apprenticeship trainee in a training program operated by the defendant. The investigation also revealed that the co-defendant provided false statements regarding the receipt of VA funds generated by the false certifications. The loss to VA is approximately \$14,169.

(2011-03421-IS-0148, SA (b)(6) Atlanta Resident Agency)

DRUG THEFT

A. A former USPS employee was indicted for Theft of Mail. A VA OIG and USPS OIG investigation determined that between September 2012 and February 2012 the defendant stole approximately 85 VA drug packages from a USPS distribution facility. The defendant admitted to stealing the drugs for personal use.

(2013-00210-IS-0121, SA (b)(6) Nashville Resident Agency)

B. A USPS employee was arrested for Theft of Mail Matter and Theft of Mail Matter by an Employee. A VA OIG and USPS OIG investigation revealed that the defendant stole VA mail, to include VA controlled substances. The defendant admitted to stealing the VA packages.

(2013-00210-IS-0092, SA Michael P. Klier, Nashville Resident Agency)

C. A USPS employee was arrested for Theft of Mail Matter and Theft of Mail Matter by an Employee. A VA OIG and USPS OIG investigation revealed that the defendant stole VA mail, to include VA controlled substances. During an interview, the defendant admitted to stealing the VA packages.

(2013-00210-IS-0008, SA (b)(6) Nashville Resident Agency)

DRUG DIVERSION

A Bristol, VA outpatient clinic licensed practical nurse was arrested for Acquiring and Obtaining a Controlled Substance by Misrepresentation, Fraud, Forgery, Deception, and Subterfuge. A VA OIG and VA Police Service investigation revealed that the defendant stole controlled substances from VA patients during scheduled medication counts.

(2013-02789-IA-0083, SA (b)(6) Mid-Atlantic Field Office)

BENEFICIARY TRAVEL FRAUD

A. A veteran was sentenced to 72 months' incarceration, a \$100 fine, and ordered to pay VA \$3,712 in restitution after pleading guilty to Felony Theft. A VA OIG and VA Police Service investigation revealed that the defendant claimed that he traveled 205 miles round trip to the Mt. Home, TN VAMC, when in actuality he resided approximately 7 miles from the medical center.

(2011-03418-IS-0136, RAC (b)(6), Nashville Resident Agency)

B. A veteran was indicted for Obtaining Money by False Pretense after a VA OIG investigation revealed that he provided a false home address to the Hampton, VA VAMC in order to obtain more travel reimbursement funds than he was entitled to receive. The loss to VA is approximately \$6,000.

(2010-01941-IA-0013, (b)(6) Mid-Atlantic Field Office)

C. A veteran was indicted for Obtaining Money by False Pretense. A VA OIG investigation determined that the defendant received medical treatment and travel reimbursement while at a non-VA facility because the facility offered a type of treatment that VA could not provide. The defendant subsequently forged appointment confirmation documents in order to receive travel reimbursement for appointments he did not attend. The loss to VA is approximately \$4,500.

(2011-00713-IA-0035, (b)(6) Mid-Atlantic Field Office)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
7/21/14

FIDUCIARY FRAUD

The fiduciary of a 100% service-connected incompetent veteran entered into a plea agreement after being charged in a criminal information with Theft, Misappropriation by Fiduciaries, and Social Security Representative Fraud. The U.S. Attorney's Office also made forfeiture allegations related to the theft. A VA OIG and SSA OIG investigation revealed that the fiduciary failed to provide fiduciary accountings as required and misappropriated \$321,512 in VA and Social Security funds.

(2012-00780-IC-0056, SA (b)(6) Central Field Office)

IDENTITY THEFT

A defendant pled guilty to Conspiracy, Access Device Fraud, Fraud in Connection with Identification Information, and Aiding and Abetting. A VA OIG and VA Police Service investigation revealed that the defendant, along with a Palo Alto, CA VAMC employee and two other subjects, conspired to steal the personal identifying information of a VAMC employee and used the information to create unauthorized credit card accounts and counterfeit checks. Criminal charges have also been filed against the VA employee and the other two subjects. The defendants used the credit card accounts and counterfeit checks to make purchases at various retail stores. The purchased items were then either sold or traded for narcotics.

(2014-01082-IF-0012, SA (b)(6) San Francisco Resident Agency)

COMPENSATION BENEFICIARY FRAUD

A veteran was sentenced to 24 months' incarceration, 3 years' supervised release, and ordered to pay restitution of \$108,489 after pleading guilty to Theft of Government Funds and Conspiracy to make false statements to Federally-licensed firearms dealers. A VA OIG investigation revealed that the defendant obtained VA compensation benefits by claiming the loss of the use of both legs. The veteran was observed ambulating freely, driving a vehicle, mowing grass, and feeding horses. The veteran's wife was placed into a pre-trial diversion program and ordered to pay restitution of \$18,000 for her part of the scheme. Additionally, the veteran's mother was sentenced to 1 year of probation and the veteran's stepfather was sentenced to 3 years' probation, to include 6 months' home detention, after pleading guilty to conspiracy in making false statements to Federally-licensed firearms dealers. The mother and stepfather purchased over 25 firearms for the defendant, who is a registered sex offender and is prohibited

from possessing firearms due to a prior felony conviction for committing a lewd act with a minor. The loss to VA is \$159,297.

(2012-01177-IA-0039, SA (b)(6) Columbia Resident Agency)

DECEASED BENEFICIARY FRAUD

A. The son of a deceased veteran was sentenced to 36 months' probation and ordered to pay VA restitution of \$69,352 after pleading guilty to Theft of Government Funds. A VA OIG and U.S. Postal Inspection Service investigation revealed that the defendant stole, forged, and negotiated VA benefit checks issued after his father's death in November 2008. The loss to VA is \$69,352.

(2010-03622-IC-0001, SA (b)(6) Central Field Office)

B. The daughter of a deceased DIC beneficiary, who was previously charged in a civil complaint, agreed to the Stipulation of a Civil Judgment in favor of VA that ordered the defendant to pay \$162,954. A VA OIG investigation revealed that the defendant, a joint account holder on her deceased mother's bank account, failed to report her mother's May 2006 death to VA and then used the VA funds deposited after her mother's death for personal expenses and to repair her deceased mother's residence.

(2010-00022-IC-0074, SA (b)(6) Central Field Office)

DOCTOR SHOPPING

A total of 25 veterans were indicted for Obtaining Prescription Medication by Fraud, Deceit, or Subterfuge and Theft of Government Property. To date, 23 of the defendants have been located and arraigned on these charges after a VA OIG, state, and local investigation revealed numerous veterans were simultaneously obtaining controlled medication from VA and outside sources. Each veteran and VA physician was interviewed and provided information in furtherance of the cases. The U. S. Attorney for the District of South Carolina worked in conjunction with the local coordinator of the VA's Veterans Justice Outreach Program to pursue appropriate judicial avenues.

(2013-03480-IA-0107, 2014-00173-IA-0016, 2014-00173-IA-0052, 2013-04396-IA-0110, 2013-04328-IA-0111, 2013-04405-IA-0008, 2014-00173-IA-0017, 2014-00173-IA-0049, 2014-00173-IA-0046, 2014-00173-IA-0048, 2014-00173-IA-0038, 2014-00173-IA-0014, 2014-00173-IA-0020, 2014-00173-IA-0060, 2013-04350-IA-0105, 2014-00173-IA-0061, 2013-04358-IA-0108, 2013-04414-IA-0112, 2013-04400-IA-0011, 2013-04385-IA-0109, 2014-00173-IA-0051, 2014-00173-IA-0050, 2013-04398-IA-0012, 2014-00173-IA-0074, 2014-00173-IA-0078, SA (b)(6) Asheville Resident Agency)

DRUG DIVERSION

An Asheville, NC VAMC medical support assistant pled guilty to Theft of Government Property. A VA OIG investigation revealed that the defendant stole 10 Oxycodone pills from a patient's prescription while at the medical center. The defendant was apprehended with the pills on her person and admitted to the theft and that she was addicted to prescription medication.

(2013-3225-IA-0081, SA (b)(6) Asheville Resident Agency)

DRUG DISTRIBUTION

A veteran pled guilty to Knowingly, Intentionally, and Unlawfully Possessing with Intent to Distribute a Substance Containing Oxycodone and Knowingly Possessing and Transferring a Machine Gun. As part of the plea, the defendant agreed to forfeit a number of long guns, handguns, and ammunition confiscated during the arrest and execution of a search warrant at his residence. A VA OIG, ATF, DCIS, and local police investigation revealed that the defendant participated in a plan with at least two other veterans in the theft and transport of at least two machine guns allegedly supplied from Fort Bragg. Controlled buys of the guns were conducted, and the other veterans were arrested based on those purchases. This defendant continued his illicit activity to include selling a shotgun, ammunition, a bullet proof vest, and his VA prescription medications to one of the previously arrested veterans.

(2013-02720-IN-0044, SA (b)(6), Buffalo Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
7/22/13

SDVOSB FRAUD

A Georgia contractor was sentenced to 24 months' incarceration and 2 years' supervised release after pleading guilty to Making False Statements. As part of the plea agreement, the defendant paid \$181,556 in restitution. Subsequent to a referral received from the U.S. Government Accountability Office, a VA OIG, SBA OIG, USDA OIG, and U.S. Army CID investigation revealed that the defendant fraudulently obtained five Service-Disabled Veteran-Owned Small Business (SDVOSB) set-aside contracts worth over \$2 million.

(2010-00743-IS-0067, SA (b)(6) Atlanta Resident Agency)

ASSAULT

A former Northport, NY VAMC employee was sentenced to 2 years' probation after being found guilty at trial of Assault. A VA OIG and VA Police Service investigation revealed the defendant assaulted a co-worker in a private office at the medical center and caused injuries to the victim's hand and wrist.

(2011-03858-IN-0013, RAC (b)(6) New York Resident Agency)

FIDUCIARY FRAUD

A former VA fiduciary was arrested for Misappropriation by a Fiduciary. A VA OIG investigation determined that the former fiduciary, who was a former attorney and former police officer, embezzled approximately \$130,000 of VA benefits from his brother-in-law, a disabled veteran.

(2012-00472-IN-0056, SA (b)(6) Boston Resident Agency)

COMPENSATION BENEFICIARY FRAUD

A veteran was sentenced to 2 years' incarceration, 3 years' supervised release, and ordered to pay VA restitution of \$519,293 and the Social Security Administration (SSA) restitution of \$7,575. A VA OIG and SSA OIG investigation revealed that the defendant submitted false statements in order to receive various VA compensation benefits based on the loss of use of his hands and feet due to Reflex Sympathetic Dystrophy. The defendant, who received approximately \$7,500 per month from VA, was able to ambulate without any human or mechanical assistance and carry out other self-sufficient daily activities.

(2010-02958-IA-0088, SA (b)(6) Fayetteville Resident Agency)

DECEASED BENEFICIARY FRAUD

A. The son of a deceased VA beneficiary was sentenced to 5 years' probation and ordered to pay VA restitution of \$33,600 after pleading guilty to Theft of Government Funds. A VA OIG investigation revealed that the defendant stole VA Dependency and Indemnity Compensation benefits that were issued after his mother's death in October 2009.

(2012-00031-IA-0034, SA (b)(6) Pittsburgh Resident Agency)

B. The friend of a deceased veteran beneficiary was indicted for Theft of Government Funds. A VA OIG and U.S. Secret Service investigation revealed that the defendant used the veteran's debit card to access VA pension funds that were deposited into a prepaid debit card account after the veteran's death in December 2008. The loss to VA is approximately \$35,700.

(2011-4399-ID-0017, SA (b)(6) Houston Resident Agency)

C. The daughter of a deceased VA beneficiary was sentenced to 6 months' incarceration, 3 years' probation, and ordered to pay VA restitution of \$68,086 and the SSA restitution of \$119,135 after pleading guilty to Theft of Government Funds. A VA OIG and SSA OIG investigation determined the defendant stole VA and SSA benefits that were deposited into her mother's checking account after her mother's death in April 2003.

(2013-00194-IS-0017, SA (b)(6) Atlanta Resident Agency)

IDENTITY THEFT

A. A veteran pled guilty to Theft of Government Funds. A VA OIG investigation revealed that from June 2004 to December 2012 the defendant used his brother's identity in order to fraudulently receive VA benefits and avoid being identified as a fugitive felon. The defendant's brother is a veteran who has not resided in the U.S. since 1973. The defendant's deception allowed him to obtain unauthorized medical care and receive VA pension benefits. The loss to VA is approximately \$178,600. The defendant is scheduled for sentencing in October 2013.

(2007-03301-IN-0049, SA (b)(6) Northeast Field Office)

B. A veteran was indicted for Aggravated Identity Theft, Wire Fraud, and Mail Fraud. A VA OIG, SSA OIG, U. S. Treasury OIG, and Washington Department of Social and Health Services investigation revealed that the defendant stole the

personal identification of two veterans in order to establish fraudulent VA e-benefits accounts and re-route VA compensation payments to prepaid debit cards. As part of the scheme, the defendant utilized Direct Express to set up fraudulent accounts with prepaid debit card issuing banks. The loss to VA is approximately \$60,000.

(2013-01083-IF-0039, SA (b)(6) Seattle Resident Agency)

FORGERY

A defendant pled guilty to Theft of Government Funds after a VA OIG investigation disclosed that she stole, forged, and negotiated two VA benefits checks. The loss to VA is \$32,063.

(2012-03390-IS-0043, SA (b)(6) Tallahassee Resident Agency)

DRUG DIVERSION

A. A former U.S. Postal Service (USPS) employee was sentenced to 3 weekends' incarceration, 3 years' probation, and 50 hours' community service after pleading guilty to Theft of Mail by an Employee. A VA OIG and USPS OIG investigation revealed that from May 2011 to June 2011 the defendant stole nine VA medication packages intended for veterans.

(2011-3563-IC-0123, SA (b)(6) Kansas City Resident Agency)

B. A USPS employee was indicted for Theft of Mail by a Postal Employee and Possession with Intent to Distribute Hydrocodone. A VA OIG and USPS investigation revealed that from September 2012 to May 2013 the defendant stole approximately 73 VA parcels containing approximately 8,100 Hydrocodone pills.

(2013-02254-IC-0074, SA (b)(6) Kansas City Resident Agency)

C. A former USPS employee was sentenced to 3 years' probation after pleading guilty to Theft of Mail. A VA OIG and USPS OIG investigation determined that between February 2012 and August 2012 the defendant stole approximately 22 VA drug packages from a USPS distribution facility. The defendant admitted to stealing the VA controlled substances for personal use.

(2013-00252-IS-0214, SA (b)(6) Nashville Resident Agency)

BENEFICIARY TRAVEL FRAUD

A. A veteran was indicted for Fraudulent Schemes after a VA OIG investigation revealed that from November 2010 to March 2012 he submitted 122 fraudulent

travel claims to the Huntington, WV VAMC. The defendant claimed that he was traveling 142 miles roundtrip from Logan, WV, when in actuality he was residing in Huntington, WV. The loss to VA is \$6,639.

(2012-00422-IA-0068, SA (b)(6) Pittsburgh Resident Agency)

B. A veteran was arrested for Grand Theft and Fraud related to fraudulent travel benefit claims he submitted to the West Palm Beach, FL VAMC and the Miami, FL VAMC. A VA OIG investigation revealed that the veteran used nonexistent addresses when submitting fraudulent travel claims. The loss to VA is approximately \$8,900.

(2009-00360-IS-0088, SA (b)(6) West Palm Beach Resident Agency)

C. A veteran was sentenced to 8 months' incarceration, 3 years' supervised release, 200 hours' community service, and ordered to pay restitution of \$5,893 after pleading guilty to Theft of Government Funds. A VA OIG investigation revealed that the defendant filed false travel claims for travel from Tallahassee, FL to the Lake City, FL VAMC. In actuality, the defendant resided in Lake City, FL. Also, the defendant committed this fraud while being sentenced for an identical fraud in 2011.

(2011-00375-IS-0006, SA (b)(6) Tallahassee Resident Agency)

FUGITIVE FELON

A veteran wanted for violation of Condition of Community Custody and Possession of Controlled Substance was arrested by the Pacific Northwest Violent Offenders Task Force based on information provided by VA OIG.

(2013-00086-IF-0097, IA (b)(6) Seattle Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
7/28/14

ASSAULT

A. An Augusta, GA VAMC nurse pled guilty to Assault and agreed to surrender his nursing license. A VA OIG and VA Police Service investigation revealed that the defendant entered a patient's room, while two other staff members attempted to treat the patient, and punched the patient causing serious bodily injury.

(2013-02402-IS-0164, SA (b)(6) Atlanta Resident Agency)

B. A veteran was convicted at trial of Assault on a Federal Employee. A VA OIG investigation revealed that the defendant became angry at how long he had to wait for his appointment for pain medication and subsequently assaulted his Miami, FL VAMC physician.

(2014-03193-IS-0144, SA (b)(6) West Palm Beach Resident Agency)

FIDUCIARY FRAUD

A former VA fiduciary pled guilty to Misappropriation by a Fiduciary. A VA OIG investigation determined that the fiduciary stole \$28,305 in VA funds that should have been paid to a nursing home on behalf of the veteran. The defendant embezzled the funds for use in a failed construction business.

(2011-02953-IS-0110, SA (b)(6) Atlanta Resident Agency)

DECEASED BENEFICIARY FRAUD

A defendant was indicted for Wire Fraud. A VA OIG and Social Security Administration (SSA) OIG investigation revealed that the defendant owned and operated a personal care home where a veteran beneficiary resided. After the veteran's death in November 1997, the defendant stole VA and SSA benefits that were direct deposited to a joint account. The approximate loss to VA is \$258,000.

(2013-00313-IS-0091, SA (b)(6) Atlanta Resident Agency)

COMPENSATION BENEFICIARY FRAUD

A veteran was sentenced to 24 months' probation, 6 months' home detention, 100 hours' community service, and ordered to pay VA \$116,233 (remaining

balance of the original \$122,993 loss) in restitution after pleading guilty to Theft of Government Funds. A VA OIG, IRS CID, and DOL investigation revealed that the defendant was employed as a building contractor while fraudulently receiving IU benefits.

(2010-02416-IS-0020, SA (b)(6) Tallahassee Resident Agency)

PENSION BENEFICIARY FRAUD

A veteran was sentenced to 3 years' incarceration and ordered to pay VA \$1,021 in restitution after pleading guilty to Theft. A VA OIG investigation revealed that the defendant falsified his income in order to qualify for VA pension benefits.

(2013-03657-IS-0191, SA (b)(6) Nashville Resident Agency)

DRUG THEFT

A former USPS employee was indicted for Theft of Mail by an employee. A VA OIG and USPS OIG investigation revealed that between January and June 2013 the defendant stole VA drug packages from several Eastern Tennessee post offices. The defendant admitted to stealing the controlled substances for personal use.

(2013-00210-IS-0172, SA (b)(6) Nashville Resident Agency)

DRUG DIVERSION

An Atlanta, GA VAMC pharmacist was charged with Theft by Taking. A VA OIG investigation revealed that the defendant stole pills from the VA pharmacy and attempted to conceal them in her personal bag. The defendant subsequently admitted to the theft of the drugs.

(2013-04066-IS-0010, SA (b)(6) Atlanta Resident Agency)

DOCTOR SHOPPING

A veteran was indicted and arrested for Obtaining a Controlled Substance by Fraud. A VA OIG investigation revealed that the defendant received narcotics from a VA provider as well as non-VA providers during the same time period. The defendant's actions also violated his VA opioid agreement, and he is no longer permitted to obtain narcotics from VA.

(2014-00457-IS-0038, SA (b)(6) Nashville Resident Agency)

THEFT

Two former Augusta, GA VAMC contract employees were indicted for Theft by Taking. A VA OIG investigation revealed that the defendants, who were assigned to Sterile Processing Services, forged their VA supervisor's signature on time sheets prior to submitting them to their staffing agency for payment. The loss is approximately \$4,000.

(2012-03101-IS-0213, SA (b)(6) Atlanta Resident Agency)

BENEFICIARY TRAVEL FRAUD

A veteran was arrested for Grand Larceny relating to beneficiary travel fraud. A VA OIG, NYS Medicaid OIG, and NY District Attorney's Office investigation revealed that on 513 occasions the defendant claimed and received Medicaid-paid transportation to and from the Montrose, NY VAMC while also being reimbursed for travel by VA. The loss to VA is \$19,733.

(2011-03310-IN-0086, SA (b)(6) New York Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
7/29/13

ASSAULT

A. A veteran was indicted for Making Threats and Assault of a Federal Employee after assaulting a Poplar Bluff, MO VAMC social worker. VA Police and local police officers responded to the assault and arrested the veteran. After the defendant was taken into custody, VA Police observed evidence of weapons in the veteran's vehicle. The veteran had previously made threatening statements that he would bring firearms to the medical center and begin shooting VA employees. A shotgun, handgun, over 300 rounds of ammunition, knives, and zip-cuffs were recovered from the defendant's vehicle. The defendant remains in custody pending trial.

(2013-03484-IC-0096, SA (b)(6) Kansas City Resident Agency)

B. A veteran pled guilty to Assault of a Federal Employee. A VA OIG and VA Police Service investigation revealed that the defendant, an inpatient at the Portland, WA VAMC, assaulted a nurse and fractured her jaw. The defendant remains in custody pending sentencing.

(2013-01406-IF-0049, SA (b)(6) Seattle Resident Agency)

THREATS

A veteran was arrested for Making a Terroristic Threat. A VA OIG investigation revealed that the defendant contacted a VA call center and threatened to blow up the Buffalo, NY VAMC after receiving a collections notice for an unpaid bill. The veteran has a lengthy criminal record and was well known by local authorities.

(2013-03683-IN-0139, SA (b)(6) Buffalo Resident Agency)

CHILD PORNOGRAPHY

A veteran was sentenced to 120 months' incarceration and life time court supervision after pleading guilty to possessing and viewing sexually explicit images of minor children while he was an inpatient at the Dayton, OH VAMC. A VA OIG investigation that included the issuance of three search warrants and a forensic analysis revealed more than 500 images and over a dozen videos of child pornography, including sadomasochism and violence. The National Center for Missing and Exploited Children was able to identify 20 known child victims among the images retrieved.

(2010-03373-IC-0131, SA (b)(6) Cleveland Resident Agency)

THEFT

A former employee of a VA affiliated non-profit research institute was arrested for theft from programs receiving Federal funds. A VA OIG investigation revealed that the defendant fraudulently opened two corporate accounts in the name of a VA research group and deposited 20 checks totaling approximately \$68,000. When arrested, the defendant was living approximately 100 miles away from the location of the crime and had obtained employment and housing using a fictitious name, social security number, date of birth, and passport.

(2013-01278-IN-0050, SA (b)(6) Boston Resident Agency)

PENSION BENEFICIARY FRAUD

A veteran was indicted for Theft of Government Funds and False Statements. A VA OIG investigation revealed that the defendant fraudulently obtained VA pension benefits by falsifying his initial application and attempting to hide his assets from VA. The loss to VA is approximately \$75,250.

(2011-03020-IS-0021, SA (b)(6) Tallahassee Resident Agency)

DECEASED BENEFICIARY FRAUD

A. The daughter of a deceased widow beneficiary was indicted for Theft of Government Funds. A VA OIG investigation revealed that the defendant stole VA benefits that were direct deposited after her mother's death in July 2010 and used the stolen funds for personal expenses. The loss to VA is approximately \$45,600.

(2013-00120-IS-0106, SA (b)(6) Tallahassee Resident Agency)

B. The son of a deceased VA beneficiary was indicted and subsequently arrested for Theft of Public Money. A VA OIG investigation revealed that the defendant received, forged, and negotiated his father's VA benefit checks after his father's death in August 2007. The loss to VA is \$57,792.

(2013-00120-IS-0097, SA (b)(6) Nashville Resident Agency)

C. The granddaughter of a deceased VA beneficiary was charged with the Fraudulent Acceptance of VA Payments. A VA OIG investigation revealed that the defendant stole VA Dependency and Indemnity Compensation benefits that were issued after the beneficiary's death in July 2009. The defendant admitted to using the stolen funds for personal expenses. The loss to VA is \$33,466.

(2013-00123-IF-0051, SA (b)(6) Sacramento Resident Agency)

D. The daughter of a deceased VA beneficiary signed a 12 month deferred prosecution agreement and was ordered to pay restitution of \$20,198. A VA OIG investigation revealed that the daughter withdrew VA pension benefits deposited into her mother's account after her mother's death in January 2007. The defendant used the stolen funds for personal expenses.

(2011-3119-IC-0018, SA (b)(6) Central Field Office)

DRUG DIVERSION

A former Palo Alto, CA VAMC registered nurse was indicted for Theft of Government Property and Obtaining a Controlled Substance by Fraud. A VA OIG investigation revealed that the defendant diverted approximately 1,200 syringes of Hydromorphone by taking the doses that she claimed to have given to patients, logging in under the profiles of other nurses, or initiating false wasting entries under both her profile and those of the other nurses.

(2013-00850-IF-0025, SA (b)(6) San Francisco Resident Agency)

DOCTOR SHOPPING

A. A veteran was indicted for Obtaining a Controlled Substance by Fraud. A VA OIG and local law enforcement investigation revealed that for over 7 months the defendant obtained numerous controlled substances from both VA and non-VA providers. Based on this investigation, the veteran's ability to receive controlled substances from VA has been terminated.

(2013-00210-IS-0075, SA (b)(6) Nashville Resident Agency)

B. A veteran was indicted for Obtaining a Controlled Substance by Fraud and Selling or Delivery of a Controlled Substance. A VA OIG and local law enforcement investigation revealed that the defendant was obtaining numerous controlled substances from VA and non-VA providers and then selling these controlled substances for profit. Based on this investigation, the veteran's ability to receive controlled substances from VA has been terminated.

(2013-00210-IS-0131, SA (b)(6) Nashville Resident Agency)

DRUG THEFT

A U. S. Postal Service employee was arrested for Theft of Mail after he stole several pieces of mail, including a VA package containing a non-scheduled pharmaceutical.

(2013-03596-IN-0137, SA (b)(6) Boston Resident Agency)

FUGITIVE FELON

A. A Winston-Salem, NC VARO employee was arrested pursuant to warrants issued in North Carolina for Trafficking Opiates, Conspiracy, and Obtaining Controlled Substances by Fraud or Forgery. Local law enforcement officers arrested the fugitive with the assistance of VA OIG.

(2013-00084-IA-0089, RAC (b)(6) Asheville Resident Agency)

B. A veteran wanted in the state of Missouri for First Degree Assault, Armed Criminal Action, and Unlawful Use of a Weapon was arrested by local authorities at the Fayetteville, NC VAMC with the assistance of VA OIG and VA Police Service.

(2013-00084-IA-0088, SA (b)(6) Fayetteville Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
8/05/13

BRIBERY/KICKBACKS

A veteran was sentenced to 12 months' home detention, 36 months' supervised release, 100 hours' community service, and ordered to pay \$70,912 in restitution after pleading guilty to Wire Fraud. A second veteran was sentenced to 12 months' home detention, 36 months' supervised release, and ordered to pay \$73,737 in restitution after pleading guilty to Wire Fraud. A third veteran was sentenced to 8 months' home detention, 36 months' supervised release, and ordered to pay \$56,304 in restitution after pleading guilty to Wire Fraud. From 2003 to 2011, while working at the Maryland Department of Veterans Affairs, an employee created fraudulent doctor notes and amendment forms, commonly referred to as DD-215s, as part of claims for service connected disabilities. A VA OIG investigation revealed that the state employee solicited and received cash payments from the veterans in exchange for assistance with their claims. The doctor's notes claimed that the veterans had been diagnosed with diabetes and were insulin dependent. The fraudulent DD-215s were used as proof of service in Vietnam. The state employee also filed a fraudulent DD-215 form to increase his own rating for PTSD. A total of 17 veterans received compensation benefits using the fraudulent forms. The loss to VA is \$1,151,219. The state employee also assisted the veterans in receiving \$255,555 in property tax waivers from the state that they were not entitled to receive.

(2011-01320-IA-0072, SA (b)(6) Mid-Atlantic Field Office)

TRAVEL BENEFICIARY FRAUD

A Seattle, WA VAMC travel clerk was sentenced to 42 months' incarceration and 3 years' supervised release. A second travel clerk in the same office was sentenced to 37 months' incarceration and 3 years' supervised release. Both defendants were also ordered to pay \$181,114 in restitution after pleading guilty to Conspiracy to Defraud the U.S. Government and Bribery. Two veterans, who cooperated during the investigation, were sentenced to 3 years' supervised release and ordered to pay restitution of \$23,089 and \$19,992 respectively. A third veteran was sentenced to 4 months' incarceration, 3 years' supervised release, and ordered to pay restitution of \$21,260. A VA OIG investigation revealed a scheme in which the travel clerks recruited veterans to submit inflated and fictitious travel benefit vouchers. The clerks then received kickback payments from the veterans. The loss to VA is in excess of \$188,000.

(2012-01411-IF-0058, SA (b)(6) Seattle Resident Agency)

FIDUCIARY FRAUD

A former fiduciary was charged with Misappropriation by a Fiduciary after a VA OIG investigation revealed that she embezzled approximately \$251,534. From October 2004 through September 2010, the defendant submitted fictitious annual accountings and certificate of deposit forms to VA. An accounting submitted in 2010 reported that \$244,857 was held in savings deposits and certificate of deposit accounts, when in actuality there was less than \$100 in these accounts. The defendant admitted to fabricating the financial records to prevent VA from terminating her as the veteran's fiduciary.

(2012-01354-IN-0081, SA (b)(6) Manchester Resident Agency)

WORKERS' COMPENSATION FRAUD

A former Calverton National Cemetery, NY mechanic pled guilty to a criminal information charging him with Theft of Government Funds. A VA OIG investigation revealed that the defendant, who filed a workers' compensation claim for an on-the-job injury in 2006, was working as a mechanic at an auto body shop. The earnings from this employment, which were not reported to the Department of Labor OWCP, were in excess of \$10,000 for a period of 5 months. During this period, the defendant claimed he was unable to return to work for VA in any capacity. The defendant, who was receiving \$3,200 per month in workers' compensation benefits, is no longer receiving any benefits.

(2007-02122-IN-0061, RAC (b)(6) New York Resident Agency)

PENSION BENEFICIARY FRAUD

A veteran was arrested for Theft of Government Funds and False Statements. A VA OIG investigation disclosed that the defendant fraudulently obtained a VA pension by falsifying his initial application and attempting to hide his assets from VA. The loss to VA is approximately \$75,250.

(2011-03020-IS-0021, SA (b)(6) Tallahassee Resident Agency)

DECEASED BENEFICIARY FRAUD

The granddaughter of a deceased VA beneficiary was sentenced to 6 months' probation and ordered to pay VA restitution of \$18,898 after pleading guilty to Theft of Government Funds. A VA OIG investigation revealed that the defendant stole VA benefits that were direct deposited to a joint account after her grandmother's death in April 2009.

(2012-00031-IA-0092, SA (b)(6) Mid-Atlantic Field Office)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
8/11/14

BRIBERY/KICKBACKS

A former Maryland Department of Veterans Affairs employee pled guilty to Extortion. A VA OIG investigation revealed that from 2003 to 2011, while working at the Maryland Department of Veterans Affairs, the defendant created fraudulent doctor notes and amendment forms commonly referred to as DD-215s as part of claims for service connected disabilities. The defendant solicited and received cash payments from veterans in exchange for assistance with their claims. The doctor's notes claimed that the veterans had been diagnosed with diabetes and were insulin dependent. The fraudulent DD-215s were used as proof of service in Vietnam. The defendant also filed a fraudulent DD-215 form to increase his own rating for PTSD. A total of 17 veterans received compensation benefits using the fraudulent forms. The loss to VA is \$1,151,219. The state employee also assisted the veterans in receiving \$255,555 in property tax waivers from the state that they were not entitled to receive.

(2011-01320-IA-0072, SA (b)(6) Mid-Atlantic Field Office)

PATIENT ABUSE

A. A Fresno, CA, VAMC Community Living Center (CLC) nurse was charged with Elder Abuse. A VA OIG investigation revealed that the nurse entered the veteran's CLC room and requested the veteran get out of bed. When the veteran ignored the request the defendant grabbed the veteran by his ear, pulled him out of bed, and forced him into a wheelchair. This action resulted in a serious laceration to the veteran's left ear.

(2014-03525-IF-0041, SA (b)(6) Sacramento Resident Agency)

B. A Tallahassee, FL, VA Outpatient Clinic dental technician was sentenced to 24 months' incarceration, 156 months' probation, and 650 hours' community service after being convicted at trial of practicing dentistry without a license. A VA OIG and local sheriff's office investigation determined that the defendant identified victims through her employment as a VA dental technician and then used stolen VA equipment to perform dental surgery.

(2012-02464-IS-0171, RAC (b)(6) Tallahassee Resident Agency)

THREATS

A. A San Francisco, CA, VAMC Food Service worker was sentenced to 50 hours' community service after pleading guilty to Impeding or Disrupting the Performance of Official Duties of Government Employees. A VA OIG and VA Police Service investigation revealed that the defendant placed a suspicious package wrapped in a black trash bag in the food service area of the medical center. A note was attached to the package that warned of "severe eye damage and possible blindness for the rest of your natural life," if the package was opened.

(2014-01009-IF-0021, SA (b)(6) San Francisco Resident Agency)

B. A veteran was placed on a 72 hour involuntary psychiatric hold after making multiple telephonic bomb threats against the Sacramento, CA, VAMC. A VA OIG investigation revealed that in addition to the recent threat made by the veteran he had made similar threats in the past that resulted in bomb searches and evacuations of the medical center.

(2014-04305-DF-0303, SA (b)(6) Sacramento Resident Agency)

FIDUCIARY FRAUD

A. The brother of a VA beneficiary, who was also his fiduciary, was sentenced to 3 years' probation, 25 hours' community service, and ordered to pay VA restitution of \$102,726 after pleading guilty to Theft by Unlawful Taking. A VA OIG and local police investigation revealed that the defendant submitted an accounting to VA that falsely identified expenses pertaining to his brother for entertainment, clothing, and room and board. During this time period, the veteran was a bedridden inpatient at a VAMC. When interviewed, the defendant admitted to embezzling his brother's VA benefits and using the funds to buy a car and for travel expenses.

(2013-00955-IN-0083, SA (b)(6) Northeast Field Office)

B. A former VA fiduciary pled guilty to Misappropriation by a Fiduciary. A VA OIG investigation determined that the fiduciary misused \$28,305 in VA funds that should have been used to pay the veteran's nursing home expenses. The defendant used the stolen funds to support a failed construction business.

(2011-02953-IS-0110, SA (b)(6) Atlanta Resident Agency)

IDENTITY THEFT

A non-veteran was arrested for Mail Fraud and Aggravated Identity Theft. A VA OIG, IRS CID, ATF, and local police investigation revealed that the defendant

used veterans' PII obtained from stolen VAMC medical records and other sources to file approximately \$3.1 million in fraudulent tax returns. The defendant's non-veteran husband was previously indicted and arrested in this case.

(2014-00572-IS-0081, SA (b)(6) Southeast Field Office)

ELDERLY EXPLOITATION

The son of a veteran was indicted and arrested for Exploitation of an Aged Adult (over \$20,000), and Theft from a Person 65 Years of Age or Older. A VA OIG and local sheriff's office investigation revealed that the defendant abandoned the veteran at a residence, stole the veteran's debit card, and continued to use VA benefits intended for the veteran. The loss is \$31,353.

(2014-02456-IS-0138, SA (b)(6) Tallahassee Resident Agency)

COMPENSATION BENEFICIARY FRAUD

A. The spouse of a deceased veteran was sentenced to 5 to 15 months' incarceration (suspended) and 2 years' supervised probation after pleading guilty to Obtaining Property Under False Pretenses. A VA OIG investigation revealed that the defendant fraudulently claimed to VA that she had not remarried in order to continue to receive DIC benefits. The loss to VA is \$19,023.

(2014-00379-IA-0035, SA (b)(6) Asheville Resident Agency)

B. A veteran was sentenced to 60 months' probation and ordered to pay VA \$26,989 in restitution. A VA OIG investigation revealed that between February 2006 and October 2007 the defendant concealed his employment from VA in order to continue to receive Individual Unemployability benefits.

(2007-01641-IS-0204, SA (b)(6) Nashville Resident Agency)

DECEASED BENEFICIARY FRAUD

A. The friend of a deceased VA widow beneficiary was arrested for Accessing Computers, Unlawfully Obtaining a Credit Card, and Obtaining Property Under False Pretenses. A VA OIG and local police investigation revealed that the defendant stole VA benefits that were direct deposited after the beneficiary's death in May 2012. The defendant also forged an application to receive a credit/debit card in the widow's name. The loss to VA is \$22,945.

(2014-00060-IA-0081, SA (b)(6) Asheville Resident Agency)

B. The son of a deceased beneficiary was sentenced to 30 days' incarceration, 60 months' probation, and ordered to pay restitution of \$86,802. A VA OIG and FBI investigation determined that the defendant stole VA benefits that were direct deposited after the veteran's death in December 2010.

(2014-04443-IF-0013, SA (b)(6) Seattle Resident Agency)

C. A defendant was indicted and arrested for Theft of Government Funds. A VA OIG investigation revealed that the defendant had an undocumented marriage to the widow of a veteran who was in receipt of VA benefits. The defendant stole the VA benefits that were direct deposited after the widow's death in December 2009. The loss to VA is \$27,696.

(2014-00064-IS-0137, SA (b)(6) Tallahassee Resident Agency)

DRUG THEFT

A former UPS employee was indicted and arrested for Possession of a Controlled Substance with Intent to Sell or Deliver and Obtaining a Controlled Substance by Fraud. A VA OIG investigation revealed that the defendant stole 1,520 tablets of VA controlled substances from eight UPS packages. Further investigation revealed that the defendant then personally used and sold some of the controlled substances.

(2012-00252-IS-0045, SA (b)(6) Nashville Resident Agency)

DOCTOR SHOPPING

A. A veteran was sentenced to post-trial diversion (after the payment of court cost) after pleading guilty to Obtaining a Controlled Substance by Fraud. A VA OIG investigation revealed that the defendant received narcotics from a VA provider as well as non-VA providers during the same timeframe. The defendant's actions also violated her VA opioid agreement. The defendant's ability to receive controlled substances from VA has been terminated.

(2014-00461-IS-0039, SA (b)(6) Nashville Resident Agency)

B. A veteran was sentenced to 11 months and 29 days' incarceration (suspended) and 11 months and 29 days' probation after pleading guilty to failing to disclose to a health care practitioner the receipt of a controlled substance of similar therapeutic use within the previous 30 days. A VA OIG investigation revealed the defendant obtained controlled substances from both VA and non-VA providers during the same time period. The defendant's ability to receive controlled substances from VA has been terminated.

(2014-00450-IS-0024, RAC (b)(6) Nashville Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
8/12/13

THEFT OF GOVERNMENT FUNDS

A veteran was indicted for First Degree Murder and Conspiracy to Commit First Degree Murder. A VA OIG, SSA OIG, Tennessee Bureau of Investigation, and State District Attorney's Office investigation revealed that the defendant and his current spouse conspired to murder her previous husband, a combat veteran and VA beneficiary, by forcing him to overdose on prescription drugs. The defendant and spouse then staged a crime scene to make it appear that the victim committed suicide. The victim's spouse then fraudulently applied for DIC benefits, claiming his drug overdose was related to his service connected PTSD. The defendant has agreed to fully cooperate with the upcoming prosecution against his wife in exchange for a reduced sentence. The loss to VA is over \$100,000.

(2013-01708-IS-0154, SA (b)(6) Nashville Resident Agency)

COMPENSATION BENEFICIARY FRAUD

A. A veteran, a former civilian U.S. Navy employee, was sentenced to 24 months' incarceration and ordered to pay \$357,977 in restitution. At sentencing, the defendant paid full restitution to VA. The defendant fraudulently received VA individual unemployability benefits and U.S. Navy workers' compensation benefits while actively managing a landscaping business. The loss to VA is \$143,195.

(2012-1240-IW-0088, RAC (b)(6) San Diego Resident Agency)

B. A veteran was sentenced to 2 years' incarceration, 36 months' probation, and ordered to pay VA \$654,081 in restitution. A VA OIG investigation revealed that the veteran and his wife falsified the veteran's service connected disability to include dementia symptoms. The veteran and his wife continued to fraudulently report the symptoms to VA for over 20 years in order to obtain VA compensation benefits, VA educational benefits, and CHAMPVA medical benefits for the family.

(2008-01756-IW-0049, SA (b)(6) Northwest Field Office)

DECEASED BENEFICIARY FRAUD

The daughter of a deceased widow beneficiary was arrested for Theft of Government Funds. A VA OIG investigation revealed that the defendant stole

VA benefits that were direct deposited after her mother's death in July 2010 and used the stolen funds for personal expenses. The loss to VA is approximately \$45,600.

(2013-00120-IS-0106, SA (b)(6) Tallahassee Resident Agency)

DRUG DIVERSION

A. A Bristol, VA Outpatient Clinic licensed practical nurse pled guilty to Acquiring and Obtaining a Controlled Substance by Misrepresentation, Fraud, Forgery, Deception, and Subterfuge. A VA OIG and VA Police Service investigation revealed that the defendant stole controlled substances from VA patients during scheduled medication counts.

(2013-02789-IA-0083, SA (b)(6) Mid-Atlantic Field Office)

B. A former Martinsburg, WV VAMC registered nurse pled guilty to Acquiring and Obtaining a Controlled Substance by Fraud, Deception, and Subterfuge. A VA OIG and VA Police Service investigation determined that on approximately 23 occasions the defendant retrieved controlled medication from the facility's automated Pyxis medication dispensers using the names of VA patients whose electronic medical records indicated that they did not receive the medication.

(2010-01229-IA-0072, RAC (b)(6) Mid-Atlantic Field Office)

C. A former Martinsburg, WV VAMC registered nurse pled guilty to Acquiring and Obtaining a Controlled Substance by Fraud, Deception, and Subterfuge. A VA OIG and VA Police Service investigation revealed that on approximately 5 occasions the defendant retrieved controlled medication from the facility's automated Omnicell medication dispensers using the names of VA patients whose electronic medical records indicated that they did not receive the medication.

(2012-00486-IA-0020, RAC (b)(6) Mid-Atlantic Field Office)

BENEFICIARY TRAVEL FRAUD

A veteran was indicted for False, Fictitious, or Fraudulent Claims and Fraudulent Acceptance of Payment after a VA OIG investigation revealed that he submitted 259 fraudulent travel claims, utilizing 11 different addresses. The defendant and an unindicted co-conspirator also stole appointment slips from a fee basis provider and utilized the stolen documents for travel benefits. The loss to VA is \$18,961.

(2011-00597-IA-0036, SA (b)(6) Asheville Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
8/18/14

FIDUCIARY FRAUD

A. A former VA fiduciary and city prosecutor was sentenced to 24 months' incarceration, 3 years' supervised release, and ordered to pay restitution of \$198,669 after pleading guilty to Theft of Government Funds. A VA OIG investigation determined that the defendant, appointed fiduciary for five incompetent veterans, embezzled VA benefits from the veterans and used the funds for personal expenses. The defendant is also facing additional state charges.

(2012-03668-ID-0005, SA (b)(6) Jackson Resident Agency)

B. The son of a VA beneficiary, who was also his fiduciary, was arrested for Theft by Unlawful Taking (Embezzlement) and Wire Fraud. A VA OIG, SSA OIG, and HHS OIG investigation revealed that the defendant had been embezzling his father's VA, SSA, and personal funds since 2010. The loss is approximately \$70,000.

(2014-02366-IN-0112, SA (b)(6) Northeast Field Office)

C. A VA fiduciary pled guilty to Misappropriation by a Fiduciary. During a VA OIG investigation, the defendant admitted to stealing at least \$120,000 from veterans and non-Federal state conservatorship accounts that had been placed under his control.

(2013-3476-IC-0095, RAC (b)(6) Denver Resident Agency)

IDENTITY THEFT

A. A former Gainesville, FL, VAMC medical support assistant was sentenced to 2 years' probation after pleading guilty to attempting to use the identity of another person. A VA OIG, IRS CID, and local police investigation revealed that the defendant unlawfully obtained veterans' Personal Identification Information (PII) with the intent of filing false tax returns.

(2014-02261-IS-0150, SA (b)(6) Tallahassee Resident Agency)

B. A former Tampa, FL, VAMC volunteer was sentenced to 48 months' incarceration and 36 months' supervised release. A non-veteran was sentenced to 42 months' incarceration, 36 months' supervised release, and ordered to pay \$149,864 in restitution. A VA OIG and IRS CID investigation revealed that the former volunteer stole VAMC patients' PII and sold or traded it to his co-

defendant for crack cocaine, knowing that the PII would be used to file fraudulent tax returns. The stolen PII was subsequently used to file \$552,981 in fraudulent returns.

(2013-01843-IS-0119, SA (b)(6) Southeast Field Office)

COMPENSATION BENEFICIARY FRAUD

A woman was sentenced to 30 days' incarceration, 30 days' community service, and 3 years' probation after pleading guilty to Grand Theft. A VA OIG investigation revealed that the defendant secretly divorced her husband and married his elderly father, a veteran, in order to become eligible for VA benefits. The defendant, veteran, and the ex-husband never disclosed the secret marriage to friends and family members, including the woman's minor children. After the veteran's death, the defendant filed a fraudulent application for DIC benefits claiming she lived with the veteran prior to his death. The investigation also revealed that the defendant continued to act as if she were still married to the ex-husband by living together and raising their children. The \$38,724 in fraudulently paid benefits was recovered by VA.

(2008-01585-IW-0131, SA (b)(6) San Diego Resident Agency)

DECEASED BENEFICIARY FRAUD

The son of a deceased beneficiary was sentenced to 3 years' probation and ordered to pay VA \$92,152 in restitution. A VA OIG investigation revealed that the defendant stole VA benefits that were direct deposited to his mother's account after her death in August 2005.

(2010-00022-IC-0062, RAC (b)(6) Denver Resident Agency)

DRUG DIVERSION

A former USPS employee pled guilty to Delay of Mail, Theft of Mail by a Postal Employee, and Conspiracy to Distribute a Controlled Substance. A VA OIG and USPS OIG investigation determined that from 2010 to 2013 the defendant stole VA packages containing narcotic drugs from a USPS distribution facility. The defendant admitted to selling the stolen narcotics. A Federal search warrant executed at the defendant's residence revealed large quantities of stolen narcotics as well as stolen mail matter.

(2013-00210-IS-0167, SA (b)(6) Nashville Resident Agency)

DOCTOR SHOPPING

A veteran was arrested after being indicted for Obtaining a Controlled Substance

by Fraud. A VA OIG investigation substantiated that the defendant received narcotics from a VA provider as well as physicians in the local community, which violated his VA opioid agreement.

(2014-00431-IS-0030, SA (b)(6) Nashville Resident Agency)

THEFT OF GOVERNMENT FUNDS

Three of four co-conspirators were sentenced after pleading guilty to Conspiracy to Pass Forged U.S. Treasury Checks, Forged Securities, and Identity Theft. The first defendant was sentenced to 6 months' incarceration, 3 years' probation, and ordered to pay \$128,320 in restitution. The second defendant was sentenced to 5 years' probation and ordered to pay \$22,757 in restitution. The third defendant was sentenced to 7 months' incarceration, 3 years' probation, and ordered to pay \$8,926 in restitution. A sentencing hearing is still pending for the remaining defendant. A VA OIG and U.S. Secret Service investigation revealed that the four defendants stole the identities of numerous individuals and filed fraudulent tax returns. In addition to the fraudulent returns, a VA benefit check for approximately \$18,000 was also stolen, forged, and negotiated.

(2013-02978-ID-0049, SA (b)(6) Jackson Resident Agency)

THEFT OF GOVERNMENT PROPERTY

A former Jackson, MS, VAMC x-ray technician was sentenced to 3 years' supervised probation, \$750 in fines and fees, and ordered to complete a drug and alcohol treatment program after pleading guilty to Grand Larceny. A VA OIG investigation revealed that the defendant stole a VA laptop from the medical center and kept it for personal use. The laptop was recovered and contained no PII.

(2013-02477-ID-0032, SA (b)(6) Jackson Resident Agency)

BENEFICIARY TRAVEL FRAUD

A veteran was sentenced to 5 years' probation, 6 months' home confinement, 20 hours' community service, ordered to attend mental health treatment and financial management counseling, and ordered to pay \$42,749 in restitution after pleading guilty to Theft of Government Funds. A VA OIG investigation determined that the defendant filed over 600 fraudulent travel vouchers with the Tuscaloosa, AL, VAMC.

(2013-00463-IS-0071, SA (b)(6) Atlanta Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
8/19/13

DRUG THEFT AND PRODUCT TAMPERING WITH RECKLESS DISREGARD

A former health care worker, who provided contract services to VA in 2008, pled guilty to Acquiring or Obtaining Possession of a Controlled Substance by Fraud and Tampering with Consumer Products with Reckless Disregard. A multi-agency investigation revealed that the defendant stole syringes of fentanyl that were prepared and intended for patients scheduled to undergo a medical procedure and replaced them with syringes that he had previously stolen and filled with saline. The defendant used the stolen syringes to inject himself, causing the syringes to become tainted with his blood that was infected with Hepatitis C. As a result of the defendant's conduct, over 40 patients became infected with Hepatitis C, to include 3 veterans. Two of the veterans became infected during procedures at a private hospital and one during a procedure at a VAMC. As part of the plea agreement, the defendant agreed to a sentence of between 30 and 40 years of incarceration.

(2012-03828-IN-0015, SA (b)(6) Manchester Resident Agency)

ASSAULT

A veteran was indicted for the Assault of a VA psychiatrist at the Waco, TX VAMC. A VA OIG and VA Police Service investigation revealed that the defendant choked the doctor while being admitted as a psychiatric inpatient.

(2013-02544-ID-0037, SA (b)(6) South Central Field Office)

FIDUCIARY FRAUD

A former fiduciary was arrested after being indicted for Misappropriation by a Fiduciary. A VA OIG investigation revealed that from October 2004 to September 2010 the defendant embezzled approximately \$251,534 by submitting fraudulent accountings and fictitious certificate of deposit forms to VA. In the accountings, the defendant claimed that \$244,857 of the veteran's assets were in savings and certificate of deposit accounts, when, in actuality, there was less than \$100 in the accounts. The defendant admitted to fabricating the financial records to prevent VA from terminating her as the veteran's fiduciary.

(2012-01354-IN-0081, SA (b)(6) Manchester Resident Agency)

THEFT OF GOVERNMENT FUNDS

A former Memphis, TN VAMC employee was sentenced to 2 years' probation and ordered to pay \$6,792 in restitution after pleading guilty to Theft of Property Over \$1,000. A VA OIG and VA Police Service investigation determined that the defendant used a Government issued credit card to purchase items for personal use.

(2012-02017-IS-0116, SA (b)(6) Nashville Resident Agency)

DECEASED BENEFICIARY FRAUD

The daughter of a deceased VA beneficiary was indicted for Theft of Government Funds, Forgery, and Passing a Forged Treasury Check. A VA OIG investigation revealed that the defendant failed to report her mother's April 2008 death to VA and subsequently received, forged, and negotiated VA benefit checks issued to her deceased mother. The defendant used the VA funds for her personal expenses. The loss to VA is \$44,570.

(2013-00123-IF-0080, SA (b)(6) Sacramento Resident Agency)

DRUG DIVERSION

A. A former U.S. Postal Service (USPS) employee was sentenced to 4 years' probation after pleading guilty to Theft of Mail by an Employee. A VA OIG and USPS OIG investigation determined that the defendant stole approximately 52 VA narcotic packages between January 2010 and May 2012. The defendant admitted to stealing the narcotics for personal use.

(2012-00252-IS-0164, SA (b)(6) Nashville Resident Agency)

B. The former roommate of a veteran was indicted for Theft of VA drugs mailed from a VA CMOP. Delivery records confirmed that the drugs were delivered to the veteran's former address. The defendant subsequently admitted to stealing the VA drugs to sell and for personal use.

(2013-03011-IN-0121, SA (b)(6) Manchester Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
8/25/14

IDENTITY THEFT

A. A former employee of a company contracted by the Tampa, FL, VAMC to shred sensitive documents was indicted and arrested for Unlawful Disclosure of Protected Health Information, Access Device Fraud, and Aggravated Identity Theft. A VA OIG, IRS CI, Florida Department of Law Enforcement, Florida Highway Patrol, local Sheriff's office, and local police department investigation revealed that the defendant stole medical records containing veterans' Personal Identifying Information (PII) that were intended to be destroyed. The defendant then sold the records to multiple defendants who subsequently used the PII to file \$1.4 million in fraudulent tax returns. The investigation into the total number of VAMC documents stolen is ongoing.

(2012-04260-IS-0057, SA (b)(6) Southeast Filed Office)

B. A non-veteran was sentenced to 54 months' incarceration, 36 months' supervised release, and ordered to pay \$295,000 in restitution. A VA OIG, IRS CI, and local police investigation revealed that the defendant purchased stolen Tampa, FL, VAMC records containing PII from an employee of a shredding company contracted by the VAMC to shred sensitive documents. The defendant subsequently used the stolen PII to file \$418,723 in fraudulent tax returns.

(2011-03512-IS-0001, SA (b)(6) Southeast Field Office)

THEFT OF GOVERNMENT FUNDS

Two former West Palm Beach, FL, VAMC employees were sentenced to 3 years' probation and ordered to pay a combined restitution of \$16,608 after pleading guilty to Conspiracy. A VA OIG investigation revealed that one of the defendants, who previously worked for the U.S. Attorney's Office Human Resources (HR), conspired with a fellow VA HR employee to alter and forge leave records from the Department of Justice. The altered and forged documents enabled the employee to fraudulently receive \$16,608.

(2011-04290-IS-0167, RAC (b)(6) West Palm Beach Resident Agency)

DECEASED BENEFICIARY FRAUD

The daughter and son-in-law of a deceased VA beneficiary were each sentenced to 72 months' probation and ordered to pay a combined restitution of \$19,734 after pleading guilty to Grand Theft. A VA OIG and local police investigation revealed that the defendants collected payments from a VA-appointed fiduciary

after the beneficiary's death in August 2011 by informing the fiduciary that the beneficiary was still alive.

(2014-00829-IS-0134, SA (b)(6) West Palm Beach Resident Agency)

BENEFICIARY TRAVEL FRAUD

A. A proactive investigation into the Beneficiary Travel program at the Asheville, NC, VAMC resulted in charges being filed against eight veterans for False, Fictitious or Fraudulent Claims. A total of 12 veterans were the subjects of this investigation; the remaining four are currently in plea negotiations with the U. S. Attorney's Office. The approximate aggregate loss to VA is \$100,000.

(2013-00800-IA-0050, 2013-00867-IA-0044, 2013-00792-IA-0052, 2013-00964-IA-0048, 2013-00790-IA-0046, 2013-00795-IA-0045, 2013-00868-IA-0047, 2013-00982-IA-0049, 2013-00963-IA-0053, 2013-02635-IA-0063, 2013-00796-IA-0051, 2013-02212-IA-0077, SA (b)(6) Asheville Resident Agency)

B. A veteran was sentenced to 5 years' probation, a \$1,500 fine, and ordered to pay restitution of \$3,090 after pleading guilty to the theft of VA benefits. A VA OIG investigation disclosed that between August and December 2012 the defendant submitted nearly \$4,000 in false travel claims to the Togus, ME, VAMC. After surveillance showed that there was no such property address claimed by the veteran on his travel vouchers, the defendant admitted that all but two of the claims he submitted were false.

(2013-00782-IN-0075, SA (b)(6) Manchester Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
8/26/13

DECEASED BENEFICIARY FRAUD

A. The granddaughter of a deceased VA beneficiary was sentenced to 3 months' incarceration, 12 months' probation, and ordered to pay VA restitution of \$50,073 after pleading guilty to Theft of Government Funds. A VA OIG investigation determined that the defendant stole VA DIC benefits that were direct deposited after her grandmother's death in April 2009. The defendant admitted to using the stolen funds for her own expenses. The loss to VA is \$51,227.

(2013-00123-IF-0016, SA (b)(6) San Francisco Resident Agency)

B. The daughter of a deceased veteran was sentenced to 6 months' home confinement, 2 years' probation, and ordered to pay VA \$50,674 in restitution after pleading guilty to Theft of Government Funds. A VA OIG investigation revealed that the defendant stole VA benefits direct deposited into her father's bank account after his death in December 2009.

(2012-00030-IS-0097, SA (b)(6) Nashville Resident Agency)

PURCHASE CARD FRAUD

An Asheville, NC VAMC employee was indicted for Obtaining Property Under False Pretenses. A VA OIG investigation determined that the defendant used a Government issued credit card to purchase items for personal use. This was the second time in 2 years that the defendant misused a Government credit card. The loss to VA is \$4,293.

(2013-02787-IA-0071, SA (b)(6) Asheville Resident Agency)

TRAVEL BENEFICIARY FRAUD

A veteran was sentenced to 30 days' incarceration, 36 months' probation, and ordered to pay \$8,882 in restitution after pleading guilty to Organized Scheme to Defraud. A VA OIG investigation revealed that the defendant submitted fraudulent travel voucher claims with fictitious addresses to the Miami, FL and West Palm Beach, FL medical centers in order to obtain \$8,882 in travel reimbursement payments.

(2009-00360-IS-0088, SA (b)(6) West Palm Beach Resident Agency)

**WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
9/02/13**

THREATS

A veteran pled guilty to Threatening to Assault or Murder a Federal Official. A VA OIG and FBI investigation revealed that during a VA compensation and pension appointment the defendant discussed his plan to execute a General with the Mississippi Army National Guard in Jackson, MS.

(2013-00013-ID-0002, SA (b)(6) Jackson Resident Agency)

IDENTITY THEFT

Two non-veterans were indicted and subsequently arrested for Aggravated Identity Theft, Access Device Fraud, Theft of Government Funds, and Conspiracy to Defraud the United States. A VA OIG, IRS CID, and local police investigation revealed that one defendant, a former Tampa, FL VAMC volunteer, stole patients' personal identifying information (PII) from the Tampa, FL VAMC and traded the information with a second defendant for crack cocaine. The second defendant subsequently used the VA PII and additional PII to file approximately \$550,000 in fraudulent tax returns.

(2012-03448-IS-0031, SA (b)(6) Southeast Field Office)

HEALTH CARE FRAUD

A. A physician's assistant was sentenced to 8 months' home confinement, 2 years' supervised probation, and ordered to pay VA restitution of \$154,872 after pleading guilty to Health Care Fraud and Conspiracy to Commit Health Care Fraud. The defendant's wife was sentenced to 18 months' probation after entering into a pre-trial diversion agreement as a co-conspirator to the Health Care Fraud. A VA OIG investigation revealed that the defendant, his wife, and their medical director, who is a physician, were contracted to conduct disability rating examinations of veterans in northern Mississippi. The contract with VA stipulated that the physician perform all disability rating examinations. The investigation determined that the defendant conducted 337 of the 347 exams performed at the clinic between September 2005 and August 2008. The defendant forged the doctor's signature on all of the reports and then submitted the reports and false claims to VA for payment.

(2009-00190-ID-0016, SA (b)(6) Jackson Resident Agency)

B. Three former New Orleans, LA VAMC employees were sentenced after pleading guilty to Health Care Fraud for their role in a fraud scheme involving the billing of the medical center for services not rendered. The first defendant was sentenced to 24 months' incarceration and 3 years' supervised release. The second defendant was sentenced to 15½ months' incarceration and 3 years' supervised release. The third defendant was sentenced to 17 months' incarceration and 3 years' supervised release. All of the defendants were ordered to pay VA varying amounts of restitution totaling \$563,986. The original conspiracy between two of the defendants resulted in the embezzlement of \$203,007. Additionally, a second conspiracy was identified between a defendant from the first conspiracy and the third defendant, resulting in the embezzlement of an additional \$360,978.

(2011-02323-ID-0073, SA (b)(6) Jackson Resident Agency)

DRUG DIVERSION

A former Biloxi, MS VAMC nurse was sentenced to 3 years' probation and a \$1,300 fine after pleading guilty to Prescription Forgery. A VA OIG and state law enforcement investigation revealed that the defendant used the names and personal identifying information of two veterans from the medical center in order to fraudulently obtain narcotics from retail pharmacies.

(2012-01330-ID-0031, SA (b)(6) Jackson Resident Agency)

DRUG THEFT

A. A former U.S. Postal Service (USPS) employee was sentenced to 4 years' probation after pleading guilty to Theft of Mail by an Employee. A VA OIG and USPS OIG investigation revealed that between January 2010 and May 2012 the defendant stole approximately 52 VA narcotic packages from the mail. The defendant admitted to stealing the controlled substances for personal use.

(2012-00252-IS-0164, SA (b)(6) Nashville Resident Agency)

B. A former USPS employee pled guilty to Theft of Mail by an Employee. A VA OIG and USPS OIG investigation determined that between September 2012 and February 2013 the defendant stole approximately 85 VA drug packages from a USPS distribution facility. The defendant admitted to stealing the controlled substances for personal use.

(2013-00210-IS-0121, SA (b)(6) Nashville Resident Agency)

**WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
9/09/13**

THREATS

A veteran was arrested for Aggravated Harassment. A VA OIG and State Police investigation revealed that the veteran made numerous telephonic threats to several employees at a VA call center all relating to his attempts to obtain various medications, to include methadone, from VA.

(2013-03809-IN-0155, SA (b)(6) Buffalo Resident Agency)

FIDUCIARY FRAUD

A. A VA appointed fiduciary was indicted for Theft of Government Funds, Misappropriation by Fiduciary, and False Statements after a VA OIG investigation revealed he misused funds intended for his veteran brother. As a result of his actions, the veteran sustained a loss of approximately \$50,000.

(2011-00890-IA-0037, SA (b)(6) Asheville Resident Agency)

B. A former VA fiduciary pled guilty to harboring a foreign national. His female co-defendant also pled guilty to a similar immigration charge and was sentenced to 5 years' probation and 200 hours' community service. A VA OIG and Homeland Security investigation revealed that the VA fiduciary became romantically involved with the co-defendant and helped arrange a fraudulent marriage between the co-defendant and an incompetent veteran. The VA fiduciary and co-defendant subsequently embezzled funds from the veteran to help fund immigration fees and living expenses.

(2011-00203-IF-0007, SA (b)(6) San Francisco Resident Agency)

IDENTITY THEFT

A. A veteran was sentenced to 140 months' incarceration, lifetime supervision, and ordered to pay \$53,935 in restitution, \$12,027 of this amount to be paid to VA. The defendant previously pled guilty to Possession of Child Pornography, Failure to Register as a Sex Offender, Health Care Fraud, and Possession of Firearms as a Convicted Felon. A VA OIG investigation revealed that for 7 years the defendant, who resided in Vermont, assumed a North Carolina veteran's identity and used the false identity to obtain a U.S. Passport, purchase firearms, vote, obtain employment, and obtain VA medical care through the VA fee basis program. A computer analysis conducted by VA OIG's Computer Forensics Laboratory also linked the defendant to child pornography.

(2012-04547-IN-0260, SA (b)(6) Manchester Resident Agency)

CREDIT CARD FRAUD

A Philadelphia, PA VAMC nursing home employee and her accomplice were sentenced after pleading guilty to Theft by Deception. The former employee was sentenced to 11½ to 23 months' house arrest, 5 years' probation, and ordered to pay restitution of \$506. Additionally, the former employee's license as a Certified Nursing Assistant was ordered revoked. The co-defendant was sentenced to 4 years' probation and ordered to pay restitution of \$446. A VA OIG and local police investigation revealed that the perpetrators stole a veteran's credit card, fraudulently charged purchases and attempted to make an additional \$5,000 of charges to the card. Additionally, the former VA employee admitted to stealing cash from various veterans while being employed at the VA nursing home.

(2012-04060-IN-0254, SA (b)(6) Northeast Field Office)

COMPENSATION BENEFICIARY FRAUD

A. A veteran and his wife were indicted for Theft of Government Funds and Principals after a VA OIG investigation revealed that he fraudulently received more than \$7,000 per month in VA compensation benefits by claiming the loss of use of both legs. Surveillance video showed the veteran ambulating freely on several occasions, driving an automobile unattended, moving hay bales, and driving a riding lawnmower. After the initial indictment, the defendant failed to register as a sex offender after moving back to North Carolina and was subsequently indicted for that as well. Police reports filed by the defendant in 2011 claimed firearms were stolen from his home. Subsequent investigation revealed the defendant's mother and stepfather had purchased over 23 firearms for him in 2011. As a result, a second superseding indictment was filed charging the defendant with being a convicted felon in possession of firearms and conspiracy. The defendant's mother and stepfather were also indicted for conspiracy and making material false statements intended to deceive Federal licensed firearms dealers.

(2012-01177-IA-0039, SA (b)(6) Columbia Resident Agency)

B. A veteran was indicted for Theft of Government Funds and Aggravated Identity Theft. A VA OIG and SSA OIG investigation determined that the veteran received VA individual unemployability benefits since 1997 while working as a golf professional, car salesman, Pentecostal preacher, mortgage loan specialist, and other various jobs. In an effort to hide earned income, the defendant used other individuals' Social Security Numbers (SSN) for employment. The veteran also used these SSN's to obtain automobile loans. The loss to VA is approximately \$350,000, and the loss to SSA is approximately \$407,000.

(2012-00906-IA-0035, SA (b)(6) Columbia Resident Agency)

C. A veteran was indicted for felony theft. A VA OIG investigation revealed that the defendant fraudulently received over \$130,000 in VA compensation benefits with individual unemployability while concealing his employment from VA.

(2013-01084-ID-0012, SA (b)(6) Houston Resident Agency)

PENSION BENEFICIARY FRAUD

A veteran pled guilty to Theft of Government Funds and Making False Statements. A VA OIG investigation disclosed that the veteran fraudulently obtained a VA pension by falsifying his initial application and attempting to conceal his assets from VA. The loss to VA is approximately \$75,246.

(2011-03020-IS-0021, SA (b)(6) Tallahassee Resident Agency)

DECEASED BENEFICIARY FRAUD

The daughter of a deceased beneficiary pled guilty to Theft of Government Funds. A VA OIG investigation revealed that the defendant stole VA benefits that were direct deposited into her mother's bank account after her mother's death in May 2005. The loss to VA is \$103,557.

(2012-00030-IS-0025, SA (b)(6) Southeast Field Office)

DOCTOR SHOPPING

A veteran was arrested for Acquisition or Obtaining of Possession of a Controlled Substance by Misrepresentation, Fraud, Forgery, Deception or Subterfuge. A VA OIG and local police investigation revealed that the veteran was obtaining controlled substances at a VA CBOC and at various other local medical facilities in violation of the veteran's narcotic agreement with his VA physician.

(2013-01837-IN-0119, SA (b)(6) Northeast Field Office)

BENEFICIARY TRAVEL FRAUD

A. A veteran was arrested for Theft, False Statements, and False Claims after a VA OIG investigation determined that he fraudulently received \$6,754 in travel benefits. A VA OIG investigation disclosed that the veteran and his associate (another veteran) fraudulently collected travel reimbursement pay as if they were traveling individually. The veteran did not have a driver's license but only a permit which required him to drive with another licensed person in the vehicle.

(2013-0600-IN-0072, SA (b)(6) Manchester Resident Agency)

B. A veteran was sentenced to 4 months' home detention, 5 years' probation, and ordered to pay \$15,878 in restitution. A VA OIG investigation revealed that the veteran filed multiple false travel claims for daily travel from Tallahassee, FL to the Gainesville, FL VAMC. In actuality, the defendant drove to Gainesville at the beginning of the week, slept in a vehicle or at a motel each night, and then returned to Tallahassee at the end of the week.

(2012-00419-IS-0133, SA (b)(6) Tallahassee Resident Agency)

FUGITIVE FELON

A veteran wanted for Possession of a Firearm by a Convicted Felon was arrested by VA OIG and FBI agents after leaving his scheduled appointment at the West Palm Beach, FL VAMC.

(2013-00086-IS-0186, SA (b)(6) West Palm Beach Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
9/16/13

THREATS

A veteran was arrested and involuntarily committed for a psychological evaluation after making Telephonic Threats to VA employees. A VA OIG and local police investigation revealed that the defendant repeatedly called the Nashville, TN VAMC and told staff members that he was going to kill everyone at the facility.

(2013-03767-IS-0168, SA (b)(6) Nashville Resident Agency)

IDENTITY THEFT

A. A non-veteran was arrested for Access Device Fraud and Theft of Government Funds. During a VA OIG, IRS CID, and local police investigation, the defendant used Personal Identifying Information (PII), supplied by an undercover officer, to file \$126,793 in fraudulent tax returns. Also, during the investigation, the defendant sold illicit drugs and stolen firearms to an undercover officer. Illicit drugs, PII, a ballistic vest, and firearms were found during a search of the defendant's residence.

(2013-02034-IS-0152, SA (b)(6) Southeast Field Office)

B. A non-veteran was arrested for Possession and Delivery of Cocaine. A VA OIG, IRS CID, and local police investigation revealed that the defendant solicited VAMC patients' Personal Identifying Information (PII) from an undercover officer. The defendant also sold crack cocaine during the investigation.

(2012-03441-IS-0188, SA (b)(6) Southeast Field Office)

DRUG DIVERSION

A veteran entered into an 18 month Pre-Trial Diversion (PTD) program after being charged with the Sale of Scheduled III Substances. A non-veteran pled guilty to Attempted Trafficking in Oxycodone and was sentenced to 18 months' incarceration. A VA employee was sentenced to 6 months' incarceration, 5 years' probation, and 500 hours' community service after being convicted at trial for the Sale of Oxycodone. Operation Tango Vax, a 7 month multi-agency diversion task force operation, focused on combating the sale and distribution of illicit and controlled prescription pharmaceutical drugs at the West Palm Beach, FL VAMC and the surrounding community by VA employees, veterans, and their associates. The investigation identified that the majority of all criminal activity

occurred at the medical center and resulted in the seizure of over 3,000 Oxycodone pills, two vehicles, and \$180,920.

(2011-00113-IS-0048, RAC (b)(6) and SA (b)(6) West Palm Beach Resident Agency)

STOLEN VALOR

A veteran was indicted for Theft of Government Funds and Making False Statements. A VA OIG investigation revealed that the defendant submitted an altered DD-214, which reflected service in Vietnam, a Purple Heart, and a Bronze Star, and then made false statements during a Compensation & Pension examination claiming that he had been an assassin in Vietnam. The investigation further disclosed that the defendant never served in combat and was never awarded a Bronze Star or Purple Heart. The loss to VA is \$114,208.

(2012-01914-IS-0157, SA (b)(6) Southeast Field Office)

COMPENSATION BENEFICIARY FRAUD

A. A veteran, who was a former civilian Navy employee, was sentenced to 24 months' incarceration and ordered to pay \$357,977 in restitution. The defendant fraudulently received VA individual unemployability benefits and U.S. Navy Workers Compensation benefits while actively supervising a landscaping business. The loss to VA was \$143,195. At the time of sentencing, the veteran paid full restitution to VA.

(2012-1240-IW-0088, RAC (b)(6) San Diego Resident Agency)

B. A veteran was indicted and subsequently arrested for Theft of Government Funds, Wire Fraud, False Statements, False Claims, and Failure to File a Tax Return. A VA OIG and IRS CID investigation revealed that the defendant received VA unemployability benefits while operating a Ponzi scheme that defrauded investors of over \$3.5 million. The loss to VA is approximately \$250,000.

(2013-02941-IW-0070, SA (b)(6) Las Vegas Resident Agency)

C. A veteran was sentenced to 3 years' probation and a \$2,500 fine after pleading guilty to Theft of Government Funds. A VA OIG and FBI investigation revealed that the veteran fraudulently claimed the loss of use of both feet, which entitled him to Special Monthly Compensation. Prior to sentencing, the veteran made full restitution of \$61,686 to the VA Debt Management Center.

(2010-03813-ID-0135, SA (b)(6) South Central Field Office)

DECEASED BENEFICIARY FRAUD

A. A family friend of a deceased VA pension beneficiary pled guilty to Theft of Government Funds. A VA OIG and U.S. Secret Service investigation revealed that the defendant stole VA benefits that were direct deposited to a prepaid debit card after the veteran's death in December 2009. The loss to VA is approximately \$35,700.

(2011-04399-ID-0017, SA (b)(6) South Central Field Office)

B. The daughter of a VA beneficiary was indicted for Misuse of a Social Security Number and Aggravated Identity theft. A VA OIG and SSA OIG investigation revealed that the defendant received, forged, and negotiated VA and SSA benefit checks issued after her mother's death in July 2002. The defendant also used false identifiers to open bank accounts to negotiate the checks. The loss to VA is approximately \$120,500.

(2010-03196-ID-0118, SA (b)(6) South Central Field Office)

C. The nephew of a deceased VA beneficiary was arrested and subsequently pled guilty to Theft of Government Funds. A VA OIG and U.S. Secret Service investigation revealed that the defendant stole VA benefit payments issued after his aunt's death in January 2010. The loss to VA is \$124,994.

(2011-00055-IS-0149, SA (b)(6) Southeast Field Office)

TRAVEL BENEFICIARY FRAUD

A veteran was sentenced to 4 months' incarceration, 36 months' probation, and ordered to pay VA \$30,448 in restitution after pleading guilty to Theft of Government Funds. A VA OIG investigation determined that the defendant submitted approximately 150 fraudulent travel claims reporting 500 miles of round-trip travel from Yuma, AZ to the Tucson, AZ VAMC. In actuality, the defendant resided within a few blocks of the Tucson, AZ VAMC.

(2012-00525-IW-0013, SA (b)(6) Phoenix Resident Agency)

FUGITIVE FELON

A veteran was arrested at the Atlanta, GA VAMC on outstanding warrants for Aggravated Child Molestation, Aggravated Sodomy, Child Molestation, Aggravated Sexual Battery, and Incest. A U.S. Marshals Fugitive Task Force and local law enforcement arrested the fugitive with the assistance of VA OIG and the VA Police Service.

(2013-00086-IS-0188, RAC (b)(6) Atlanta Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
9/23/13

BRIBERY/SDVOSB FRAUD

A former supervisory engineer at the East Orange, NJ VAMC pled guilty to a criminal information charging him with Honest Services Wire Fraud, Wire Fraud, and Engaging in a Monetary Transaction in Criminally Derived Property. A VA OIG, FBI, and IRS CID investigation revealed that the defendant accepted kickback payments in connection with VA contracts awarded to companies he had relationships with and engaged in a scheme to defraud VA by falsely claiming one of the companies was owned by a service-disabled veteran. The defendant also conspired with a partner to set up three companies that could be used to obtain VA contracts and then directed more than \$6 million worth of VA construction projects to those companies, of which, more than \$3 million was paid to the falsely claimed SDVOSB. The defendant admitted to accepting approximately \$1,277,205 in kickbacks in exchange for his official action and influence between 2007 and July 2012.

(2011-00826-IN-0084, SA (b)(6) Northeast Field Office)

ASSAULT

An Augusta, GA VAMC nurse was arrested for Assault. A VA OIG and VA Police Service investigation revealed that the defendant entered a patient's room, while two other staff members attempted to treat the patient, and punched the patient causing fractured ribs.

(2013-02402-IS-0164, SA (b)(6) Atlanta Resident Agency)

FIDUCIARY FRAUD

A. A VA fiduciary was indicted for Theft of Government Funds. A VA OIG investigation revealed that the defendant failed to notify VA of the January 2009 death of the VA beneficiary. The defendant continued to receive the VA benefits and used the funds for personal use. The loss to VA is approximately \$60,000.

(2013-02636-IA-0064, SA (b)(6) Columbia Resident Agency)

B. A VA fiduciary was indicted for Misappropriation by a Fiduciary. A VA OIG investigation revealed that the defendant, who is the veteran's sister, used the veteran's VA funds for personal expenses and for approximately 2 years failed to pay the veteran's mortgage payments. The veteran's home subsequently entered into foreclosure status as a result of the defendant's actions.

(2013-03357-IA-0086, SA (b)(6) Asheville Resident Agency)

IDENTITY THEFT

The home health aide of a service-connected disabled veteran was sentenced to 15 years' incarceration, with the first 3 years to be served in confinement, and the remainder to be served on probation. The defendant was also ordered to pay \$17,500 in restitution, a \$2,550 fine, and perform 40 hours' community service after pleading guilty to Identity Theft, Exploitation of the Elderly or Disabled, Felony Theft by Taking, and Transaction Card Theft. A VA OIG investigation revealed that the defendant stole the veteran's personal and financial information while acting as a caregiver for the veteran. The defendant subsequently contacted VA and re-directed the veteran's VA compensation benefit payments. To further the scheme, the defendant applied for and received several prepaid debit cards in the veteran's name and used the prepaid debit cards for his personal use. The loss to the veteran was \$17,908.

(2012-02681-IS-0050, SA (b)(6) Atlanta Resident Agency)

STOLEN VALOR

A non-veteran, falsely claiming to be a Vietnam veteran, was sentenced to 6 months' incarceration and ordered to pay \$51,868 in restitution. A VA OIG and DCIS investigation revealed that the defendant submitted a fraudulent DD-214 to VA and subsequently obtained VA healthcare and pension benefits.

(2012-04592-IC-0023, SA (b)(6) Cleveland Resident Agency)

PENSION BENEFICIARY FRAUD

A. Three former veteran caretakers were sentenced after pleading guilty to Conspiracy and Theft of Government Funds. The first defendant was sentenced to 24 months' incarceration, and the other two defendants were sentenced to 16 months' incarceration. Additionally, all defendants were ordered to serve 3 years' supervised release. A VA OIG and U.S. Postal Inspection Service investigation revealed that the defendants applied for and received VA pension benefits without the knowledge of the veteran, while he resided in their personal care home. The defendants used a post office box to receive all of the veteran's VA benefit checks from August 2003 to October 2010. The approximate loss to VA is \$123,000.

(2011-00022-IS-0071, SA (b)(6) Atlanta Resident Agency)

B. A veteran was indicted for Theft of Government Funds after a VA OIG investigation determined that he was rated permanently and totally disabled and

claimed to be unable to work. The investigation subsequently revealed that the defendant was operating a construction business. The loss to VA is approximately \$34,000.

(2013-00023-IA-0033, SA (b)(6) Asheville Resident Agency)

DECEASED BENEFICIARY FRAUD

A. The nephew of a deceased VA DIC beneficiary was arrested and subsequently pled guilty to Theft of Government Funds. A VA OIG and U.S. Secret Service investigation revealed that the defendant stole VA funds that were issued after his aunt's death in January of 2010. The loss to VA is \$124,994.

(2011-00055-IS-0149, SA (b)(6) Southeast Field Office)

B. The son a deceased DIC beneficiary was sentenced to 9 months' home detention with electronic monitoring, 36 months' probation, and ordered to pay VA restitution of \$61,792 after pleading guilty to Theft of Public Money. A VA OIG investigation revealed that the defendant failed to report his mother's death to VA and withdrew VA funds from his mother's account after her death in November 2005. The defendant used the stolen funds for personal expenses and to pay medical bills.

(2010-0022-IC-0071, SA (b)(6) Central Field Office)

DRUG DIVERSION

A. An Atlanta, GA VAMC pharmacist was arrested for Theft by Taking. A VA OIG investigation revealed that the defendant stole pills from the VA pharmacy and attempted to conceal them in her personal bag. The defendant subsequently admitted that the drugs were stolen.

(2013-04066-DS-0482, SA (b)(6) Atlanta Resident Agency)

B. A former Cleveland, OH VAMC nurse pled guilty to Theft of Dangerous Drugs and was subsequently sentenced to 18 months' probation. A VA OIG and VA Police Service investigation revealed that the defendant stole vials of Fentanyl, Midazolam, and Lidocaine, as well as syringes and needles from the medical center.

(2013-00970-IC-0043, SA (b)(6) Cleveland Resident Agency)

COMPUTER FRAUD

A Dayton, OH VAMC employee pled guilty to Conspiracy to Defraud the Government with Respect to Claims. A VA OIG and IRS CID investigation

revealed that the VA employee participated in a conspiracy to obtain personal identifying information of individuals (not patient or VA employee), and then used the information to prepare and submit fraudulent income tax returns that resulted in substantial tax refunds. The investigation determined that the defendant used a VA computer to file some of the false income tax returns and to check on the status of the refunds.

(2011-02357-IC-0141, SA (b)(6) Cleveland Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
9/30/13

ASSAULT

The daughter of a veteran was sentenced to 12 months' probation and ordered to receive psychological counseling after assaulting a VA police officer at the Bronx, NY VAMC. A VA OIG and VA Police Service investigation revealed that the defendant and her brother assaulted VA police officers in the medical center's emergency room. One officer required medical attention. The defendant's brother was previously sentenced in this case

(2013-01151-IN-0048, SA (b)(6) New York Resident Agency)

THREATS

A veteran was indicted for terroristic threats made towards the medical staff at the Decatur, GA VAMC. A VA OIG investigation revealed the veteran threatened to kill the medical staff by shooting them in the head if he didn't receive his 100% disability pension.

(2012-01157-IS-0092, SA (b)(6) Atlanta Resident Agency)

EMPLOYEE THEFT

A former Chicago, IL VARO employee, who was a union official, was sentenced to 24 months' probation and ordered to pay restitution of \$18,662 after pleading guilty to Theft. The defendant resigned prior to being terminated. A VA OIG and Department of Labor investigation revealed that the defendant withdrew funds from a union account for personal use, forged the signatures of other union officials to checks written to himself, and purchased two computers for personal use utilizing a union debit card.

(2009-02679-IC-0071, SA (b)(6) Central Field Office)

STOLEN VALOR

A veteran was sentenced to 12 months' probation and a \$2,000 fine after pleading guilty to Falsely Altering a Military Discharge Certificate. A VA OIG investigation determined that in 2010 the defendant applied for VA benefits claiming PTSD from combat service in Vietnam. In addition, the veteran submitted an altered DD-214 reflecting 2 years' combat service and multiple medals for valor and injuries sustained in combat. The investigation determined that the defendant never served in Vietnam, knowingly submitted an altered DD-

214, and made multiple false statements for the purpose of obtaining VA benefits.

(2013-01027-IF-0041, SA (b)(6) Seattle Resident Agency)

COMPENSATION BENEFICIARY FRAUD

The widow of a veteran was sentenced to 15 months' incarceration, 3 years' supervised release, and ordered to pay VA restitution of \$308,040. A VA OIG investigation revealed that the defendant repeatedly made false reports to VA by failing to report her April 1978 remarriage. The defendant filed the false reports in order to continue to receive DIC benefits.

(2011-03982-ID-0117, SA (b)(6) Jackson Resident Agency)

DRUG THEFT

A former United Parcel Service (UPS) employee was arrested after being charged with Theft of Government Property and Possession of a Controlled Substance. The defendant was caught with a stolen VA narcotic package by VA OIG and UPS investigators and admitted to stealing VA narcotics from the Flagstaff, AZ UPS for personal use.

(2013-02308-IW-0076, SA (b)(6) Phoenix Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
10/07/13

BRIBERY

A contractor doing business with the East Orange, NJ VAMC was sentenced to 6 months' home confinement, 2 years' probation, and a \$2,000 fine after previously pleading guilty to Bribery. A VA OIG and FBI investigation revealed that between October 2012 and February 2013, the defendant offered to pay a \$5,000 bribe to a VA employee for assistance in having his two companies placed on a multimillion dollar multiple award task order contract. The defendant subsequently made two cash payments totaling \$1,000 to the VA employee for his assistance.

(2011-00826-IN-0009, SA (b)(6), Northeast Field Office)

ASSAULT

A veteran was sentenced to 194 days' incarceration, 12 months' probation, and ordered to have no contact with the victim after pleading guilty to Battery. A VA OIG and VA Police Service investigation revealed that the veteran made sexual comments and then assaulted a VA nurse practitioner at the West Palm Beach, FL VAMC.

(2013-01715-IS-0130, SA (b)(6), West Palm Beach Resident Agency)

EMPLOYEE MISCONDUCT

A VA police officer was indicted for Interstate Communications (Extortion) and False Statements. A VA OIG investigation revealed that the officer used his position to access a state law enforcement database to obtain personal information regarding a U.S. Army service member in an attempt to further his extortion scheme. The defendant threatened to post sexually explicit images and provide embarrassing information on social media if the service member failed to pay additional money on a previously satisfied personal loan. Also, while off duty and not in any official capacity, the defendant conducted a traffic stop of an off-duty local police officer using his own personally owned vehicle that was equipped with emergency lights, siren, and radio.

(2012-02510-IS-0125, RAC (b)(6), West Palm Beach Resident Agency)

FIDUCIARY FRAUD

The daughter of a veteran, who was his VA appointed fiduciary, pled guilty to Misappropriation by a Fiduciary after a VA OIG investigation revealed that she embezzled approximately \$251,500 from her father's funds. From October 2004 to September 2010, the defendant submitted fictitious annual accountings and certificate of deposit forms to VA. An accounting submitted in 2010 reported that \$244,857 was held in savings and certificate of deposit accounts, when in actuality, there was less than \$100 remaining in these accounts. The defendant admitted to falsifying the financial records to prevent VA from terminating her as her father's fiduciary.

(2012-01354-IN-0081, SA (b)(6) Manchester Resident Agency)

COMPENSATION BENEFICIARY FRAUD

A widow receiving Dependency and Indemnity Compensation benefits was indicted and subsequently arrested for Theft of Public Money. A VA OIG investigation revealed that the defendant failed to notify VA that she had been remarried for over 8 years since the death of her veteran husband. The loss to VA is \$61,353.

(2013-00010-IS-0051, SA (b)(6) Nashville Resident Agency)

DECEASED BENEFICIARY FRAUD

The granddaughter of a deceased VA beneficiary was sentenced to 1 year of probation, a \$500 fine, and ordered to pay \$32,312 in restitution after pleading guilty to Fraudulent Acceptance of VA Payments. A VA OIG investigation revealed that the defendant failed to report her grandmother's death to VA and subsequently stole VA benefits that were direct deposited after her grandmother's death in July 2009.

(2013-00123-IF-0051, SA (b)(6) Sacramento Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
10/14/13

SDVOSB FRAUD

The owner of a large construction company was sentenced to 12 months' probation and a \$5,000 fine after pleading guilty to obstructing a grand jury investigation by altering and deleting documents from his computer. A VA OIG, GSA OIG, Army CID, SBA OIG, and DOL OIG investigation revealed that the defendant, a former minority owner of two Service-Disabled Veteran-Owned Small Businesses (SDVOSB), received a grand jury subpoena for records relating to his business dealings with another company and claims that this other company was an SDVOSB. The defendant deleted the documents on his computer that were required by the subpoena and that were relevant to the pending investigation.

(2010-00304-IN-0229, SA (b)(6) and SA (b)(6) Manchester Resident Agency)

COMPENSATION BENEFICIARY FRAUD

A veteran pled guilty to Knowingly Making False Statements Related to a Health Care Matter. A VA OIG investigation revealed that the defendant made materially false statements concerning his physical abilities and limitations. The loss to VA is \$119,490.

(2008-02302-ID-0204, SA (b)(6) Little Rock Resident Agency)

THEFT

A veteran and former U.S. Postal Service (USPS) employee was sentenced to 1 to 3 years' incarceration and ordered to pay restitution of \$400,000 after pleading guilty to Grand Larceny. A VA OIG, USPS OIG, and local police investigation revealed that the defendant befriended an elderly disabled veteran while working as his postal carrier. From January 2006 to February 2013 the defendant, using ATM withdrawals and balance transfers, stole over \$400,000, to include VA benefits, from the victim's accounts while the victim was residing in a VAMC nursing home.

(2013-02195-IN-0108, SA (b)(6) Buffalo Resident Agency)

DRUG DIVERSION

A former USPS clerk was sentenced to 2 years' probation and counseling as recommended by probation after pleading guilty to possession of heroin and

oxycodone and larceny. A VA OIG, USPS OIG, and local police investigation revealed that the defendant stole at least four VA shipments of controlled narcotics in addition to a large amount of U.S. mail.

(2013-00250-IN-0049, RAC (b)(6) Manchester Resident Agency)

WORKERS' COMPENSATION PROGRAM FRAUD

A Dallas, TX VAMC licensed vocational nurse was indicted and subsequently arrested for Making a False Statement to Obtain Federal Employee's Compensation and Theft of Government Funds. A VA OIG and DOL OIG investigation revealed that the defendant was employed while she was receiving OWCP payments based on an injury she sustained at the medical center. The defendant admitted to providing false information to DOL in an effort to conceal the fact that she was working while receiving OWCP benefits.

(2011-04446-ID-0021, SA (b)(6) South Central Field Office)

BENEFICIARY TRAVEL FRAUD

A veteran pled guilty to a criminal information charging him with filing a false claim with VA in connection with VA's beneficiary travel program. A VA OIG investigation determined that from October 2011 to January 2013 the defendant submitted approximately 60 fraudulent travel claims reporting that he traveled 506 miles round-trip to the Togus, ME VAMC. In actuality, the mileage from the defendant's residence was only 96 miles. The loss to VA is \$10,448.

(2012-03568-IN-0228, SA (b)(6) Manchester Resident Agency)

THEFT OF GOVERNMENT PROPERTY

A defendant, though acquitted of larceny relating to the theft of VA bronze gravesite markers, was indicted for perjury. The indictment resulted from the defendant perjuring himself during his theft trial by claiming he had the permission of the owner of a funeral home to remove and sell the VA gravesite markers when he knew this statement to be untrue.

(2012-02466-IN-0176, SA (b)(6) Buffalo Resident Agency)

WEEKLY HIGHLIGHTS
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10/21/13

THREATS

A. A veteran was arrested after he told a VA social worker that he was going to start killing people at the San Diego, CA VAMC. A VA OIG investigation revealed that the defendant left voicemail messages after he was discharged from the medical center due to his disruptive behavior. In his last message to the social worker, the veteran said, "I'm going to kill one by one. Each one of them is going to die on my hands...and each one is going to be sickening. And I'm going to cut their head off for everything they did to me."

(2014-00029-IW-0001, SA (b)(6), San Diego Resident Agency)

B. A veteran and former Compensated Work Therapy employee was arrested for Harassment. A VA OIG, U.S. Secret Service, Federal Protective Service, and VA Police Service investigation identified the veteran as the suspect who placed a threatening letter on a VA OIG agent's vehicle. The letter addressed, "To All Americans," identified the author as a VA supervisor who had not selected the defendant for a VA position. The letter reported that the author had a heavy arsenal of ammunition, guns, and dangerous chemicals, warned of a big event coming soon, and made threats to kill the President within one month. The defendant previously made unfounded allegations against the same VA supervisor.

(2013-01966-IN-0088, SA (b)(6), Manchester Resident Agency)

VOCATIONAL REHABILITATION AND EMPLOYMENT FRAUD

A husband and wife were indicted for conspiracy, fraudulent claims, mail fraud, and embezzlement. A VA OIG investigation revealed that from 2008 to 2009 the defendants, co-founders of a non-profit film school that taught cinematography to wounded veterans, billed the VA Vocational Rehabilitation & Employment program for equipment that was never provided to the students and for a class that was never taught. In addition to the fraudulent claims to VA, the defendants used foundation money to pay for their personal medical expenses, alcohol, groceries, and a vacation while claiming to never receive a salary or any benefits.

(2009-01764-IW-0144, RAC (b)(6) and SA (b)(6), San Diego Resident Agency)

FIDUCIARY FRAUD

A former VA fiduciary was charged in a criminal information with Misappropriation by a Fiduciary. A VA OIG investigation determined that the defendant, who is an attorney and former police officer, embezzled approximately \$137,000 of VA benefits from his brother-in-law, a disabled veteran.

(2012-00472-IN-0056, SA (b)(6) Boston Resident Agency)

DECEASED BENEFICIARY FRAUD

The friend of a VA widow beneficiary pled guilty to a criminal information charging her with Theft of Government Funds. A VA OIG investigation revealed that the defendant stole VA benefits that were direct deposited after the beneficiary's death in April 2003. The loss to VA is \$130,371.

(2013-01943-IC-0082, SA (b)(6) Central Field Office)

EXTORTION

A veteran was sentenced to 3 years' probation, 120 days' community service, and ordered to pay his victim restitution of \$10,000 after pleading guilty to Extortion. A veteran reported to VA OIG that the defendant was extorting money from him by stating that he had a friend who worked for VA who wanted to be paid for reviewing the victim's claim forms. The defendant also threatened to report the victim to VA, alleging that the victim's claim was false, and charged the victim to return his father's military records. The victim paid the defendant approximately \$13,000.

(2012-03388-IW-0112, SA (b)(6) San Diego Resident Agency)

THEFT OF GOVERNMENT PROPERTY

A. A former Hines, IL VA employee was charged in a criminal information with Theft. During a VA OIG investigation, the defendant admitted to stealing 17 laptop computers between 2008 and 2011 from the Hines Information Technology Center. The defendant then sold the computers to a pawn shop. The loss to VA is \$17,000.

(2012-00799-IC-0026, SA (b)(6) Central Field Office)

B. A veteran and former Compensated Work Therapy employee was indicted for Theft of Government Property. A VA OIG and VA Police Service investigation revealed that the defendant stole copper from the Togus, ME VAMC. The loss to VA is approximately \$3,850.

(2013-00506-IN-0043, SA (b)(6) Manchester Resident Agency)

WEEKLY HIGHLIGHTS
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10/28/13

DRUG ABUSE CAUSING DEATH

A veteran was sentenced to 8 months' incarceration, 3 years' supervised release, and ordered to attend continuous drug and alcohol treatment along with intensive mental health treatment. A second veteran was sentenced to 12 months and 1 day of incarceration, 1 year of supervised release, and ordered to attend continuous drug and alcohol treatment along with intensive mental health treatment. The first defendant previously pled guilty to Obstruction of Justice and the second defendant previously pled guilty to Misprision of a Felony. Both defendants, along with the victim, were in-patients at the Lyons, NJ VAMC PTSD ward. A VA OIG investigation revealed that one of the defendants and the victim left VA property to purchase heroin. All three veterans then used the heroin in the victim's room resulting in the victim's overdose. Instead of obtaining medical assistance from the on-site medical staff, both defendants removed all evidence of the crime, staged the room and the victim's body, and then left the victim to die. The defendants subsequently lied to investigators when initially interviewed and on multiple occasions thereafter, causing the death to initially be reported as an accidental suicide. Another aspect of this investigation was its role as the starting point for Operation Red, White, and Blue, a successful undercover drug operation targeting dealers at the Lyons, NJ VAMC that resulted in the arrests of seven subjects.

(2011-03528-IN-0165, SA (b)(6) Northeast Field Office)

IDENTITY THEFT

Two non-veterans were arrested for Theft of Government Property. A VA OIG, IRS CID, and local police investigation revealed that the defendants used veterans' Personal Identifying Information (PII), obtained from stolen VA medical records and other individuals' information to file \$469,391 in fraudulent tax returns.

(2011-03512-IS-0001, SA (b)(6) Southeast Field Office)

FIDUCIARY FRAUD

A VA appointed fiduciary was sentenced to 4 years' probation, ordered to wear a location monitoring device for 180 days, and pay restitution of \$28,309 after pleading guilty to Misappropriation by a Fiduciary. A VA OIG investigation revealed the defendant misappropriated \$35,000 in VA benefits intended for the veteran.

(2011-03596-IS-0153, SA (b)(6) Atlanta Resident Agency)

COMPENSATION BENEFICIARY FRAUD

A. A veteran was sentenced to 36 months' probation and 90 days' home detention. A VA OIG investigation determined that the defendant fraudulently altered and submitted military documents to VA in order to receive compensation benefits for PTSD. Due to the immediate discovery of the defendants altered documents, no VA benefits were paid to the defendant.

(2012-03275-IS-0194, SA (b)(6) Southeast Field Office)

B. A veteran was sentenced to 18 months' incarceration and ordered to pay VA \$205,402 in restitution after pleading guilty to Theft of Government Funds. A VA OIG investigation revealed that the defendant made false claims for benefits for PTSD stemming from trauma received while serving in support of Operation Desert Storm and also claimed to be unemployable and housebound since 1996. The investigation determined that the veteran earned a Master's Degree in Education and worked full-time as a teacher for over 8 years.

(2008-02296-IS-0159, SA (b)(6) Tallahassee Resident Agency)

DECEASED BENEFICIARY FRAUD

A. The son of a deceased VA beneficiary was arrested for Theft by Deception. A VA OIG and local prosecutors investigation revealed that the defendant stole VA funds that were direct deposited to a joint account after his mother's death in April 2009. The loss to VA is \$58,558.

(2013-02014-IN-0153, SA (b)(6) Northeast Field Office)

B. The daughter of a deceased widow was indicted for Theft of Government Funds. A VA OIG investigation revealed that the defendant stole VA funds that were direct deposited to a joint account after her mother's death in January 2012. The loss to VA is \$16,401.

(2012-04417-IS-0083, SA (b)(6) Tallahassee Resident Agency)

C. The daughter of a deceased VA beneficiary was sentenced to 8 months' home detention, 5 years' probation, and ordered to pay \$75,618 in restitution after pleading guilty to Theft of Government Funds. A VA OIG investigation revealed that the defendant failed to report her mother's death to VA and subsequently stole VA benefits that were direct deposited to a joint account after her mother's death in September 2006.

(2013-00120-IS-0044, (b)(6) Southeast Field Office)

DRUG DIVERSION

A former Tucson, AZ VAMC nurse was sentenced to 10 months' incarceration and 5 years' probation after pleading guilty to Acquisition of a Narcotic Drug. A VA OIG investigation revealed that for 6 months the defendant stole over 1,700 controlled substances to include morphine, oxycodone, and hydromorphone.

(2011-02983-IW-0007, SA (b)(6) Phoenix Resident Agency)

**WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
11/04/13**

CONSTRUCTION BOND FRAUD

A company employee was arrested for False Statements after a VA OIG, HUD OIG, and U.S. Postal Inspection Service investigation revealed that he participated in an interstate fraudulent construction bond scheme involving multiple Federal agencies. The defendant was an employee of an "assignment of claims company" identified as one of four straw companies that had been working together to provide fictitious bonding documents to construction companies that were unable to obtain traditional bonding. The company entered into an agreement with the VISN-6 contracting office to disburse all funds from the U.S. Government to sub-contractors and suppliers of a North Carolina based SDVOSB construction company. The defendant received payment from one of the straw company's owners to sign the bonds for the multi-million dollar project even though funds were not available to support the project. As a result of the scheme, VA and HUD projects fell into default.

(2011-00631-IA-0012, SA (b)(6) Mid-Atlantic Field Office)

EMPLOYEE EMBEZZLEMENT

A former American Federation of Government Employees union president was sentenced to 6 months' home confinement, 3 years' probation, and ordered to pay \$122,477 in restitution. A VA OIG and Department of Labor, Office of Labor Management Standards investigation revealed that the defendant embezzled union funds by writing 187 checks to himself from the union's checking account.

(2008-02800-IN-0018, SA (b)(6) New York Resident Agency)

OPERATION TANGO VAX

A VA employee, who was also a veteran, was sentenced to 12 months' incarceration after pleading guilty to the sale of oxycodone. The sentencing stemmed from a 7-month multiagency drug diversion task force investigation. Operation Tango Vax focused on combating the sale and distribution of illicit and controlled prescription pharmaceuticals at the West Palm Beach, FL, VAMC and the surrounding community by VA employees, veterans, and their associates. The investigation determined that the majority of all criminal activity occurred at the VAMC and resulted in the seizure of over 3,000 oxycodone pills, 2 vehicles, and \$180,920 in cash.

(2011-00113-IS-0048, RAC (b)(6) and SA (b)(6) West Palm Beach Resident Agency)

IDENTITY THEFT

A former Bronx, NY VAMC nursing assistant was sentenced to 8 months' home confinement, 3 years' probation, and ordered to pay \$4,495 in restitution. A VA OIG and Department of State, Bureau of Diplomatic Security investigation revealed that the defendant fraudulently gained employment with VA on two separate occasions and fraudulently obtained a U.S. Passport by using the false identity of a person who died in 1988. The defendant, originally from Ghana, resigned from VA in November 2012.

(2011-02315-IN-0174, RAC (b)(6) New York Resident Agency)

PENSION BENEFICIARY FRAUD

A veteran pled guilty to Making False Statements. A VA OIG investigation revealed that between August 2007 and July 2011 the defendant, who was receiving VA pension benefits, failed to report his earnings to VA. The loss to VA is \$58,440.

(2009-00520-IS-0103, SA (b)(6) Southeast Field Office)

COMPENSATION BENEFICIARY FRAUD

A veteran pled guilty to Making False Statements. A VA OIG investigation revealed that the defendant submitted fraudulent claims to VBA for Traumatic Brain Injury and PTSD and subsequently made numerous false statements to VHA in support of those claims.

(2006-01198-IS-0095, SA (b)(6) Southeast Field Office)

DOCTOR SHOPPING

A veteran was sentenced 2 ½ months' incarceration and 2 years' probation after pleading guilty to committing deception to obtain dangerous drugs. A VA OIG investigation revealed that the defendant received daily methadone dosages from the Cleveland, OH VAMC for heroin addiction while simultaneously obtaining prescriptions for Percocet, Oxycodone and Oxymorphone from private physicians. This investigation was the first to use a local judicial order, which was served on VA, in order to use the methadone treatment information protected under Federal law.

(2013-00685-IC-0048, SA (b)(6) Cleveland Resident Agency)

DRUG DIVERSION

A former Togus, ME VA pharmacy technician pled guilty to Theft of Government Property. A VA OIG investigation disclosed that the defendant stole VA non-controlled medication to include Simvastatin, Fioricet and Phrenalin and the controlled narcotic Vicodin from the VA pharmacy. A subsequent inventory of the prescription non-controlled pain medications disclosed that the VA pharmacy was missing over 4,700 pills. The replacement cost of these pills is \$2,469. The defendant admitted to stealing the Simvastatin for her husband and the pain medication for her own use.

(2013-01358-IN-0060, SA (b)(6) Manchester Resident Agency)

DRUG THEFT

A veteran was found guilty at trial of altering and forging narcotic prescriptions. A VA OIG investigation revealed that the defendant attempted to obtain prescribed hydrocodone and morphine from the Tallahassee, FL VAOPC by altering the prescriptions' issue dates and forging the doctor's signature.

(2012-00252-IS-0056, SA (b)(6) Tallahassee Resident Agency)

DRUG POSSESSION

A veteran was arrested for possession of Marijuana for sale, possession of Oxycodone for sale, and child endangerment. A VA OIG, US Postal Inspection Service, and local law enforcement investigation revealed that the defendant mailed several pounds of Marijuana and 456 Oxycodone pills to a subject for approximately \$15,000. A search warrant of the defendant's house revealed several pounds of Marijuana packaged for sale and more than 1,700 Oxycodone pills that were obtained from VA. The child endangerment charge reflected that the seized drugs were easily accessible to small children living in the defendant's residence.

(2014-00040-IF-0001, SA (b)(6) San Francisco Resident Agency)

DECEASED BENEFICIARY FRAUD

The widow of a deceased veteran pled guilty to Theft of Government Funds. A VA OIG investigation determined that the defendant stole VA benefits that were direct deposited and also received, forged, and negotiated VA benefit checks that were issued after her husband's death in December 2007. The loss to VA is \$76,998.

(2010-00025-IW-0106, SA (b)(6) San Francisco Resident Agency)

BENEFICIARY TRAVEL FRAUD

A veteran was sentenced to 10 months' incarceration, 36 months' probation, and ordered to pay VA \$21,394 in restitution after pleading guilty to Theft of Government Funds. A VA OIG investigation revealed that the defendant submitted 316 fraudulent travel vouchers claiming that he traveled 174 miles round-trip to the Salt Lake City, UT VAMC, when the defendant lived a few blocks from the facility.

(2012-00525-IW-0047, SA (b)(6) Las Vegas Resident Agency)

WEEKLY HIGHLIGHTS
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11/11/13

HOMICIDE

The widow of a veteran was indicted for First Degree Murder and Conspiracy to Commit First Degree Murder. A VA OIG, SSA OIG, Tennessee Bureau of Investigation, and District Attorney's Office investigation revealed that the defendant and her current spouse conspired to murder her previous husband, a combat veteran and VA beneficiary, by forcing him to overdose on prescription drugs and then staging the scene to make it appear that he committed suicide. The defendant later applied for DIC benefits and falsely claimed that her husband's drug overdose was related to his PTSD disability. The defendant's current spouse previously pled guilty to Conspiracy to Commit First Degree Murder and agreed to fully cooperate with the prosecution against his wife in exchange for a reduced sentence. The loss to VA is over \$104,865.

(2013-01708-IS-0154, SA (b)(6) Nashville Resident Agency)

FIDUCIARY FRAUD

A former VA fiduciary pled guilty to Misappropriation by a Fiduciary. A VA OIG investigation determined that the defendant, who is an attorney and former police officer, embezzled approximately \$137,000 of VA benefits from his brother-in-law, a disabled veteran. The defendant hid the embezzlement by charging it to excessive legal fees.

(2012-00472-IN-0056, SA (b)(6) Boston Resident Agency)

GUARDIANSHIP FRAUD

A former VA appointed guardian was sentenced to 2 years' probation and ordered to pay the victim \$48,000 in restitution. A VA OIG investigation revealed that the defendant stole funds payable to his sister, the mentally disabled daughter of a deceased veteran, and used the stolen funds for personal expenses.

(2009-02284-IS-0099, SA (b)(6) Nashville Resident Agency)

THEFT OF GOVERNMENT FUNDS

The granddaughter of a disabled veteran was sentenced to 5 years' probation and ordered to pay \$31,514 in restitution. A VA OIG investigation determined that the defendant stole the veteran's benefit payments and used the funds for personal expenses.

(2012-01786-IS-0142, SA (b)(6) Atlanta Resident Agency)

DECEASED BENEFICIARY FRAUD

The daughter of a deceased widow was indicted for Theft of Government Funds. A VA OIG investigation revealed that the defendant stole VA benefits that were direct deposited after her mother's death in January 2012. The loss to VA is approximately \$16,400.

(2012-04417-IS-0083, SA (b)(6) Tallahassee Resident Agency)

FUGITIVE FELON

A veteran wanted for Aggravated Sexual Assault on a Child was arrested by a U.S. Marshals Regional Fugitive Task Force with the assistance of VA OIG and the VA Police Service.

(2014-00073-IS-0019, SA (b)(6) Tallahassee Resident Agency)

WEEKLY HIGHLIGHTS
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11/25/13

SDVOSB FRAUD

The owner of a New Mexico construction company and his son-in-law pled guilty to Conspiracy and to Committing a Major Fraud Against the United States. The plea agreements require 57 months' incarceration for the owner and 37 months' incarceration for his son-in-law. A VA OIG investigation determined that the owner of the company paid his step-brother approximately \$50,000 to use his service disabled veteran status in order to qualify for and obtain \$10.9 million in VA SDVOSB contracts. The owner's step-brother previously pled guilty to Conspiracy, Major Fraud, and Wire Fraud.

(2011-00834-IW-0030, SA (b)(6) Phoenix Resident Agency)

ASSAULT

A. A veteran was sentenced to 6 months' incarceration, 3 years' supervised release, and ordered to pay restitution of \$1,850 (payment of victim's medical bill) after pleading guilty to the Assault of a Federal Employee. A VA OIG and VA Police Service investigation revealed that the defendant, who was an inpatient at the Portland, OR VAMC, assaulted a nurse causing a fractured jaw.

(2013-01406-IF-0049, SA (b)(6) Seattle Resident Agency)

B. A veteran was arrested for Assaulting a Federal Officer. A VA OIG and VA Police Service investigation revealed that the veteran assaulted two Bath, NY VAMC police officers when he was being processed for admission to the medical center's Addiction Services Unit.

(2014-00099-IN-0035, SA (b)(6) Buffalo Resident Agency)

THREATS

A veteran was arrested and subsequently indicted for Threatening to Murder a Government Employee and Failing to Register as a Sex Offender. A VA OIG and VA Police Service investigation revealed that in August 2013 the defendant made several threats to kill VA employees and police officers. The defendant also failed to register as a sex offender when he moved to Washington State. The defendant remains in custody pending trial.

(2013-04100-IF-0103, SA (b)(6) Seattle Resident Agency)

BRIBERY/KICKBACKS

A veteran was sentenced to 12 months' home detention, 36 months' supervised release, and ordered to pay \$75,982 in restitution after pleading guilty to Wire Fraud. A second veteran was sentenced to 12 months' home detention, 36 months' supervised release, ordered to continue substance abuse and mental health treatment, and ordered to pay \$88,953 in restitution after pleading guilty to Wire Fraud. From 2003 to 2011, while working at the Maryland Department of Veterans Affairs, a state employee created fraudulent doctor notes and amendment forms, commonly referred to as DD-215s, as part of claims for service connected disabilities. A VA OIG investigation revealed that the state employee solicited and received cash payments from the veterans in exchange for assistance with their claims. The doctor's notes claimed that the veterans had been diagnosed with diabetes and were insulin dependent. The fraudulent DD-215s were used as proof of service in Vietnam. The state employee also filed a fraudulent DD-215 form to increase his own rating for PTSD. A total of 17 veterans received compensation benefits using the fraudulent forms. The loss to VA is \$1,151,219. The state employee also assisted the veterans in receiving \$255,555 in property tax waivers from the state that they were not entitled to receive.

(2011-01320-IA-0072, SA (b)(6) Mid-Atlantic Field Office)

FIDUCIARY FRAUD

A VA fiduciary was indicted for Misappropriation by a Fiduciary. A VA OIG investigation revealed that the defendant, who is the veteran's sister, used the veteran's VA funds for her personal expenses and failed to make 20 mortgage payments toward the veteran's home. The veteran's home entered into foreclosure status as a direct result of the defendant's actions.

(2013-03357-IA-0086, SA (b)(6) Asheville Resident Agency)

DECEASED BENEFICIARY FRAUD

A. A VA fiduciary was indicted for Theft of Government Funds. A VA OIG investigation revealed that the defendant failed to notify VA that the beneficiary died in January 2009. The defendant then stole the benefits that were direct deposited after the beneficiary's death and used the funds for personal expenses. The loss to VA is approximately \$60,000.

(2013-02636-IA-0064, SA (b)(6) Columbia Resident Agency)

B. The son of a deceased veteran was sentenced to 4 months' home detention, 2 years' probation, and ordered to pay VA restitution of \$16,995 and the SSA restitution of \$62,110 after pleading guilty to Program Fraud. A VA OIG and SSA

OIG investigation revealed that the defendant failed to report his father's January 2007 death to VA and the SSA. The defendant subsequently stole SSA benefits and VA benefits that were direct deposited to his father's account.

(2013-00459-IA-0034, SA (b)(6) Mid-Atlantic Field Office)

PENSION BENEFICIARY FRAUD

A veteran was indicted for Theft of Government Funds after a VA OIG investigation revealed that the defendant was operating a construction business while rated by VA as totally disabled and unable to work. The loss to VA is approximately \$34,000.

(2013-00023-IA-0033, SA (b)(6) Asheville Resident Agency)

DRUG DIVERSION

A. A former Martinsburg, WV VAMC registered nurse was sentenced to 36 months' probation after pleading guilty to Acquiring and Obtaining a Controlled Substance by Fraud and Deception. A VA OIG and VA Police Service investigation determined that on five occasions in October 2011 the defendant removed controlled medication from the facility's automated Omnicell medication dispensers using the names of patients whose electronic medical records indicated that they did not receive the medication.

(2012-00486-IA-0020, RAC (b)(6) Mid-Atlantic Field Office)

B. A former Martinsburg, WV VAMC registered nurse was sentenced to 24 months' probation. The defendant previously pled guilty to Acquiring and Obtaining Hydromorphone by Fraud, Deception, and Subterfuge. A VA OIG and VA Police Service investigation determined that on 23 occasions between October 2009 and December 2009 the defendant removed controlled medication from the facility's automated Pyxis medication dispensers for patients whose electronic medical records indicated that they did not receive the medication.

(2010-01229-IA-0072, RAC (b)(6) Mid-Atlantic Field Office)

THEFT OF GOVERNMENT PROPERTY

A. A veteran's ex-wife was arrested for Uttering a Forged Instrument. A VA OIG investigation disclosed that the defendant fraudulently obtained \$5,912 in VA benefits intended for the veteran during and after the veteran's deployment to Afghanistan.

(2012-04611-IN-0013, SA (b)(6) Manchester Resident Agency)

B. A former Togus, ME Compensated Work Therapy employee was arrested for theft of approximately \$4,000 worth of VA copper wire and plumbing fittings. A VA OIG investigation disclosed that the defendant sold, without authority, the copper to a local recycling company and used the money to support his drug habit. The defendant is being held pending trial.

(2013-00506-IN-0043, SA (b)(6) Manchester Resident Agency)

DOCTOR SHOPPING

A veteran was arrested and charged with Prescription Drug Fraud. A VA OIG and state police investigation revealed that the defendant received 195 oxycodone pills from the White River Junction, VT VAMC and a private physician within a 40-day timeframe. The defendant made false statements to both the VAMC and the local hospital in order to obtain more oxycodone.

(2013-03692-IN-0020, SA (b)(6) Manchester Resident Agency)

BENEFICIARY TRAVEL FRAUD

A Martinsburg, WV outpatient pled guilty to Stealing Public Money. A VA OIG and VA Police Service investigation determined that between June 2010 and September 2011 the defendant submitted approximately 198 false travel vouchers claiming to be traveling 126 roundtrip miles to attend appointments at the medical center when he actually resided approximately 5 miles from the facility. The loss to VA is approximately \$10,000.

(2012-00597-IA-0021, RAC (b)(6) Mid-Atlantic Field Office)

**WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
12/09/13**

PRODUCT TAMPERING WITH RECKLESS DISREGARD

A former health care worker, who provided contract services to VA in 2008, was sentenced to 39 years' incarceration. The defendant previously pled guilty to acquiring or obtaining possession of a controlled substance by fraud and tampering with consumer products with reckless disregard. A multi-agency investigation disclosed that the defendant stole syringes of fentanyl, prepared for patients scheduled to undergo a medical procedure. The defendant then used the stolen syringes to inject himself, causing the syringes to become tainted with his Hepatitis C infected blood, before filling them with saline and then replacing them for use in the medical procedure. As a result, more than 12,000 patients were recommended to be tested for Hepatitis C. Testing identified 45 patients who were infected with the disease, to include 3 veterans. Two of the veterans were exposed to the defendant during procedures at a private hospital and one during a procedure at a VA medical center.

(2012-03828-IN-0015, SA (b)(6) Manchester Resident Agency)

SDVOSB FRAUD

A veteran pled guilty to Wire Fraud after a VA OIG and SBA OIG investigation revealed that he fraudulently claimed to be the owner of a Service-Disabled Veteran-Owned Small Business (SDVOSB) in order to qualify for and obtain \$1.4 million in VA contracts for architectural and engineering services. The veteran did not have a service-connected disability and had previously been denied VA benefits.

(2010-03241-ID-0132, SA (b)(6) South Central Field Office)

THREATS

A veteran was charged in a criminal information with making harassing telephone calls. A VA OIG investigation revealed that the defendant made numerous threatening calls to the Pembroke Pines, FL VA Community Based Outpatient Clinic (CBOC) threatening the staff. The veteran repeatedly called the clinic and threatened to commit mass murder if he did not receive additional narcotics. The threats resulted in the clinic's closure and patients' appointment cancellations.

(2013-00056-IS-0144, SA (b)(6) West Palm Beach Resident Agency)

EXTORTION

A VA Police Officer pled guilty to Interstate Communications (Extortion). A VA OIG investigation revealed that the officer used his position to access a state law enforcement database to obtain personal information regarding a U.S. Army service member and extorted the service member by threatening to post sexually explicit images and provide embarrassing information on social media if the victim failed to pay additional money on a previously satisfied personal loan. The defendant used VA networks and computers to send the extortion emails to the victim. Also, while off-duty and not in any official capacity, the defendant conducted a traffic stop of an off-duty local police officer, using his personally owned vehicle, equipped with emergency lights, siren, and radio.

(2012-02510-IS-0125, RAC (b)(6) West Palm Beach Resident Agency)

DRUG DIVERSION

A. A former Ft. Harrison, MT VAMC contract employee was sentenced to 5 years' supervised release and barred from employment as a nurse anesthetist. A VA OIG investigation revealed that the defendant engaged in the diversion and use of sufentanil, hydromorphone, and other injectable narcotics from the medical center. The defendant was falsely claiming to administer narcotics to patients under anesthesia, when in fact the narcotics were diverted for his personal use.

(2011-03346-IF-0059, SA (b)(6) Spokane Resident Agency)

B. A former Bristol, VA CBOC licensed practical nurse was sentenced to 3 years' probation and a \$450 fine after pleading guilty to Knowingly and Intentionally Obtaining and Acquiring Oxycodone by Misrepresentation, Fraud, Deception, and Subterfuge. During a VA OIG and VA Police Service investigation, the defendant admitting to diverting controlled substances from VA patients during scheduled medication counts at the CBOC.

(2013-02789-IA-0083, SA (b)(6) Mid-Atlantic Field Office)

DRUG THEFT

A former United States Postal Service (USPS) employee was arrested for Theft of Mail, Obstruction of Mail, and Delay or Destruction of Mail. During a VA OIG and USPS OIG investigation, the defendant was caught with a stolen VA narcotic package in her possession.

(2013-02971-ID-0038, SA (b)(6) Dallas Field Office)

DECEASED BENEFICIARY FRAUD

A subject pled guilty to Misuse of a Social Security Number. A VA OIG and SSA OIG investigation revealed that the defendant assisted the daughter of a deceased beneficiary with forging and negotiating VA and SSA benefit checks that were issued after the beneficiary's death in July 2002. The defendant used false identifiers to open bank accounts through which the checks were negotiated. The daughter of the deceased beneficiary was previously sentenced in this case. The loss to VA is approximately \$120,500.

(2010-03196-ID-0118, SA (b)(6) South Central Field Office)

COMPENSATION BENEFICIARY FRAUD

A. A veteran entered into a Veterans' Court Pre-Trial Diversion program for 12 months. A VA OIG investigation revealed that the defendant altered his DD-214 to reflect combat service in Vietnam, to include receiving a Combat Infantryman's Badge, Vietnam Campaign Medal, Vietnam Service Medal, and Purple Heart Medal. The defendant wanted to qualify for additional compensation for PTSD and healthcare benefits. The defendant admitted to altering the DD-214 and only serving in Germany.

(2012-04166-IS-0072, SA (b)(6) West Palm Beach Resident Agency)

B. A veteran was sentenced to 63 months' incarceration, 36 months' supervised release, a \$5,000 fine, and ordered to pay restitution of \$263,937 after pleading guilty to mail fraud and making false material statements. A VA OIG and U.S. Postal Inspection Service investigation determined that from 2005 to 2011 the veteran certified he had not been employed during the preceding 12 months. During that time the veteran received royalties and investment income from selling worthless stock to investors pertaining to a drug he marketed as a treatment for cancer and other illnesses.

(2012-02537-IA-0070, SA (b)(6) Fayetteville Resident Agency)

PENSION BENEFICIARY FRAUD

A veteran was sentenced to 5 years' probation, to include 12 months' electronic monitoring, and ordered to pay restitution of \$144,000 after pleading guilty to making False Statements to VA. Since 2000 the veteran reported to VA that he was not working and had no income. This false claim resulted in the defendant's receipt of VA pension benefits and Aid and Attendance. A VA OIG investigation determined that the defendant was serving as a Pastor and had the church pay his bi-weekly salary to his wife, who was also his VA-appointed fiduciary. During this time period, while presumed to be "permanent and totally disabled," the defendant also performed miscellaneous maintenance work, towing, welding, and drove a race car, which earned him income above the allowable limits.

(2011-02786-IA-0130, SA (b)(6) Columbia Resident Agency)

HEALTH CARE FRAUD

A. A non-veteran was sentenced to 41 months' incarceration, 3 years' supervised release, and ordered to pay restitution of \$306,660. A VA OIG investigation determined that the defendant forged a DD-214, claiming to be an eligible veteran. Based on the forged DD-214, the defendant received VA health care, including medication, from April 2009 to August 2012 from various VA medical centers.

(2012-04227-IA-0110, SA (b)(6) Columbia Resident Agency)

B. A non-veteran was indicted for Theft of Government Funds. The defendant received healthcare and other benefits to which he was not entitled. The defendant claimed to have served several years in the U. S. Marine Corps, including time in Vietnam. A VA OIG investigation determined that during much of the time the defendant claimed to have been in military service he was incarcerated. The defendant was the subject of a previous VA OIG investigation in which he was convicted of the same offense and was sentenced to 2 years' incarceration. The loss to VA is approximately \$32,000.

(2013-00069-IA-0028, SA (b)(6) Asheville Resident Agency)

C. A non-veteran, who falsely claimed to be a veteran, was indicted for Health Care Fraud. A VA OIG investigation determined that between April 2003 and April 2012 the defendant fraudulently received VA health care, travel benefits, and HUD VASH from the Roseburg, OR VAMC. The loss to VA is approximately \$32,000.

(2012-02691-IF-0077, SA (b)(6) Seattle Resident Agency)

DOCTOR SHOPPING

A veteran was charged with Acquisition or Obtaining Possession of a Controlled Substance by Misrepresentation, Fraud, Forgery, Deception or Subterfuge. A VA OIG and state narcotics investigation revealed that from January 2011 to February 2013 the defendant was "doctor shopping" and obtained approximately 350 doses of Percocet per month from private and VA sources. The defendant's actions violated his VA opioid agreement.

(2013-01837-IN-0119, SA (b)(6) Northeast Field Office)

THEFT OF GOVERNMENT FUNDS

A former Chief of Veterans Canteen Service at the Miami, FL VAMC was sentenced to 3 years' probation, 50 hours' community service, ordered to attend drug treatment and to pay \$6,716 in restitution after pleading guilty to Organized Fraud and Grand Theft. A VA OIG investigation revealed that the defendant stole VA property, cash, a laptop, a Blackberry, misused his government issued travel card, and negotiated several bad checks. The loss is \$22,450.

(2012-02892-IS-0004, RAC (b)(6) West Palm Beach Resident Agency)

THEFT OF GOVERNMENT PROPERTY

A former Compensated Work Therapy employee pled guilty to stealing copper wire and pipe fittings from the Togus, ME VAMC. VA employees and police officers watched the defendant remove spools of copper wire from a VA facility. After officers asked him for permission to search his car, the defendant fled VA grounds at a high rate of speed. A VA OIG investigation revealed that the defendant sold over 400 pounds of wire and pipe fittings to a local recycling company and used the money to support his drug addiction. The loss to VA is approximately \$4,000.

(2013-00506-IN-0043, SA (b)(6) Manchester Resident Agency)

BENEFICIARY TRAVEL FRAUD

A veteran, who was previously charged with making false claims in connection with beneficiary travel fraud, entered into a Pre-Trial Diversion agreement. As part of the agreement, the defendant was sentenced to 1 year of probation and agreed to pay \$6,754 in restitution to the Togus, ME VAMC. A VA OIG investigation disclosed that from January 2011 to February 2013 the defendant, who did not have a driver's license, traveled to the medical center with another veteran and then fraudulently collected travel reimbursement pay as if he had traveled alone.

(2013-00600-IN-0072, SA (b)(6) Manchester Resident Agency)

FUGITIVE FELON

A. A veteran wanted in Arizona for a felony probation violation related to aggravated assault of a police officer was arrested in San Jose, CA by the local police department with the assistance of VA OIG and the VA Police Service. The veteran is pending extradited to Arizona.

(2014-00075-IP-00015, RAC (b)(6) Oakland Resident Agency)

B. A VA employee, who was also a veteran, was arrested by VA OIG and deputy U.S. Marshals at the Miami, FL VAMC. The fugitive was wanted by the Honolulu,

HI police department for Robbery, Abuse of Family and Household Members,
and Terroristic Threatening. The fugitive was held pending extradition to Hawaii.

(2014-00073-IS-0029, SA (b)(6) West Palm Beach Resident Agency)

**WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
12/16/13**

MANSLAUGHTER

A nursing assistant at the Alexandria, LA VAMC was arrested on a Manslaughter charge related to an altercation with an elderly patient in the medical center's mental health unit.

(2013-03171-ID-0013, SA (b)(6) Jackson Resident Agency)

FEE BASIS FRAUD

A major teaching hospital, which provided VA fee basis radiation proton therapy treatments, reimbursed VA \$557,661 as the result of an agreement negotiated with the assistance of the U.S. Attorney's Office, Civil Division. A VA OIG investigation revealed that the hospital overbilled VA for radiation treatments.

(2012-02312-IN-0259, SA (b)(6) Northeast Field Office)

ASSAULT

A veteran was arrested for assaulting a VA psychiatrist at the Waco, TX VAMC. The defendant choked the psychiatrist while being admitted as a psychiatric inpatient.

(2013-02544-ID-0037, SA (b)(6) South Central Field Office)

FIDUCIARY FRAUD

A former VA fiduciary was sentenced to 3 years' probation, a \$3,000 fine, and 100 hours' community service after pleading guilty to harboring a foreign national. The defendant, an attorney, is also required to disclose his felony conviction to the State Bar of Nevada and California. A VA OIG investigation revealed that the defendant became romantically involved with a female co-defendant and helped arrange a marriage between the co-defendant and an incompetent veteran for whom he acted as fiduciary.

(2011-00203-IF-0007, SA (b)(6) San Francisco Resident Agency)

DRUG THEFT

A former U.S. Postal Service (USPS) employee was sentenced to 12 months' probation and ordered to attend drug and mental health treatment after pleading

guilty to Embezzlement of Mail and Possession of Stolen Mail. During a VA OIG and USPS OIG investigation, the defendant was discovered with a stolen VA narcotic package. The defendant also admitted to having previously stolen multiple VA narcotic packages from the mail.

(2013-00210-IS-0008, SA (b)(6) Nashville Resident Agency)

THEFT OF GOVERNMENT FUNDS

A non-veteran was sentenced to 4 months' home detention and 1 year of probation after pleading guilty to Theft of Government Property. A VA OIG and local police investigation revealed that the defendant sold a stolen \$32,000 retroactive VA benefit check to an undercover officer.

(2012-03204-IS-0055, SA (b)(6) Southeast Field Office)

HEALTH CARE FRAUD

A non-veteran was indicted for False, Fictitious or Fraudulent Claims. A VA OIG investigation revealed that the defendant, who never served in the U.S. Military, fraudulently received \$55,458 in VA medical treatment. The defendant also fraudulently filed seven claims for VA pension and disability compensation.

(2012-00994-IS-0105, RAC (b)(6) Southeast Field Office)

DECEASED BENEFICIARY FRAUD

A. A veteran was sentenced to 13 months' incarceration, 2 years' supervised release, and ordered to pay \$124,944 in restitution. A VA OIG investigation revealed that the defendant received and negotiated VA benefit checks issued after the death of the beneficiary.

(2011-00055-IS-0149, SA (b)(6) Southeast Field Office)

B. The niece of a deceased VA DIC beneficiary was indicted for Theft of Public Money. During a VA OIG investigation, the defendant admitted to stealing VA funds that were direct deposited after her aunt's death in April 2005. The defendant stated that she used the VA funds to pay her aunt's medical bills and her own expenses. The loss to VA is \$105,765.

2013-00119-IC-0068, SA (b)(6) Central Field Office

C. The son of a deceased VA DIC beneficiary pled guilty to the Theft of Government Funds. During a VA OIG investigation, the defendant admitted to stealing VA funds that were direct deposited after his mother's death in August

2008. The defendant stated that he was unemployed and used the stolen funds to pay his own expenses. The loss to VA is \$62,678.

2013-00119-IC-0037, SA (b)(6) Central Field Office

PENSION BENEFICIARY FRAUD

A veteran was sentenced to 9 months' home confinement, 3 years' probation, and ordered to pay restitution of \$61,129 after pleading guilty to Theft of Government Funds and Identity Theft. A VA OIG investigation revealed that the defendant fraudulently reported no income and his inability to work in order to receive VA pension benefits. The defendant also opened numerous bank accounts, using fraudulent identities, in order to hide almost \$1 million in unreported funds while receiving the VA pension benefits.

(2011-01942-IC-0014, SA (b)(6) Cleveland Resident Agency)

DOCTOR SHOPPING

A veteran was sentenced to 5 years' probation and a \$1,106 fine after pleading guilty to the Unlawful Attempt to Acquire a Controlled Substance by Fraud. A VA OIG and local sheriff's office investigation revealed that the defendant attempted to obtain controlled substances from a private medical center by presenting an altered VA MRI report and altered VA patient history form.

(2013-00210-IS-0141, SA (b)(6) Southeast Field Office)

WORKERS' COMPENSATION FRAUD

A former VA medical technician at a Community Based Outpatient Clinic (CBOC) pled guilty to a criminal information charging Workers' Compensation Fraud. A VA OIG and DOL OIG investigation revealed that the defendant claimed to have suffered a back injury while employed by VA and was medically limited to the number of hours she could work. The defendant began receiving workers' compensation in August 2010 and during the same time period applied for a State license to open a liquor store in which she was listed as president, manager, and sole proprietor. The defendant was observed on multiple occasions working in the liquor store, climbing staircases, reaching for and replacing bottles, carrying large heavy bags, and assisting customers. The defendant continued filing forms with DOL certifying that she was not engaged in any outside employment.

(2012-03059-IN-0231, SA (b)(6) Buffalo Resident Agency)

THEFT OF GOVERNMENT PROPERTY

A VA employee was charged with theft. During a VA OIG investigation, the defendant admitted that he stole 17 newly purchased laptop computers from the Hines, IL Information Processing Center. Some of the computers were then pawned at a local shop by the defendant's wife.

2012-00799-IC-0026, SA (b)(6) Central Field Office

POSSESSION OF ILLEGAL DRUGS

Two non-veterans were arrested for Possession of Cocaine, Possession of Drug Paraphernalia, and Possession of Marijuana after they were discovered sleeping in a vehicle at the West Palm Beach, FL VAMC. Both defendants admitted to possessing the illegal drugs and paraphernalia inside the vehicle.

(2014-00888-IS-0040, SA (b)(6) West Palm Beach Resident Agency)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
12/23/13

LOAN ORIGATION FRAUD

A non-veteran pled guilty to Conspiracy to Commit Mail, Wire, and Bank Fraud. A VA OIG and FBI investigation determined that the defendant provided down payments to multiple buyers during real estate closings that were reported to the lenders as originating from a family member of the buyer. The funds were fraudulently reported on the Uniform Residential Loan Application to increase the buyer's credit scores, allowing them to qualify for mortgages they were not otherwise qualified to receive. Thirteen loans were identified in the scheme, to include a VA Guaranteed home loan. The potential loss to VA should this guaranteed VA home loan default is approximately \$152,203.

(2012-00821-IS-0099, SA (b)(6) Tallahassee Resident Agency)

COMPENSATION BENEFICIARY FRAUD

A veteran was indicted for False Claims and Wire Fraud. A VA OIG investigation revealed that the defendant fraudulently claimed PTSD and TBI as a result of having been injured by an IED during combat operations in Iraq. The defendant subsequently received compensation for PTSD due to the fraudulent claims. The investigation further revealed that the defendant was never injured during his service in Iraq. The loss to VA is approximately \$45,290.

(2012-01454-IW-0049, SA (b)(6) Las Vegas Resident Agency)

PENSION BENEFICIARY FRAUD

A veteran was sentenced to 6 months' incarceration, 8 months' home detention, 3 years' probation, and ordered to pay restitution of \$75,246 after pleading guilty to Theft of Government Funds and Making False Statements. A VA OIG investigation revealed that the veteran fraudulently obtained a VA pension by falsifying his initial application and attempting to hide his assets from VA.

(2011-03020-IS-0021, SA (b)(6) Tallahassee Resident Agency)

DECEASED BENEFICIARY FRAUD

A. The daughter of a deceased veteran was sentenced to 12 months' supervised release and ordered to pay VA \$16,061 in restitution after having previously pled guilty to Theft of Government Funds. A VA OIG investigation revealed that from March 2005 to June 2008 the defendant stole VA benefits issued after her father's death.

(2013-00120-IS-0135, RAC (b)(6) Southeast Field Office)

B. The son of a deceased beneficiary pled guilty to Theft of Government Property. A VA OIG investigation determined the defendant stole VA funds that were direct deposited after his mother's death in October 2009. The defendant admitted to using the stolen funds to pay personal expenses. The loss to VA is \$58,207.

(2013-00120-IS-0132, SA (b)(6) Tallahassee Resident Agency)

C. The daughter of a deceased widow beneficiary pled guilty Theft of Government Funds. A VA OIG investigation disclosed that the defendant stole VA funds that were direct deposited after her mother's death in July 2010. The loss to VA is \$45,607.

(2013-00120-IS-0106, SA (b)(6) Tallahassee Resident Agency)

DRUG DIVERSION

A former USPS employee pled guilty to Theft of Mail by an Employee. A VA OIG and USPS OIG investigation determined that the defendant removed narcotics from VA drug parcels before delivery. The defendant admitted to stealing the controlled substances for personal use.

(2013-00210-IS-0133, SA (b)(6) Nashville Resident Agency)

BENEFICIARY TRAVEL FRAUD

A veteran pled guilty to Theft of Government Funds after a VA OIG investigation revealed that he submitted 148 fraudulent travel vouchers to the Salt Lake City, UT VAMC. The defendant fraudulently claimed that he attended VA sponsored physical therapy appointments at an affiliate university and provided forged letters from the university to support his claim. The loss to VA is \$10,687.

(2012-00523-IW-0014, SA (b)(6) Las Vegas Resident Agency)

FUGITIVE FELON

A fugitive veteran was arrested by the local police with the assistance of VA OIG and the VA Police Service at the Bay Pines, FL VAMC. The veteran was wanted for Dealing in Stolen Property.

(2014-00073-IS-0050, SA (b)(6) Southeast Field Office)

WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
12/30/13

THREATS

A veteran pled guilty to Threatening to Murder a Government Employee. A VA OIG and VA Police Service investigation revealed that in August 2013 the defendant made several threats to kill Seattle, WA VAMC employees and police officers. The defendant remains in custody pending trial.

(2013-04100-IF-0103, SA (b)(6) Seattle Resident Agency)

DECEASED BENEFICIARY FRAUD

The friend of a veteran was sentenced to 5 years' probation and ordered to pay restitution of \$35,710 after pleading guilty to the Theft of Government Funds. A VA OIG and U.S. Secret Service investigation revealed that the defendant stole VA benefits that were direct deposited into the veteran's account after his death in December 2008. The defendant made numerous transfers to her own account and posed as the veteran on at least three occasions in order to have a new debit card issued.

(2011-04399-ID-0017, SA (b)(6) South Central Field Office)

DOCTOR SHOPPING

A veteran was arrested for Obtaining or Attempting to Obtain Controlled Substances by Fraud. A VA OIG investigation revealed that the defendant, an FAA Aviation Safety Inspector, obtained narcotics from multiple providers, including VA, on 27 different occasions during a 12 month time period.

(2013-01871-IS-0138, SA (b)(6) Southeast Field Office)

**WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
12/31/2012**

OFF-LABEL MARKETING

A multi-agency investigation resulted in a global settlement to settle civil and criminal allegations that Amgen Incorporated illegally introduced into interstate commerce a misbranded drug. The investigation revealed that Amgen promoted Aranesp and two other drugs that it manufactured for "off-label" uses and doses that were not approved by the FDA and that were not properly reimbursable by Federal insurance programs. Also, the corporation offered illegal kickbacks in an effort to influence health care providers to select its products regardless of whether they were reimbursable by Federal health care programs or were medically necessary. The corporation also engaged in false price reporting practices involving several of its drugs. The corporation agreed to pay \$612 million to the Federal government and the states to settle the civil allegations and a \$136 million criminal fine and a \$14 million criminal forfeiture to settle the criminal charge. VA will receive \$4,765,847 of the civil settlement.

(2010-00380-IN-0125, SA (b)(6) Northeast Field Office)

AGGRAVATED ARSON

A veteran was sentenced to 6 years' incarceration after pleading guilty to Aggravated Arson. A VA OIG and local police investigation determined that the defendant set fire to his room at the Jesse Brown VAMC in Chicago, IL. The fire caused damage to the room and extensive smoke and water damage throughout the ward. Two VA police officers also suffer minor smoke inhalation while evacuating the ward. The investigation further revealed that the defendant tampered with the ceiling-mounted fire suppression sprinkler heads, causing them to malfunction during the fire.

(2011-02963-IC-0105, SA (b)(6) Central Field Office)

FIDUCIARY FRAUD

A VA appointed fiduciary was indicted for Theft of Public Funds. A VA OIG investigation revealed that the defendant misappropriated funds from various veterans' accounts by withholding their funds from deposit or writing checks to himself. A VA OIG forensic audit documented a theft of \$236,204 in VA funds.

(2010-01023-IC-0089, RAC (b)(6) Denver Resident Agency)

ELDER ABUSE

The cousin of a disabled veteran was arrested for elder abuse, grand theft, forgery, and burglary. A VA OIG investigation revealed that the defendant stole his cousin's checkbook from his room at a VAMC community living center and then forged and negotiated several checks. The loss to the veteran is over \$20,000.

(2012-03564-IF-0018, SA (b)(6) San Francisco Resident Agency)

**WEEKLY HIGHLIGHTS
OFFICE OF INVESTIGATIONS
01/07/2013**

FIDUCIARY FRAUD

A. An attorney was sentenced to 46 months incarceration, 3 years' supervised release and ordered to pay restitution of \$2,352,107 to VA and \$282,112 to the IRS. A VA OIG investigation revealed that the attorney, who served as a court appointed guardian and Federal fiduciary for 54 veterans conspired to steal from the veterans' bank accounts and failed to report the income on their Federal tax returns. The defendant's wife previously received the same sentence for her involvement in the conspiracy.

(2008-00618-ID-0058, SA (b)(6) Houston Resident Agency)

B. A VA appointed fiduciary was arrested for Theft of Government Funds. A VA OIG investigation revealed the defendant misappropriated \$35,000 in VA benefits intended for a veteran.

(2011-03596-IS-0153, SA (b)(6) Atlanta Resident Agency)

COMPENSATION BENEFICIARY FRAUD

A widow receiving Dependency and Indemnity Compensation was sentenced to 4 years' probation, with the first 10 months to be served in home confinement, and ordered to pay \$188,546 in restitution after pleading guilty to Theft of Government Funds. A VA OIG investigation revealed that the defendant failed to notify VA that she remarried 19 years ago.

(2011-00165-IS-0070, SA (b)(6) Atlanta Resident Agency)

DECEASED BENEFICIARY FRAUD

The daughter of a deceased VA and Social Security Administration (SSA) beneficiary pled guilty to Conspiracy, Theft of Government Property, and False Statements. A VA OIG and SSA OIG investigation revealed that the defendant received, forged, and negotiated approximately \$177,900 in VA and Social Security benefit checks issued after her mother's death in July 2002. The defendant also provided false statements to VA and the SSA purporting to be the beneficiary, causing the reissuance of checks and the continued issuance of benefits. The loss to VA is approximately \$120,500.

(2010-03196-ID-0118, SA (b)(6) South Central Field Office)

DRUG DIVERSION

A. A VA physician pled guilty to Fraudulently Obtaining Controlled Substances. A VA OIG, DEA, and OPM OIG investigation disclosed that from June 2010 to January 2011 the defendant wrote approximately 17 prescriptions (68,760 total milligrams) for oxycodone and OxyContin that were not documented in the medical records of one of his patients. Some of these prescriptions were written for the patient after the defendant went out on workers' compensation leave. This was in addition to 82,800 mg of oxycodone and OxyContin that the patient received from VA during the same time period. The patient admitted that he provided some of his narcotics to the defendant. As part of his plea agreement, the defendant agreed to surrender his DEA registration and to never apply for another one.

(2011-02015-IN-0106, SA (b)(6) Manchester Resident Agency)

B. An Alexandria, LA VAMC registered nurse was arrested for Obtaining Prescriptions by Fraud, Identity Theft, Computer Fraud, and Forgery. A VA OIG and state police investigation revealed that the defendant ordered fraudulent controlled substance prescriptions in CPRS for veterans assigned to her care. The defendant then retrieved the controlled medication from the medical center pharmacy by misrepresenting herself as a family member of the veterans and forged their names on the electronic signature pad. This resulted in the diversion of approximately 780 controlled substance tablets. The defendant was also charged with felony Doctor Shopping by the state police for an unrelated investigation.

(2012-04451-ID-0009, SA (b)(6) Jackson Resident Agency)

DRUG THEFT

A. A former United Postal Service employee pled guilty to Theft of Government Property. A VA OIG and local law enforcement investigation revealed that from December 2011 to May 2012 the defendant stole VA drugs, specifically targeting narcotics. The defendant admitted to stealing approximately 500 pills from 40 to 50 different VA packages.

(2012-01541-IF-0077, SA (b)(6) Seattle Resident Agency)

B. A former U.S. Postal Service (USPS) mail handler was arrested for Mail Theft. A VA OIG and USPS OIG investigation revealed that for approximately 2 years the defendant stole VA pharmaceuticals from the Shreveport, LA USPS processing and distribution center.

(2009-00985-ID-0111, SA (b)(6) Jackson Resident Agency)

THEFT OF GOVERNMENT FUNDS

A former Seattle, WA VAMC contract anesthesiology technician was sentenced to 40 hours' community service, 2 years' probation and ordered to pay VA \$4,275 in restitution after pleading guilty to Attempted Theft. A VA OIG investigation revealed that for 6 months the defendant submitted fraudulent time cards on multiple occasions. The loss to VA is \$8,711.

(2011-02863-IF-0062, SA (b)(6) Seattle Resident Agency)

TRAVEL BENEFIT FRAUD

A veteran was arrested for Grand Theft after a VA OIG investigation revealed that he filed fraudulent travel benefit claims. The defendant claimed that he traveled approximately 106 miles, from an address that did not exist, to the Bay Pines, FL, VAMC, when in actuality he resided a few miles from the medical center. The loss to VA is \$3,796.

(2012-00419-IS-0001, SA (b)(6) Southeast Field Office)