

OFFICE OF WELFARE INSPECTOR GENERAL

MISSION

The Office of Welfare Inspector General was established in 1992 to investigate, prevent, and prosecute public assistance fraud. The agency acts on allegations that welfare recipients are dishonestly receiving benefits for which they are not eligible, or that Medicaid, day care or other providers or administrators of services are accepting payments fraudulently.

The Office works closely with the Office of Temporary and Disability Assistance, local social services offices, the Office of Children and Family Services, the Department of Law and others to effectively prevent and prosecute fraudulent activity in the welfare system.

ORGANIZATION AND STAFFING

The Office is headed by the Welfare Inspector General who is appointed for a five year term by the Governor with the advice and consent of the Senate. In addition to the Inspector General, personnel include fraud investigators, counsel and administrative support. The Welfare Inspector General's statewide operations are administered from its New York City office, and it has currently expanded its operation by opening an office in Albany.

The Office will have a workforce of 12 for SFY 1999-2000, which is consistent with SFY 1998-99 staffing levels.

BUDGET HIGHLIGHTS

The SFY 1999-2000 General Fund support for the Office of Welfare Inspector General is \$356,000. This represents a decrease of \$26,000 compared with SFY 1998-99 levels. Approximately 52 percent of the Office's operations are supported by the General Fund and the remaining 48 percent are supported by funds the agency receives from the Federal government for fraud investigations related to welfare, Food Stamps and Medicaid. The All Funds appropriation for the Office will increase by \$39,000 in SFY 1999-2000, including funding to support financial auditing of institutional service providers.

PROGRAM HIGHLIGHTS

In the current year, the number of complaints of alleged fraud and abuse within the welfare system reported to the Office of Welfare Inspector General remained consistently high as the agency continued its aggressive anti-fraud effort. In addition, recently enacted Welfare Reform legislation now provides more effective tools to prevent and prosecute welfare fraud including increased penalties for fraudulent activities, such as receiving welfare benefits in more than one state.

In 1998, the Office received approximately 650 complaints about alleged welfare fraud originating from citizens, government agencies, or the Office's own related investigations. Fraud investigations generate savings for the State, local and Federal governments by uncovering unreported income or inappropriate claiming practices by those who provide day care, employment, health care or other services to welfare recipients. The Office of Welfare Inspector General completes hundreds of new investigations each year which substantiate allegations of some form of fraudulent activity by a member of a household receiving welfare.

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In addition to these investigations of individual welfare recipients, the Office completes investigations to uncover patterns of abuse within the welfare system including investigation of internal corruption within social services offices. The Office also has worked with the Department of Law to strengthen welfare fraud prosecution and through its newly formed prosecutions unit, has achieved a significant increase in the numbers of convictions for welfare fraud. These efforts will continue throughout the coming year. In addition to fraud investigations, the Office of Welfare Inspector General's activities include making recommendations to the Department of Family Assistance and county and New York City social services offices so that welfare programs and services are more effectively administered throughout the State.

ALL FUNDS APPROPRIATIONS

Category	Available 1998-99	Appropriations Recommended 1999-00	Change	Reappropriations Recommended 1999-00
State Operations	\$651,000	\$690,000	+ \$39,000	. . . .
Aid To Localities . . . . .	. . . .	. . . .	. . . .	. . . .
Capital Projects . . . . .	. . . .	. . . .	. . . .	. . . .
Total	<u>\$651,000</u>	<u>\$690,000</u>	<u>+ \$39,000</u>	<u>. . . .</u>

ALL FUND TYPES LEVELS OF EMPLOYMENT BY PROGRAM ANNUAL SALARIED POSITIONS

Program	Available 1998-99	1999-00 Recommended Average Fill Level			Change
		Personal Service (Regular)	Maintenance Undistributed	Total Recommended 1999-00	
Welfare Inspector General, Office of the General Fund	12	12	. . . .	12	. . . .
Total	<u>12</u>	<u>12</u>	<u>. . . .</u>	<u>12</u>	<u>. . . .</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS

Fund Type	Available 1998-99	Recommended 1999-00	Change
General Fund	\$382,000	\$356,000	-\$26,000
Special Revenue Funds — Other	269,000	334,000	+ 65,000
Total	<u>\$651,000</u>	<u>\$690,000</u>	<u>+ \$39,000</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS

Program	Available 1998-99	Recommended 1999-00	Change
Welfare Inspector General, Office of the General Fund	\$382,000	\$356,000	-\$26,000
Special Revenue Funds — Other	269,000	334,000	+ 65,000
Total	<u>\$651,000</u>	<u>\$690,000</u>	<u>+ \$39,000</u>

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STATE OPERATIONS — GENERAL AND OFFSET FUNDS SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES 1999-00 RECOMMENDED

<u>Program</u>	<u>Total Personal Service Amount</u>	<u>Change</u>	<u>Personal Service Regular (Annual Salaried) Amount</u>	<u>Change</u>
Welfare Inspector General, Office of the	\$641, 000 ,000	\$641,000	+ \$74,000	
Total	<u>\$641,000</u>	<u>+ \$74,000</u>	<u>\$641,000</u>	<u>+ \$74,000</u>

STATE OPERATIONS — GENERAL AND OFFSET FUNDS SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED APPROPRIATIONS AND CHANGES 1999-00 RECOMMENDED

<u>Program</u>	<u>Amount</u>	<u>Total Change</u>	<u>Supplies and Materials Amount</u>	<u>Change</u>
Welfare Inspector General, Office of the	\$49,000	-\$35,000	\$10,000	. . . .
Total	<u>\$49,000</u>	<u>-\$35,000</u>	<u>\$10,000</u>	<u>. . . .</u>

<u>Program</u>	<u>Amount</u>	<u>Travel Change</u>	<u>Contractual Services Amount</u>	<u>Change</u>
Welfare Inspector General, Office of the	\$14,000	. . . .	\$23,000	. . . .
Total	<u>\$14,000</u>	<u>. . . .</u>	<u>\$23,000</u>	<u>. . . .</u>

<u>Program</u>	<u>Amount</u>	<u>Equipment Change</u>
Welfare Inspector General, Office of the	\$2,000	-\$35,000
Total	<u>\$2,000</u>	<u>-\$35,000</u>