



**SUPPLEMENTAL SECURITY INCOME FRAUD  
INVOLVING MIDDLEMEN**

---

Y 4. W 36: 103-60

Supplemental Security Income Fraud...

**HEARING**  
BEFORE THE  
SUBCOMMITTEE ON OVERSIGHT  
AND THE  
SUBCOMMITTEE ON HUMAN RESOURCES  
OF THE  
COMMITTEE ON WAYS AND MEANS  
HOUSE OF REPRESENTATIVES  
ONE HUNDRED THIRD CONGRESS  
SECOND SESSION

FEBRUARY 24, 1994

**Serial 103-60**

Printed for the use of the Committee on Ways and Means



JUL 19 1994

U.S. GOVERNMENT PRINTING OFFICE  
WASHINGTON : 1994

79-403

---

For sale by the U.S. Government Printing Office  
Superintendent of Documents, Congressional Sales Office, Washington, DC 20402  
ISBN 0-16-044310-5



**SUPPLEMENTAL SECURITY INCOME FRAUD  
INVOLVING MIDDLEMEN**

---

---

W 36:103-60

Supplemental Security Income Fraud...

**HEARING**  
BEFORE THE  
SUBCOMMITTEE ON OVERSIGHT  
AND THE  
SUBCOMMITTEE ON HUMAN RESOURCES  
OF THE  
COMMITTEE ON WAYS AND MEANS  
HOUSE OF REPRESENTATIVES  
ONE HUNDRED THIRD CONGRESS

SECOND SESSION

---

FEBRUARY 24, 1994

---

**Serial 103-60**

---

Printed for the use of the Committee on Ways and Means



JUL 19 1994

U.S. GOVERNMENT PRINTING OFFICE

79-403

WASHINGTON : 1994

---

For sale by the U.S. Government Printing Office  
Superintendent of Documents, Congressional Sales Office, Washington, DC 20402  
ISBN 0-16-044310-5

## COMMITTEE ON WAYS AND MEANS

DAN ROSTENKOWSKI, Illinois, *Chairman*

SAM M. GIBBONS, Florida	BILL ARCHER, Texas
J.J. PICKLE, Texas	PHILIP M. CRANE, Illinois
CHARLES B. RANGEL, New York	BILL THOMAS, California
FORTNEY PETE STARK, California	E. CLAY SHAW, Jr., Florida
ANDY JACOBS, Jr., Indiana	DON SUNDQUIST, Tennessee
HAROLD E. FORD, Tennessee	NANCY L. JOHNSON, Connecticut
ROBERT T. MATSUI, California	JIM BUNNING, Kentucky
BARBARA B. KENNELLY, Connecticut	FRED GRANDY, Iowa
WILLIAM J. COYNE, Pennsylvania	AMO HOUGHTON, New York
MICHAEL A. ANDREWS, Texas	WALLY HERGER, California
SANDER M. LEVIN, Michigan	JIM MCCRERY, Louisiana
BENJAMIN L. CARDIN, Maryland	MEL HANCOCK, Missouri
JIM McDERMOTT, Washington	RICK SANTORUM, Pennsylvania
GERALD D. KLECZKA, Wisconsin	DAVE CAMP, Michigan
JOHN LEWIS, Georgia	
L.F. PAYNE, Virginia	
RICHARD E. NEAL, Massachusetts	
PETER HOAGLAND, Nebraska	
MICHAEL R. McNULTY, New York	
MIKE KOPETSKI, Oregon	
WILLIAM J. JEFFERSON, Louisiana	
BILL K. BREWSTER, Oklahoma	
MEL REYNOLDS, Illinois	

JANICE MAYS, *Chief Counsel and Staff Director*

CHARLES M. BRAIN, *Assistant Staff Director*

PHILLIP D. MOSELEY, *Minority Chief of Staff*

---

### SUBCOMMITTEE ON OVERSIGHT

J.J. PICKLE, Texas, *Chairman*

HAROLD E. FORD, Tennessee	AMO HOUGHTON, New York
CHARLES B. RANGEL, New York	WALLY HERGER, California
WILLIAM J. JEFFERSON, Louisiana	MEL HANCOCK, Missouri
BILL K. BREWSTER, Oklahoma	RICK SANTORUM, Pennsylvania
GERALD D. KLECZKA, Wisconsin	
JOHN LEWIS, Georgia	

---

### SUBCOMMITTEE ON HUMAN RESOURCES

HAROLD E. FORD, Tennessee, *Chairman*

ROBERT T. MATSUI, California, <i>Acting Chairman</i>	RICK SANTORUM, Pennsylvania
JIM McDERMOTT, Washington	E. CLAY SHAW, Jr., Florida
SANDER M. LEVIN, Michigan	FRED GRANDY, Iowa
MIKE KOPETSKI, Oregon	DAVE CAMP, Michigan
MEL REYNOLDS, Illinois	
BENJAMIN L. CARDIN, Maryland	

# CONTENTS

---

	Page
Press release of Friday, February 18, 1994, announcing the hearing .....	2
WITNESSES	
Social Security Administration, Hon. Shirley Sears Chater, Ph.D., Commissioner; accompanied by Lawrence H. Thompson, Ph.D., Principal Deputy Commissioner .....	69
U.S. Department of Health and Human Services, Hon. June Gibbs Brown, Inspector General; accompanied by Larry D. Morey, Deputy Inspector General for Investigations .....	111
-----	
California Department of Justice, Office of the Attorney General, Bureau of Medi-Cal Fraud:	
San Martin .....	6
M. Teresa Franco .....	12
"John" .....	54
SUBMISSIONS FOR THE RECORD	
Association of Administrative Law Judges, Inc., statement .....	209
California State Department of Social Services, Eloise Anderson, statement ....	219
Dickey, Hon. Jay, a Representative in Congress from the State of Arkansas, statement .....	221
Wright Publishing Co., Alexandria, Va., Christopher M. Wright, statement .....	223
Appendix .....	228



# **SUPPLEMENTAL SECURITY INCOME FRAUD INVOLVING MIDDLEMEN**

---

**THURSDAY, FEBRUARY 24, 1994**

**HOUSE OF REPRESENTATIVES,  
COMMITTEE ON WAYS AND MEANS,  
SUBCOMMITTEE ON OVERSIGHT JOINTLY WITH  
THE SUBCOMMITTEE ON HUMAN RESOURCES,  
*Washington, D.C.***

The subcommittee met, pursuant to notice, at 10:10 a.m., in room B-318, Rayburn House Office Building, Hon. J.J. Pickle (chairman of the Subcommittee on Oversight) and Hon. Harold E. Ford (chairman of the Subcommittee on Human Resources) presiding.

[The press release announcing the hearing follows:]

FOR IMMEDIATE RELEASE  
FRIDAY, FEBRUARY 18, 1994

PRESS RELEASE #20  
SUBCOMMITTEE ON OVERSIGHT  
COMMITTEE ON WAYS AND MEANS  
U.S. HOUSE OF REPRESENTATIVES  
1135 LONGWORTH HOUSE OFFICE BLDG.  
WASHINGTON, D.C. 20515  
TELEPHONE: (202) 225-5522

THE HONORABLE J. J. PICKLE (D., TEX.), CHAIRMAN,  
SUBCOMMITTEE ON OVERSIGHT, AND  
THE HONORABLE HAROLD E. FORD, (D., TENN.), CHAIRMAN,  
SUBCOMMITTEE ON HUMAN RESOURCES,  
COMMITTEE ON WAYS AND MEANS, U.S. HOUSE OF REPRESENTATIVES,  
ANNOUNCE A JOINT HEARING ON FRAUD AND ABUSE IN THE  
SUPPLEMENTAL SECURITY INCOME PROGRAM

The Honorable J. J. Pickle (D., Tex.), Chairman, Subcommittee on Oversight, and the Honorable Harold E. Ford (D., Tenn.), Chairman, Subcommittee on Human Resources, Committee on Ways and Means, U.S. House of Representatives, announced today that the Subcommittees will hold a joint hearing to examine fraud and abuse in the Supplemental Security Income (SSI) program. The hearing will focus on the activities of certain "middlemen" and others who have organized to defraud the program, and the Administration's plans to address the problem through preventing the enrollment of fraudulent claims and stopping the payment of benefits based on fraudulent applications.

The hearing will be held on Thursday, February 24, 1994, beginning at 10:00 a.m., in room B-318 Rayburn House Office Building. The Social Security Administration (SSA) Commissioner, the Department of Health and Human Services (HHS) Inspector General, and representatives of the State of California's Bureau of Medi-Cal Fraud will appear as witnesses at the hearing.

#### BACKGROUND:

The SSI program is a means-tested, Federally administered income-assistance program which provides monthly cash payments to certain needy aged, blind, and disabled persons. Most of the fraudulent schemes identified to date appear to involve SSI claims of disability (i.e., claims fraudulently indicating that the person is unable to engage in any substantial gainful activity by reason of a medically determined physical or mental impairment which is expected to last at least one year or result in death).

The Subcommittees' investigation has revealed that hundreds, and potentially thousands, of SSI recipients have been able to fraudulently qualify for disability benefits with the help of unscrupulous middlemen. Schemes identified to date point to the fraudulent activities of certain foreign-language interpreters, doctors, pharmacies, and other third parties. The problem is national in scope and may be growing.

The basic fraud scheme involves interpreters who aggressively market to immigrants their services as middlemen and coach the individuals in the actions necessary to support a finding of disability. Fraud cases typically involve: disability claims of "mental impairment," such as mental retardation or depression; many different claimants using essentially the same disability claim and supporting information, and the same treating source, for whom essentially the same reports are filed with SSA; interpreters who, when talking to SSA representatives, respond to questions without the claimants' input or based on obviously rehearsed scripts; and claimants who, at required medical examinations conducted by Government consultive physicians, appear to be drugged.

While there have been fraud schemes identified in the past involving middlemen representing foreign-language-speaking SSI claimants, HHS first realized that it had a serious problem in the late

(MORE)



1980's. Prior to that time, the HHS Office of Inspector General had obtained several convictions for unrelated, but similar schemes. In addition to those cases, HHS had received allegations of possible fraud in a number of locations throughout the country involving many different foreign-language-speaking groups.

Most recently, the problem received widespread publicity when the State of California's Bureau of Medi-Cal Fraud executed search warrants and made arrests in Southern California which involved numerous interpreters, doctors, and clinic owners. In these cases alone, the State has identified thousands of potentially fraudulent SSI applications, for which some individuals are currently receiving benefits and other applications are in the "pipeline."

#### DETAILS FOR SUBMISSION OF WRITTEN COMMENTS:

Persons submitting written comments for the printed record of the hearing should submit six (6) copies by the close of business, Thursday, March 10, 1994, to Janice Mays, Chief Counsel and Staff Director, Committee on Ways and Means, U.S. House of Representatives, room 1102 Longworth House Office Building, Washington, D.C. 20515.

#### FORMATTING REQUIREMENTS:

Each statement presented for printing to the Committee by a witness, any written statement or exhibit submitted for the printed record or any written comments in response to a request for written comments must conform to the guidelines listed below. Any statement or exhibit not in compliance with these guidelines will not be printed, but will be maintained in the Committee files for review and use by the Committee.

- 1 All statements and any accompanying exhibits for printing must be typed in single space on legal-size paper and may not exceed a total of 10 pages
- 2 Copies of whole documents submitted as exhibit material will not be accepted for printing. Instead, exhibit material should be referenced and quoted or paraphrased. All exhibit material not meeting these specifications will be maintained in the Committee files for review and use by the Committee.
- 3 Statements must contain the name and capacity in which the witness will appear or, for written comments, the name and capacity of the person submitting the statement, as well as any clients or persons, or any organization for whom the witness appears or for whom the statement is submitted.
- 4 A supplemental sheet must accompany each statement listing the name, full address, a telephone number where the witness or the designated representative may be reached and a topical outline or summary of the comments and recommendations in the full statement. This supplemental sheet will not be included in the printed record.

The above restrictions and limitations apply only to material being submitted for printing. Statements and exhibits or supplementary material submitted solely for distribution to the Members, the press and the public during the course of a public hearing may be submitted in other forms.

Chairman PICKLE. The Chair will ask the joint subcommittees to come to order. We will ask our guests if they will take their seats and cease conversation.

We have been delayed a little this morning because Chairman Ford has been caught in traffic, but he is now on his way; so we are going to start with our opening statements and then go right into the hearing. I will have an opening statement, and we will recognize Chairman Ford as soon as he arrives.

The Subcommittees on Oversight and Human Resources are conducting today's hearing to examine fraud and abuse in the Supplemental Security Income [SSI] Program. The hearing will focus on the activities of certain middlemen and others organized to defraud the program. It will focus also on the administration's plans to address the problem through, one, preventing the enrollment of fraudulent claims, and, two, stopping the payment of benefits based on fraudulent applications.

To summarize, the SSI Program is a means-tested, federally administered income assistance program which provides monthly cash payments to certain needy aged, blind, and disabled persons. The SSI Program is a cornerstone of this country's safety net of social programs. Upon receiving SSI benefits, individuals are automatically entitled to Medicaid benefits and food stamps.

The subcommittees' year-long investigation has revealed that hundreds, maybe thousands, of SSI recipients have been able to fraudulently qualify for disability benefits with the help of unscrupulous middlemen. The schemes identified to date point to the fraudulent activities of certain foreign-language interpreters, doctors, pharmacies, and others who coach applicants on how to feign mental illness or retardation in order to qualify for SSI.

Unfortunately, the problem is not new. It continues to be national in scope and may be growing. Officials of the Social Security Administration and the Department of Health and Human Services Inspector General tell us that they have seen the pattern for years in all parts of the country. However, it is my opinion that until very recently, largely because of the subcommittees' investigation and because of the boldness of the California Medicaid fraud group, we have increased our activities and much more is being done at the Federal level than previously. Clearly, what has been done has not solved the problem.

Fortunately, the State of California's Bureau of Medi-Cal Fraud, while investigating Medicaid fraud in southern California, learned of some SSI fraud schemes involving a number of private neighborhood medical clinics and decided to include the SSI fraud schemes in their investigation. After 3 years of followup investigation, the investigators have made great progress and, without a doubt, have become the Nation's leading experts on this form of SSI fraud.

The first panel of witnesses to appear today are the chief investigator from California's Bureau of Medi-Cal Fraud, San Martin; a supervisory investigator from the southern California clinic investigation, Teresa Franco; and an undercover operative involved in these cases whose code name is "John." I thank them for taking the time today to share their experiences and insights with us.

We have also asked the Social Security Administrator, Dr. Shirley Sears Chater, and the Department of Health and Human Serv-

ices Inspector General, June Gibbs Brown, to appear before the subcommittee today to discuss the problem.

Our mutual goals are to take action to prevent SSI fraud from occurring in the first place, as well as to terminate benefits in cases where fraudulent schemes have been employed.

I would like to make one further remark regarding the third witness on our first panel. Because "John's" life has been threatened by some of the individuals engaged in the SSI fraud, we have agreed to protect his identity and ensure that no one takes his picture during the proceedings today. I ask that those of you in the audience, and particularly the media, cooperate in this regard. The Capitol Hill Police are present and in the room, and they have been asked to ensure that this request be followed.

I want to yield to my cochairman, the Honorable Harold Ford, chairman of the Subcommittee on Human Resources, for any comments that he would want to make. His subcommittee has legislative jurisdiction over the SSI Program and continues to monitor the effectiveness of the SSI Program on a day-to-day basis.

I yield now to Chairman Ford.

Chairman FORD. Thank you very much, Mr. Chairman. I am pleased to join you, chairman of the Subcommittee on Oversight and members of the Subcommittee on Oversight, along with my colleagues on the Subcommittee on Human Resources, in this joint session to look at the fraud and abuse in the supplemental security income, or the SSI Program. This is one of a series of hearings the Subcommittee on Human Resources has held, or plans to hold over the next several months, on various issues in the SSI Program.

But before we begin our critical examination of fraud and abuse, I want to emphasize that the vast majority of the 6 million needy aged, blind, and disabled persons on SSI are honest citizens who deserve the help of the Federal Government under the SSI Program.

About 4.5 million SSI recipients are disabled, 1.5 million are aged, and 86,000 are blind. As individuals, they receive \$446 per month from the Federal Government, which is 75 percent of the poverty level. The States supplement these cash benefits, and most recipients also can receive Federal food stamps and Medicaid benefits.

As of December 1992, about 10 percent of the 601,000 SSI recipients were legal immigrants. Most of these, about 373,000, were eligible for SSI because they were needy, at least the age of 65 or older. But 229,000 were needy, disabled-legal immigrants. This latter population, less than 4 percent of all SSI recipients, is the focus of this hearing.

Today, we will hear testimony fraud cases. We will hear testimony from witnesses who will give us direct information as to those areas of fraud and abuse that this subcommittee jointly should be looking into.

Mr. Chairman, I am happy to join with you and other members of the subcommittee and look forward to hearing from both panels today as we study the area of fraud and abuse in the SSI Program.

Chairman PICKLE. Thank you, Mr. Ford.

Let me ask first if Mr. Houghton has any remarks.

Mr. HOUGHTON. Very brief, Mr. Chairman.

It is a worthy probe. I am delighted to be associated with you. It is timely. It is costing U.S. citizens a great deal of money, so let us get at it. Thank you very much.

Chairman FORD. Mr. Santorum, would you like to make opening remarks?

Mr. SANTORUM. Thank you, Mr. Chairman.

My comment would simply be, as was made at the last hearing we had on SSI, that this is a program which is exploding. This is a program where, I believe, not only is fraud a problem but I think we have to reassess as to what kinds of behavior we are going to continue to support and what kind of people we are going to allow to use this program and for what purposes.

We have tried to do that on the Republican reform bill, and we are hoping that this issue, the SSI issue, not only the fraud part but with respect to drug addicts, with respect to children, with respect to immigrants, legal immigrants, that these issues are addressed in a comprehensive welfare reform bill sometime this year.

Thank you, Mr. Chairman.

Chairman PICKLE. Do any other members have any comments? [No response.]

Chairman PICKLE. I am going to swear in the witnesses. We will swear Mr. Martin and Ms. Franco and John. Would you all raise your right hand and swear with me?

Do you swear to tell the truth, the whole truth, and nothing but the truth?

Mr. MARTIN. I do.

Ms. FRANCO. I do.

JOHN. I do.

Chairman PICKLE. Let the record show that you answered in the affirmative.

We will now begin our testimony. First, we will ask San Martin to proceed, and then we will go to John and to Ms. Franco, in that order, if that is agreeable to the panel.

Mr. Martin, will you proceed?

**TESTIMONY OF SAN MARTIN, CHIEF INVESTIGATOR, CALIFORNIA DEPARTMENT OF JUSTICE, OFFICE OF THE ATTORNEY GENERAL, BUREAU OF MEDI-CAL FRAUD**

Mr. MARTIN. Mr. Chairman and members of the subcommittee, I appreciate the opportunity to be here today to discuss fraudulent schemes relating to the Supplemental Security Income Program that the California Bureau of Medi-Cal Fraud has uncovered during what we call the clinic investigations in southern California. I would like to point out that the primary focus of the clinic investigations was Medi-Cal fraud involving billing for services and prescriptions that were either unnecessary or were never actually delivered. Thus far, the bureau has made 16 arrests, 3 of which involve SSI fraud. However, the investigations are still ongoing.

Today, I will present to you the history of the bureau's involvement, the information we uncovered, and the investigative avenues we used to pursue the investigations.

During our investigation, we not only confirmed what the local Social Security offices believed was occurring, that middlemen were coaching Southeast Asians on the maladies necessary to get SSI for

psychological disability, we also fell upon another scheme involving narcotic addicts who were incarcerated in the State correctional facility and were inappropriately receiving SSI payments as well.

To give you some background, in April 1991, the Bureau of Med-Cal Fraud began to receive numerous anonymous community complaints alleging large-scale SSI and Medicaid fraud by Southeast Asians in San Diego and Orange Counties and in the Long Beach area.

The complaints alleged that middlemen who acted as translators and drivers, transporters, formed relationships with private neighborhood medical clinics and/or doctors and attorneys to assist and coach Southeast Asians on how to fraudulently obtain SSI payments.

Chairman PICKLE. Mr. Martin, let me interrupt you. Can you identify, when you say you received complaints, can you identify the source of those complaints? Or would you rather not? Were they people from within the agency? Were they law enforcement officials? Were they citizens? Can you tell us who they were?

Mr. MARTIN. Mr. Chairman, those complaints came from citizens who would write an anonymous letter to us. They would not sign their name. It was apparent to us that they were Southeast Asians, due to their language difficulties in that written form.

We received complaints from other law enforcement agencies, who had received similar anonymous complaints from the community.

There were also complaints from community organizations, who told us they were hampered in their efforts by the actions of these middlemen.

The complaints came from a variety of sources, Mr. Chairman. Chairman PICKLE. Thank you.

Mr. MARTIN. We found that Medicaid beneficiaries were being paid a kickback by the clinic owner, the doctor, and/or the driver for coming to the clinic. In some instances, the beneficiary merely sold them their Medicaid stickers—for this purpose, stickers are the documentation needed by the doctor in order to bill the Medicaid Program in California—to the clinic owner, doctor, or driver.

Pharmacy owners were paying kickbacks to the clinic owners and doctors for referral of Medicaid prescriptions.

We later discovered that these same complaints had been forwarded to the U.S. Department of Health and Human Services [HHS]; the California Department of Health Services [DHS]; the Federal Bureau of Investigation [FBI]; the Internal Revenue Services; the Social Security Administration; and the Los Angeles District Attorney's Office.

After the bureau received these complaints, we contacted community social service groups in these areas. These groups stated that repeated efforts to educate and assist Southeast Asian refugees with their applications for social programs were being hampered by greedy community opportunists.

At that point, in May and June 1991, we contacted various State and Federal agencies to determine the likelihood that criminal activity was actually occurring in these specific areas. Through these contacts, we discovered that both the HHS Office of the Inspector General and the DHS, the State Department of Health Services,

had received similar complaints, independent of those that we had received, alleging the same types of activities by the same medical providers. OIG, DHS, and our office decided to share information in order to create a clearer criminal focus regarding this type of activity.

Although the bureau would not normally investigate allegations of SSI fraud, we decided to proceed with these cases because of the link between SSI and Medicaid, the State supplement to SSI, and because it was apparent to us that no other law enforcement organization, State or Federal, had the resources to pursue them. So that it is clearer why the bureau got involved in these investigations, I would like to briefly explain to you the SSI/Medicaid relationship. In the State of California and in a number of other States, visits to the doctor for the purpose of qualifying for SSI payments can be billed to the Medicaid Program. In either case, after SSI is granted to the claimant, if they are not already receiving Medicaid, they become eligible by virtue of their SSI status. In other words, the SSI fraud schemes were linked to the Medicaid fraud schemes and a lot of State money was at risk if the fraud schemes were allowed to go unchecked, so we decided to get involved.

In late September 1991, the bureau assigned these investigations to the Los Angeles and San Diego offices—

Chairman PICKLE. Mr. Martin, let me ask you again, you mentioned before that although the bureau would not normally investigate, and now you mentioned the bureau assigning the investigations in September, for purposes of certainty, what do you mean by the bureau?

Mr. MARTIN. The Bureau of Medi-Cal Fraud, Mr. Chairman.

Chairman PICKLE. Of California?

Mr. MARTIN. California, yes sir.

Chairman PICKLE. Thank you.

Mr. MARTIN. Ms. Franco, who has been identified here, is the supervisory investigator from our Los Angeles office who has been assigned to these investigations from that time to the present.

The object of the investigation was to target the criminal activity of the suspected clinic owners, doctors, and middlemen. It was decided at that point not to target the Medicaid beneficiaries. It was also decided at that point that the only way to successfully investigate this criminal activity was to use undercover operatives to collect information within the targeted clinics. John, who has been introduced to you, who is also here with me today, was one of the approximately eight undercover operators we used for this investigation.

Before I ask Ms. Franco to describe for you the fraud scheme used in the SSI cases, I would like to make a number of observations about this investigation and the SSI Program in general. We know that this is a growing problem. We may have slowed it down in southern California for now, but we are seeing it in other parts of California and we have heard from other law enforcement officials all over the country that they are seeing this in their areas, too. This is a serious problem.

It is also apparent to us that the SSA is not adequately staffed to deal with this problem. They do not have adequate numbers of

translators, nor do they have adequate control over the translator situation. Moreover, once these SSI recipients get on the rolls, they are on for life. We have not seen one case where SSA's redetermination or case review procedures have resulted in the termination of benefits to any of the SSI recipients that we have come in contact with during the course of our investigation.

I would like to now turn to Ms. Franco and ask that she describe the SSI fraud schemes that we have uncovered during our investigation.

[The prepared statement follows:]

STATEMENT OF SAN MARTIN  
 CHIEF INVESTIGATOR  
 STATE OF CALIFORNIA  
 OFFICE OF THE ATTORNEY GENERAL  
 BUREAU OF MEDI-CAL FRAUD  
 BEFORE THE SUBCOMMITTEE ON OVERSIGHT AND THE  
 SUBCOMMITTEE ON HUMAN RESOURCES OF THE  
 COMMITTEE ON WAYS AND MEANS  
 (FEBRUARY 24, 1994)

Mr. Chairman and Members of the Subcommittees, I appreciate the opportunity to be here today to discuss fraudulent schemes relating to the Supplemental Security Income (SSI) program that the California Bureau of Medi-Cal Fraud (the Bureau) has uncovered during what we call the "clinic investigations" in Southern California. I would like to point out that the primary focus of the clinic investigations was Medi-Cal fraud involving billing for services and prescriptions that were either unnecessary or were never actually delivered. Thus far, the Bureau has made 16 arrests, 3 of which involve SSI fraud. However, the investigations are still ongoing.

Today, I will present to you the history of the Bureau's involvement, the information we uncovered, and the investigative avenues we used to pursue the investigations.

During our investigation, we not only confirmed what the local Social Security offices believed was occurring, that middlemen were coaching Southeast Asians on the maladies necessary to get SSI for psychological disability, we also fell upon another scheme involving narcotic addicts who were incarcerated in a state correctional facility and were inappropriately receiving SSI payments.

Background:

In April, 1991, the Bureau began to receive numerous anonymous community complaints alleging large scale SSI and Medicaid fraud by Southeast Asians in San Diego and Orange counties and in the Long Beach area. The complaints alleged that:

Middlemen who acted as translators and drivers (transporters) formed relationships with private neighborhood medical clinics and/or doctors and attorneys to assist and coach Southeast Asians on how to fraudulently obtain SSI payments.

Medicaid beneficiaries were being paid a "kickback" by the clinic owner, doctor and/or driver for coming to the clinic and, in some instances, the beneficiary merely sold them their Medicaid "stickers" (the documentation needed by the doctor in order to bill Medicaid) to the clinic owner, doctor or driver.

Pharmacy owners were paying kickbacks to the clinic owners and doctors for referral of Medicaid prescriptions.

We later discovered that these same complaints had been forwarded to the U.S. Department of Health and Human Services (HHS), the California Department of Health Services (DHS), the Federal Bureau of Investigation (FBI), the Internal Revenue Service (IRS), the Social Security Administration (SSA), and the Los Angeles District Attorney's office.

After the Bureau received these complaints, we contacted community social service groups in these areas. These groups stated that repeated efforts to educate and assist Southeast Asian refugees with their applications for social programs were being hampered by greedy community opportunists.



At that point, in May and June, 1991, we contacted various state and federal agencies to determine the likelihood that criminal activity was actually occurring in these specific areas. Through these contacts, we discovered that both the HHS Office of the Inspector General (OIG) and DHS had received similar complaints, independent of those that we had received, alleging the same types of activities by the same medical providers. OIG, DHS, and our office, decided to share information in order to create a clearer criminal focus regarding this type of activity.

The Bureau's Involvement:

Although the Bureau would not normally investigate allegations of SSI fraud, we decided to proceed with these cases because of the link between SSI and Medicaid, the State supplement to SSI, and because it was apparent that no other law enforcement organization, state or federal, had the resources available to pursue them. So that it is clear why the Bureau got involved in these investigations, I would like to briefly explain to you the SSI/Medicaid relationship. In the State of California, and in a number of other states, visits to the doctor for the purpose of qualifying for SSI payments can be billed to the Medicaid program. In either case, after SSI is granted to the claimant, if they are not already receiving Medicaid, they become eligible by virtue of their SSI status. In other words, the SSI fraud schemes were linked to the Medicaid fraud schemes and a lot of state money was at risk if the fraud schemes were allowed to go unchecked so we decided to get involved.

In late September, 1991, the Bureau assigned these investigations to the Los Angeles and San Diego offices to work on jointly. (Ms. Franco is the supervisory investigator from our Los Angeles office who has been assigned to these investigations from that time to the present.) The object of the investigation was to target the criminal activity of the suspected clinic owners, doctors, and middlemen. It was decided at that point not to target the Medicaid beneficiaries. It was also decided at that point that the only way to successfully investigate this criminal activity was to use undercover operatives to collect information within the targeted clinics. "John", who is also here with me today was one of the approximately 8 undercover operators we used for this investigation.

Before I ask Ms. Franco to describe for you the fraud scheme used in the SSI cases, I would like to make a number of observations about this investigation and the SSI program in general. We know that this is a growing problem. We may have slowed it down in Southern California for now, but we are seeing it in other parts of California and have heard from law enforcement officials all over the country that they are seeing in their areas too. This is a serious problem.

It also appeared to us that the SSA was not adequately staffed to deal with this problem. They do not have adequate numbers of translators nor do they have adequate control over the translator situation. Moreover, once these SSI recipients get on the rolls, they are on for life. We have not seen one case where SSA's redetermination or case review procedures have resulted in the termination of benefits to any of the SSI recipients that we have come into contact with during the course of our investigation.

I would now like to turn to Ms. Franco and ask that she describe the SSI fraud schemes that we uncovered during our investigation.

Chairman PICKLE. I want to ask you, Mr. Martin, we had agreed earlier that we would go to John and then Ms. Franco. Is it your preference to go to Ms. Franco first? I don't think it makes any difference to the subcommittee, do you, Mr. Ford?

Chairman FORD. No.

Mr. MARTIN. It may flow better, Mr. Chairman, because she has to describe the scheme, and then we will bring John into it.

Chairman PICKLE. Then we will be glad to hear from Ms. Franco. Ms. Franco, will you proceed?

**TESTIMONY OF M. TERESA FRANCO, INVESTIGATOR SUPERVISOR, CALIFORNIA DEPARTMENT OF JUSTICE, OFFICE OF THE ATTORNEY GENERAL, BUREAU OF MEDICAL FRAUD**

Ms. FRANCO. Good morning, and thank you for inviting me. My name is Teresa Franco. I am a supervising investigator for the California Department of Justice, the Bureau of Medi-Cal Fraud. I have been supervising a team of investigators investigating these cases for the last 3 years.

I think I need to describe to you in detail the middlemen that are the key figures in this criminal activity. These middlemen are small businessmen operating out of small storefront offices, but in some cases, they also operate out of their home or the back of their cars. They provide a large variety of services to their own foreign-born-language-speaking refugee communities, such as Vietnamese and Cambodians in the Long Beach and Santa Ana area.

Some of these services are very much legal. It is really just translation services and filling out of forms. But our experiences have found out that some of these services take an illegal aspect to them. They frequently act as translators in facilitating many, many services that these refugees need. They typically offer services such as processing of applications for SSI, INS, AFDC, general assistance, workman's compensation, and personal injury claims.

The middlemen we have found also have other jobs. One middleman that we arrested was a county welfare worker in San Diego, having access to county records. Another middleman that we have come across was refusing to testify in his arraignment process because the court-appointed translator was also a well-known middleman in the Long Beach area, making our suspect who wanted to cooperate with us very reluctant to appear in court because the court-appointed translator was a middleman in the Long Beach area. So the middlemen take very many aspects, and they are all over, to our experience, in the Long Beach and Santa Ana area.

These middlemen are known in the community through their reputation, social service, and even advertise in foreign language newspapers. You can look at exhibit number 1. On the very first one, you will see at the bottom that this advertisement touts—boasts of an 85-percent rate of success for SSI benefits. They go out and they tell people, I can get you on. I have an 85-percent success rate. This is how they attract individuals to come to them.

Typically the fee of the middlemen will include coaching, as we have found. They will coach the individual on what to say not only to the doctors but to SSA officials, and they also complete the applications, all of the documentation necessary to complete the SSI process qualification. In some instances, the middlemen will actu-

ally speak for the applicant during the interview. These are our experiences, that they will fill in. When the applicant cannot come up with the appropriate answer, they will answer for them, make it up as they go along. They lie.

I have a video tape, and this video tape that I am going to show you is just clips of the many undercover operations that we did in the southern California area. It is not the best of the video clips, because it never fails—the best-laid plans of mice and men always fail us. No matter how we test the equipment, how well it worked prior to setting it up, when we actually got in there, either the video tape failed, we couldn't get a transmission, or things went awry. These are the best of the undercover operations that we have here.

I will need to get up, because I want to prep every clip. I will stand over at that microphone.

Chairman PICKLE. You are permitted to do so.

Ms. FRANCO. Thank you.

In the first video clip, you will hear an English translation of an undercover operation paying off the middleman, and you will hear what the middleman has to say about the free money and going on vacation—how cavalier it all comes across to these middlemen and how they feel they can get away with quite a bit.

[A video tape was played.]

Ms. FRANCO. In the second video clip, we were unable to get a camera inside of the actual translator's office, but we will show you the outside of a business front location of a translator. In the first clip, you will be able to read and follow along with the script before the middleman tells our operator to lie. She doesn't want to lie, she says that she has never done it before, but he says, go ahead and lie, it is OK. So you will just see the front of the translation service, and the same thing will hold true for the third clip.

Let me show you the second clip.

[A video tape was played.]

Ms. FRANCO. The middleman in this situation also coached our operatives on what to say, not only to lie but telling them specifically what to say. He said to say like headaches, dizziness, worries a lot, so that our operatives didn't have to think of anything. They were told what to say.

In the fourth video clip, John is going to speak for us. He will describe to you his contact with a middleman, what he was told to do, and you will see a very dark video of people going into a clinic office. He will explain how he and 10 others had a 7 o'clock appointment with one doctor.

Let me show you the video clip first, and then John can describe it further.

This is No. 3. I am sorry, I skipped one.

[A video tape was played.]

Ms. FRANCO. You see the "ha ha" and the "thank you," how cavalier it all is. The middleman was laughing about what ailments he was going to be telling the doctor.

[A video tape was played.]

Ms. FRANCO. This is our operator going in with about 10 other individuals and they are all having a 7 o'clock appointment. There is a room full of other individuals still waiting there to see the doc-

tor, and they all get seen that one night by the one doctor. Medicaid paid for the services.

[A video tape was played.]

JOHN. In that clip, as you can see on the screen, there are lots of recipients in the same time, in the same appointment, at 7 o'clock. I was the one who was with them. I counted in the same room—they made an appointment at 7 o'clock to see the psychiatrist at the same time—I counted all of them, about 20 to 30 people in a tiny hallway. We don't have anyplace to sit, so everybody is standing around to see one doctor. Each of us spent time of about 3 to 7 minutes at the most to see the psychologist.

During the waiting time, I had an opportunity to talk to my fellow refugees who were waiting to see the doctor. I asked them what they were here for. Most of them came up with the same question, we are here to see the psychologist for SSI purpose.

I further asked them about the symptoms that they have to describe to the doctors. Most of them just came up to the same question, like they told me we are coached by middlemen that we have to describe about headaches, nightmares, poor appetites, depression because of our history, because of the war time from the Indochina area. This is an acceptable story by doctors and psychologists.

Ms. FRANCO. Did you speak any English while you were with the doctor, John?

JOHN. No, I don't speak any English at all, because we used an interpreter to translate it from the refugee language to English.

Ms. FRANCO. How long were you tested by the American doctor?

JOHN. I spent about 3 minutes with the doctor, because the doctor is so busy because so many people were still in the line waiting for their turn to see the doctor. The doctor actually doesn't have time enough to go over further details of the symptoms of the recipient. I spent 3 minutes to get a prescription and get out.

Ms. FRANCO. What did the middleman tell you to tell the doctor about your symptoms that night?

JOHN. The middleman is well coached. When I first met with the middleman, he coached me. I asked him, how should I do? I am in perfect health condition. Should I qualify for SSI? And he coached me, don't worry about that. The symptoms eligible for SSI, I can tell you right now. You don't worry about that.

So he coached me that headache, migraine headache, is very reasonable. Don't ever tell them a symptom that can be seen by x ray. Just tell the doctors or the other interviewer from SSA the symptom that could not be seen by x ray or the other symptom could be healed or cured by any medication, like headache and depression, nightmare, poor appetite, and so on.

Ms. FRANCO. For your information, for that 3 minutes that the operator spent in the doctor's office, the psychologist billed for a total of 6 hours that included 2 hours of testing, 2 hours of reading and interpreting the testing, and 2 hours to write the report. Medicaid paid for those 3 minutes.

In the fifth video—

Chairman PICKLE. What did Medicaid pay for those 3 minutes, do you know?

Ms. FRANCO. Medicaid paid before those, because we ensured that our operator had a current eligible Medicaid card. So as long

as the number was eligible for that month, Medicaid pays for all services.

Chairman PICKLE. I am asking you if you know how much we paid that doctor for those services.

Ms. FRANCO. You would ask me the one amount of money that I don't have before me. I do not know. I am sorry.

Chairman PICKLE. Do you know, Mr. Martin?

Mr. MARTIN. Mr. Chairman, approximately \$400.

Chairman PICKLE. Total?

Mr. MARTIN. Total for that Medi-Cal visit.

Chairman PICKLE. Thank you.

Ms. FRANCO. Per individual.

Chairman PICKLE. Per individual?

Ms. FRANCO. Yes. Per individual, because in that instance, a psychologist is testing the individuals to test their ability to hold gainful employment. So he billed for 2 hours of testing, 2 hours of reviewing the test, and 2 hours of report writing.

Chairman PICKLE. And how much time did he actually spend with the group?

Ms. FRANCO. He spent 3 minutes with John. That was the average of all of those 20 to 30 people. He saw them all that night.

JOHN. Three to 7 minutes at the most.

Chairman PICKLE. So that would be \$400 each times 10, which would be \$4,000.

Ms. FRANCO. And there were 20 to 30 people in there that night, and he saw them all.

Chairman PICKLE. That was not a bad evening's work, was it?

Ms. FRANCO. No, it is not, considering the individual is a full-time employee with the State of California at a correctional youth facility.

Clip No. 5, you will actually see the middleman translating for the operative. In this situation, the SSA asks a question about what is the disability and our operator simply asks in his language, what do I say here? How did you help my sister? He is not answering the question. The middleman then simply states to the SSA official that he has back pains and it starts with his ribs and it goes on to his back. Our operative never answered the question. The middleman just simply made it up.

[A video tape was played.]

Ms. FRANCO. In the last video clip, our undercover operator is speaking in Cambodian. The SSA employee asks a question and the middleman turns over and tells our operative, just say anything. Just keep talking. In essence, pretend that you are talking to me in Cambodian. Just say anything, because he wanted to pretend to the SSA official that he was actually translating something.

Our operator says, what do I say? What do you want me to say? And then the middleman acts like he translated that from Cambodian to English and says that our operator is suffering from a headache or back symptoms in order to qualify. In essence, our operator never gave a symptom and the middleman just gave it up as he stood there in front of the SSA official.

[A video tape was played.]

Ms. FRANCO. In order to qualify for SSI disability, you need documentation, paper, in order to actually have something to read for

everybody to say, yes, this person qualifies. The middlemen know the SSI disability eligibility is based on adequate medical documentation that establishes the applicant's inability to hold gainful employment.

Therefore, the middlemen prepare the SSI applications and the other paperwork necessary, such as SSA 3368 disability report. If you look at exhibits 2 and 3 before you, as you read, you will see in the highlighted areas where the language is usually the same, they just change the words and maybe change from insomnia to lack of sleep, but the symptoms are all the same.

Middlemen knowing from experience cover all the bases and list all the maladies that will ensure approval of the SSI application. Some of the generic maladies consistently listed by middlemen are dizziness, headaches, trouble sleeping, depression, and having contact with the Communist regime in Cambodia.

As a result of a search warrant executed at one middleman's office, we have several hundred files that read just like the examples before you. I have brought several with me.

We discovered during the course of our investigation that several doctors seem to facilitate the fraud scheme. Exhibit No. 4 is a medical report submitted for John, our undercover operative. The middleman had coached John on what to say to the doctors to establish a history of mental problems. The doctors in this medical clinic ping-pong the Medicaid patients back to each other. Both doctors bill the Medicaid Program and both doctors produce documentation of the patients' inability to work. Everybody wins here except the taxpayer.

Exhibit No. 4 is a result of the 3 minutes that our operator spent in front of that doctor, and he generated quite a bit of paperwork there for just 3 minutes.

Three hundred patient files were seized from the above doctor's office, based on a search warrant, questioning the doctor's ability to perform so many psychological evaluations given he was a full-time psychologist at a youth correctional facility.

An outside medical expert reviewed all 300 files and concluded that, first, the psychologist billed an average of 72 hours per week for one year, from January to January. This is on top of working 40 hours for the State of California.

Second, all 300 patients were documented as being mildly mentally retarded. In this situation, the medical expert stated that in order to come up with 300 mentally retarded individuals—mildly mentally retarded individuals—a psychologist would have to interview over 100,000 individuals to come up with 300. Interestingly, this one doctor that we took only 300 files from, everybody was mildly retarded.

Third, the reports lack the critical work history. The medical expert noted that the omission is remarkable, since a psychologist knew ahead of time that these reports were going to be used in helping to determine the patients' eligibility for SSI payments and that the reports all had the same numbing sameness. They were all boiler plates. He didn't have to do much, because everything is on a computer. Press the button, and you generate a report.

We have seen hundreds of medical reports similar to this one. Moreover, during our investigation, the California Department of

Social Services Disability Determination Service identified several psychiatric doctors that appeared to be participating in the manufacturing of patient eligibility information. All the reports from one doctor were identical, they told us. The only things that changed were the name, age, and sex of the patient. The doctors were producing boiler plate reports, so that DSS knew that this was going on and they were able to identify those psychiatrists that appeared to be participating.

A search warrant into a doctor's office produced similar reports as exhibit No. 5. So again, we have a different doctor producing mass boiler plate on individuals that he supposedly treated.

In one clinic, we found a log that identified 5,897 individuals who had been brought to the clinic by suspected middlemen. We created a data base and we were able then to sort this information. We extracted that from that amount, 3,470 were either receiving SSI or were in the different stages of the application process. Actually, as of November 1993, we determined that 1,981 of those individuals were receiving SSI and that it totalled over \$38 million in SSI payments as of that time. So that \$38 million was for 1,981 individuals. This is the same clinic where we had sent John in to the psychologist and the psychiatrist.

That one clinic had one physician, one psychiatrist, and two psychologists. From the information gathered, we found that this clinic was using about 14 middlemen, and they were responsible for 3,000 of those 5,000 names. Of those 14 suspected middlemen, we have been able to arrest two far.

There is an agreement between the refugee and the middleman. When an individual goes to a middleman for assistance in applying for SSI, the individual is typically asked to enter into a written or oral agreement. The agreement provides for a downpayment of \$200 to \$300 and a promise to pay from \$2,000 to \$3,000 upon receipt of the retroactive check. Some of these checks could exceed \$10,000, depending on how long it had been from the onset date and when their actual determination date is agreed upon. So they get retroactive checks. This what they go on vacation with.

Exhibit No. 6 is an example. In that agreement, first, the individual pledges to pay the middleman a fee of \$500 to initiate the application process for SSI; second, to pay the middleman \$2,000 if the retroactive check is \$2,000 to \$4,000; third, to pay the middleman one-half of any of the retroactive check if it is over \$4,000 and one-third of the retroactive check if it is over \$6,000. The refugee pays for the doctors, hospital costs, and medical certifications, but most of these individuals are Medicaid recipients, so the Medicaid Program pays for all of the doctor visits and the psychological evaluations.

Whether they obtain a written agreement or whether the pledges are enforceable in court, middlemen ensure that they are going to collect their fees for processing the claims in several ways. Usually, the middlemen know their clients and their families and know where they live. If they do not get the money, they will visit the client at home or call one of their relatives. Most of the members in the communities do not dare challenge these middlemen out of fear for their health and well being, and we know that by the

threats that our undercover operative has received inadvertently when he was recognized on the street.

However, in cases where they do not know the client, as was the case with our undercover operatives, one method the middlemen used was to file with the SSA as the representative payee for the SSI applicants. This ensured the retroactive checks were mailed to the middlemen. Once the fee was collected, the middlemen removed themselves as the representative payee.

In other cases, the middlemen have received advance notice from unknown sources that the retroactive checks are to be mailed to a specific SSI applicant. The middleman is then able to go to the home of the applicant when the retroactive check is expected to arrive and collect his fee.

In this last situation, we have no firsthand experience, but we have many, many individuals telling us and the community sources telling us that this is what happens. This has been their experience, but we have no firsthand information on that situation.

[The prepared statement and attachments follow:]



STATEMENT OF  
TERESA FRANCO  
SUPERVISORY INVESTIGATOR  
STATE OF CALIFORNIA  
OFFICE OF THE ATTORNEY GENERAL  
BUREAU OF MEDI-CAL FRAUD  
BEFORE THE SUBCOMMITTEE ON OVERSIGHT AND THE  
SUBCOMMITTEE ON HUMAN RESOURCES OF THE  
COMMITTEE ON WAYS AND MEANS  
(FEBRUARY 24, 1994)

My name is Teresa Franco. I am a supervising investigator for the California Department of Justice, Bureau of Medi-Cal Fraud. I have been supervising a team of investigators for the last two years directly involved with this one case.

The Middlemen

It is important that you understand that the middlemen are the key figures in this criminal activity. These middlemen are small businessmen operating out of small storefront offices or, in some cases, out of their homes or cars. They provide a myriad of services to their own foreign-language-speaking refugee communities (such as the Vietnamese or Cambodian communities in Long Beach and Santa Ana, California). Some of the services these middlemen provide are legal, some are not. They frequently act as translators and facilitators. They typically offer services such as processing applications for: SSI, immigration and naturalization, public housing, AFDC, WIC, general assistance and cash grants, and preparing Workman's compensation and personal injury claims.

The middlemen are known in the community for their services through reputation, social service agencies and some even advertise in local foreign-language newspapers. (See exhibit 1.)

The Fraudulent Scheme

Typically, for a fee, the middlemen will coach the individual on what he or she is to say to doctors and SSA officials so their application fits the parameters to qualify for SSI disability payments. In some instances, the middleman will speak for the applicant during interviews with SSA officials and give fake symptoms.

In the following video tape, you will see clips of middlemen meeting with our undercover operatives and SSA officials. A transcript of this video tape is before each of the Members.

In the first clip, the undercover operative pays the middleman \$200 to start the SSI application process. The middleman tells our undercover operative that once he gets his retroactive check he can go to Vietnam on a vacation. This is free money.

In the second clip, you will hear our undercover operative being told by the middleman to tell the doctor that she is sick. The undercover operative tells the middleman that she does not want to lie. The middleman tells the operative its ok to lie. The middleman tells our undercover operative to tell the doctor that she has headaches and a lot of worries that cause depression.

In the third clip, you will hear the middleman tell our undercover operative the maladies to tell the doctor just before the undercover operative enters the clinic office -- trouble sleeping, headaches, dizziness, and worries a lot.

In the fourth clip, "John" will describe what you are seeing. Acting as an undercover operative, John arrives at the middleman's business office. The middleman then transports John and about 10 other individuals to a doctor's office for psychological examinations. All 10 have an appointment at 7:00 p.m. with the same doctor.

In the fifth clip, the middleman is translating for our undercover operative and responding to the questions the SSA official asks about the nature of the disability. Our undercover operative asks the middleman what to say, and how he told her sister to answer this question. The middleman first tells the SSA official that the operative had back pain then says the pain is from a rib injury that moves to the applicant's back.

In the last clip, the middleman tells our undercover operative to talk about anything she wants in her native language while the middleman tells the SSA employee in English what symptoms the operative is supposedly suffering from to ensure they qualify for SSI disability payments.

#### The Paper

The middlemen know that SSI disability eligibility is based on adequate medical documentation that establishes the applicant's inability to hold gainful employment. Therefore, the middlemen prepare the SSI applications and other paperwork necessary such as the SSA "3368 Disability Report." (See exhibits 2 and 3.) As you read the language highlighted in these exhibits, you will note that they both cite the same maladies using similar verbiage.

Middlemen, knowing from experience, cover all the bases and list all maladies that will ensure approval of the SSI application. Some of the generic maladies consistently listed by middlemen are: dizziness, headache, trouble sleeping, depression and having contact with the Communist regime in Cambodia.

As a result of a search warrant executed at one middleman's office, we have several hundred files that read like the examples before you.

We discovered during the course of our investigation that several doctors seem to be facilitating the fraud schemes. Exhibit 4 is a medical report submitted for "John" our undercover operative. The middleman had coached "John" on what to say to the doctors to establish a history of mental problems. The doctors on this medical report "ping pong" Medicaid patients to each other. Both doctors bill the Medicaid Program and both doctors produce documentation of the patients' inability to work. Everyone wins here but the taxpayer.

300 patient files were seized from the above doctor's office based on a search warrant questioning the doctor's ability to perform so many psychological evaluations given he was a full time psychologist at a youth correctional facility. An outside medical expert reviewed all 300 files and concluded that: (1) the psychologist billed an average of 72 hours per week from January 1992 to January 1993; (2) all 300 patients were documented as being "mildly mentally retarded"; and (3) the reports lacked the critical work history. The medical expert noted that the omission was remarkable since the psychologist knew ahead of time that these reports were going to be used in helping to determine a patient's eligibility for SSI payments and that all the reports had a "numbing sameness to them".

We have seen hundreds of medical reports similar to his one. Moreover, during our investigation, the California Department of Social Services, Disability Determination Service (DDS) identified several psychiatric doctors that appeared to be participating in the manufacturing of patient eligibility information. All of the reports from one of the doctors were

identical. The only things that changed were the name, age, and sex of the patient. The doctors were producing "boiler plate" reports. (See exhibit 5.) A search warrant executed at this doctor's office, produced hundreds to similar reports in the patient files.

In one clinic alone, we found a log that identified 5,897 individuals who had been brought to the clinic by suspected middlemen. Of this amount, 3,470 were either receiving SSI payments or were in the different stages of the application or appeals process. Actually, as of November, 1993, we determined that 1,981 of these individuals were the receiving SSI payments and, as of that date, had received a total of \$38,950,048 in SSI payments.

Remember, this is from one clinic with one physician, one psychiatrist, and two psychologists. From the information gathered, we found 14 middlemen were responsible for bringing in about 3,000 of these claimants. Of those 14 suspected middlemen, 2 have been arrested thus far.

### The Agreement

When an individual goes to a middleman for assistance in applying for SSI, the individual is typically asked to enter into a written or oral agreement. The agreement provides for a down payment of \$200 - \$500 dollars and a promise to pay from \$2,000 to \$3,000 upon receipt of the SSI retroactive payment check. (The retroactive payment could exceed \$10,000.)

Exhibit 6 is an example. The agreement states that the individual pledges: (1) to pay the middleman a fee of \$500 to initiate the application process for SSI payments; (2) to pay the middleman \$2,000 if the retroactive check for SSI payment is from \$2,000 to \$4,000; (3) to pay the middleman one half of any of the retroactive check over \$4,000 and one third of the retroactive check over \$6,000; and (4) to pay for fees from doctors, hospitals, and costs for medical certifications. (Since most individuals using these referral services are Medicaid recipients, the Medicaid program pays for all medical services used to establish the disability.)

### The Payoff

Whether they obtain a written agreement, and whether their pledges are enforceable in court, middlemen ensure the collection of their fees from the SSI retroactive payment checks in several methods. Usually the middlemen know their clients, they know their families, and they know where they live. If they do not get their money, they will visit the client at home, or call on one of their relatives. Most members of the community do not dare to challenge these middlemen out of fear for their health and well being.

However, in cases where they do not know the client, as was the case with our undercover operatives, one method the middlemen used was to file with SSA as the "representative payee" for the SSI applicants. This ensured the retroactive checks were mailed to the middlemen. Once the fee was collected, the middlemen remove themselves as the representative payee.

In other cases, the middlemen have received advance notice from sources that we have not yet identified that the retroactive checks are to be mailed for specific SSI applicants. The middleman is then able to go to the home of the applicant when the retroactive checks is expected to arrive and collect his fee.



Văn Phòng

ILS

# ĐỒ ĐỨC HẬU

International Legal Services

**NẾU QUI VỊ HOẶC NGƯỜI THÂN THUỘC  
QUEN BIẾT CỦA QUI VỊ**

- Bị mù lòa
- Bị tật nguyên
- Bị thương tích  
(Cựu Chiến Binh Chiến Trận Việt Nam)
- Bị bệnh nan y
- Bị bệnh tâm trí
- Bị đau yếu kinh niên
- Bị tai nạn

**MUỐN ĐƯỢC HƯỞNG QUYỀN LỢI TÀN PHÉ**

**SS, SSL, DIB, SSP**

Xin liên lạc gấp

Văn phòng

# ĐỒ ĐỨC HẬU

International Legal Services

**VĂN PHÒNG SAN JOSE**  
314 E Santa Clara St  
Suite #2  
San Jose CA 95113  
(408) 293-6363

**Văn Phòng SAN DIEGO**  
7373 University Ave  
Suite #215A  
La Mesa CA 92041  
(619) 463-8876

**Văn Phòng  
ORANGE COUNTY**  
Brookhurst & Hazard Rd  
14541 Brookhurst St  
Westminster  
(714) 775-0301

**Văn Phòng LOS ANGELES**  
1224 S Garfield Ave #D  
(góc Garfield và Vanev)  
Anamora CA 91801  
(818) 282-8846

**NGOÀI GIỜ LÀM VIỆC: (714) 777-4432**

**CHÚNG TÔI  
CHUYÊN MÔN**

# SSI

**KINH NGHIỆM LÂU NĂM  
VÀ KẾT QUẢ HỮU HIỆU NHẤT**

ĐƠN MỜI LẠI VĂN PHÒNG SẰNG BẾT QUẢN LÝ CHO HÀNG TRAM THÂN CHIL  
VỚI DỊCH VỤ TRẢNH CẢN BÊN BÊN

**THAM KHẢO MIỄN PHÍ**

Attachment 1  
OFF

DO DUC HAU  
International Legal Services

If you or your relatives or friends  
are

- Blind
- Disabled
- Pounded  
( Ex Vietnamese Prisoners of war)
- Having serious sickness
- Mental disabled
- Engaged in sov accident

and want to receive disability  
benefit of

SS, SSI, DIB, SSP

Please contact

Office

DO DUC HAU  
International Legal Services

**SAN JOSE OFFICE:** SAN DIEGO OFFICE  
314 E. Santa Clara 7373 University Ave  
Suite #2 Suite 215A  
San Jose CA-95113 La Mesa CA 92041  
(408) 293-6363 (619)463-8876

**ORANGE COUNTY OFFICE:** LOS ANGELES OFF.  
Brookhurst & Hazard 1224 S Garfield #D  
14541 Brookhurst St (Garfield & Valley)  
Westminster CA-92683 Alhambra CA 91801  
(714) 775-0301 (818)282-8846

Out of Office hours please call:  
(714) 777-4432

WE ARE PROFESSIONAL ON S S I

AND HAVE TWENTY YEARS OF EXPERIENCE  
AND PROVIDE BEST SERVICES

You can check hundred of client record  
with 95% successfulness

FREE COUNSELING

# LÊ NGUYỄN TRANSLATION OFFICE

- ♦ Hướng dẫn thủ tục xin trợ cấp tàn phế Liên Bang & Tiểu Bang (SS, SSI, SDI).
- ♦ Hướng dẫn xin tiền tàn phế tiểu bang (SDI)
- ♦ Hướng dẫn thủ tục vay tiền G/R (những qui vị không có trợ cấp xã hội, mới định cư tại Hoa Kỳ).

## NẾU QUI VỊ HOẶC NGƯỜI THÂN THUỘC QUEN BIẾT

- Bị bệnh nan y - Bị nh tâm trí - Bị đau yếu kinh niên - Bị mù lòa
- Bị liệt nguyên - Bị thương tích - Bị tai nạn....

Xin liên lạc với: *Thanh Bình & Thanh Nga*

*Nga Phòng Lê Nguyễn*

5110 W. Westminster Ave # K - Santa Ana, CA 92703

*(Giờ làm việc và nhận điện thoại vào Văn phòng Nhà Lê Nguyễn San Y)*

TEL (714) 534-5533 VÀ 534-5492

## KẾT QUẢ HỮU HIỆU VÀ NHANH CHÓNG - THAM KHẢO MIỄN PHÍ

### LE NGUYEN TRANSLATION OFFICE

- \* Help filling application for Federal Disability Income (SS, SSI, SDI)
  - \* Help filling application for State Disability Income (SDI)
  - \* Help filling for General Relief Assistance (GR)
- (To people having no public assistance and who have just arrived in the U.S.)

### IF YOURSELVES OR YOUR RELATIVES ARE HAVING :

- Serious diseases - Mental Disability - Permanent illness - Blind
- Disability - Wounded - Injured by Accident

Please contact with **THANH BINH** or **THANH AN** at **LE NGUYEN OFFICE**  
5110 W. Westminster Ave. #K, Santa Ana, California 92703  
(Euclid and Westminster Intersection)

SATISFACTION GUARANTEED - FREE COUNSELING



- ៤. កង្វះចិត្តគ្រឿង
- ៦. ជេរវិហារ
- ៧. ភារវិហារ
- ៨. សាច់កោរកែង

ហើយយើងខ្ញុំបានចាត់ទុកសេវាសម័យសំរាប់លេខកំដរភ្ញៀវ គេវាក្នុងហោង ឲ្យបានតម្លៃ ធានាគោតិសេសទៀតផង ។ សូមអញ្ជើញ ។ សូមអញ្ជើញ ។ កុំឲ្យនិកាសជល្ហូរនេះកន្លងផុតទៅបាន ។ សូមអរគុណ ។ សូមអញ្ជើញទាក់ទងអ្នកចាត់ចែងការនៅរោងជម្ងឺឆ្មារ វ៉ែលស៊ី ។

# Cambodian Translation Services

520 W. Willow St., # 220, Long Beach, CA. 90806  
Tel. ( 213 ) 595-8595 , Beeper (213) 762-0841



Mr. Ank Sok

- ☞ គ្រោះថ្នាក់ចរាចរ ៖ ធ្វើគ្រឿងកាដ ( Green Card )
- ☞ បន្តលិខិតឆ្លងដែន ៖ ចូលសញ្ជាតិអាមេរិកាំង
- ☞ សុំប្រាក់ពិការ ៖ Re-Entry Permit  
*HELD TO APPLY SS, DISABILITY*
- ☞ សុំប្រាក់វិលវិហារ ៖ សុំប្រាក់ជំនួយបណ្តោះអាសន្ន
- ☞ US Passport ៖ ធ្វើគ្រឿងកាដដែលបាត់ជាថ្មីឡើងវិញ

**ការិយាល័យបកប្រែភាសាខ្មែរ**

យើងខ្ញុំធ្វើការ បកប្រែឯកសារអន្តរជាតិ ពីម៉ោង ៩ ព្រឹក ដល់ ម៉ោង ៤ ល្ងាច

Beeper (213) 762-0841

Tel:(213) 595-8595

**TIỀN BỆNH TẬT SSI**

Quý vị bị tật nguyên, đau yếu kinh niên, bệnh nan y, tâm trí, bị thương tích (cựu tù cải tạo) v.v.. Quý vị có thể xin được tiền Bệnh tật SSI.

Chúng tôi chuyên môn. Luật sư giỏi đã thắng nhiều vụ khó. Lệ phí thấp nhất so với các văn phòng khác.

**PETER CONSULTANT SERVICES**

5110 Westminster Ave. Suite 1,  
Santa Ana, CA. 92703  
(góc Westminster & Euclid, đằng sau  
George's Restaurant)

Tel: 714-638-0986

**SS I B E N E F I T**

YOU ARE DISABLED, MENTAL DISABLED, HAVING SERIOUS SICKNESS OR BEING WOUNDED ( EN RE-EDUCATION CAMP DETAINEES) ETC.....? YOU MAY BE ELIGIBLE FOR SSI.

WE ARE PROFESSIONAL. WE HAVE WON SERIOUS CASES. OUR CHARGE IS THE LOWEST ONE IN COMPARING WITH OTHER OFFICES.

PETER CONSULTANT SERVICE  
5110 WESTMINSTER AVE, SUITE 1  
SANTA ANA, CA. 92703  
(CORNER OF WESTMINSTER AND UCLID, BEHIND  
GEORGE'S RESTAURANT)  
Tel.: (714) 683-0986

VĂN PHÒNG LUẬT SƯ

# CHUYÊN VỀ TAI NẠN & SSI

CÓ VĂN PHÒNG LUẬT MỌI LÃNH VỰC

GS. LÊ VĂN BA

Ông là Phó Phòng Orange County

**CHUYÊN ĐOÀN BỒI THƯỜNG TẠI NẠN; XE CỘ. NGHỆ NGHỊP, THƯƠNG TÍCH...**

Văn phòng đảm trách báo cáo DMV, Kéo xe, Sửa xe, Giới thiệu tị nạn.

**XIN TRỢ CẤP SSI:** Notary Public, Thẻ Xanh, Quốc Tịch, Trợ Cấp SSI (miễn phí cho cựu tù nhân chính trị).

**THAM KHẢO MIỄN PHÍ. CHỈ NHẢY THỦ LAO SAU KHI THẢM CHỦ LÃNH TIỀN**

VĂN PHÒNG LUẬT SƯ  
LAW OFFICES  
**MAZO & VIDOR**  
A Professional Corp.



**LÊ TRI, J.D.**  
Thẩm phán (San Jose & Real Estate Broker)  
**TRƯƠNG NGỌC SƯƠNG, J.D.**  
Văn phòng chuyên về pháp lý chuyên luật sư Văn phòng Đoàn bồi thường tai nạn

ORANGE COUNTY  
9393 BOLINA AVE., #C  
WESTMINSTER, CA 92683  
(714) 531-7073

SG & SF VALLEY  
327 W. MAIN STREET  
ALHAMBRA, CA 91801  
(818) 289-6048  
(213) 225-8313

BEVERLY HILLS  
9744 WILSHIRE BL., #402  
BEVERLY HILLS, CA 90212  
(213) 659-3480

Ngày hay đêm 24/24  
(818) 289-6048  
(213) 225-8313  
(714) 531-7073

L. L. TRI, J.D.  
Ph. D of Law & Real Estate  
Broker

TRƯỜNG NGỌC SƯƠNG;  
Ph.D of Law, Ex. Attorney  
of Saigon Supreme Court

L A W O F F I C E

PROFESSIONAL ON ACCIDENT AND SUPPLEMENTAL SECURITY INCOME

We have legal Counselor of all field of activity

- PROFESSIONAL ON : TRAFFIC ACCIDENT, LABOR ACCIDENT  
Our Office will take care of DMV Report, Towing,  
Repairing and Medical Treatment

S.S.I. : Notary Public, Grey Card, Naturalization and  
SSI application (Free of charge for POW)

FREE COURSELING, CLIENT WILL ONLY PAY AFTER RECEIVING MONEY

24/ HOURS DAILY  
(818) 289-6048  
(213) 225-8313  
(714) 531-7073



# 越棉泰氏法律事務所

VĂN PHÒNG PHÁP LUẬT VIỆT-MIÊN-LAO  
 818 N. Broadway St. # 213A Los Angeles, CA 90012  
 1600 Golden West, Suite 201, Westminster, CA 92683  
**(313) 495-1515 • (818) 458-3030 • (714) 373-6699**

- Giúp đỡ luật sư toàn thương mại hàng tháng, làm ca người ...
- Luật sư tư vấn nước ngoài cho người bệnh tật ở người Cao Niên
- Luật sư làm đơn xin GR (Green Card Welfare)
- 174 năm, nghề luật 130, 1171, Q. 441 1-134
- Bộ của 7 ngày trong tuần từ 10AM đến 6PM

# CHUYEN LO XIN TIEN BEMH TAT (SSI)

Chuyên giúp quyết các vụ xin tiền trợ cấp tại SSI từ chối.

## KHÔNG KẾT QUẢ KHÔNG NHAN THU LÃO

- Quy trình và luật lệ được nghiên cứu kỹ lưỡng để giúp người xin tiền trợ cấp được chấp thuận tại văn phòng để cho quy trình tại văn phòng được thực hiện đúng luật. Chúng tôi có thể giúp quy trình xin tiền SSI nhanh chóng hơn 1630 up và Medical (Chỉ bằng chứng hồ sơ bệnh tật) để SSI chấp thuận tại văn phòng để cho quy trình tại văn phòng được thực hiện đúng luật.

# CHUYÊN ĐỐI BỒI THƯƠNG TẠI NAN XE CỘ TẠI NAN TAI SỐ LAM HOẶC BỊ ỨC HIẾP

Đu có họ không có báo hiểm an toàn ...

## DUONG QUOC

GIAM ĐỐC ĐIỀU HÀNH  
 CINDY NGUYEN / PHỤ TẢ PHÁP LÝ  
 VĂN PHÒNG LUẬT SƯ

**RICHARD GRANT & VICTOR WU**



**(213) 485-1515 • (818) 458-3030 • (714) 373-6699**

**SPECIALIST IN S S I**  
 and Appealed cases  
**Money Back Guaranteed**

## LEGAL OFFICE FOR VIETNAMESE

LAOTIAN AND CAMBODIAN

818 N. Broadway St. #213 A Los Angeles  
 CA- 90012  
 16600 Golden West, Suite 201, Westminster  
 CA-92683

- Keep tract of Business Accounting Books
- Help filling for In-home Supportive Services for disabled people and aged.
- Help filling for General Relief/Welfare
- Green Card Naturalization, I-130 I-171, G-441 1-134 G-b-1, I-134

OPEN 7 DAYS A WEEK FROM 10 AM TO 6 PM

**ALSO SPECIALIST IN**  
 -Traffic Accident  
 -Discrimination

DUONG QUOC  
 Executive Manager  
 CINDY NGUYEN  
 Legal Assistance

**RICHARD GRANT & VICTOR WU**  
 LAW OFFICE

Even you are under 65 and is disabled or wounded (ex-servicemen of the Republic illness, mental impairment, we can help filling application for it.

We can help you filling for SSI with 630 dollars a month and Medical. (We have hundred of approved cases for your consideration.

We speak Chinese, Vietnamese and English

## DISABILITY REPORT

## Attachment 2

PLEASE PRINT, TYPE, OR WRITE CLEARLY AND ANSWER ALL ITEMS TO THE BEST OF YOUR ABILITY. If you are filing on behalf of someone else, enter his or her name and social security number in the space provided and answer all questions. COMPLETE ANSWERS WILL AID IN PROCESSING THE CLAIM.

**PRIVACY ACT/PAPERWORK REDUCTION ACT NOTICE:** The Social Security Administration is authorized to collect the information on this form under sections 205(a), 223(d) and 1633(a) of the Social Security Act. The information on this form is needed by Social Security to make a decision on your claim. While giving us the information on this form is voluntary, failure to provide all or part of the requested information could prevent an accurate or timely decision on your claim and could result in the loss of benefits. Although the information you furnish on this form is almost never used for any purpose other than making a determination on your disability claim, such information may be disclosed by the Social Security Administration as follows: (1) To enable a third party or agency to assist Social Security in establishing rights to Social Security benefits and/or coverage; (2) to comply with Federal law requiring the release of information from Social Security records (a. g., to the General Accounting Office and the Veterans Administration); and (3) to facilitate statistical research and audit activities necessary to assure the integrity and improvement of the Social Security programs (e. g., to the Bureau of the Census and private concerns under contract to Social Security). These and other reasons why information about you may be used or given out are explained in the Federal Register. If you would like more information about this, any Social Security office can assist you.

A. NAME OF CLAIMANT <i>Somaly Tip</i>	B. SOCIAL SECURITY NUMBER <i>61315213451</i>	C. TELEPHONE NUMBER where you can be reached (include area code) (714) <i>424-3464</i>
--	---	---

D. WHAT IS YOUR DISABLING CONDITION? (Briefly explain the injury or illness that stops you from working.)  
*Depression, nervousness, anxious, heart palpitation, trouble sleeping, chronic headache, dizzy spell, memory lost.*

## PART I — INFORMATION ABOUT YOUR CONDITION

1. When did your condition first bother you:	MONTH <i>11</i>	DAY <i>20</i>	YEAR <i>91</i>
2A. Did you work after the date shown in item 1? (If "no," go on to items 3A and 3B.)	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		
2B. If you did work since the date in item 1, did your condition cause you to change —			
Your job or job duties? .....	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		
Your hours of work? .....	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		
Your attendance? .....	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		
Anything else about your work? .....	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		

(If you answered "no" to all of these, go to items 3A and 3B.)

2C. If you answered "yes" to any item in 2B, explain below what the changes in your work circumstances were, the dates they occurred, and how your condition made these changes necessary.

3A. When did your condition finally make you stop working?	MONTH <i>11</i>	DAY <i>20</i>	YEAR <i>91</i>
--	--------------------	------------------	-------------------

3B. Explain how your condition now keeps you from working.  
*The condition is getting worse and bothering me all the time that make me unable to do anything by myself, such as household chores or even my personal needs, most of the time, but then and then I do for me.*

## PART II — INFORMATION ABOUT YOUR MEDICAL RECORDS

4. List the name, address and telephone number of the doctor who has the latest medical records about your disabling condition. If you have no doctor check

NAME <i>[REDACTED]</i>	ADDRESS <i>[REDACTED]</i>
TELEPHONE NUMBER (include area code) <i>510-498-6001</i>	<i>Long Beach CA, 90815</i>
HOW OFTEN DO YOU SEE THIS DOCTOR? <i>Every two months</i>	DATE YOU FIRST SAW THIS DOCTOR <i>7-18-92</i>
	DATE YOU LAST SAW THIS DOCTOR <i>9-7-92</i>

REASONS FOR VISITS (show illness or injury for which you had an examination or treatment)

*Trouble sleeping, chest pain, very depression, nervousness, fatigue, chronic headache, dizziness, lost of memory, lost of concentration.*

TYPE OF TREATMENT OR MEDICINES RECEIVED (such as surgery, chemotherapy, radiation, and the medicines you take for your illness or injury, if known. If no treatment or medicines, show "NONE".)

*Test and exam on evaluation, no medicine.*

5A. Have you seen any other doctors since your disabling condition began?  YES  NO  
If "yes", show the following:

NAME <i>[REDACTED]</i>	ADDRESS <i>[REDACTED]</i>
TELEPHONE NUMBER (include area code) <i>310-1911-3198</i>	<i>Long Beach CA, 90815</i>
HOW OFTEN DO YOU SEE THIS DOCTOR? <i>Once a month</i>	DATE YOU FIRST SAW THIS DOCTOR <i>6-10-92</i>
	DATE YOU LAST SAW THIS DOCTOR <i>7-2-92</i>

REASONS FOR VISITS (show illness or injury for which you had an examination or treatment)

*Chronic headache, trouble sleeping, dizziness, having night-mare, nervousness, chest pain, fatigue, faint, very depression, lost of memory.*

TYPE OF TREATMENT OR MEDICINES RECEIVED (such as surgery, chemotherapy, radiation, and the medicines you take for your illness or injury, if known. If no treatment or medicines, show "NONE".)

*Test and exam, received medicine.*

5B. Identify below any other doctor you have seen since your illness or injury began.

NAME <i>[REDACTED]</i>	ADDRESS <i>[REDACTED]</i>
TELEPHONE NUMBER (include area code) <i>714-973-5865</i>	<i>Santa Ana, CA 92701</i>
HOW OFTEN DO YOU SEE THIS DOCTOR? <i>Once a month</i>	DATE YOU FIRST SAW THIS DOCTOR <i>7-21-92</i>
	DATE YOU LAST SAW THIS DOCTOR <i>8-27-92</i>

REASONS FOR VISITS (show illness or injury for which you had an examination or treatment)

*Dizziness, chronic headache, nervousness, trouble sleeping, fatigue, chest pain, very depression, lost of concentration, lost of memory.*

TYPE OF TREATMENT OR MEDICINES RECEIVED (such as surgery, chemotherapy, radiation, and the medicines you take for your illness or injury, if known. If no treatment or medicines, show "NONE".)

*Test and exam, received medicines.*

If "yes", show the following

NAME OF HOSPITAL OR CLINIC		ADDRESS
PATIENT OR CLINIC NUMBER		
WERE YOU AN INPATIENT? (stayed at least overnight?) <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO (If "yes", show:)		WERE YOU AN OUTPATIENT? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO (If "yes", show:)
DATES OF ADMISSIONS	DATES OF DISCHARGES	DATES OF VISITS
REASON FOR HOSPITALIZATION OR CLINIC VISITS (show illness or injury for which you had an examination or treatment.)		

TYPE OF TREATMENT OR MEDICINES RECEIVED (such as surgery, chemotherapy, radiation, and the medicines you take for your illness or injury, if known. If no treatment or medicines, show "NONE".)

6B. If you have been in other hospital or clinic for your illness or injury, identify it below.

NAME OF HOSPITAL OR CLINIC		ADDRESS
PATIENT OR CLINIC NUMBER		
WERE YOU AN INPATIENT? (stayed at least overnight?) <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO (If "yes", show)		WERE YOU AN OUTPATIENT? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO (If "yes", show:)
DATES OF ADMISSIONS	DATES OF DISCHARGES	DATES OF VISITS
REASON FOR HOSPITALIZATION OR CLINIC VISITS (show illness or injury for which you had an examination or treatment.)		

TYPE OF TREATMENT OR MEDICINES RECEIVED (such as surgery, chemotherapy, radiation, and the medicines you take for your illness or injury, if known. If no treatment or medicines, show "NONE".)

If you have been in other hospitals or clinics for your illness or injury, list the names, addresses, patient or clinic numbers, dates and reasons for hospitalization or clinic visits in Part VI.

7. Have you been seen by other agencies for your disabling condition?  
(VA, Workmen's Compensation, Vocational Rehabilitation, Welfare, etc.)

YES  NO

(If "yes" show the following)

NAME OF AGENCY	ADDRESS
YOUR CLAIM NUMBER	
DATE OF VISITS	

TYPE OF TREATMENT, EXAMINATION OR MEDICINES RECEIVED (such as surgery, chemotherapy, radiation, and the medicines you take for your illness or injury, if known. If no treatment or medicines, show "NONE".)

If more space is needed, list the other agencies, show addresses, your claim numbers, dates, and treatment received in Part VI.

8. Have you had any of the following tests in the last year?

TEST	CHECK APPROPRIATE BLOCK OR BLOCKS	IF "YES" SHOW	
		WHERE DONE	WHEN DONE
Electrocardiogram	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		
Chest X-Ray	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	Quint 4, 5A	12-19-92
Other X-Ray (name body part here)	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	---	---
Breathing Tests	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	---	---
Blood Tests	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	---	---
Other (Specify)	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	---	---

9. If you have a medicard card, what is your number (some hospitals and clinics file your records by your medicard number.)

## PART III — INFORMATION ABOUT YOUR ACTIVITIES

10. Has your doctor told you to cut back or limit your activities in any way?  
If "yes", give the name of the doctor below and tell what he or she told you about cutting back or limiting your activities. YES  NO

11. Describe your daily activities in the following areas and state what and how much you do of each and how often you do it.

- Household maintenance (including cooking, cleaning, shopping, and odd jobs around the house as well as any other similar activities):

I just stay still. sit, lay down on a couch and unable to maintain household as the above at all, most of the time my sister and brother do it for me.

- Recreational activities and hobbies (hunting, fishing, bowling, hiking, musical instruments, etc.):

I don't like to spend time on any one as the above at all, but sometime I go to party, beach or picnic with my sister and brother. not all the time.

- Social contacts (visits with friends, relatives, neighbors):

Once a while I go to visit relative with my sister & brother, they give time to take me over there, but not very often but they are to visit me very often.

- Other (drive car, motorcycle, ride bus, etc.):

I don't have a driver's license or drive a car at all.

## PART IV — INFORMATION ABOUT YOUR EDUCATION

12. What is the highest grade of school that you completed and when? *NONE*
13. Have you gone to trade or vocational school or had any type of special training? If "yes", show:  YES  NO
- The type of trade or vocational school or training: *N/A*
  - Approximate dates you attended: *N/A*
  - How this schooling or training was used in any work you did: *N/A*

## PART V — INFORMATION ABOUT THE WORK YOU DID

14. List all jobs you have had in the last 15 years before you stopped working, beginning with your usual job. Normally, this will be the kind of work you did the longest. (If you have a 6th grade education or less, AND did only heavy unskilled labor for 35 years or more, list all of the jobs you have had since you began to work. If you need more space, use Part VI.)

JOB TITLE (Be sure to begin with your usual job)	TYPE OF BUSINESS	DATES WORKED (Month and Year)		DAYS PER WEEK	RATE OF PAY (Per hour, day, week, month or year)
		FROM	TO		

- 15A. Provide the following information for your usual job shown in item 14, line 1.

- In your job did you:
- Use machines, tools, or equipment of any kind?  Yes  No
  - Use technical knowledge or skills?  Yes  No
  - Do any writing, complete reports, or perform similar duties?  Yes  No
  - Have supervisory responsibilities?  Yes  No

- 15B. Describe your basic duties (explain what you did and how you did it) below. Also, explain all "Yes" answers by giving a FULL DESCRIPTION of: the types of machines, tools, or equipment you used and the exact operation you performed; the technical knowledge or skills involved; the type of writing you did, and the nature of any reports; and the number of people you supervised and the extent of your supervision.

15C. Describe the kind and amount of physical activity this job involved during typical day in terms of:

- Walking (circle the number of hours a day spent walking) — 0 1 2 3 4 5 6 7 8
- Standing (circle the number of hours a day spent standing) — 0 1 2 3 4 5 6 7 8
- Sitting (circle the number of hours a day spent sitting) — 0 1 2 3 4 5 6 7 8
- Bending (circle how often a day you had to bend) — Never Occasionally Frequently Constantly
- Reaching (circle how often a day you had to reach) — Never Occasionally Frequently Constantly
- Lifting and Carrying: Describe below what was lifted, and how far it was carried. Check heaviest weight lifted, and weight frequently lifted and/or carried.

HEAVIEST WEIGHT LIFTED	WEIGHT FREQUENTLY LIFTED/CARRIED
<input checked="" type="checkbox"/> 10 lbs. <input type="checkbox"/> 20 lbs. <input type="checkbox"/> 50 lbs. <input type="checkbox"/> 100 lbs. <input type="checkbox"/> Over 100 lbs.	<input checked="" type="checkbox"/> Up to 10 lbs. <input type="checkbox"/> Up to 25 lbs. <input type="checkbox"/> Up to 50 lbs. <input type="checkbox"/> Over 50 lbs.

PART VI — REMARKS

Use this section for additional space to answer any previous questions. Also use this space to give any additional information that you think will be helpful in making a decision in your disability claim, (such as information about other illnesses or injuries not shown in Parts I and II.) Please refer to the previous items by number.

The condition is getting worse and worse every day such as chronic headache, dizzy spell, trouble sleeping, heart palpitation, nervous, anxious, feel restless most time, fatigue, lost of concentration, nervous list and unable to do anything by myself. Now I am worry about my future.

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to the Social Security Administration ATTN: Reports Clearance Officer, 1-A-21 Operations Bldg., Baltimore, MD 21235 and to the Office of Management and Budget, Paperwork Reduction Project (OMB #0960-0141), Washington, D.C. 20503.

Knowing that anyone making a false statement or representation of a material fact for use in determining a right to payment under the Social Security Act commits a crime punishable under Federal law, I certify that the above statements are true.

NAME (Signature of claimant or person filing on the claimant's behalf)

SIGN HERE Somaly Top

DATE 4-7-93

Witnesses are required ONLY if this statement has been signed by mark (X) above. If signed by mark (X), two witnesses to the signing who know the person making the statement must sign below, giving their full addresses.

1 Signature of Witness

2 Signature of Witness

Address (Number and street, city, state and ZIP code)

Address (Number and street, city, state, and ZIP code)

## PART VII — FOR SSA USE ONLY - DO NOT WRITE BELOW THIS LINE

NAME OF CLAIMANT

Somaly Tep

SOCIAL SECURITY NUMBER

613/52/3451

16. Check any of the following categories which apply to this case:

## PRESUMPTIVE DISABILITY CONSIDERATION

(If any of these boxes are checked, DO's (and ODS's) should be alert to the possibility of a presumptive disability determination in SSI claims per DI 11055.240 and 23535.005.

- A.  Amputation of two limbs
- B.  Amputation of a leg at the hip
- C.  Allegation of total deafness
- D.  Allegation of total blindness
- E.  Allegation of bed confinement or immobility without a wheelchair, walker, or crutches, allegedly due to a long-standing condition — exclude recent accident and recent surgery.
- F.  Allegation of a stroke (cerebral vascular accident) more than 3 months in the past and continued marked difficulty in walking or using a hand or arm
- G.  Allegation of cerebral palsy, muscular dystrophy or muscular atrophy and marked difficulty in walking (e.g., use of braces), speaking or coordination of the hands or arms
- H.  Allegation of diabetes with amputation of a foot.
- I.  Allegation of Down's Syndrome (Mongolism)
- J.  An applicant filing on behalf of another individual alleges severe mental deficiency for claimant who is at least 7 years of age. The applicant alleges that the individual attends (or attended) a special school, or special classes in school, because of his mental deficiency, or is unable to attend any type of school (or if beyond school age was unable to attend), and requires care and supervision of routine daily activities
- L.  Allegation of Acquired Immune Deficiency Syndrome (AIDS)

17A. Does the claimant speak English? .....

If "no," what language does he speak?

Cambodian

 Yes  No

17B. Does the claimant need assistance in prosecuting his or her claim? .....

If "yes," show name, address, relationship, and telephone number of an interested party willing to assist the claimant.

 Yes  No

MATT

NAME	ADDRESS	RELATIONSHIP	TELEPHONE NUMBER
[REDACTED]		Friend	310-494 3037

17C. Can the claimant (or his representative) be readily reached by telephone with no communication problems due to language, speech or hearing difficulties? If "no" DO should complete SSA-3369-F6

 Yes  No



18A. Check each item to indicate if any difficulty was observed:

- |               |                              |                             |                  |                              |                             |
|---------------|------------------------------|-----------------------------|------------------|------------------------------|-----------------------------|
| Reading       | <input type="checkbox"/> Yes | <input type="checkbox"/> No | Using Hands      | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Writing       | <input type="checkbox"/> Yes | <input type="checkbox"/> No | Breathing        | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Answering     | <input type="checkbox"/> Yes | <input type="checkbox"/> No | Seeing           | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Hearing       | <input type="checkbox"/> Yes | <input type="checkbox"/> No | Walking          | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Sitting       | <input type="checkbox"/> Yes | <input type="checkbox"/> No |                  |                              |                             |
| Understanding | <input type="checkbox"/> Yes | <input type="checkbox"/> No | Other (Specify): |                              |                             |

18B. If any of the above items were checked "yes," describe the exact difficulty involved:

18C. Describe the claimant fully (e.g., general build, height, weight, behavior, any difficulties that add to or supplement those noted above, etc.):

*NOT OBSERVED*

19. Medical Development — Initiated by District or Branch Office

SOURCE	DATE REQUESTED	DATE(S) OF FOLLOW-UP	CAPABILITY DEVELOPMENT REQUESTED

20. DO or BO curtailed completion of Parts III - V per DI 11005.035 (DI 20501.005)  YES  NO

21. Is capability development by the DDS necessary?  YES  NO  
If "yes", show "DDS capability development needed" in item 11 of the SSA-831-U5

22. Is development of work activity necessary?  YES  NO  
If "yes", is an SSA-820-F4 or SSA-821-F4  Pending  In File

23. SSA-3368-BK taken by:  Personal Interview  Telephone  Mail

24. Form supplemented:  Yes  No  
If "yes" by:  Personal Interview  Telephone  Mail

SIGNATURE OF DO OR BO INTERVIEWER OR REVIEWER: *[Signature]*

TITLE: *OS*

DATE: *4/8/93*

## DISABILITY REPORT

Attachment 3

PLEASE PRINT, TYPE, OR WRITE CLEARLY AND ANSWER ALL ITEMS TO THE BEST OF YOUR ABILITY. If you are filing on behalf of someone else, enter his or her name and social security number in the space provided and answer all questions. COMPLETE ANSWERS WILL AID IN PROCESSING THE CLAIM.

**PRIVACY ACT/PAPERWORK REDUCTION ACT NOTICE:** The Social Security Administration is authorized to collect the information on this form under sections 205(a), 223(d) and 1633(a) of the Social Security Act. The information on this form is needed by Social Security to make a decision on your claim. While giving us the information on this form is voluntary, failure to provide all or part of the requested information could prevent an accurate or timely decision on your claim and could result in the loss of benefits. Although the information you furnish on this form is almost never used for any purpose other than making a determination on your disability claim, such information may be disclosed by the Social Security Administration as follows: (1) enable a third party or agency to assist Social Security in establishing rights to Social Security benefits and/or coverage; (2) to comply with Federal law requiring the release of information from Social Security records (e.g., to the General Accounting Office and the Veterans Administration); and (3) to facilitate statistical research and audit activities necessary to assure the integrity and improvement of the Social Security programs (e.g., to the Bureau of the Census and private concerns under contract to Social Security). These and other reasons why information about you may be used or given out are explained in the Federal Register. If you would like more information about this, any Social Security office can assist you.

A. NAME OF CLAIMANT <i>Cank Ngoc Nguyen</i>	B. SOCIAL SECURITY NUMBER <i>6 1 6 1 5 6 1 7 9 1 4</i>	C. TELEPHONE NUMBER where you can be reached (include area code) <i>310-491-3037</i>
--	---	---

D. WHAT IS YOUR DISABLING CONDITION? (Briefly explain the injury or illness that stops you from working.)  
*Chronic headache, dizziness, trouble sleeping, having night-mare, tired, very depression, nervousness, chest pain, lost of concentration, fatigue*

## PART I - INFORMATION ABOUT YOUR CONDITION

1. When did your condition first bother you:	MONTH <i>12</i>	DAY <i>20</i>	YEAR <i>1978</i>
2A. Did you work after the date shown in item 1? (If "no", go on to items 3A and 3B.)	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		
2B. If you did work since the date in item 1, did your condition cause you to change -			
Your job or job duties? .....	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		
Your hours of work? .....	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		
Your attendance? .....	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		
Anything else about your work? .....	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		

(If you answered "no" to all of these, go to items 3A and 3B.)

2C: If you answered "yes" to any item in 2B, explain below what the changes in your work circumstances were, the dates they occurred, and how your condition made these changes necessary.

3A. When did your condition finally make you stop working?	MONTH <i>12</i>	DAY <i>20</i>	YEAR <i>1989</i>
--	--------------------	------------------	---------------------

3B. Explain how your condition now keeps you from working.

*My condition get very worse and worse, because of my physical and mental of depressing all the time, frequent chronic headache, trouble sleeping, having night-mare, chest pain, nervousness, fatigue, irritability, lost of concentration, lost of energy, and headache all upset all the time.*

## PART II — INFORMATION ABOUT YOUR MEDICAL RECORDS

4. List the name, address and telephone number of the doctor who has the latest medical records about your disabling condition.

If you have no doctor check 

NAME [REDACTED] <i>PH-3</i>	ADDRESS [REDACTED]
TELEPHONE NUMBER (include area code) 310-498-6001	Long Beach CA, 90815
HOW OFTEN DO YOU SEE THIS DOCTOR? <i>Once every four months</i>	DATE YOU FIRST SAW THIS DOCTOR
	DATE YOU LAST SAW THIS DOCTOR

REASONS FOR VISITS (show illness or injury for which you had an examination or treatment)

*Chronic headache, heart palpitation, very depression, nervousness, anxious, memory lost, trouble sleeping.*

TYPE OF TREATMENT OR MEDICINES RECEIVED (such as surgery, chemotherapy, radiation, and the medicines you take for your illness or injury, if known. If no treatment or medicines, show "NONE".)

*Test and exam. on evaluation, no medicines.*

5A. Have you seen any other doctors since your disabling condition began?

 YES  NO

If "yes", show the following:

NAME [REDACTED] <i>PH-3</i>	ADDRESS [REDACTED]
TELEPHONE NUMBER (include area code) 310-494-3498	Long Beach CA, 90815
HOW OFTEN DO YOU SEE THIS DOCTOR? <i>Once a month</i>	DATE YOU FIRST SAW THIS DOCTOR
	DATE YOU LAST SAW THIS DOCTOR

REASONS FOR VISITS (show illness or injury for which you had an examination or treatment)

*Dizzy spell, fatigue, chronic headache, trouble sleeping, feel restless most of the time, lost of concentration.*

TYPE OF TREATMENT OR MEDICINES RECEIVED (such as surgery, chemotherapy, radiation, and the medicines you take for your illness or injury, if known. If no treatment or medicines, show "NONE".)

*Test and exam medicine received.*

5B. Identify below any other doctor you have seen since your illness or injury began.

NAME	ADDRESS
TELEPHONE NUMBER (include area code)	
HOW OFTEN DO YOU SEE THIS DOCTOR?	DATE YOU FIRST SAW THIS DOCTOR
	DATE YOU LAST SAW THIS DOCTOR

REASONS FOR VISITS (show illness or injury for which you had an examination or treatment.)

TYPE OF TREATMENT OR MEDICINES RECEIVED (such as surgery, chemotherapy, radiation, and the medicines you take for your illness or injury, if known. If no treatment or medicines, show "NONE".)

6A. Have you been hospitalized or treated at a clinic for your disabling condition?

*If "yes", show the following:* YES  NO

NAME OF HOSPITAL OR CLINIC		ADDRESS
PATIENT OR CLINIC NUMBER		
WERE YOU AN INPATIENT? (stayed at least overnight?) <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO ( <i>If "yes", show:</i> )		WERE YOU AN OUTPATIENT? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO ( <i>If "yes", show:</i> )
DATES OF ADMISSIONS	DATES OF DISCHARGES	DATES OF VISITS

REASON FOR HOSPITALIZATION OR CLINIC VISITS (*show illness or injury for which you had an examination or treatment.*)

TYPE OF TREATMENT OR MEDICINES RECEIVED (such as surgery, chemotherapy, radiation, and the medicines you take for your illness or injury, if known. If no treatment or medicines, show "NONE".)

6B. If you have been in other hospital or clinic for your illness or injury, identify it below.

NAME OF HOSPITAL OR CLINIC		ADDRESS
PATIENT OR CLINIC NUMBER		
WERE YOU AN INPATIENT? (stayed at least overnight?) <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO ( <i>If "yes", show:</i> )		WERE YOU AN OUTPATIENT? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO ( <i>If "yes", show:</i> )
DATES OF ADMISSIONS	DATES OF DISCHARGES	DATES OF VISITS

REASON FOR HOSPITALIZATION OR CLINIC VISITS (*show illness or injury for which you had an examination or treatment.*)

TYPE OF TREATMENT OR MEDICINES RECEIVED (such as surgery, chemotherapy, radiation, and the medicines you take for your illness or injury, if known. If no treatment or medicines, show "NONE".)

If you have been in other hospitals or clinics for your illness or injury, list the names, addresses, patient or clinic numbers, dates and reasons for hospitalization or clinic visits in Part VI.

7. Have you been seen by other agencies for your disabling condition?  
(VA, Workmen's Compensation, Vocational Rehabilitation, Welfare, etc.)  
*(If "yes," show the following:)* YES  NO

NAME OF AGENCY	ADDRESS
YOUR CLAIM NUMBER	
DATE OF VISITS	

TYPE OF TREATMENT, EXAMINATION OR MEDICINES RECEIVED (such as surgery, chemotherapy, radiation, and the medicines you take for your illness or injury, if known. If no treatment or medicines, show "NONE".)

If more space is needed, list the other agencies, their addresses, your claim numbers, dates, and treatment received in Part VI.

## 8. Have you had any of the following tests in the last year?

TEST	CHECK APPROPRIATE BLOCK OR BLOCKS	IF "YES" SHOW	
		WHERE DONE	WHEN DONE
Electrocardiogram	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		
Chest X-Ray	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	Clark's, S.A.S.A.	1971 - 72
Other X-Ray (name body part here)	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	u	u
Breathing Tests	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	u	u
Blood Tests	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	u	u
Other (Specify)	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	u	u

## 9. If you have a medicaid card, what is your number (some hospitals and clinics file your records by your medicaid number.)

## PART III — INFORMATION ABOUT YOUR ACTIVITIES

10. Has your doctor told you to cut back or limit your activities in any way?  YES  NO  
If "yes", give the name of the doctor below and tell what he or she told you about cutting back or limiting your activities.

## 11. Describe your daily activities in the following areas and state what and how much you do of each and how often you do it:

- Household maintenance (including cooking, cleaning, shopping, and odd jobs around the house as well as any other similar activities):

most of the day I spend time to watch T.V. or listen to the radio, rest, lay down, sit still on the couch, and sometime take a walk around the house and get upset to myself.

- Recreational activities and hobbies (hunting, fishing, bowling, hiking, musical instruments, etc.):

I don't have any activities or hobbies such as sport, hunting, fishing and etc. but sometime I like to go to the park, breath to take some fresh-air.

- Social contacts (visits with friends, relatives, neighbors):

I hardly to go to visit my relative, but they usually come over to visit me all the time.

- Other (drive car, motorcycle, ride bus, etc.)

I can't ~~drive~~ drive at all since the condition began.

## PART IV — INFORMATION ABOUT YOUR EDUCATION

12. What is the highest grade of school that you completed and when? ABOVE 64RS
13. Have you gone to trade or vocational school or had any type of special training? If "yes", show:  YES  NO
- The type of trade or vocational school or training: N/A
  - Approximate dates you attended: N/A
  - How this schooling or training was used in any work you did: N/A

## PART V — INFORMATION ABOUT THE WORK YOU DID

14. List all jobs you have had in the last 15 years before you stopped working, beginning with your usual job. Normally, this will be the kind of work you did the longest. (If you have a 6th grade education or less, AND did only heavy unskilled labor for 35 years or more, list all of the jobs you have had since you began to work. If you need more space, use Part VI.)

JOB TITLE (Be sure to begin with your usual job)	TYPE OF BUSINESS	DATES WORKED (Month and Year)		DAYS PER WEEK	RATE OF PAY (Per hour, day, week, month or year)
		FROM	TO		
SOLDIER	VIETNAM GOVT	69	74	7	15,000 (VIETNAM)

- 15A. Provide the following information for your usual job shown in item 14, line 1.

- In your job did you:
- Use machines, tools, or equipment of any kind?  Yes  No
  - Use technical knowledge or skills?  Yes  No
  - Do any writing, complete reports, or perform similar duties?  Yes  No
  - Have supervisory responsibilities?  Yes  No

- 15B. Describe your basic duties (explain what you did and how you did it) below. Also, explain all "Yes" answers by giving a FULL DESCRIPTION of: the types of machines, tools, or equipment you used and the exact operation you performed; the technical knowledge or skills involved; the type of writing you did, and the nature of any reports; and the number of people you supervised and the extent of your supervision:

15C. Describe the kind and amount of physical activity this job involved during typical day in terms of.

- Walking (circle the number of hours a day spent walking) — 0 1 2 3 4 5 6 7 8
- Standing (circle the number of hours a day spent standing) — 0 1 2 3 4 5 6 7 8
- Sitting (circle the number of hours a day spent sitting) — 0 1 2 3 4 5 6 7 8
- Bending (circle how often a day you had to bend) — Never Occasionally Frequently - Constantly
- Reaching (circle how often a day you had to reach) — Never Occasionally Frequently - Constantly
- Lifting and Carrying: Describe below what was lifted, and how far it was carried. Check heaviest weight lifted, and weight frequently lifted and/or carried:

HEAVIEST WEIGHT LIFTED	WEIGHT FREQUENTLY LIFTED/CARRIED
<input checked="" type="checkbox"/> 10 lbs. <input type="checkbox"/> 20 lbs. <input type="checkbox"/> 50 lbs. <input type="checkbox"/> 100 lbs. <input type="checkbox"/> Over 100 lbs.	<input checked="" type="checkbox"/> Up to 10 lbs. <input type="checkbox"/> Up to 25 lbs. <input type="checkbox"/> Up to 50 lbs. <input type="checkbox"/> Over 50 lbs.

## PART VI — REMARKS

\* Use this section for additional space to answer any previous questions. Also use this space to give any additional information that you think will be helpful in making a decision in your disability claim. (Such as information about other illnesses or injuries not shown in Parts I and II.) Please refer to the previous items by number.

*My condition getting worse and worse such as chronic-head-ache, dizziness, trouble sleeping, having night-mare, very depress nervousness, chest pain, arthritis, fatigue, faint, lost of nerves, lost of circulation, and unable to work or do anything by myself as cleaning, dressing, and etc. I have to have my brother and sister helping me.*

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to the Social Security Administration ATTN: Reports Clearance Officer, 1-A-21 Operations Bldg., Baltimore, MD 21235 and to the Office of Management and Budget, Paperwork Reduction Project (OMB #0960-0141), Washington, D.C. 20503.

Knowing that anyone making a false statement or representation of a material fact for use in determining a right to payment under the Social Security Act commits a crime punishable under Federal law, I certify that the above statements are true.

NAME (Signature of claimant or person filing on the claimant's behalf)

SIGN HERE

*Carla Ngoc Nguyen*

DATE

*9-22-98*

Witnesses are required ONLY if this statement has been signed by mark (X) above. If signed by mark (X), two witnesses to the signing who know the person making the statement must sign below, giving their full addresses.

1. Signature of Witness

2. Signature of Witness

Address (Number and street, city, state, and ZIP code)

Address (Number and street, city, state, and ZIP code)

## PART VII — FOR SSA USE ONLY - DO NOT WRITE BELOW THIS LINE

NAME OF CLAIMANT

CANH Nguyen

SOCIAL SECURITY NUMBER

61 61 56 79 1 4

## 16. Check any of the following categories which apply to this case:

## PRESUMPTIVE DISABILITY CONSIDERATION

(If any of these boxes are checked, DO's (and DDS's) should be alert to the possibility of a presumptive disability determination in SSI claims per DI 11055.240 and 23535.005.

- A.  Amputation of two limbs
- B.  Amputation of a leg at the hip
- C.  Allegation of total deafness
- D.  Allegation of total blindness
- E.  Allegation of bed confinement or immobility without a wheelchair, walker, or crutches, allegedly due to a longstanding condition — exclude recent accident and recent surgery.
- F.  Allegation of a stroke (cerebral vascular accident) more than 3 months in the past and continued marked difficulty in walking or using a hand or arm.
- G.  Allegation of cerebral palsy, muscular dystrophy or muscular atrophy and marked difficulty in walking (e.g., use of braces), speaking or coordination of the hands or arms.
- H.  Allegation of diabetes with amputation of a foot.
- I.  Allegation of Down's Syndrome (Mongolism).
- J.  An applicant filing on behalf of another individual alleges severe mental deficiency for claimant who is at least 7 years of age. The applicant alleges that the individual attends (or attended) a special school, or special classes in school, because of his mental deficiency, or is unable to attend any type of school (or if beyond school age was unable to attend), and requires care and supervision of routine daily activities.
- L.  Allegation of Acquired Immune Deficiency Syndrome (AIDS)

17A. Does the claimant speak English? .....  Yes  No

If "no," what language does he speak?

17B. Does the claimant need assistance in prosecuting his or her claim? .....  Yes  No

If "yes," show name, address, relationship, and telephone number of an interested party willing to assist the claimant.

NAME	RELATIONSHIP	TELEPHONE NUMBER
[REDACTED]	TRANSLATOR	area code 494 310-303
Long Bch CA 90804		

17C. Can the claimant (or his representative) be readily reached by telephone with no communication problems due to language, speech or hearing difficulties? If "no" DO  Yes  No



8A Check each item to indicate if any difficulty was observed:

- |               |                              |  |                        |                              |  |
|---------------|------------------------------|--|------------------------|------------------------------|--|
| Reading       | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | Using Hands            | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Writing       | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | Breathing              | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Answering     | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | Seeing                 | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Hearing       | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | Walking                | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Sitting       | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | Other (Specify): _____ |                              |  |
| Understanding | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |                        |                              |  |

8B. If any of the above items were checked "yes," describe the exact difficulty involved:

*Small build. No visible signs of disability*

8C. Describe the claimant fully (e.g., general build, height, weight, behavior, any difficulties that add to or supplement those noted above, etc.):

9. Medical Development — Initialed by District or Branch Office

SOURCE	DATE REQUESTED	DATE(S) OF FOLLOW-UP	CAPABILITY DEVELOPMENT REQUESTED

20. DO or BO curtailed completion of Parts III - V per DI 11005.035 (DI 20501.005)  YES  NO

21. Is capability development by the DDS necessary?  YES  NO  
If "yes", show "DDS capability development needed" in item 11 of the SSA-831-U5

22. Is development of work activity necessary?  YES  NO  
If "yes", is an SSA-820-F4 or SSA-821-F4  Pending  In File

23. SSA-3368-BK taken by:  Personal Interview  Telephone  Mail

24. Form supplemented:  Yes  No  
If "yes" by:  Personal Interview  Telephone  Mail

SIGNATURE OF DO OR BO INTERVIEWER OR REVIEWER: *Michael A. Nelson*

TITLE: *OS*

DATE: *9/23/92*

[REDACTED]  
 Clinical Psychologist  
 [REDACTED]  
 Long Beach, California 90815  
 (310) 498-6001

September 11, 1992

PSYCHOLOGICAL REPORT

RE: CANH NGOC NGUYEN  
 DOB: 11/23/58  
 SSN: 616-56-7914

PRESENTING PROBLEMS

Canh Ngoc Nguyen is a 33 year old, non-English speaking Laotian (but speaks Vietnamese) male who was referred for psychological testing due to a history and current status of physical and emotional problems (see prior reports for details) and an associated need for assessment for S.S.I. eligibility.

PRIOR PSYCHOLOGICAL REPORT

In a previous psychological evaluation done by [REDACTED] Ph.D., Licensed Psychologist on 3/12/92, Nguyen was diagnosed as:

- Multiple Somatic Complaints
- Post Traumatic Stress Disorder, chronic
- R/O Major Depression, recurrent

PSYCHOLOGICAL PROCEDURES

1. T.O.N.I. (Test of Non-Verbal Intelligence)
2. Multifactor Stress and Depression Inventory
3. Bender Visual Motor Gestalt Test
4. Draw-A-Person
5. Self-Rating Depression Scale
6. Sentence Completion Form
7. Thematic Apperception Test

--and a brief review of the patient's history. The testing was done via the assistance of an interpreter.

MENTAL STATUS

This patient was appropriately dressed and adequately groomed and his overall appearance was normal or average.

His ability to understand and follow directions was judged to be average.

His speech was judged to be clear and coherent, and his reality testing seemed to be adequate.

This person was oriented to time, place and person.

His cognitive processes were generally unblocked and somewhat concrete-oriented.

He admitted to experiencing visual and auditory hallucinations but showed no evidence of thought fragmentations and/or looseness of associations.

This patient's affect was full and his mood was appropriate to the situation.

BEHAVIOR DURING TESTING

During the testing and interview, this patient was cooperative, alert, friendly, passive, quiet, in a generally adequate manner except for some difficulties with the perceptual-motor tasks.

TEST FINDINGSINTELLECTUAL RESOURCES AND COGNITIVE FUNCTIONING

Intellectually, this individual obtained a quotient of 58 (1. 3rd percentile rank). This score places him in the very poor range of intellectual functioning in non-verbal situations. (The T.O.N.I. [Test of Non-Verbal Intelligence] is a language-free measure of cognitive ability designed to be suitable in format for subjects who are linguistically handicapped, or deprived, and to reduce cultural loading. The basis of all the T.O.N.I. items is problem solving).

PERCEPTUAL-MOTOR INTEGRATION AND COORDINATION

This patient's testing revealed signs of possible minimal (inconclusive) organicity as evidenced by modified curvature, with possible accompanying learning difficulties, mild perceptual-motor impairment, motor tremors, impulsivity, emotional lability and related feelings of inadequacy, incompetency, anxiety and

tension. It should be noted that other factors (e.g. medications, possible vision impairment, etc.) may adversely affect the patient's performance in these written tasks.

AFFECTIVE STATUS (WITH ACCOMPANYING SOMATIC CONCERNS, PSYCHOLOGICAL DISTURBANCES, PSYCHOMOTOR INDICATORS AND BEHAVIORAL TENDENCIES)

Nguyen's psychological testing revealed him as a depressed personality with a pervasive affective disturbance and associated physiological and psychological disturbances including: sleeping difficulties, decreased sexual interest, psycho-motor agitation or restlessness, low energy levels or chronic unexplainable fatigue, suicidal ideation, rapid heart beat (Tachycardia), irritability, anxiety and tension, personal devaluation, feelings of dissatisfaction, indecisiveness and feelings of confusion, insecurity, and emptiness. This patient is also experiencing feelings of grief and depression due to his physical problems and pain including: spells of dizziness, severe chronic headaches, low back pain, joint pain or arthritis, breathing difficulties, (see prior reports), and being separated from his wife since 1978. In addition, she has feelings of worthlessness, incompetence and lack of independence due to his inability to work due to chronic physical problems, inability to speak or understand English and feelings of depression.

PSYCHO-SOCIAL FUNCTIONING AND FAMILY RELATIONSHIPS

As mentioned, this patient has been separated from his wife and also his child since 1978.

His testing also revealed signs of suppressed feelings of hostility and underlying primitive aggressive impulses often associated with paranoid features and hypertense patients.

Otherwise, this patient's testing revealed indications of evasiveness and superficiality in his interpersonal relations and inadequate environmental contact, with withdrawal tendencies.

This person thus lacks genuine satisfaction in his family relations, interpersonal relationships and with social intercourse.

DIAGNOSES

AXIS I: (1). (300.81) Somatization Disorder.

(2). (V61.10) Marital Problem (history)


(3). (300.40) Dysthymia, Primary

AXIS II: (1). (V40.00) Borderline Mental Retardation (Rule-Out)

SUMMARY

Canh Ngoc Nguyen is an inadequately adjusting, depressed personality of estimated below average intelligence with feelings of defeatism who lacks current interests ("I don't like anything"), achievement strivings and future goals, due to his physical problems, and feelings of depression.

This patient is a poorly-defended individual who lacks the ability to tolerate stress, still suffers emotionally from the break-up of his marriage, and seems to lack adequate resources for coping with the difficulties of his life in this country at this time (both internal and external).



Clinical Psychologist

SA:jgd

HUMAN  
DEVELOPMENT CENTER  
Ph.D.

Clinical Psychologist  
Director  
License BPH\*

E PACIFIC COAST HWY.  
SUITE #103  
LONG BEACH, CALIFORNIA 90804  
TELEPHONE (213) 498-

September 10, 1991

To Whom It May Concern:

RE: YORNG  
DOB: J4  
SSN: -84-1555

The above named 56 year old Cambodian female looks old and depressed. She suffers from dizziness, headache, fatigue, fainting and blackouts, falls down easily, low back pain, arthritis, weakness, palpitations, poor vision, nervousness, severe depression, nightmares, poor appetite, chest pain, hand weakness and numbness, and sleeping difficulty.

The Khmer Rouge killed 2 of her children and her sister's entire family. Her surviving daughter cares for all of her needs. She takes medications prescribed to her by Dr. Chris and Dr. Ma

DIAGNOSES: - Multiple Somatic Complaints  
- Post Traumatic Stress Disorder, chronic  
- R/D Major Depression, recurrent

She should meet the listings for S.S.I. benefits.

Sincerely,

, Ph.D., ABPP  
Clinical Psychologist

## HUMAN

## DEVELOPMENT CENTER

Ph.D.

Clinical Psychologist

Director

License #PSC.

E. PACIFIC COAST HWY.

SUITE #103

LONG BEACH, CALIFORNIA 90804

TELEPHONE (213) 498-

September 9, 1991

RE: CHAN  
 DOB: 53  
 SSN: 71-7185

To Whom It May Concern:

The 37 year old Cambodian male suffers from physical and mental problems. He has chronic headaches, dizziness, "black-outs", fatigue, low back pain, knee pain, and is unable to stand or sit for long periods of time. He experiences nightmares, trouble sleeping, poor memory, and depression.

In Cambodia he was a soldier. He has residual bomb fragments in his right shoulder. His parents, brother, sister, and one child were killed by the Khmer Rouge.

DIAGNOSES: Multiple Somatic Complaints  
 Dysthymia, chronic  
 Post Traumatic Stress Disorder, chronic

He appears to meet the listings for S.S.I. benefits.

Sincerely,

PH.D., ABPP  
 Clinical Psychologist

[REDACTED]  
Westminster, CA-92683  
(714) 775-0301

## P L E D G E

I, the undersigned,

SSN

pledge to give my authorization to [REDACTED] Office to act as my representative to process all requirements for my application for SSI.

I agree to pay the fee of FIVE HUNDRED DOLLARS.

Upon completion of my application, I agree to pay additional fee as follows :

- If the retroactive check is from \$2,001. to \$4,000.00, the Office will share \$2,000.00
- If the retroactive check is over \$4,000.00, the Office will take one-half of the amount.
- If the retroactive check is over \$6,000.00, the Office will take one-third of the amount.

That will be the fee for whatever [REDACTED] OFFICE has done for me as my representative.

Besides, other costs regarding the medical certifications provided by the Doctors or Hospitals in supporting my application for SSI will be paid by myself.

Made in Westminster on 01/08/91

Signature,



WESTMINSTER, CA 92683  
(714) 775-0301

GIẤY CAM KẾT  
.....

Tôi ký tên dưới đây là:....

SSN.....

xin cam kết để Văn Phòng [REDACTED] Đại Diện cho tôi (lo mọi thủ tục giấy tờ, lập hồ sơ xin tiền trợ cấp S.S.I).

Tôi đồng ý trả cho Văn Phòng ĐỒ DÙNG HẦU số tiền NĂM TRĂM Mỹ Kim (\$500.00) là tiền lệ phí.

Khi hoàn thành, tôi xin bằng lòng trả như sau:

-Nếu chi phiếu được lãnh hồi tố dưới \$2,000.00, Văn Phòng sẽ lãnh tất cả chi phiếu.

-Nếu chi phiếu được lãnh hồi tố từ \$2,001.00 đến \$4,000.00 Văn Phòng sẽ nhận lãnh \$2,000.00.

-Nếu chi phiếu được lãnh hồi tố trên \$4,001.00, Văn Phòng sẽ lãnh một nửa ( $\frac{1}{2}$ ) chi phiếu.

Nếu chi phiếu tiền 600.00 Văn phòng sẽ lãnh 1/3.  
Do là số tiền thu lao về tất cả công việc mà Ông [REDACTED] đã đại diện cho tôi.

Ngoài ra, mọi chi phí giấy tờ do các Bác Sĩ hay Bệnh Viện cấp để làm hồ sơ xin tiền bệnh cho tôi, sẽ đều do tôi chịu trách nhiệm thanh toán.

Làm tại Westminster, Calif. ngày 8 tháng 1 năm 1991

Ký tên:

GENERAL SERVICES, REFERRAL LIT. NO. [REDACTED]

SIGN UP DATE 4-3-90  
DATE CALL 4-3-90  
APPOINTMENT DATE 8-22-90  
BY PHONE ( ) OR TO OFFICE ( )  
TIME 11:15 AM - 12:15 PM

SERVICES AGREEMENT

CLAIMANT NAME: Carb Nye Agnew SPOUSE Separated ENTRY DATE 10-29-196  
SS# 676-51-2011 SSI# \_\_\_\_\_ ALIEN NO. \_\_\_\_\_  
D.O.B: MONTH 11 DAY 23 YEAR 58 MONTH 05 DAY 15 YEAR 63  
SEX: MALE ( X ) FEMALE ( ) SPOUSE \_\_\_\_\_  
INCOME: AFDC ( ) GR. ( X ) SSI ( ) 349.25 OTHER SOURCE: \_\_\_\_\_  
TEL. # (714) 424-3466 OTHER PHONE USED, # ( ) \_\_\_\_\_  
ADDRESS: 931 N. Highland # 2 ADDRESS: \_\_\_\_\_

DATE BECAME DISABLED MONTH 12 DAY 20 YEAR 1988  
MAJOR CONDITION: Chronic backache, depression, vertigo, insomnia, nervous  
night-mare, some depression but of some relief from  
the time.

1. DOCTOR NAME: \_\_\_\_\_ 2. DOCTOR NAME: \_\_\_\_\_  
TEL# ( ) \_\_\_\_\_ TEL# ( ) \_\_\_\_\_  
ADDRESS: \_\_\_\_\_ ADDRESS: \_\_\_\_\_

3. OTHER DOCTOR NAME: \_\_\_\_\_ ADDRESS: \_\_\_\_\_  
NAME: \_\_\_\_\_ ADDRESS: \_\_\_\_\_

- H. DICATIONS RECEIVED.
- 1. \_\_\_\_\_ 6. \_\_\_\_\_
  - 2. \_\_\_\_\_ 7. \_\_\_\_\_
  - 3. \_\_\_\_\_ 8. \_\_\_\_\_
  - 4. \_\_\_\_\_ 9. \_\_\_\_\_
  - 5. \_\_\_\_\_ 10. \_\_\_\_\_

I UNDERSTAND AND AGREE TO PAY SERVICE(S) FEE TO THIS AGENCY CHARGE THE AMOUNT OF \$ 200.00 FROM THE BEGINNING DATE TO THE END, UNTIL CASE(S) PROCESS.

I GIVE THE CONTENTS TO THIS AGENT HAS THE AUTHORITIES TO BE MY REPRESENTATIVE ACT TOTALLY ON MY FILE FROM NOW.

I HAVING READ AND UNDERSTOOD THE FOREGOING ON THIS AGREEMENT FROM THE TOP TO BOTTOM ON MY BEHALF.

REPRESENTATIVE NAME: [REDACTED] CLAIMANT: Carb Nye Agnew

DATE SIGN MONTH 9 DAY 2 YEAR 1990 DATE SIGN MONTH 9 DAY 3 YEAR 1992

REFERRAL NAME: Edward Aminaloan  
TEL # (714) 738-4823

Report # 200.00

DATE 9-3 1992 No. 1852

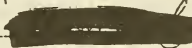
RECEIVED FROM Carh. ngoc nauyen

ADDRESS \_\_\_\_\_

DOLLARS \$ 200.00

ON Depart and report fee

AMOUNT PAID	200.00	CASH	200.00
DATE PAID			

BY 

DATE 3-25 1993 No. 1875

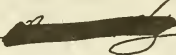
RECEIVED FROM Somaly Sop

ADDRESS \_\_\_\_\_

DOLLARS \$ 200.00

ON Doctr. report and paper work fee

AMOUNT PAID	200.00	CASH	200.00
DATE PAID			

BY 

DATE 3-25 1993 No. 1876

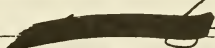
RECEIVED FROM Com nauyen

ADDRESS \_\_\_\_\_

DOLLARS \$ 65.00

ON Recommendation fee

AMOUNT PAID	65.00	CASH	65.00
DATE PAID			

BY 

Chairman PICKLE. I thank you, Ms. Franco, for that testimony. I am not happy to hear it, I am embarrassed, but I thank you for your strong statement.

John, do you have a statement to make to the committee?

JOHN. Yes, Mr. Chairman.

Chairman PICKLE. You may proceed.

**TESTIMONY OF "JOHN," FORMER UNDERCOVER OPERATIVE,  
CALIFORNIA DEPARTMENT OF JUSTICE, OFFICE OF THE  
ATTORNEY GENERAL, BUREAU OF MEDI-CAL FRAUD**

JOHN. First of all, let me introduce myself by way of a brief history. Please excuse my language. I do speak several languages in my life, but the English language is the hardest, in my consideration. If you don't understand my pronunciation, please ask me at any time.

Chairman PICKLE. Thank you.

JOHN. I arrived in this country through the refugee program. After fleeing from the Indochina area with my wife and a child and being moved from one refugee camp to another in different parts of the world, we finally landed in the United States. As so many of my countrymen, I left family behind, never to be seen again. I left my livelihood and also my plans for my future. I arrived, grateful that we survived and in a country like America, but penniless and with few places to turn. I have learned to survive in this society, so different from my own. I have eked out a living as best I could, doing myriad menial jobs, although I have a professional background and education. I, like my countrymen, have had a number of very difficult obstacles assimilating to the American society. These problems will probably take me a lifetime to surmount. I must look at the challenges facing me in America as an avenue of opportunity. As I progressed down this avenue, I often see pitfalls that would appear to make the struggle easier to bear, but I know it will lead me to nowhere. Some of these pitfalls are put in place by well-meaning Americans. The social welfare system that makes money much easier to get than opportunity.

I take pride in the fact that I have never applied for public assistance, although at times it was so tempting. Seeing people collecting welfare and other benefits while making no effort was very demoralizing.

My association with the Bureau of Medi-Cal Fraud started a number of years ago. My reason for assisting the bureau was simple. I felt that the dependence my countrymen were developing on the social systems in this country would severely limit our ability to prosper here. Although I was paid for my efforts, my monetary reward has been minimal, the work was intermittent, and there was real jeopardy to me and my family. I had to move a number of times once my identity became known. I have lost several jobs because of court commitments, and I had no peace in my life because of this involvement. I am looked at by my fellow refugees as a spy and traitor.

The hardships I have endured serving the criminal justice system in America is almost equal to the hardship getting here.

What you saw in the films and I am here to discuss with you is the ease by which SSI payments can be acquired. Let me first say

that if it were not for the middlemen and some of the medical professionals and legal professionals involved in this fraud scheme, the numbers of SSI claims, I believe, would be far less.

I could go into the problems that the refugees experienced when the refugees' resettlement money has run out, when the welfare money is about to run out, and employment opportunities are scarce. But the issue at this hearing is not their plight, not that you are not interested, but it is not the theme of these hearings.

I will tell you what I have experienced first hand in my role as an undercover operator and as a citizen refugee regarding the organized effort to direct refugees into the SSI Program. A member of the refugee committee is considered strange if he does not cash in on this free money for life.

Because of my exposure to the investigation being conducted, I have become extremely aware of the financial burden put on the system here in America, not only by the numbers of SSI recipients coming from the Southeast Asia communities, but all the other services it affords them. Over the year, I have been in numerous medical clinics that, in essence, pretend to provide medical services to the Southeast Asian communities just to be able to bill Medicaid. Paying the recipients to come to the clinic is common, and telling them that they will get SSI payments for life by coming to the particular clinics is a real draw.

One does not have to be a medical professional to know when no medical exams are conducted, to know that the prescriptions are only being written for the profit motive, and when documents are being drafted to qualify someone for SSI, when no actual disability really exists.

I have been in numerous clinics where the recipients are bused in by middlemen or drivers. Everybody but the taxpayer makes money on the deal. By acting as a middleman and driver myself, I have delivered large numbers of Medi-Cal cards to clinics and had no recipients with me and received payment for bringing them in.

I was in a clinic a number of years ago when I first saw the wholesale SSI fraud scheme taking place, drivers bringing in 6, 8, 9, or 10 people at a time to see just one doctor. The drivers were getting paid by the clinics and the recipients were getting set up for SSI.

It has been my experience in these last investigations that the middlemen and the clinics that were operating illegally were being very cautious, but they still plied their trade—bogus Medi Cal claims and SSI medical reports.

You will see in the film clips common practices by the middlemen. You will see in one clip 10 people or more, I being one of them, going from the middleman's office to the clinic. When we got there, the place was packed, standing room only, all for SSI documentation. While I was there, I heard some of the recipients joking about what malady they were told to say they had and how they were going to get rich from this.

I could go on all day with examples of abuses to the system, but I want to end leaving these thoughts. The profit motive of the middlemen and others who get to extract money from either the refugees or SSI/Medi-Cal system are the true perpetrators of this fraud. Without them, the fraud could not happen. The refugee is

also not without fault, for he knows he is getting something he is not truly deserving of. The system, in its misguided effort to assist the refugees, is also at fault for throwing money at the problem rather than opportunity to assimilate through gainful employment.

I have ended my statement, Mr. Chairman.

Chairman PICKLE. I appreciate your testimony, John, and the very frank statement of Ms. Franco at this hearing.

Mr. Martin, I first want to know, you represent the Department of Justice of California, is that correct?

Mr. MARTIN. That is correct, Mr. Chairman.

Chairman PICKLE. You were asked to investigate these kinds of cases by whom?

Mr. MARTIN. We made a decision to investigate these on our own.

Chairman PICKLE. Did the SSA offices in that area know this was going on?

Mr. MARTIN. Yes, sir, because they had received similar complaints.

Chairman PICKLE. Had they done anything about ferreting out these abuses?

Mr. MARTIN. Not to my knowledge.

Chairman PICKLE. Have they ever done it, that you know of?

Mr. MARTIN. Not to my knowledge.

Chairman PICKLE. Or at least to a very minor degree? You just don't know of any?

Mr. MARTIN. I don't know of any, Mr. Chairman.

Chairman PICKLE. I want to follow up on this action. Has there been any conviction made on these kinds of cases?

Mr. MARTIN. No. They are all pending in court right now.

Chairman PICKLE. How long ago did you make the investigations and make this information known?

Mr. MARTIN. Approximately the middle of last year.

Chairman PICKLE. So it has been over a year now?

Mr. MARTIN. Yes.

Chairman PICKLE. It has been a year and the cases are just starting? Then nobody has been put in jail yet?

Mr. MARTIN. No, sir.

Chairman PICKLE. Is the practice still going on in that area?

Mr. MARTIN. Yes, Mr. Chairman, I believe it is.

Chairman PICKLE. SSA knows that?

Mr. MARTIN. Yes, sir.

Chairman PICKLE. Does the OIG, inspector general, know it, also at SSA?

Mr. MARTIN. Yes, Mr. Chairman.

Chairman PICKLE. Let me ask Ms. Franco or John this question. Of the people that you cited in this one case where you had 30 or 40 of them in the group and you paid the doctor and the middleman, I assume that you are saying that those claims were false claims and that the individual participated in it?

Ms. FRANCO. Yes. We have video tape and audio tape of them speaking in their own native tongue, joking and laughing.

Chairman PICKLE. I want to ask you, in your opinion—this is a matter of opinion—do you think that most of these people know that it is illegal and that they are receiving money fraudulently?

Ms. FRANCO. Yes, they do. By the video tapes that we have and the comments they make, they laugh about the free money. We hear the middleman telling everybody what to say in order to qualify.

Chairman PICKLE. Then you would say that the large majority of them are not disabled but they just make their statements and they make the money?

Ms. FRANCO. In all fairness, Mr. Chairman, we only deal with crooks. We deal with those individuals that are going to get something for nothing. I cannot say that some of those individuals would not have normally qualified if they would have gone through the normal process. But these individuals did laugh.

Chairman PICKLE. Can you give me an estimate? Of the 300 people or the 4,000 people, would you say 5 percent or 10 percent might be eligible? Or would you just say a very small number?

Ms. FRANCO. Let me give you a breakdown of those 300 files that we had analyzed by that medical expert.

Chairman PICKLE. All right.

Ms. FRANCO. Of those 300, we had 192 hits, meaning that 192 individuals were, in fact, applying or receiving. We were able, then, to determine that 117 were now receiving payments. We totaled up how much they had been paid. They had been paid \$1.7 million, and that 117 comes out to 39 percent of the 300 files looked at. So those 300 files were all the same, all boiler plate, but we have no other documentation beyond those medical files to state how those 117 individuals, if they used additional documentation to establish their eligibility.

Chairman PICKLE. Do you know whether any of the recipients have ever been taken off the roll?

Ms. FRANCO. Not to my knowledge.

Chairman PICKLE. To anybody's knowledge? To yours, Mr. Martin?

Mr. MARTIN. Not to my knowledge.

Chairman PICKLE. Thank you. I will yield.

Mr. Ford, would you like to proceed now to questions?

Chairman FORD. Thank you, Mr. Chairman.

Over what period of time did you conduct the investigations with the TV recorders and all of that?

Ms. FRANCO. It has been 3 years.

Chairman FORD. It has been 3 years since this took place?

Ms. FRANCO. Correct. If I might add, during that time, we spent a lot of time educating ourselves on SSI. We had no previous experience, so we had to educate ourselves on how the system worked and how we were going to address that situation. It took us a while to scour the United States, looking for undercover operatives, because we felt that that was the only way to prove the fraud.

The Southeast Asian community individuals are very reluctant to speak to us, so that we had to change our tactics of how we approached our investigations to either confirm or deny the allegations that we had been receiving. Usually, we just take a list of beneficiaries when we get a complaint that a doctor is billing for services not rendered and interview the beneficiary, and usually we get a very good response and we are able to prove our fraud case.

In this situation, with past experience, that was not going to be so, so this is why we decided to target only the middlemen, the attorneys, and the clinics and prove our cases with undercover operatives such as John.

Chairman FORD. In your investigation, when John would enter Social Security's claims office and talk with one of the clerks what took place after they filled out the application? There is a disability determination made on individuals who come in and apply for Supplemental Security income. The information in this particular application is not the end of that process is it?

Ms. FRANCO. No, it is not. We did not go through all of the process. By the time we got to that stage, we had been in 2 years, so we had to wind things down. A decision was made that we were not going to wait and have the complete process—we were not going to wait for John to get actually accepted and start receiving money. If he got accepted or if he didn't, it could be additional months more. So we never went beyond just filling out the initial documents for SSA.

Chairman FORD. I am not just referring to John, I am talking about your overall investigation. DDS makes that final determination?

Ms. FRANCO. Yes, they do.

Chairman FORD. They do it with their own doctors, who are often contracted out by SSA, to make the determination whether one is disabled or not.

Ms. FRANCO. Correct. That is why I said earlier that of those 300 cases that the medical expert looked at, the only information that we have are those 300 files. We have no additional documentation to state that those 117 individuals did, in fact, go to other doctors, and there is additional documentation that affords the DDS to make that determination that they were eligible.

We are just speaking from a very small world in which we were doing from a search warrant.

Chairman FORD. Are you going past the doctors who meet for these quick sessions to the middle people informing their clientele with the clinics what to say and how to apply for the SSI benefits?

Ms. FRANCO. Our targets are the middlemen and the doctors, yes.

Chairman FORD. What about those physicians or health clinics under DDS? It seems to me that they make the final determination. In my district, they make the final determination, and it is oftentimes very difficult to get someone qualified. We are talking about California. Why is it so easy? Are the physicians or clinics contracted by SSA in cahoots with the same doctors we are talking about?

Ms. FRANCO. It is our experience by the undercover operations that we conducted that there appears to be an alliance, an association, between the middlemen and certain doctors.

Chairman FORD. Doctors who are contracted by SSA?

Ms. FRANCO. Not to my knowledge, no.

Chairman FORD. That is what I am saying. SSA, in the disability determination, makes the ultimate decision as to whether that claim is going to be paid under SSI, is that correct?

Ms. FRANCO. Correct.



Chairman FORD. And those physicians are either contracted out by the Social Security Administration or the State's own disability office?

Ms. FRANCO. We never ran across a doctor that was associated with DDS or SSA in our investigations.

Chairman FORD. They make the final determination, though, don't they?

Ms. FRANCO. To my knowledge, yes.

Chairman FORD. If they make the final determination from all of the things said and placed on the application, then they are another medical group contracted by the Social Security Administration to make the final determination as to whether the person or persons are disabled.

Ms. FRANCO. Yes.

Chairman FORD. And, did you find in those offices evidence, or any information at all, to suggest that maybe the physicians who are contracted by the Social Security Administration might be a part of the fraud we are talking about on these applications?

Ms. FRANCO. I have firsthand experience. Let me give you a little bit of history. When we first started these cases, we had a large target base. We had a lot of doctors, and we had to start eliminating, figuring out which ones we were going to target. So I had a large number of doctors, and these doctors move faster than lightning. They would open up a clinic, be there 6 or 7 months, close, and go somewhere else. It was difficult to track them.

I was able to track one doctor, and eventually, this one doctor moved from clinic to clinic and eventually was associated with a clinic that was contracted with DDS to provide additional documentation for the Social Security office. We interviewed him and he said that he knew nothing of what was going on in the clinics before where he worked, but now that he was under contract with the SSA, the DDS, that he was seeing a lot of things going on.

He did provide us with some information, but there are so many doctors out there. This was only one doctor that I came in contact with, but I was able to follow him from the Long Beach area, and then I guess he cleaned up and was now working along with DDS.

Chairman FORD. That one doctor that you make reference to there was contracted by SSA?

Ms. FRANCO. DDS. He was working in a clinic that contracted with DDS to do the consultative examination that they needed.

Chairman FORD. Previously, had he been one of the clinic doctors who handled many of the fraudulent cases that we have talked about and seen on television this morning?

Ms. FRANCO. He had been one of many targets, so I got to know a lot of doctor names, and a lot of these doctors have very unusual names so it is very easy, then, to start following them. I did a lot of analytical work and backup to prepare my investigators on the proper cases to investigate.

Chairman FORD. I was wondering, because in my district, it is typical to go to DDS and to go through all of the steps for the certification of one being disabled—

Ms. FRANCO. In all fairness to DDS, they did supply us with samples of boiler plate information. They knew the doctors to watch out for. But there are so many doctors out there and so

much going on, I don't think we were able to follow everything or DDS was able to follow everything. I really feel that everybody did the best job they could with what they had available.

Chairman FORD. We are talking about a lot of claimants making application and a lot of Federal funds being paid under the Supplemental Security Income Program.

Ms. FRANCO. And Medicaid paying for all of these examinations, yes, we are.

Chairman FORD. The Social Security Administration has a responsibility and an obligation, for DDS to ensure, with their in-house doctors if necessary, that an honest determination is made.

One other thing I am not quite clear on, how one would qualify for up to \$10,000 in supplemental security income? In most cases, SSA can process SSI applications a lot quicker than Social Security disability claims. Oftentimes, SSI qualification takes no more than, 4, 5, 6, or 7 months in the most extreme cases.

I don't understand how at \$446 a month under SSI, one would receive \$10,000 back benefits. I know retroactively, they receive their pay, but 3, 4, 5, and 6 months certainly would not total up to \$10,000 or more.

Ms. FRANCO. It would depend on the onset date and how long the application process took. So the longer the process took, and then eventually 18 months or 2 years down the road when they were actually accepted, then it is retroactive all the way back. We have samples of checks that total \$5,000, \$7,000, \$8,000, and even two checks.

Chairman FORD. I understand when there is a year, 18 months, or 24 months, but that is not the norm, is it?

Ms. FRANCO. Nothing we did in southern California was the norm. Everything was abnormal. I am not trying to be facetious, but when we are dealing with fraud, we were trying to identify the targets and this is the information that we got. I am just giving back to you our firsthand experience with this.

Chairman FORD. Was SSA involved in this investigation?

Ms. FRANCO. SSA provided us with information as best they could. They instructed us on what the applications were for, how to fill them out, what to look for in that process, and the OIG's office was able to provide us with clean Social Security numbers so that we could get clean Medi-Cal cards for our undercover operatives.

Chairman FORD. Did they suggest that you might even look at the DDS office?

Ms. FRANCO. That was never suggested. DDS came and provided training to us, also, in that aspect, in the background in Social Security and SSI as to what they use to make a determination background-wise of what somebody was eligible to receive.

Chairman FORD. Thank you, Mr. Chairman.

Chairman PICKLE. Before I recognize Mr. Houghton, let me follow through on one point of the questioning that Mr. Ford had been following.

These forms filled out by the middlemen and authorized by the doctor are standard and obviously manufactured, the same wording, the same doctor, the same language, the same claims for complaints.

Ms. FRANCO. Yes.

Chairman PICKLE. On the surface, it is very noticeable that that is not a legal document. Something is wrong. Anybody with common sense would say that there is a question mark about this.

Ms. FRANCO. Yes.

Chairman PICKLE. Now Mr. Ford is asking you, why did the DDS doctors and authorities approve it? You said that you didn't know, you couldn't venture a guess.

I will make the statement that if the practice is going on as commonly as we say, and here is a form that is obviously noticeable, it would seem to me, then, that the DDS officers were either rubberstamping the application or they were sloppy or they just were tired and they said it is easier to approve it than it is to ask questions.

Ms. FRANCO. And another option there, sir, could be that the claimant brought in their own interpreter, again being that middleman. You must understand, also, that none of these doctors, or very few of them, speak Cambodian or Vietnamese. They rely on interpreters. What is the middlemen's expertise? They interpret. They knew English and that foreign language. So in all fairness to the doctors—

Chairman FORD. Are you talking about DDS doctors?

Ms. FRANCO. Yes.

Chairman FORD. We are spending \$325 million in SSI payments when we look at the total dollar amount that is involved with the fraud and abuse. So certainly SSA could compensate bilingual physicians.

Ms. FRANCO. It would appear that that would be one of the answers, yes, but how they get beyond the DDS doctor would be through, again, that translator.

Chairman PICKLE. It looks like they just automatically approve it.

Ms. FRANCO. It depends on what the translator tells the doctor.

JOHN. Can I make a statement, Mr. Chairman?

Chairman PICKLE. Yes.

JOHN. According to Mr. Ford, a question about DDS doctors or physicians making a final determination about a case, maybe the investigator didn't have a chance to go through or to follow the case from the initial claim until the end about determination, but to my experience, and I had a chance to go around my community, my people, how they could get on SSI.

The retroactive checks could be up to \$12,000, not only \$4,000 or \$5,000, because when the first claim, the initial claim has been denied by DDS because they don't have enough information for their physical system. And the middleman also questions them, don't give up. So the SSA office won't throw that claim away. They still save that claim.

After that, the claimants, through the middleman, can file for a hearing they call redetermination, one more time, to get that claim to be going on, even though they have been examined by the old physician. But before accepting by DDS, they must be seen by three doctors, at least.

Then before DDS makes a determination, they have to pass the DDS physical themselves. But no matter where they got sent, they

required that claimant to go, the same middleman is going to follow them through that DDS physical and get that claim possible.

For example, one case that I have knowledge for myself, it has been 2 years before DDS can make a decision to get that person on the SSI program, and 2 years from the onset date filed. It can be \$20,000 in the Fresno area.

Chairman PICKLE. In other words, it just goes on and on.

JOHN. On and on.

Ms. FRANCO. You must understand that the middleman only gets paid when the claimant gets on SSI, so the goal is for the middlemen to be insistent and keep encouraging and doing everything possible to get the claimant eligible.

Chairman PICKLE. Yes; I understand.

Mr. Houghton.

Mr. HOUGHTON. Thank you, Mr. Chairman.

The critical question is, what do we do about all of this? What do you think we ought to do, and if you make that suggestion, why hasn't it been done before by the Social Security Administration? Maybe each of you would like to take a crack at this.

Ms. FRANCO. I will defer to Mr. Martin.

Mr. HOUGHTON. You can't get off that easily. Come on, Ms. Franco, you are very articulate.

Ms. FRANCO. Thank you. The situation here is the middlemen. They are the key figure in all of this criminal activity. If they did not facilitate the clientele, the patients to come into the clinics, then there would be no individuals for the clinics to bill.

The key is the middlemen, but how do you regulate a small businessman? How do you regulate a translator? You don't regulate them on the outside. You regulate them, hopefully, through Social Security, because they are the ones that have first contact with these individuals.

One recommendation that John and I have discussed is hiring individuals like John in SSA to actually be interpreters, but make them SSA employees. The downside to that is that in Santa Ana, one such interpreter that was very diligent and knew what was going on had his life threatened. He was very scared for himself and for his life. So although the recommendation sounds very easy, finding individuals that are willing to expose themselves, because they live within their community—

Mr. HOUGHTON. That is your suggestion, is that right?

Ms. FRANCO. That is one suggestion. I am sure Mr.—

Mr. HOUGHTON. Let us go to the others. How about you, John?

JOHN. To my knowledge, in order to solve this problem, the SSA should hire more bilingual staff in order to eliminate the middlemen.

Mr. HOUGHTON. More what staff?

JOHN. Hire more bilingual staff in the SSA office in order to eliminate the middlemen's activities. If the SSA don't have enough people to be able to speak the language, that could open another gap for the middlemen to take an action.

Mr. HOUGHTON. Mr. Martin.

Mr. MARTIN. Thank you, Mr. Houghton. From my point of view, I think that if the SSA did routine redeterminations of the SSI beneficiaries, those with the mental disabilities, on some routine

basis, with an examination by a doctor that was on contract or employed by SSA and, using a contract or Government interpreter, I think that would make a big impact on the continuing problem.

My theory on it is that if SSA were to send out redetermination notices to this population of recipients and told them that they had to appear, they were going to be reexamined, there was going to be a true redetermination, that perhaps 50 percent would even show up. We do believe that there is a large population out there that knows that they are not entitled to these benefits, and they wouldn't show up if they knew they would be examined and evaluated by an impartial, or a Government employee.

Mr. HOUGHTON. Thank you.

Chairman PICKLE. Thank you, Mr. Houghton

I assume the witness is saying that if you hired more bilingual interpreters, there then would not be any need for middlemen and we could just outlaw the middlemen. Is that, in essence, what you are saying might develop?

Mr. MARTIN. Yes, Mr. Chairman.

JOHN. To my knowledge, yes.

Chairman PICKLE. Thank you.

Mr. Ford.

Chairman FORD. Mr. Chairman, I recognize the ranking member of the Human Resources Subcommittee, Mr. Santorum.

Mr. SANTORUM. Thank you, Mr. Chairman.

I am just curious. The focus of your investigation has been the physicians and the middlemen, and you have all these people who have gotten SSI benefits—you mentioned the number, a couple thousand. None of those people has been removed even though the Social Security Administration has been informed of this investigation and all that sort of stuff? Nobody has been removed as a result of this investigation?

Ms. FRANCO. Not to my knowledge. Like I explained earlier to Mr. Ford, our world is only that one file.

Mr. SANTORUM. Have you informed the Social Security Administration that these were people who received benefits through these middlemen who you now have under indictment?

Ms. FRANCO. Not to my knowledge.

Mr. Martin.

Mr. MARTIN. I believe the Social Security Administration is aware of Social Security numbers that we have run to confirm a particular recipient's status, but as to the actual numbers and exact names that we have referred to them, to my knowledge, I don't believe we have.

Mr. SANTORUM. You have not referred them that information?

Mr. MARTIN. Right.

Mr. SANTORUM. But they are aware of the investigation, they are aware of the indictments, and they have not contacted you to get that information as to who the individuals were?

Mr. MARTIN. Not to my knowledge.

Mr. SANTORUM. Do you find that to be a little remarkable?

Mr. MARTIN. Yes.

Mr. SANTORUM. If you knew of a fraud going on that was being conducted by another agency that involved money that was being

paid out by your organization, would you not contact them to find out who the individuals were involved with the fraud?

Mr. MARTIN. Yes, sir, we would.

Mr. SANTORUM. Did they cooperate with you beyond just providing you information as to how their system works? Did they give you any investigators? Did they assist you in any way with this investigation?

Mr. MARTIN. The Social Security Administration? No.

Mr. SANTORUM. Have you ever worked with the Social Security Administration before on these kinds of projects?

Mr. MARTIN. No, not on these kinds of projects.

Mr. SANTORUM. Do you ever cooperate with other agencies of the government in conducting investigations with respect to fraud?

Mr. MARTIN. Absolutely, we cooperate.

Mr. SANTORUM. Did you find that the cooperation between you and the Social Security Administration was uncustomary for cooperation between Federal Government agencies involved in this kind of investigation?

Mr. MARTIN. At times, we found it to be difficult.

Mr. SANTORUM. Could you elaborate on that a little bit more? What sort of things do other agencies do that the Social Security Administration was not doing?

Mr. MARTIN. One example that I have was trying to conduct an undercover operation in a SSA facility. There seemed to be a large bureaucracy to get through in order to get inside the door using our people to pose as SSA employees to coordinate that particular activity.

We are a rather spontaneous group. When this happens, it happens. When we have an operator available and the translator, who is the suspect or the middleman in this case, we don't have a lot of time to make a lot of phone calls, send paper, and follow a bureaucratic process. At times, we found that to be very difficult with SSA because they did have a bureaucracy and there was a chain of command that they had to follow. That made it difficult for us to conduct some of these operations. In fact, sometimes we just did them to get it over with and move on.

Mr. SANTORUM. They do have investigatory staff out in this area, right?

Mr. MARTIN. OIG does, yes.

Mr. SANTORUM. And they are conducting some investigations, is that correct? Did they ever call you and work with you and ask you for assistance?

Mr. MARTIN. OIG, we have worked with on these particular investigations. They provided us assistance with getting information, getting Social Security numbers that would enable us to have a true undercover operator. They provided backup support. At the time that we were doing search warrants in southern California, we did have assistance with our staff in conducting those search warrants. But primarily, we did the investigations and they provided support.

Mr. SANTORUM. Do you have any suggestions to this committee? You have described what I see as a potential problem within the investigatory arm that is investigating SSI. Do you have any suggestions of what we might instruct those responsible parties to do,

to change behavior or pass something to correct what you see as a problem in ferreting out fraud?

Mr. MARTIN. One is to find ways to streamline the bureaucratic process, of State and Federal Government agencies working cooperatively together. Sometimes shortcuts have to be taken, and the particular authority and responsibility is going to have to be delegated to a regional level. That would be a great improvement in those types of relationships.

As to the overall problem, I don't know that you can put enough cops out there to investigate everything. I think the issues come back down to—

Mr. SANTORUM. I understand that and I accept that. I just was curious as to whether there are things we need to do, in your suggestion. To give more regional flexibility is one suggestion.

Mr. MARTIN. Yes, to cut through the bureaucratic redtape.

Mr. SANTORUM. As far as using the existing system, what can we do to create more cooperation and assistance to these kinds of investigations?

Mr. MARTIN. I do believe it is going to be at that regional level, where those regional managers have more flexibility in directing our investigation and saying, yes, we have a problem here. We want to work with a State or local agency and we are going to commit resources to it, just as we did. We made a decision, although we would not normally investigate these types of issues, that there was such an impact on the Medi-Cal Program that we committed our resources in all of southern California to do it.

Mr. SANTORUM. And you were not aware of any investigation being conducted by the Social Security Administration?

Ms. FRANCO. The OIG? No.

Mr. MARTIN. No, there was none.

Mr. SANTORUM. None?

Ms. FRANCO. We did the work and they did provide us backup. We were unable to use them in our investigation. To the extent that all of our investigations are law enforcement related, we are all armed. So we have a policy that anybody who is out there has to be armed along with us. So with the OIG investigators not being armed, that almost precluded them from being included in our undercover operations.

Mr. SANTORUM. When you contacted them, they got the same complaints that you got, they just simply didn't respond to them? Is that pretty much what happened?

Mr. MARTIN. It is a resource issue for them, of how much staff they had to apply to that particular problem. As I understand OIG, they investigate a number of different areas within SSA and they have different responsibilities. This was one of many, and if they had limited resources, assuming their priorities were different than ours, they just didn't have the resources to stick into it.

Mr. SANTORUM. You found that there was roughly \$38 million, is that what you said, in back SSI payments made just to these people that you have investigated to date, \$38 million?

Ms. FRANCO. That was the result of individuals that actually got onto the program. Whether they were legitimately under the program, as Mr. Ford and I continue to disagree, we don't know for sure. But these individuals that went to this one doctor—we were

investigating this doctor for Medicaid fraud, that he is billing for services not provided or overbilling. This is our world that we are dealing with, with limited documentation.

Mr. SANTORUM. Thank you.

Chairman PICKLE. Mr. Hancock.

Mr. HANCOCK. Thank you very much.

John, when did you arrive in the United States? What year did you arrive?

JOHN. In the early 1980's.

Mr. HANCOCK. What I am curious about is whether this is pretty well known with refugees that are coming into the United States prior to the time they arrive, that this is available. In other words, is it being promoted in those countries, where they are met at the airplane or however they get here and they are just being recruited, more or less? Is that going on? Perhaps Mr. Martin could answer that question.

Mr. MARTIN. Mr. Hancock, it could involve any refugee or immigrant to this country that is non-English speaking. We have found from our experience that it is not limited to the Indochinese.

Mr. HANCOCK. Here again, I would just like to get it into the record. Is it possible that people that are qualifying on this are notifying other people back in their home country that, yes, come into the United States, and here is a program that you can get on?

Mr. MARTIN. From our information, when these programs originally started, refugees came and they didn't know these programs were available. Once they became eligible for them, they, either via the mail or their visits or phone calls, they said that these programs are available in the United States.

We have some information that in some refugee camps, they are actually being told what to expect when they get to the United States and what they can be eligible for.

Mr. HANCOCK. Are they being solicited by those middlemen in those refugee camps?

Mr. MARTIN. We don't know for certain if it is those particular middlemen, but we do believe there is a relationship there.

Chairman PICKLE. John might respond to you. He was a refugee.

JOHN. Prior to 1975, before Indochina's area collapsed to the Communist—when I am mentioning the Indochina area, combining Laos, Vietnam, and Cambodia. After 1975, when countries collapsed to the Communists, so the flows of the refugees from our country to the asylum countries, such as Thailand, the Philippines, at that time, we didn't know exactly where to head, in which direction in the world that we have to resettle our lives.

While we were refugees in the camp, we didn't even know the United States that can take care of all the refugees arriving to resettle. We didn't even notice that. And we didn't even notice the ease of benefits available in this country, such as the welfare system and the other benefits from this Government. We hadn't noticed about that.

After the first group of refugees from Indochina resettled to this country, so they get the benefit, such as resettlement money that the Government provides to those refugees for each individual, each member of the family. After the resettlement money ran out, the refugee program referred those refugees to the welfare system



to get the welfare. When they got this benefit, this news spread to overseas.

Let me tell you the story. In the 1970's when I escaped from Indochina, I saw lots of my fellow refugees, about 25,000 people in the tiny camp. At that time, this Nation tried to let out a hand to rescue the life, to resettle to the third country, and most of them didn't want to come because they never came to the Third World before in their life. They just wonder that they don't speak the language. They just wonder that their culture is different. So when this Nation tried to rescue them, each family hid themselves in the jungle because they don't want to come to the third country.

After this news spread, especially in the United States that laid out that assistance to refugees that would make their life in the United States be better than they were in that country, they have housing authorities, they have welfare benefits, so this news spread to the refugee camp, so the refugee camp tried to come to the United States because of this benefit.

Mr. HANCOCK. Let me understand, did you say that this was possibly promoted by the United Nations, that they were informing people about all of these programs? Did I get that impression there?

JOHN. I didn't say that because of the United Nations that informed the refugees that the United States provides such huge benefits to refugees.

Mr. HANCOCK. That is fine.

There is one other thing that I would to ask, and I think you will have the answer to this one. If you get on SSI, in other words, you qualify for SSI, that automatically qualifies you for Medicaid, is that correct?

Ms. FRANCO. Yes.

Mr. HANCOCK. That also would qualify you basically for food stamps, it would qualify you for housing assistance, and all of the programs, is that correct?

Ms. FRANCO. Correct, because you are unable to work. If you are unable to hold gainful employment, you have to live and you have to eat.

Mr. HANCOCK. And you also don't have any assets or anything.

Ms. FRANCO. Correct.

Mr. HANCOCK. Is it correct, and this is a question that came up just a little while ago, is it correct that under our Medicaid Program, that if an individual is under SSI, that the hospitals end up collecting about double the amount of money? Are you familiar with that at all?

Ms. FRANCO. I am not familiar with that, no.

Mr. HANCOCK. Let me just ask one final question, and this is going to have to be an opinion. At what level in government do you think the potential of fraud or collusion or what have you, or an exchange of funds, at what level in government do you think that goes to? How high up the ladder are there people, maybe directly or indirectly, benefiting in some manner through this fraud? At what level?

Ms. FRANCO. In the Federal Government?

Mr. HANCOCK. The Federal and State, at what level?

Ms. FRANCO. I have not come across any information that is beyond the middleman level, other than that one middleman was, in fact, a county employee and he had access to information. We have another middleman that is a court interpreter in the Long Beach area, and we have defendants that are refusing to appear for their court appearances because they are afraid of that middleman in the Long Beach area.

But in Federal Government, I would not venture to guess. I have no information.

Mr. HANCOCK. Let me ask this question and follow up on Mr. Santorum's question. Mr. Martin, why can't you get any cooperation on up the line to look into this thing?

Mr. MARTIN. Mr. Hancock, I feel part of it is you have a difference in priorities. We are law enforcement—

Mr. HANCOCK. This isn't quite big enough? If it was \$25 billion, maybe they would do something about it, but since maybe it is only a billion or two, it isn't worth fooling with, is that correct?

Mr. MARTIN. Perhaps, Mr. Hancock.

Mr. HANCOCK. Thank you.

Thank you, Mr. Chairman.

Chairman PICKLE. Does any other member have questions for this panel?

Chairman FORD. Mr. Chairman, I would just like to follow up on Ms. Franco's testimony about the middleman receiving these lump-sum benefits from the recipients.

Can you tell me, how middlemen know when SSA sends a check out? I know you talked about relatives and family members who are very close, in some cases, or at least know these middlemen. But how would they be aware of the fact that SSA is sending these checks out? Or, do you feel that there is any contact in the SSA offices with any of these middlemen?

Ms. FRANCO. In one situation we know of, or in several situations, we find that the middlemen make themselves the representative payee, so they will be the ones receiving the check for the individual. This is done, we feel, in cooperation with the claimant, so that way the middleman receives a check and gets his fee.

Chairman FORD. There are only about 13 middlemen in your area, and you are saying they receive these checks as the representative?

Ms. FRANCO. Sometimes we have found in the files that we have taken from one location from a middleman's office, he is a representative payee for many of these individuals to ensure that he gets his fee.

Chairman FORD. I am sure that the Social Security Administration's computers can pick the same name over and over as a representative payee.

Ms. FRANCO. If they are computerized, I am sure they can.

Chairman FORD. Thank you, Mr. Chairman.

Chairman PICKLE. We must go on to the other panel, but before you depart, I want to tell you that we appreciate your testimony. I think your Medi-Cal fraud unit has been very aggressive, and this will be helpful to our review of this problem and what we can do about it, so I want to thank you.

I want to go to the next panel, but before we do, I want to ask everybody in the room just to stay in position because we are going to ask the Capitol Police now to escort John out of the room and out of the building, so please just stay put, and no pictures or anything.

JOHN. Thank you, Mr. Chairman, for inviting me here.

Chairman PICKLE. Thank you, John, and I thank the panel. This panel is dismissed. Thank you again.

[Pause.]

Chairman PICKLE. We will now go to the next panel. We are going to ask the Commissioner of the Social Security Administration, Shirley Chater, accompanied by Larry Thompson, and the Honorable June Gibbs Brown, Inspector General of the Department of Health and Human Services, accompanied by Larry Morey, if you will take your places here at the table.

Chairman FORD. Mr. Chairman, can we just take about 1 minute and let them get those petitions?

Chairman PICKLE. Yes.

[Pause.]

Chairman PICKLE. I am going to ask all the witnesses now if you will hold up your right hand to be sworn.

Do you swear to tell the truth, the whole truth, and nothing but the truth?

Ms. CHATER. I do.

Mr. THOMPSON. I do.

Ms. BROWN. I do.

Mr. MOREY. I do.

Chairman PICKLE. The record will show that all have answered in the affirmative.

Our first witness will be the Commissioner of the Social Security Administration, Dr. Shirley Chater, accompanied by Larry Thompson, and then the inspector general, June Gibbs Brown, accompanied by Larry Morey.

Dr. Chater, you may proceed, but before you do, I appreciate your coming to the hearing to listen to the witnesses and the statements that have been made. In my opinion, what we have heard is a horrible admission of laxness and a poorly handled problem. On the surface of it, that ought to be simply corrected. We ought to change it immediately. I know there must be other positions to take and other concerns that you want to express, so we want to be understanding, but we want to find out what we can do about it. As we proceed, we want to keep that in mind.

If you will proceed first, Dr. Chater.

**TESTIMONY OF HON. SHIRLEY SEARS CHATER, PH.D.,  
COMMISSIONER OF SOCIAL SECURITY, ACCOMPANIED BY  
LAWRENCE H. THOMPSON, PH.D., PRINCIPAL DEPUTY COM-  
MISSIONER, SOCIAL SECURITY ADMINISTRATION**

Ms. CHATER. Thank you, Chairman Pickle and Chairman Ford.  
Chairman PICKLE. Do you have a statement prepared?

Ms. CHATER. I do have a statement that I am going to summarize for you. You have the statement before you, a longer bit of testimony, that I would like to have as part of the record.

Chairman PICKLE. It will be made a part of the record, yes.

Ms. CHATER. Thank you. I first want to thank you for holding this hearing and for focusing attention on this disturbing problem. It is disturbing to all of us, and it is particularly disturbing and frustrating to our employees.

I would like the opportunity to testify and bring you up to date on some of the initiatives that this administration is taking to protect the Supplemental Security Income Program, particularly protecting it from those who would defraud the Government.

I would like to submit, as I said, my full written testimony for the record and use this time this morning just to summarize some of our initiatives.

The magnitude of the interpreter fraud issue is, in sheer numbers, quite limited, and I want to make that point first so that we understand the scope of what we are talking about here. For example, in 1992, we received over 2.1 million supplemental security income applications. Of these 2.1 million, about 154,000 were from noncitizens. Of that number, about 87,000 were applying for benefits on the basis of disability.

Therefore, only about 4 percent of all the SSI applications are from disabled noncitizens, and we believe only a very small part of that group may be involved in fraudulent activities. I just wanted to present to you that scope, which doesn't change the seriousness of the problem, but I wanted you just to have that framework.

Regardless of the number, however, this issue concerns us a great deal. We feel strongly that no one should be allowed to take away the scarce resources from the needy elderly and persons with disabilities.

I want you to know that we are committed to taking the strongest possible measures to deal with fraud. At the same time, we want to ensure that we continue to serve the needs of our non-English-speaking individuals who are legitimately applying for SSI benefits.

This is an issue that SSA has been taking very seriously. We have had a task force in place for some time, and the members of this task force have been gathering firsthand reports of the nature and extent of the interpreter fraud problem, by going out into the field and talking with a number of our employees. We have been using that knowledge, through our task force, to determine what solutions we might add to those that we already have in place.

I also want to emphasize that the Social Security Administration field offices are very well aware of the potential for fraud when interpreters are involved and go beyond their translation responsibilities and act as middlemen. In fact, I should tell you that this problem was originally brought to our attention by field office reports of questionable activities in certain areas, particularly in southern California.

Currently, when SSA suspects that fraud is involved, we refer the case to the Health and Human Services inspector general for investigation. We do not have investigatory authority. SSA has, in fact, referred hundreds of claims involving interpreters, clinic owners, and doctors to the inspector general for investigations of suspected fraud. At that point, the inspector general evaluates the case and may refer it to the Department of Justice for prosecution. Justice determines whether or not the case should be prosecuted.

Chairman PICKLE. Let me ask you, Dr. Chater—I don't want to drag this out, but I am going to interrupt—when you say you don't have investigating authority—

Ms. CHATER. That is correct.

Chairman PICKLE. Do you need investigating authority? Who does have investigating authority?

Ms. CHATER. My colleagues.

Chairman PICKLE. OIG? I will come to you later, then. But you say you don't have that authority. Do you need it?

Ms. CHATER. The Secretary has some authority, and we would like to continue to work together with the other offices to see what we all might do cooperatively.

Chairman PICKLE. Why don't you have the authority? You make the rules for these investigations, don't you?

Chairman FORD. But you do have a fraud division in the SSA office, right?

Mr. THOMPSON. Not in SSA.

Chairman FORD. Is it in the program operations manual system?

Mr. THOMPSON. Remember, the Secretary is empowered to administer the Social Security Act and the Secretary has delegated to the Commissioner responsibility for the operations of taking the claims and making the payments and to the inspector general the investigatory authorities.

Chairman PICKLE. What I am trying to find out is do you have the investigatory authority, and you say no. Let me make it plain first. Do you have civil investigative authority or criminal? Which one are you talking about?

Mr. THOMPSON. Both, but we do think that you could help us in getting—

Chairman PICKLE. You don't have that authority because you say it is not spelled out in the statute?

Mr. THOMPSON. No, no. The Secretary has criminal authorities and civil authorities, which have been delegated to the inspector general. There are some cases where you might be able to help us with some additional civil penalties.

Chairman PICKLE. Pardon the interruption. We want to help, but we have never been asked by your agency for this authority, that I know of.

Go ahead, Dr. Chater.

Ms. CHATER. I would like to share with you some of the Social Security Administration initiatives that we have underway regarding this problem.

I will describe for you the initiatives generated by our own task force and some others that were developed in cooperation with the inspector general. We believe that these will be effective in minimizing the incidence of interpreter fraud.

First, we are significantly expanding SSA's capability to provide in-house interpreter services, our own employees.

Second, we are strengthening our internal procedures for identifying and reporting possible fraud.

Third, we are working to achieve effective penalties against those who defraud the SSI Program.

Now I would like to expand a little bit on those three initiatives.

For the first one, in terms of in-house interpreter services, we have been increasing our hiring of employees who are bilingual. In fact, last year, more than 50 percent of our new hires spoke more languages than English.

Nationally, we now have bilingual staff in our offices in general proportion to the amount of claims work generated by non-English-speaking claimants. Fifteen percent of our field office interviews are conducted in a language other than English, while almost 19 percent of our staff are bilingual.

We have had a very positive impact in terms of processing foreign language work loads. Three-quarters of all foreign language interviews are now being conducted by our own bilingual employees. We believe that because 75 percent of those interviews are now being done by us, that that reduces the opportunity for interpreters to come in and act as middlemen.

Chairman PICKLE. Can we do away with the middleman?

Ms. CHATER. The difficulty with that, Mr. Pickle, is that some of the people come to us with their own interpreters, who are members of their families or members of community services with whom they have been working, and some are absolutely respectable and I would not know how to do away with those, if we categorized them all as middlemen. What we are really interested in here are those middlemen who perpetrate fraud.

Also, according to our policy, if a non-English-speaking person does not come with an interpreter and if the office does not have a matching language interpreter, we contract for interpreter services to assist the individual in obtaining those services.

Public outreach initiatives to non-English-speaking populations will stress the availability of interpreter services being provided by SSA. In other words, we want to prevent this from happening by having more people in non-English-speaking communities understand that Social Security will provide this service. We want claimants to know that they don't need to bring someone in, a third party, that we will provide for effective communication.

We are also working with the leadership of foreign language communities to determine how we can best provide this service.

Let me touch on our second initiative for 1 minute, and that has to do with some internal procedures that we have and will put in place. These administrative changes have either been completed or will be completed very soon. I want to make you aware of three specific changes.

First, we are now requiring a signed statement by the interpreter to say that he or she is providing an accurate translation of the claims interview, and this statement includes a penalty clause.

Second, we are revising instructions that clarify field office authority to secure independent interpreter services and/or discontinue interviews when the completeness and the accuracy of an interpreter's service is in question.

Third, we are establishing procedures to review any claim where interpreter fraud is even suspected. We will redo the interviews, the documentation, and the decisions from the beginning of the application process, if necessary.

My next category has to do with penalties, and I will just touch on this, and I would like the inspector general to further elaborate.

We would like to work with you and to continue to work with the Office of the Inspector General on this whole notion of penalties.

We would like to work with you to extend the authority of the Health and Human Service's Secretary to impose civil monetary sanctions to combat fraud and other abuses in the SSI Program. The Secretary currently has authority to assure integrity and combat fraud in the Medicare Program, which we believe should be extended to the Social Security and SSI Programs.

Chairman Pickle and Chairman Ford, I want you to know that we want to be as cooperative as we can possibly be. We look forward to working with your subcommittees in addressing this serious issue of interpreter fraud. I believe that we must take every step necessary to ensure that the Social Security and SSI Programs are kept safe for those who need them.

But at the same time, we want to give fair treatment and quality service to our non-English-speaking claimants. I believe that they should not have to endure discrimination or unwarranted inconvenience just because of the misdeeds of a few.

I would, of course, be pleased to answer your questions, and so would Mr. Thompson.

[The prepared statement and attachments follow:]

**TESTIMONY OF SHIRLEY S. CHATER  
COMMISSIONER OF SOCIAL SECURITY**

Chairman Pickle, Chairman Ford, and Members of the Subcommittees:

I am pleased to be here today to discuss the issue of fraud involving foreign language interpreters in the Supplemental Security Income (SSI) disability program.

I want to first thank you for taking the initiative in holding this hearing to focus attention on this disturbing problem. Let me also commend your staffs for the in-depth work that they have done on this issue and express our appreciation for the help that they have provided the Department of Health and Human Services (HHS) in dealing with this difficult problem. We are eager to continue our joint efforts to eliminate activities by those who defraud the SSI program.

Let me say at the outset that this Administration is committed to taking the strongest possible measures to deal with fraud in the SSI disability program as well as in all the programs we administer. No one should be allowed to defraud the government and take scarce resources away from the needy disabled and elderly who deserve them. Fraud makes people suffer -- those who speak English as well as those who do not -- because it makes all applicants suspect. And the program suffers, as its reputation is tarnished in the eyes of the public.

I also want you to know that HHS has already undertaken substantial efforts to detect and deter cases of suspected fraud in the SSI disability program, and to ascertain the full nature and scope of the problem.

I will first provide background on the SSI program, and information on the scope of interpreter fraud. I will then discuss what we are doing to identify and curb such fraudulent activities, particularly our efforts to refer cases of suspected fraud to the HHS Office of the Inspector General (OIG) for investigation. I would also like to explain how interpreters are used in Social Security Administration (SSA) field offices, and describe our efforts to improve service to our non-English speaking clients.

#### Eligibility Requirements for SSI

To qualify for SSI benefits an individual must be age 65 or over, blind or severely disabled, and have limited income and resources. The definition of SSI disability is the same as for Social Security disability insurance benefits. To be considered disabled, an individual must be unable to work because of a medically determinable physical or mental impairment that has lasted, or is expected to last, 12 months or longer or result in death.

In addition, the individual must reside in the United States and be a U.S. citizen or an alien either lawfully admitted for permanent residence, or lawfully allowed to remain in the U.S. The Immigration and Naturalization Service (INS) determines lawful alien status. SSA uses INS documentation to establish eligibility for SSI.

#### Scope of Suspected Interpreter Fraud

Most of SSA's regions have detected some instances of suspected fraud involving claimants and interpreters. Within the last year, however, we have detected many more cases of suspected interpreter fraud, particularly in the Southern California area within the Southeast Asian community. The State of California has 38 percent of the total claims workload involving non-citizens, and 54 percent of the workload involving Southeast Asian claimants.

Information about the number of non-citizens who file for and receive SSI benefits compared to the total SSI universe is helpful in giving you an idea of the scope of the problem. In 1992, we received over 2.1 million SSI applications. Of these, about 154,000 were from non-citizens -- 87,100 disabled or blind, and 67,000 aged. Thus only about 4 percent of all SSI applications are from disabled non-citizens, and we believe that only a very small subset of this group may be involved in fraudulent activities.



As of December 1992, most of the non-citizens receiving SSI benefits were elderly (age 65 and over) -- about 373,000 of 595,000. Approximately 222,000 adult non-citizens were receiving SSI disability benefits. Non citizens receiving SSI disability represent only about 4 percent of the total 5.6 million individuals currently receiving SSI.

#### Typical Cases in Which a Question of Fraud May be Raised

Employees in both SSA field offices and the State Disability Determinations Services (DDS) offices, who make the medical decisions on all disability claims, observed patterns which raised the question of fraud in some SSI disability claims. Use of interpreters or middlemen is characteristic of such claims, which frequently involve:

- o Many different claimants who use the same interpreter and make the same allegations about their impairments. The interpreters, in effect, act as middlemen and position themselves between the claimants and SSA and appear to provide detailed medical information without consulting the claimant. The same problem with middlemen has occurred during medical examinations scheduled by State DDS offices.
- o Use of the same doctor or other medical source, who prepares essentially identical medical reports for different claimants.
- o Strong indication that claimants have been coached on the symptoms of their impairments. The claimants' allegations of specific mental impairments and their behavior during the claims interview are so similar that they appear scripted.

As questionable activities increased, we established a taskforce to investigate these patterns of questionable behavior and to develop ways to minimize potentially fraudulent activities.

#### SSA Efforts to Identify and Refer Cases of Suspected Fraud

SSA has a responsibility to identify cases of suspected fraud and to refer those cases to the HHS OIG. The OIG has the responsibility to investigate suspected violations of the Social Security Act, and provisions of related laws. SSA field office employees provide assistance to the OIG in every way possible during its investigations and the subsequent prosecutions, including providing testimony and other support as needed. While I will provide you with a general description of the overall referral process, as well as details about SSA's part in it, we will defer to the OIG to provide specific details about its role and the progress it has made in its investigations.

The Social Security Act specifies that fraud exists when a claimant, or his or her representative, intentionally makes a false statement or a misrepresentation of a material fact; or conceals or fails to disclose a material fact for use in determining rights to SSI and Social Security benefits. SSA field office employees are the primary guardians of the quality and integrity of the Social Security and SSI claims process. SSA operating procedures instruct employees to be alert to the possibility of fraud, to detect and develop potential violations of the Social Security Act, and to report them to the HHS OIG through appropriate channels.

The State DDS offices, which make the medical determinations of disability, are also instructed to report suspected cases of program fraud to SSA. These instructions alert DDS employees to certain situations and patterns that have been linked to fraudulent activities. For example, if the claimant does not speak English, the State DDS offices must arrange for interpreter services for any medical examinations that the claimant is asked to undergo, and if necessary, pay for these services.

I would like to emphasize that SSA field offices are well aware of the potential for fraud when middlemen are involved. In fact, this problem was originally brought to our attention by field office reports of questionable activities in certain geographic areas, particularly Southern California. There has been extensive publicity in those areas as well.

In addition, within the past year, we have issued to all regional offices reminders and clarifications concerning SSA policies and procedures that apply to foreign language interpreters. Finally, field offices will continue to be fully advised as the initiatives to address interpreter fraud are put into effect.

Once SSA suspects that fraud is involved, it refers the case to the HHS Inspector General for investigation. SSA has referred hundreds of claims involving a number of interpreters, clinic owners, or doctors to the OIG for investigation of suspected fraud. A single interpreter or doctor can be implicated in a large number of claims. For example, at the beginning of fiscal year 1994 (October 1993), SSA referred 400 claims to the OIG, but these claims involved only two middlemen suspected of fraud.

Once SSA refers a case of suspected fraud to the OIG, it is up to the OIG to evaluate the referral and determine what action is appropriate on their part. Because of the nature of OIG investigations, and the need to prevent compromising them as well as to protect the safety of those involved, SSA is not usually kept abreast of the status of ongoing OIG investigations of SSA referrals. If SSA is advised, it is more likely of the outcome, once an OIG investigation is completed to the point that it is referred for prosecution by the Department of Justice, or convictions are obtained.

The Department of Justice determines whether or not the case should be prosecuted. Cases of suspected SSI fraud must compete for Department of Justice attention and resources with other cases of suspected Federal crime, such as drug-related activity. The OIG will provide details on the action that it took on referrals by SSA of suspected SSI alien fraud, including its referrals to the DOJ. For the record, the DOJ has successfully prosecuted three cases, resulting in the conviction of five persons. We believe that publicity concerning the successful prosecutions will be one of the most effective deterrents available to us.

#### SSA Initiatives to Deter Interpreter Fraud

Before discussing our initiatives, I want to make clear that any policy or procedural change that SSA makes must be applied to all claims involving foreign language interpreters, regardless of language. Imposing special requirements on certain non-english speaking applicants would be inequitable. We believe that the best ways to minimize the incidence of interpreter fraud are to improve the foreign-language interview process, and to strengthen our public information and outreach efforts to foreign-language claimants.

We are determined to improve interpreter services to non-English speaking claimants. As a result, a large percentage of all employees recently hired in field offices has been bilingual. Nationally, we have bilingual staff in our offices in general proportion to the amount of claims work generated by non-English speaking claimants. About 15 percent of field office interviews are conducted in a language other than English, while almost 19 percent of staff are bilingual. Although we continue to place emphasis on hiring bilingual employees, we have a shortage of employees with specific language skills in certain field locations because it is difficult to recruit employees qualified to interpret uncommonly-spoken languages or obscure dialects. In one area of California, for example, over 30 different languages and dialects are spoken. Our efforts to recruit bilingual employees have had a positive impact on our ability to process foreign-language workloads, however. In fact, 75 percent of all foreign-language interviews are conducted by our own bilingual employees.

It is not uncommon for non-English-speaking visitors to bring a friend or relative to the office to interpret. For example, a son or daughter may accompany an elderly non-English-speaking individual. If a non-English-speaking visitor does not have his own interpreter, and the office does not have a bilingual employee available, SSA may contract for interpreter services or assist the individual in obtaining such services.

Field office interviewers routinely conduct foreign-language interviews, often through interpreters supplied by the claimant. Unless the interviewer has reason to believe that interpreter is unable to provide adequate translation services he or she is generally permitted

to serve as the interpreter. Since many interpreters are clearly friends or relatives, SSA assumes that interpreters will provide us with complete and accurate information from the claimant. This approach has worked well in the past, and still suffices in the vast majority of foreign language cases.

SSA is committed to developing adequate and alternative interpreter services to ensure that the non-English speaking public is able to transact social security business as efficiently and conveniently as possible. To achieve this goal, we have also taken the initiative to expand our outreach to non-English speaking claimants nationwide, stressing the availability of free services, including interpreter services. We are preparing multi-language pamphlets and factsheets, and videos in many different languages. We are also conducting a public relations campaign, which includes newspaper articles, as well as radio and television announcements. Further, we are communicating with the leadership of foreign language communities to determine how we can best provide quality services to the non-English speaking population. We are initially concentrating on the areas where we have encountered the most language-related difficulties.

Critically important, we have also adopted a number of administrative changes to help both detect and deter fraudulent activity, both locally and nationally. The following actions have either been completed or will be completed by the end of March. They include:

- o Requiring a signed statement by the interpreter that he or she is acting as interpreter to perform the specific function of providing an accurate translation of the interview. This statement includes a penalty clause.
- o Issuing instructions consolidating current policy and procedures for handling claims involving non-English speaking claimants.
- o Revising instructions that clarify field office authority to secure independent interpreter services and/or discontinue interviews when the completeness and accuracy of an interpreter's services is in question.
- o Establishing procedures to review any claim where interpreter fraud is suspected and redo all interviews, documentation, and decisions from the beginning, independently of the original application.

We believe that the outreach initiatives currently underway will help to promote an atmosphere of trust between SSA and the non-English speaking population, which we hope will lessen the ability of middlemen to involve themselves in the claims process. At the same time, we think that our administrative initiatives will help to maintain the integrity of the SSI disability program.

We are also going to build an interpreter database which would be interfaced with our claims systems and identify the pool of available interpreters so that each interviewer can readily access an available interpreter. Access to such a pool would allow us to more easily obtain reliable interpreter services.

#### Penalties as a Deterrent

As part of our current activities, SSA also reviewed current civil and criminal penalties in the Social Security Act and other Federal statutes with respect to possible prosecution and recovery of benefits provisions related to interpreter fraud. The Secretary has extensive civil monetary sanctions available to assure program integrity and combat fraud in the Medicare programs. We believe that she should be given similar authorities to combat fraud and other abuses in the Social Security and SSI programs. This would include sanctions against making false statements or using false documents.

It is important to recognize, however, that the practical impact of penalties depends largely on whether the resources of the OIG and the Department of Justice are sufficient to investigate and prosecute cases which are referred to them.

### Conclusion

Mr. Chairmen, I believe that we all recognize that the problems associated with interpreter fraud are difficult. However, we must take whatever steps are necessary to ensure that the program is safeguarded from those who would attempt to abuse it. We also want to make sure that quality interpreter services are available for all non-English speaking claimants, and we want to treat both English and non-English speaking individuals filing for SSI disability benefits fairly and equitably, and without discrimination or unwarranted inconvenience. I believe that the action that SSA is taking balances these concerns.

We are continuing to work to identify and evaluate the full range of administrative and legislative remedies available in order to fully address this problem. We look forward to continuing our cooperative efforts to address this difficult and serious problem, and we will be happy to work with you to consider other approaches that will help us to eliminate instances of interpreter fraud in the SSI program.

## ONE HUNDRED THIRD CONGRESS

DAN ROSTENKOWSKI, ILLINOIS, CHAIRMAN

SAM M. GRUBBS, FLORIDA  
 J.J. PICKLE, TEXAS  
 CHARLES E. RANGEL, NEW YORK  
 RICHARD M. ROBERTS, CALIFORNIA  
 ANDY JACOBS, JR., INDIANA  
 HAROLD E. FORD, TENNESSEE  
 ROBERT T. MATSUS, CALIFORNIA  
 BARBARA E. KENNELL, CONNECTICUT  
 WILLIAM J. COYNE, PENNSYLVANIA  
 MICHAEL A. ANDREWS, TEXAS  
 SANDER M. LEVIN, MICHIGAN  
 BENJAMIN L. CARDIN, MARYLAND  
 JIM MADERMOTT, WASHINGTON  
 GERALD D. RILEY, WISCONSIN  
 JOHN LEWIS, GEORGIA  
 LF. PATNE, VIRGINIA  
 RICHARD E. NEAL, MASSACHUSETTS  
 PETER HOAGLAND, NEBRASKA  
 MICHAEL R. MCGRAFF, NEW YORK  
 MEL SPOTZEL, OREGON  
 WILLIAM J. JEFFERSON, LOUISIANA  
 BILL E. BREWSTER, OKLAHOMA  
 MEL RETHOLDS, ILLINOIS

BILL ARCHER, TEXAS  
 PHILIP M. CHAMBERS, ILLINOIS  
 BILL THOMAS, CALIFORNIA  
 L. CLAY BRAWN, JR., FLORIDA  
 DON SUNGQUIST, TENNESSEE  
 NANCY L. JOHNSON, CONNECTICUT  
 JIM BURNING, KENTUCKY  
 FRED GRANDY, IOWA  
 ANDY HOUGHTON, NEW YORK  
 WALLY HERGEN, CALIFORNIA  
 JIM MCCREERY, LOUISIANA  
 MEL HANCOCK, MISSOURI  
 RICK SANTORUM, PENNSYLVANIA

## COMMITTEE ON WAYS AND MEANS

U.S. HOUSE OF REPRESENTATIVES  
 WASHINGTON, DC 20515-6348

March 10, 1994

JAMIE HAYE, CHIEF COUNSEL AND STAFF DIRECTOR  
 PHILIP D. MOSLEY, MINORITY CHIEF OF STAFF

The Honorable Shirley Sears Chater  
 Commissioner  
 Social Security Administration  
 Hubert H. Humphrey Building  
 200 Independence Avenue, S.W.  
 Washington, D.C. 20201


Dear Commissioner Chater:

Thank you for appearing at the joint hearing on Supplemental Security Income Fraud which was held on Thursday, February 24, 1994, by the Subcommittees on Oversight and Human Resources of the Committee on Ways and Means. Your testimony was very helpful.

In order to complete the Subcommittees' hearing record, I request that you answer the enclosed questions by the close of business, Monday, April 11, 1994. To facilitate the printing of your responses, I request that you restate the question before each of your written answers. Also, it would be helpful if your staff could provide the answers regarding each section as the information becomes available. Over the next month, we will be developing proposals to address the situation, and the information requested in this letter is critical to our analysis.

If you have any questions, please contact Thomas K. Arnold, Assistant Counsel, Subcommittee on Oversight, at (202) 225-5522.

Sincerely,

  
 Harold E. Ford, Chairman  
 Subcommittee on Human Resources

  
 J. J. Pickle, Chairman  
 Subcommittee on Oversight

Enclosure



THE COMMISSIONER OF SOCIAL SECURITY  
BALTIMORE, MARYLAND 21235

APR 21 1994

RECEIVED

Representative J. J. Pickle  
Chairman, Subcommittee on Human Resources  
Committee on Ways and Means  
U.S. House of Representatives  
Washington, D.C 20515-5348

MAY 5 1994

Ways and Means  
Subcommittee on Oversight

Dear Mr. Chairman:

Enclosed are our responses to the questions for the record that you and Chairman Ford raised in your March 10, 1994 letter. The questions pertain to the February 24, 1994 joint subcommittee hearing on interpreter fraud in the Supplemental Security Income program.

I look forward to continuing cooperation with you and the Congress on the difficult issue.

I am sending a similar letter to Chairman Ford. We are also sending copies of the responses to subcommittee staff.

Sincerely,

*Shirley S. Chater*  
Shirley S. Chater  
Commissioner  
of Social Security

Enclosures

CC:  
Chairman Harold E. Ford

SOCIAL SECURITY ADMINISTRATION  
QUESTIONS FOR THE RECORD  
SUPPLEMENTAL SECURITY INCOME FRAUD HEARING  
HELD ON FEBRUARY 24, 1994

TRANSLATOR CERTIFICATION

1. Does SSA have the legal authority to require non-English speaking SSI applicants, non-English speaking SSI recipients, and their privately provided "translators" to certify, under penalties of perjury:

- 1a. The accuracy of any translation?

Answer: Yes. A revision to our Program Operations Manual System (POMS) issued March 1994 instructs Social Security field offices (FO) to obtain a signed statement (SSA-795) from translators attesting to the accuracy of the translation. The penalty clause is included as part of the signed statement.

We realize that during an interview involving interpreter services, SSA is dependent on the interpreter. The practical value of an applicant/recipient certification also is limited because all information is provided by the interpreter and is written in a foreign language that SSA cannot immediately translate. However, having both the interpreter and the applicant/recipient sign a statement over the penalty clause stresses the seriousness of this situation. This vital step may deter both the interpreter and the applicant/recipient from committing a fraudulent act.

Records indicate that only 25 percent of non-English speaking interviews are not conducted by SSA bilingual employees.

- 1b. The nature and scope of applicant/translator or recipient/translator relationship?

Answer: The March 1994 POMS also instructs FOs to include as part of the statement obtained from translators information regarding the relationship of the interpreter to the claimant.

- 1c. Whether there is a written agreement reflecting the relationship between the applicant/translator or recipient/translator?

Answer: In the March 1994 POMS release, we authorized FO interviewers to document, over the interpreter's signature, any information they deem necessary. We are looking into

the feasibility of always requiring FO interviewers to document whether a written agreement reflecting the relationship between the applicant/translator or recipient/translator exists.

- 1d. Whether and how much compensation has been paid or promised to the translator?

Answer: Currently, we do not ask whether and how much compensation has been paid or promised to the translator. We are looking into the legal implications of asking such a question as well as other concerns.

2. Does SSA recommend that such certifications be obtained by SSA FOs, including information requested in a. through d. above?

Answer: As noted above, FO interviewers are already documenting over the translator's signature the information requested in questions 1a. and 1b. We cannot make a decision on the information requests discussed in questions 1c. and 1d. at this time. We are looking into the implications of obtaining this information.

REOPENING CASES/TERMINATING BENEFITS BASED ON FRAUD

3. Under what authority can SSA reopen SSI in order to terminate benefits to current SSI recipients where fraud is involved?

Answer: Under sections 205(a), 1102, and 1631(d)(1) of the Social Security Act, the Secretary has the authority to make rules and regulations and to establish procedures which are necessary or appropriate to carry out the provisions of titles II and XVI of the Social Security Act. Pursuant to this authority, SSA has issued regulations which provide that a final determination or decision on an SSI claim may be reopened and revised within one year from the notice of the initial determination for any reason, within two years if new and material evidence is furnished or the record clearly shows on its face that an error was made, or at any time if the determination or decision was obtained by fraud or similar fault. 20 C.F.R. § 416.1488.

If, after reopening, a final determination or decision is revised, the individual is informed of the revised determination or decision and of the right to request further review. 20 C.F.R. § 416.1492.

In addition, under 20 C.F.R. § 416.990, SSA will initiate a review to determine whether a beneficiary continues to be disabled if SSA receives evidence which raises a question as



to whether the person is still disabled. Generally, under section 1614(a)(4) of the Social Security Act and 20 C.F.R. § 416.994, an SSI beneficiary can be found to be no longer disabled only if there is a finding of medical improvement in the severity of the person's impairment(s) based on evidence of changes in the symptoms, signs, or laboratory findings associated with the impairment(s). A finding of medical improvement is not necessary if there is substantial evidence that the prior disability determination was in error, if the prior disability determination was obtained by fraud, or if the person fails, without good cause, to cooperate in the continuing disability review process such as by failing to attend a physical or mental examination or to furnish other requested evidence.

3a. Which SSA officials have the authority to reopen SSI cases for that reason?

Answer: Under SSA policy, a final determination or decision can only be reopened by a decisionmaker within SSA or the State Disability Determination Services (DDS) at the same or higher level at which the claimant's application was allowed. (Thus, a FO or DDS may reopen an initial decision, but if an administrative law judge made the final decision, then an administrative law judge must make the reopening decision.) If fraud is suspected, SSA completes all development of the case except for the determination that fraud exists and then refers the case to the Office of Inspector General, Office of Investigation Field Offices (OIFO), which investigates and gathers evidence to prove the allegations beyond a reasonable doubt. OIG then submits the evidence to the courts for a fraud determination. If, based on the outcome in court, fraud exists, the DDS, FO or ALJ may reopen the case.

3b. How do those officials select such SSI cases for consideration?

Answer: Within the time limits cited above, an SSI case may be selected for reopening if new evidence or information is received or if an SSA employee questions the correctness of the determination in the case. Additional evidence which, by itself, would not be sufficient to reopen and revise a final determination or decision may cast doubt on the correctness of the final determination or decision and reflect the need for further development of the evidence.

- 3c. What evidence is available to those officials to aid them in making the decision to reopen a particular case?

Answer: Essentially, there is no restriction on the type or source of evidence available to SSA officials that may initiate the need for reopening, or aid them in making the decision to reopen a particular case. Examples of such evidence include, but are not limited to, reported earnings, third party reports, medical and non-medical evidence developed during the continuing disability review process as well as direct reports from claimants themselves. Internal quality review processes and reports of actual or potential fraudulent activity on the part of claimants or other persons involved in the claims process are other examples of events that could trigger the need for reopening action.

- 3d. What level of evidence is necessary to reopen a case?

Answer: To reopen a case simply means to review the final determination or decision. To revise a final determination or decision based on fraud or similar fault, there must be evidence that the determination or decision allowing the claim was obtained by fraud or similar fault. Fraud exists when a claimant, or a person acting on the claimant's behalf, with intent to defraud, makes or causes to be made a false statement or a misrepresentation of a material fact or conceals or fails to disclose a material fact. See section 1632 of the Social Security Act. Similar fault differs from fraud in that similar fault does not require fraudulent intent.

- 3e. What standard of proof do those officials apply when making the decision to reopen a particular case?

Answer: A final determination or decision may be reopened and revised if fraud or similar fault is established by a preponderance of the evidence. This is a less strict standard than the "beyond a reasonable doubt" standard applicable in criminal prosecutions. Thus, in a particular case, the evidence may justify reopening and revising a final determination or decision even if the evidence is not strong enough to justify a criminal prosecution. See Social Security Ruling 85-23.

Because of the practical difficulties frequently associated with establishing that a prior disability determination or decision was obtained by fraud even under a "preponderance of the evidence" standard, SSA will normally initiate a continuing disability review (CDR). This will at least ensure proper current eligibility for benefits, and, if the recipient is not currently eligible, allow SSA to decide if

the evidence of fraud in the earlier determination warrants reopening the initial decision.

4. The following questions (a through e) assume a hypothetical situation where an SSI recipient currently drawing SSI benefits used a middleman/translator and one or more private medical professionals during the process of applying for SSI benefits. Under which, if any, of the following circumstances could SSA reopen that SSI recipient's case:
- 4a. A law enforcement agency suspects that one of the medical professionals has submitted fraudulent medical reports in some SSI cases although the law enforcement agency has not confirmed those suspicions?
- 4b. A law enforcement agency has evidence that one of the medical professionals has submitted fraudulent medical reports in some SSI cases although no arrests are made?
- 4c. One of the medical professionals is arrested for submitting fraudulent medical reports in SSI cases?
- 4d. One of the medical professionals is convicted for submitting fraudulent medical reports in SSI cases?
- 4e. A law enforcement agency suspects that the middleman/translator has submitted fraudulent documents or has coached SSI applicants on how to fraudulently apply for SSI benefits although the law enforcement agency has not confirmed those suspicions?
- 4f. A law enforcement agency has evidence that the middleman/translator has submitted fraudulent documents or has coached SSI applicants on how to fraudulently apply for SSI benefits although no arrest is made?
- 4g. The middleman/translator is arrested for submitting fraudulent documents or for coaching SSI applicants on how to fraudulently apply for SSI benefits?
- 4h. The middleman/translator is convicted for submitting fraudulent documents or for coaching SSI applicants on how to fraudulently apply for SSI benefits?

Answer: SSA could initiate reopening action in each of the situations outlined. The statutory and regulatory authority for reopening actions is covered in detail under question 3. A reopening action may be initiated for the reasons and within the time-frames indicated there. However, revision of the prior final determination based on fraud or similar fault must be based on evidence of those elements reflected in response to question 3.d.

The status of a criminal action, ranging from "suspect" to "convicted," does not preclude SSA from initiating a review to determine if reopening is warranted based on fraud or similar fault. As a practical matter, SSA may very well consider such status in assigning priority and allocating resources for reviews and/or potential reopening actions.

5. Has SSA identified any of the SSI recipients who are either clients of the middlemen/translators or patients of medical professionals who have been arrested or charged by either the State of California Bureau of Medi-Cal Fraud or the Seattle U.S. Attorney's Office?
- 5a. How many such SSI recipients has SSA identified?
- 5b. Have the law enforcement officials involved in the cases readily provided the identifying information to SSA?
- 5c. Has SSA requested any SSI recipient identifying information from any of the law enforcement officials involved in either of those cases?
  - i. What have been the law enforcement officials' responses?
  - ii. If SSA requested identifying information from any law enforcement officials, and did not receive that requested information, what was the date of the request and the name, title, address, and telephone number of the law enforcement official to whom the request was made?

Answer: At its first meetings in April 1993, SSA's Interpreter Fraud Taskforce reaffirmed the need to review cases involving individuals suspected of fraud in foreign language claims. Until very recently, however, we were operating with the understanding that we were to take no action in such cases because of the Office of Inspector General (OIG) and Department of Justice (DOJ) investigations. In October 1993, OIG requested SSA's assistance in determining the SSI payment status of about 10,000 cases found in the files of arrested middlemen and clinic operators in southern California; after eliminating duplicate records, SSA identified approximately 3,500 individuals who had applied for SSI, and close to 2000 of those were receiving payments. The OIG requested help in finding case files for these individuals. In mid-March of this year, after the hearings before your subcommittee, OIG relayed information on 1,981 of these cases and gave clearance for redevelopment of not only these cases but also any other individual applicant cases that we were aware of. National and regional representatives met the week of March

21 to finalize an efficient strategy for redeveloping some or all of these cases (and any others we can identify). Redevelopment commenced the week of April 25.

As part of a special study, SSA has also reviewed another 700 referrals of potentially fraudulent cases from selected heavily-impacted SSA field offices in southern California. The best documented 400 cases were then referred to OIG in December 1993. OIG is discussing action on these cases with the Assistant United States Attorney's (AUSA) office. However, the OIG indicated that reopening of these cases, even while these discussions are pending may be appropriate. Initial review of the current payment status of these cases shows that a much smaller percentage of the possibly fraudulent claims were awarded than would be expected for SSI claims involving mental impairments. If such a finding is confirmed, it would indicate that FO and DDS adjudicators are doing a good job of seeing that claims are not being allowed based on fraudulent evidence.

As a followup to informal discussions, SSA asked OIG for any and all cases involved in suspected fraudulent activity nationwide. The OIG provided several listings on April 13, 1994, but no information that SSA was not already aware of. As part of its post-hearing activity, SSA will report to the House Ways and Means subcommittees on the status of redevelopment efforts.

A grand jury in Seattle recently indicted 8 individuals for fraudulent activities related to the SSI program, including 4 middlemen and 4 SSI recipients. In response to SSA's April 14, 1994 request, the OIG provided a listing of 157 names representing all SSI cases identified with the 4 indicted middlemen.

6. The attached SSA documents labeled "Transmittal No. 57" and "Transmittal No. 58", both originating from "ARC-POS, DPB", address SSI applications pending initial determination, commonly referred to as "pipeline" cases.
- 6a. To what group of SSI applicants do the procedures outlined in those documents apply?

Answer: When SSA first learned the identity of individuals in the State of California who had been arrested for fraud involving various types of claims for government payments and benefits, field offices were instructed to hold any pending claims involving these individuals until further instructions were issued. In December 1993, SSA issued Transmittals No. 57 and 58 providing special procedures to process these cases.

6b. Has SSA applied those procedures to any SSI applications?

Answer: SSA has applied these procedures to at least 70 pending SSI cases to date.

6c. How did SSA identify the individual SSI applications to which those procedures would apply?

Answer: Per Transmittal No. 57, SSA instructed California field offices where the arrested individuals were located to identify any pending cases involving the arrested individuals.

6d. How many of the SSI applications to which those procedures have been applied have been denied?

i. How many have been granted?

ii. Why were those applications granted?

Answer: Of over 70 of these cases with a reported decision thus far, only 4 cases have been allowed. Many of the denials have already been affirmed upon reconsideration. We expect a large volume of appeals to an administrative law judge.

7. Can SSA apply the same standards and procedures to selecting SSI cases currently in pay status for reopening as it has, or plans to, for SSI applicants?

7a. If not, why not?

7b. If not, how would the standards and procedures need to differ? Why?

Answer: SSA can and will apply existing standards and procedures to identify and select SSI recipients' cases for potential reopening actions. The number of cases to be reviewed for possible reopening will be much higher than the pipeline cases discussed above. The process will, as for the "pipeline" cases, involve extensive redevelopment of both medical and non-medical entitlement factors. SSA-approved interpreters will be used at field office interviews as well as at consultative medical examinations. The rate of required consultative medical examinations will probably exceed normal levels due to the number of questionable treating sources that may have been involved in the initial process on these cases.

TIMING FOR REOPENING SSI RECIPIENT CASES

8. Have any Administration officials or law enforcement officials (State or Federal) requested that SSA delay reopening SSI recipient cases pending the prosecution of middlemen/translators and/or medical professionals involved in the SSI recipient cases?
- 8a. Who made the request?
- 8b. What reason did they give for making the request?
- 8c. How did SSA respond to that request? Why?

Answer: Not recently. In the past, OIG has made it clear to SSA that it should avoid contact with cases involved in current investigations without prior approval of their office. If the OIG believes that administrative action would jeopardize the prosecution of a case, they would consult with the AUSA before making a recommendation to SSA.

9. Does SSA plan to wait for some specific event, or until some specific point in time, to reopen SSI recipient cases where the middlemen/translators and/or medical professionals involved are currently being prosecuted in either State or Federal court?
- 9a. For what event or point in time does SSA plan to wait?
- 9b. When does SSA anticipate that event occurring?
- 9c. When does SSA plan to start reopening SSI recipient cases?

Answer: No, SSA does not plan to wait to reopen these cases. As noted in the response to question 5, we began redevelopment the week of April 25. However, we must assure ourselves that the process to be applied will be effective and efficient in light of available resources.

RECOVERING PAST SSI PAYMENTS IN FRAUD CASES

10. Assuming that, at least, some of the SSI recipients who used either middlemen/translators or medical professionals currently under investigation by law enforcement officials are eventually determined to have never been entitled to SSI benefits, does SSA have the authority to collect prior payments of SSI benefits?

Answer: Yes.

- 10a. Does SSA plan to exercise that authority in any such cases?

Answer: At this point we will focus primarily on terminating current payments to any wrongfully entitled individuals. If the facts of the case provide a strong case for revising the final determination or decision under our reopening regulations, we will also determine the amount of any overpayment and attempt to collect it under these regulations and the authority we have under section 1631(b) of the Social Security Act.

- 10b. Does SSA expect to be successful in collecting prior SSI benefits in those cases where it is ultimately determined that benefits were fraudulently obtained?

Answer: Based on our past experience in collecting overpayments, SSA can expect to recover no more than 25 percent of total dollars overpaid.

MATCHES WITH PRE-SETTLEMENT RECORDS

11. Does SSA have authority to obtain copies of refugee medical "pre-settlement" records from the Immigration and Naturalization Service (INS)?

Answer: SSA can solicit any information that we deem necessary in the development of a claim, including requesting medical records from INS. Claimant authorization is normally required, but in some limited situations we can obtain such records without an individual's authorization.

- 11a. Has SSA ever obtained such records?

Answer: Yes, but anecdotal reports indicate the lengthy time required to obtain such records is counterproductive and that they have limited value in any event.

- 11b. Has SSA ever used such evidence in determining SSI eligibility?

Answer: We have no way of being certain of their use in individual cases. But based on the apparent cursory nature of such reviews, we do not believe they have been particularly valuable to us as evidence in any event.

- 11c. Should SSA have authority to obtain such records?

Answer: We already have such authority. If SSA had more timely or direct access to the records, they might be more useful.



- 11d. Should SSA routinely review such records when evaluating SSI applications?

Answer: Ideally, yes; SSA should review all sufficiently recent and pertinent medical or psychological evidence. Pre-settlement records should provide a valuable baseline for assessing the onset of alleged impairments, especially for mental impairments such as stress-related disorders that should be apparent in pre-settlement situations. Timely receipt of a report of a thorough examination by a government physician could serve as the critical medical evidence needed to refute many allegations in fraudulent claims. Unfortunately, the apparently cursory nature of pre-settlement examinations would generally make them of little value to SSA. However, we are developing a plan to facilitate the sharing of information (e.g., medical records, personal identification, other documents) between SSA, the State Department, and the Immigration and Naturalization Service to aid in the detection of fraudulent activities.

#### CIVIL PENALTY AUTHORITY

12. During the hearing, civil penalty authority was discussed.

- 12a. Does SSA have the authority now to impose civil penalties against anyone under any circumstance? If so, under what circumstances?

Answer: SSA has the authority to suspend or disqualify attorneys and non-attorney representatives from representing claimants before SSA for, among other things, 1) knowingly charging a fee in violation of SSA's regulations governing the payment of fees to formal representatives or 2) knowingly making or participating in the making of a false statement about a material fact affecting rights to benefits. See sections 206(a) and 1631(d) of the Social Security Act and 20 C.F.R. section 416.1500 ff. The suspension or disqualification is imposed through SSA administrative proceedings with no right to judicial review. See 20 C.F.R. section 416.1403(a)(7). These provisions have not been applied to third parties who are not formally appointed as representatives, such as interpreters. SSA also has the authority to impose a penalty deduction against an individual's benefits if the individual fails without good cause to make a timely report of earnings. See section 1631(e)(2) of the Act and 20 C.F.R. section 416.722.

Federal law provides broad authority for imposing civil penalties against persons who submit fraudulent claims to the Government. There are two applicable Federal statutes. The Civil False Claims Act requires the Government to use

the normal judicial process, whereby DOJ initiates a civil action in Federal Court to impose a penalty. The Program Fraud Civil Remedies Act (PFCRA) authorizes an administrative process under which Federal agencies may impose penalties. These statutes are intended to address fraud from a Government-wide perspective, and the process of imposing penalties can be complex and time-consuming. Further, PFCRA is restricted to initial applications for benefits, in some circumstances, which limits its usefulness for Social Security and Supplemental Security Income (SSI) purposes.

The Department of Health and Human Services' (HHS) regulations implementing PFCRA are found at 45 C.F.R. Part 79 and provide for investigation by the Inspector General and the issuance of a complaint by the General Counsel of HHS or his or her designee. A complaint may not be issued without approval from DOJ. See 31 U.S.C. 3803 and 45 C.F.R. section 79.6. After a complaint is issued, the defendant has 30 days to request a hearing before an administrative law judge. If the penalty is imposed and upheld administratively, judicial review is available in the district court under a substantial evidence standard (31 U.S.C. 3805). Section 3806 of PFCRA provides that any penalty imposed which has become final may be recovered in a civil action brought by the Attorney General. Allegations of liability under PFCRA are limited to a fraudulent claim, or a group of related claims, that do not exceed \$150,000.

- 12b. Would imposing civil penalties against the middlemen/translators, medical professionals, and/or SSI recipients involved in defrauding the SSI program help prevent future abuses of the program? How?

Answer: As a general proposition, we believe that if enforcement activities are increased, they will have a deterrent effect. An elaboration of this response is contained in the response to question 13.

- 12c. Against which category of individuals would SSA recommend imposing civil penalties? Under what circumstances?

Answer: The response to question 13 addresses this question.

13. Does SSA need additional civil penalty authority to deal with SSI fraud cases?

- 13a. If so, exactly what additional authority is needed?

13b. What statutory language does SSA recommend be enacted to establish that authority?

Answer: It may be more effective to give the Secretary of HHS direct authority to impose civil penalties when a person or entity has been involved in submitting a false Social Security or SSI claim and DOJ is not considering criminal prosecution. This authority could be specifically tailored for fraudulent actions that can occur under these two programs, and thus be more efficiently utilized. The Secretary already has similar authority to impose civil penalties for fraudulent acts under the Medicare and Medicaid programs (through the Civil Monetary Penalties Laws (CMPL) in section 1128A of the Social Security Act).

In developing a legislative proposal authorizing a more efficient civil penalty process for Social Security and SSI fraud, we are considering the following issues:

- o Who would be subject to civil penalties?
  - Including both individuals and entities would facilitate deterring fraud not only by a claimant, but also by others, such as interpreters, physicians, or medical providers.
- o What penalties would be imposed?
  - Significant monetary penalties, such as the \$2,000 authorized under the CMPL and the \$5,000 under the PFCRA, can act as a significant deterrent to fraudulent acts.
  - Consideration is also being given to providing for assessments, possibly two or three times the damages sustained by the Government.
  - It may be appropriate to exclude physicians or other health care providers who submit fraudulent evidence from receiving payments as a medical provider under Medicare and State health care programs. This sanction is available with respect to health care providers who file fraudulent claims in the Medicare or Medicaid programs under sections 1128 and 1128A of the Social Security Act and could provide an effective tool to combat fraud in the Social Security and SSI programs.

- o What would the process be?
  - Consideration is being given to how to streamline the civil penalty process without interfering with due process, and how to provide for sufficient statutory authority without sacrificing necessary administrative flexibility.
  - Before imposing sanctions on an individual or entity, SSA would need to coordinate with DOJ in order to avoid jeopardizing any criminal or civil action contemplated by DOJ.

Since the details of such a proposal still need to be developed and coordinated with HHS and DOJ, SSA is not now in a position to recommend legislation.

#### ADDITIONAL AUTHORITY

14. Is there any other authority, other than for civil penalties, that SSA needs in order to effectively and efficiently prevent SSI fraud?

Answer: At this point we think that prevention of fraud can best be accomplished with increased SSA control of the initial interview process and all subsequent contacts with claimants. This is achieved primarily through the use of our own bilingual employees, or through trusted interpreter services, and this remains the focus of our current efforts.

We are also considering other prevention ideas, such as picture identification, but any such measure carries significant fiscal costs and policy drawbacks if they are applied to all disability cases. We will enlist your assistance if we identify any additional authority needed.

15. Is there any other authority that SSA needs in order to effectively and efficiently purge current SSI rolls of fraudulent SSI cases?

Answer: As we gain more experience from this current group of cases about to be reviewed for continuing eligibility, we will continue to consider the need for policy revisions, including legislative and regulatory adjustments.

Attachment

Transmittal No. 57

NOVEMBER 1993

Audience: DO/BO/TSC--  
 CR, CR TII, CR TXVI,  
 DRT, FR, OA, OS, RR,  
 SR, TSC-SR; PSC--  
 CRTA, CS, DE, DEC,  
 IES, PETE, RECONR

Originating Office:  
 ARC-POS, DPB

Program Operations Manual System  
 Part 04 -- Disability Insurance  
 Chapter 110 -- Initial Claims Processing  
 Subchapter 05 -- Disability Interviews

<u>New Material</u>	<u>No. of Pages</u>
DI R11005.010 - DI R11005.010K (Exhibit)	9

#### Background

An investigation focused primarily on Medi-Cal fraud occurring in Southern California communities has been conducted by the California Department of Justice and HHS/OIG. In the process of this investigation, the State uncovered evidence pointing to potential fraud by third parties assisting claimants in applying for SSI disability benefits.

Per E-Mail messages issued on 5/6/93, 6/2/93 and 10/29/93, claims involving participation by any of the individuals arrested as a result of this investigation were to be held pending further instructions. This transmittal is being issued to provide instructions for the processing of these claims.

#### Action Notes

Cross refer DI 11005.010 to DI R11005.010.

Social Security Administration  
 Office of the Regional Commissioner  
 San Francisco

Effective Date:  
 Upon Receipt

SAN FRANCISCO

RTN 57 11/93      INITIAL CLAIMS PROCESSING      R11005.010B.3

---

DI 11005.010  
A. GENERAL

The California Department of Justice and HHS/OIG have been conducting an investigation concerning alleged fraudulent activities in various types of claims for government payments and benefits. E-Mail messages issued on 5/6/93, 6/2/93 and 10/29/93 gave the names of individuals arrested in connection with this investigation. These E-Mail messages advised that claims involving participation by any of the individuals arrested as a result of this investigation should be held pending receipt of further instructions, which have now been provided.

The involvement of the arrested individuals raises questions as to the accuracy of the evidence in file--non-medical as well as medical.

B. PROCEDURES

Cases that have not yet been effectuated (recent applications as well as cases returned from the DDSs) and involve these arrested individuals (or any other individuals who subsequently may be arrested in connection with this investigation), should be handled as follows:

1. Identify as many cases as possible in which these individuals were involved in any capacity. (The names of any other arrested or implicated individuals should be confirmed with the RO/DPB (415) 744-4511 before taking any action.)
2. Claims currently pending in the DDSs that involve individuals who have been arrested in connection with the investigation (and DDS is unable to make a medical determination based on information in file) will be returned to the FOs for further development. The DDS will use a "POTENTIAL INTERPRETER FRAUD CASE" flag (DI R11005.010E) on cases returned to the FOs for redevelopment.
3. When one of these cases is identified by the FO or the DDS, the FO will send a notice to the claimant informing him/her that further development of the claim is necessary. (DI R11005.010F) See DI R11005.010I for the required notice.

NOTE: Do send a follow-up request if there is no response to the first come-in request. If there is no medical evidence (MER) in file, FO can use standard close-out procedure after the second request for claimant to come to the FO.

## SAN FRANCISCO

RTN 57 11/93

INITIAL CLAIMS PROCESSING

R11005.010B.8

Please call Disability Programs Branch (415) 744-4511 for instructions if two come-in letters have been sent to the claimant and there is MER in the file. DO NOT SEND THE FINAL CLOSE-OUT LETTER ON CASES WITH MER IN FILE.

4. Face-to-face interviews should be conducted for the redevelopment of these claims. Follow guidelines in GN 00203.010B.3 for conducting interviews with non-English speaking claimants.
5. The pre-printed SSA-795 (DI R11005.010J) should be used to obtain updated information on deferred claims. Non-deferred claims and claims being paid under presumptive disability provisions should be updated using the form SSA-8203-BK. Interviewing CRs should pay particular attention to reviewing information with the applicant regarding non-medical information that was given on the initial application. If, during the reinterview, the CR identifies previously submitted documentary evidence that raises suspicion, the CR should reverify or redevelop only that evidence to resolve the suspicion per GN 04110.010.
6. If redevelopment of the application reveals evidence supporting a technical denial; e.g., excess income or resources, take appropriate action to deny the claim. If DO technical denial is made, the claim should not be forwarded to the DDS for re-review of the medical evidence, and updated medical forms are not required.
7. If the claim is not going to be denied for non-medical reasons, new SSA-827s, SSA-3368s and/or SSA-3820s should be obtained from the claimant. As with all disability claims, the CR's observations are extremely important.
8. If a redeveloped claim requires return to DDS for medical determination, all information in the claimant's original medical file should remain in that file. Put a report of contact on top of all information on the right side of the original medical folder, and annotate the report of contact as follows:

THIS FOLDER CONTAINS QUESTIONABLE INFORMATION--  
FURTHER REVIEW AND/OR DEVELOPMENT NEEDED.

9. A new medical file should be prepared in the usual manner for the new medical information. This new medical file should be stapled to the front of the original medical file. The evidence in both files must be considered in making the determination.
10. Those cases forwarded to the DDS should be flagged with a copy of the "POTENTIAL INTERPRETER FRAUD CASE" flag (DI R11005.010H) on the outside of the claims folder.
11. The CG field on the SSR should be annotated:  
"POMS,DIR1,1005.010X"  
Annotate the CG field for allowances and denials (medical and technical denials).
12. Special unit indicator code "DDD" should be input on all redeveloped cases as soon as they are identified. This indicator code can be expanded to four or five characters if further systems identification is needed for ease of processing in the FO. (Example: DDDC1) This will facilitate identification of the cases on the ICQS and paraselect files. Please ensure that unit DDD is also used on your clearance input.
13. For both allowances and denials, retain all material in the file (medical and non-medical) in connection with the original development of the claim even if it reflects questionable information.
14. After all adjudicative actions (including FO technical denials) have been completed by the DDS and FO, the CR should complete a copy of the "POTENTIAL INTERPRETER FRAUD" questionnaire (DI R11005.010K) with as much requested information as possible. (This questionnaire should be reproduced locally.) The FO should retain a photocopy of this questionnaire in the file and mail the original form to the following address:

Social Security Administration  
ATTN: Interpreters' Workgroup, OD  
3-A-10 Operations Bldg.  
6401 Security Blvd.  
Baltimore, Md. 21235

In addition, send a photocopy of the questionnaire to the Office of Inspector General at the following address:



Office of Inspector General  
 Office of Investigations  
 50 United Nations Plaza, Room 174  
 San Francisco, Ca. 94102

The completed questionnaires will be reviewed for further patterns or indicators of abuse.

C. FUTURE ARRESTS

You will be notified of other individuals for whom these instructions are to apply in the future.

D. CLAIMS ALREADY IN PAY STATUS

Further instructions will be issued as soon as possible about processing cases that are already in pay status.

E. POTENTIAL INTERPRETER FRAUD CASE FLAG (DI R11005.010H)

1. Identify cases involving potential interpreter fraud with this flag.
2. Staple flag to front of folder.
3. Reproduce flag locally.

NOTE: The DDS will use a copy of this same flag to identify claims in DDS that must be returned to the FO for redevelopment with the claimant.

F. NOTICE TO CLAIMANT THAT REDEVELOPMENT IS NECESSARY

1. If claim is in FO, send notice to claimant that redevelopment will be necessary. (DI R11005.010I)
2. If medicals are in DDS (and DDS is not able to make a medical determination without redevelopment of the claim) the medical folder will be returned to the FO. When the file is received from the DDS, the FO will send notice to the claimant regarding the necessary redevelopment. (DI R11005.010I)

G. DDS MEDICAL DETERMINATION COMPLETE--ANNOTATION OF POTENTIAL INTERPRETER FRAUD CASE FLAG

In addition to normal processing of medical determinations, the DDS will check the block "MEDICAL DEVELOPMENT COMPLETE--NO FURTHER MEDICAL DEVELOPMENT NEEDED" on the Potential Interpreter Fraud case flag and the case will be returned to the FO in the following instances:

1. File currently pending in DDS, and the DDS is able to make a medical determination based on information already in file without returning the file to the FO for redevelopment. The DDS will staple a copy of the flag to the file, and check the block on the flag before returning the case to the FO.

NOTE: Cases that can be processed by DDS without redevelopment of the medical information should still have the accuracy of all non-medical information given by the claimant at the time of the initial interview verified and documented.

2. Claim redeveloped in FO, and claim has Potential Interpreter Fraud flag stapled to it when received in DDS for medical determination. The block on the flag will be checked and the file returned to the FO after the medical determination is made on the redeveloped claim.

- H. POTENTIAL INTERPRETER FRAUD CASE FLAG (EXHIBIT)
- I. NOTICE TO CLAIMANT (EXHIBIT)
- J. PRE-PRINTED SSA-795 (EXHIBIT)
- K. POTENTIAL INTERPRETER FRAUD QUESTIONNAIRE (EXHIBIT)

**POTENTIAL  
INTERPRETER  
FRAUD  
CASE**

MEDICAL DEVELOPMENT COMPLETED--MEDICAL DETERMINATION IN FILE

RTN 57 11/93

SAN FRANCISCO  
INITIAL CLAIMS PROCESSING(Exhibit)  
R11005.0101

## (FIELD OFFICE LETTERHEAD)

We are writing to let you know that we need more information about your claim for Supplemental Security Income (SSI) payments before we can complete work on your claim or make any payments which may be due.

**What You Should Do**

An appointment has been established for you in this office for the following date and time:

Please call us if you cannot keep this appointment time, and other arrangements will be made to see you. Our address, business hours and phone number are shown below:

AddressHoursPhone Number**If We Do Not Hear From You**

If you do not come into our office or call if you cannot come in, we may have to deny your claim for benefits. In many states, applying for SSI means you also are applying for Medicaid. If we deny your SSI application, you cannot get Medicaid based on SSI.

**If You Have any Questions**

If you have any questions, you may call us at \_\_\_\_\_.

If you do not speak English, Social Security will provide someone who speaks your language to help us. Please have this letter with you when you call or visit the Social Security office.

s/s FO Manager

RTN 57 11/93

SAN FRANCISCO  
INITIAL CLAIMS PROCESSING(Exhibit)  
R11005.010J**STATEMENT OF CLAIMANT OR OTHER PERSON**

NAME OF WAGE EARNER, SELF-EMPLOYED PERSON, OR SSI CLAIMANT	SOCIAL SECURITY NUMBER
NAME OF PERSON MAKING STATEMENT (if other than above wage earner, self-employed person, or SSI claimant)	RELATIONSHIP TO WAGE EARNER, SELF-EMPLOYED PERSON, OR SSI CLAIMANT

Understanding that this statement is for the use of the Social Security Administration, I hereby certify that-

I have reviewed the responses to the questions on the SSA-8001 dated \_\_\_\_\_ and all the information shown is correct.

I have reviewed the responses to the questions on the SSA-8001 dated \_\_\_\_\_ and I wish to make the following corrections:

---



---



---




---



---

I know that anyone who makes or causes to be made a false statement or representation of material fact in an application or for use in determining a right to payment under the Social Security Act commits a crime punishable under Federal law and/or State law; I affirm that all information I have given in this document is true.

**SIGNATURE OF PERSON MAKING STATEMENT**

SIGN HERE 	Signature (First name, middle initial, last name) (Write in ink)	Date (Month, day, year)
		Telephone Number (include Area Code)

Mailing Address (Number and street, Apt. No., P.O. Box, Rural Route)	
City and State	ZIP Code

Witnesses are required ONLY if this statement has been signed by mark (X) above. If signed by mark (X), two witnesses to the signing who know the individual must sign below, giving their full addresses.

1. Signature of Witness	2. Signature of Witness
Address (Number and street, City, State, and ZIP Code)	Address (Number and street, City, State, and ZIP Code)



Transmittal No. 58

Audience: PSC--DE, DEC,  
DTE; DDS--ADJ, DHU

NOVEMBER 1993

Originating Office:  
ARC-POS, DPB

Program Operations Manual System  
 Part 04 -- Disability Insurance  
 Chapter 230 -- Special Issues  
 Subchapter 25 -- Fraud

<u>New Material</u>	<u>No. of Pages</u>
DI R23025.005	5

Background

An investigation focused primarily on Medi-Cal fraud occurring in Southern California communities has been conducted by the California Department of Justice and HHS/OIG. In the process of this investigation, the State uncovered evidence pointing to potential fraud by third parties assisting claimants in applying for SSI disability benefits.

Per E-Mail messages issued on 5/6/93, 6/2/93 and 10/29/93, claims involving participation by any of the individuals arrested as a result of this investigation were to be held pending further instructions. This transmittal is being issued to provide instructions for the processing of these claims.

Action Notes

Cross refer DI 23025.005 to DI R23025.005.

Social Security Administration  
 Office of the Regional Commissioner  
 San Francisco

Effective Date:  
 Upon Receipt

DI R23025.005

## A. GENERAL

The California Department of Justice and HHS/OIG have been conducting an investigation concerning alleged fraudulent activities in various types of claims for government payments and benefits. E-Mail messages issued on 5/6/93, 6/2/93 and 10/29/93, gave the names of individuals arrested in connection with this investigation. These E-Mail messages advised that claims involving participation by any of the individuals arrested as a result of this investigation should be held pending receipt of these instructions.

The involvement of the arrested individuals raises questions as to the accuracy of the evidence in file--non-medical as well as medical. It is important to identify as many cases as possible in which these arrested individuals or any others who are subsequently arrested in connection with the investigation were involved in any capacity.

## B. PROCEDURES

Cases that have not yet been effectuated must be reviewed in light of any improper influence the arrested individuals may have had during the processing of the claim.

1. CASES CURRENTLY PENDING IN THE DDS--MEDICAL DETERMINATION CAN BE MADE BASED ON EVIDENCE IN FILE.

The DDS may be able to determine that the individual can be found disabled even without use of any questionable evidence. If the DDS is convinced that a determination of disabled or not disabled is clearly appropriate based on the credible evidence already in file, process the case according to usual procedures. Denial would not be appropriate at this point simply because the examiner believes the evidence in file is not reflective of the claimant's medical condition.

Also take the following action on these cases:

- o Staple a copy of the "POTENTIAL INTERPRETER FRAUD CASE" flag (DI R23025.005E) to the front of the file.
- o Put a large "X" in the block on the bottom of the flag to indicate:

MEDICAL DEVELOPMENT COMPLETED--MEDICAL DETERMINATION IN FILE.



It is important to annotate the flag in this manner to make sure the receiving FO knows this case will not have to be returned to the DDS for further processing.

2. CASES CURRENTLY PENDING--MEDICAL DEVELOPMENT INCOMPLETE OR PENDING DECISION QUESTIONABLE

If the review of the file indicates that evidence in file furnished by a credible source is inadequate or inconsistent, return the file to the FO for redevelopment. This FO redevelopment will involve another interview with the claimant.

The following procedures will be used in processing claims that will be returned to the FO for redevelopment:

- a. Once these cases are identified, a copy of the "POTENTIAL INTERPRETER FRAUD CASE" flag (DI R23025.005E) should be stapled to the outside of the claims folder. (Do not make any annotation on the flag for these cases.)
- b. If FO redevelopment of these claims results in a finding of non-eligibility for non-medical reasons; e.g., income and/or resources, the FO will deny the claim according to usual procedures for this type of denial. FOs will not return these technical denials to the DDS for further processing.
- c. If the claim is redeveloped in the FO, new SSA-3368s/SSA-3820s and SSA-827s will be completed. The FO will prepare a new medical file containing all forms pertaining to the redeveloped claim in these cases.

NOTE: If there is no MER in file with the SSA-3368, the FO will deny the claim if the claimant does not respond to FO's request for redevelopment of the claim.

If the claimant does not respond to FO's request for redevelopment, the FO will not close out the claim if there is MER in the file. Procedures for processing one of these claims will be issued later, and the FO is to contact Disability Programs Branch if they have a claim like this.

- d. The FO will staple the file containing the new medical information to the front of the claimant's original medical file, and both of these files will be sent to DDS. The FO will also put a report of contact in the original file regarding the fact that this folder contains questionable information.

In order to avoid confusion, do not combine these two folders. However, if the DDS examiner determines that the original file contains useful medical documentation from a credible source, that particular information should be placed in the file with the newly redeveloped medical information.

The evidence in both files must be considered in making the determination.

- e. Only DDS approved interpreters should be used if CEs are necessary.
- f. For both allowances and denials, retain all material in the file (both medical and non-medical) in connection with the original development of the claim even if it reflects questionable information.
- g. Be sure to explain the weight given to evidence in both files if conflicts arise or if the determination is that the evidence is not sufficient to support a finding of disability.
- h. All the redeveloped claims received from FOs will have POTENTIAL INTERPRETER FRAUD CASE flags attached to them. Do check the block on the bottom of the flag after the medical determination is made.

C. CASES ALREADY IN PAY STATUS

Instructions will be issued as soon as possible about processing potentially fraudulent cases that are already in pay status.

D. POTENTIAL INTERPRETER FRAUD CASE FLAG

Take the following action regarding this flag.

1. Flag to be stapled to front of all medical files identified with involvement of arrested individuals identified in E-Mail messages issued 5/6/93, 6/2/93 and 10/29/93.

2. Block at bottom of flag to be checked on files being returned to the FO when medical development has been completed and medical determination is in file.
3. Reproduce the flag locally.

E. POTENTIAL INTERPRETER FRAUD CASE FLAG  
(Exhibit)

**POTENTIAL**

**INTERPRETER**

**FRAUD**

**CASE**



MEDICAL DEVELOPMENT COMPLETED--MEDICAL DETERMINATION IN FILE

Chairman PICKLE. I think we will receive the testimony from Ms. Brown, and then we will have questions. Is that agreeable with you, Mr. Ford?

Chairman FORD. That is fine, Mr. Chairman.

Chairman PICKLE. We recognize Hon. June Gibbs Brown, the OIG.

**TESTIMONY OF HON. JUNE GIBBS BROWN, INSPECTOR GENERAL, U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES, ACCOMPANIED BY LARRY D. MOREY, DEPUTY INSPECTOR GENERAL FOR INVESTIGATIONS, U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES**

Ms. BROWN. Good morning, Chairman Pickle and Chairman Ford and members of the committee. I am June Gibbs Brown, inspector general from the Department of Health and Human Services. With me today is Larry D. Morey. He is deputy inspector general for investigations.

HHS is the fourth agency where I have served as inspector general. However, this is my first appearance before these subcommittees since joining the Department of Health and Human Services. We are pleased to be here to present our observations, experiences, and recommendations on fraud in which interpreters act as middlemen in the Supplemental Security Income Program.

While interpreter fraud schemes are not new or a new phenomenon, this type of fraud surfaced as a serious problem in the late 1980's. The first case of interpreter fraud to receive widespread publicity was in southern California. It involved interpreters who represented Southeast Asian refugees.

While the problem doesn't appear to be as pervasive in other parts of the country, we have received indications and allegations of possible fraud in a number of other areas involving other non-English-speaking groups. In response, our office has opened investigations throughout the country.

We have identified some general similarities in these cases, such as most of the disability claims involve mental impairments. Many claimants from the same non-English-speaking group use the same interpreter, make essentially the same disability allegations, and, where applicable, they use the same treatment source. These sources file essentially the same report for each claimant.

In interviews, it appears that interpreters typically respond to questions either without the claimant input or based on an obviously rehearsed script. Because of the language barrier, the interpreter provides all verbal communication with the doctor and with the Social Security Administration interviewers. Thus, there is no opportunity to detect indications that the subject is not telling the truth.

The Social Security Administration began referring interpreter fraud allegations to our office in the late 1980's. Investigations began in 1987, and subsequently, two subjects pleaded guilty in 1989 for conspiracy and for aiding and abetting in a scheme to defraud the SSI Program. Several other cases are described in my written testimony, which I have submitted for the record.

In early 1991, allegations began to surface of widespread fraud in the SSI Disability and Medicaid Programs in the Los Angeles

area. Our office in Los Angeles began investigating these allegations in October 1991 because of the request for assistance from the California attorney general's Bureau of Medi-Cal Fraud and Patient Abuse. This is where the two agents were from who were here earlier.

By May 1993, our office had 10 agents involved in conducting HHS fraud investigations in southern California. We conducted undercover activities and obtained operatives to pose as SSI applicants and approach interpreters to act as middlemen. These are the same investigations you heard about earlier.

To date, the undercover operations have resulted in approximately 30 search warrants and 18 arrests. Many of our open investigations are at a stage where it is not yet possible to project how many applicants were involved and how many fraudulent claims were filed.

We do know, however, that the number of the non-English-speaking applicants in California is significantly higher than identified in the other State investigations, probably due to the high percentage of refugees within the California population. However, we have found similar schemes in several regions of the country other than California.

In the last 2 years, our office has stepped up its interpreter fraud investigation efforts nationwide. As recently as February 4, 1994, 10 search warrants were issued in Tacoma, WA. Two individuals were arrested and charged in connection with a large-scale fraudulent scheme to qualify refugees for SSI.

Because many of our investigations are open and ongoing, I cannot discuss all of our activities in detail. We appreciate that your staff has respected our position on this. We will share information with you on these cases as they come to closure.

I can tell you that, in cooperation with other Federal and State investigators, we have obtained and are analyzing the medical records of several thousand benefit recipients who we believe to be involved with interpreter schemes related to SSI and Medicaid.

We face several limitations in documenting interpreter cases for prosecution. We are usually dealing with tight-knit ethnic communities. It is hard to obtain witnesses and hard to get undercover people inside the operation. Communication and cultural differences plus life experiences of many applicants, especially the refugees, make it difficult to prove a mental disability is not present.

Where only outside interpreters are involved, it is difficult to show intent to defraud, and if so, whether the intent was on the part of the applicant, the interpreter, or both.

When the interpreter fraud scenario includes dishonest medical professionals who conspire with the interpreter and the applicant to submit false records, it is a challenge to obtain reliable counter-evidence without Government-approved interpreters.

For example, we have opened an investigation into a scheme that begins with an initial consultation with a doctor or other office personnel. During this consultation, the patients were apparently coached in their responses to questions that they may be asked during the SSI interview. After this, the physician prepared lengthy medical reports regarding the patient's status. These re-

ports were processed by his computer operators and sent to SSA for evaluation.

A fee of \$1,000 was charged to the patients for the initial reports, and the patients agreed to pay the doctor an additional \$2,000 in the event the claim was denied and an appeal became necessary. The fee increased according to the degree of difficulty that arose during the appeal process.

When the individuals were approved for SSI benefits, the doctor received a sum of money from the patient's back payment. All financial transactions were conducted in cash and weren't recorded in the doctor's income report.

If the applicant has been well coached by the interpreter and a medical professional, even the presence of an approved interpreter may be inadequate to deter the fraud.

Lack of resources is another obstacle. Because Federal investigative and prosecutive resources are limited, we sometimes cannot pursue the smaller scale fraud scheme. We refer such cases to State and local law enforcement agencies where possible.

While we continue to actively investigate these types of cases, we maintain that the best overall solution to the problem is prevention. Our office submitted an inspection report to the Social Security Administration in April 1990 on serving the non-English-speaking client. Social Security generally agreed with our recommendations and is implementing several improvements in its service delivery.

We have encouraged SSA to establish a network of trusted interpreters, either by hiring multilingual claims representatives, by cooperative agreements with other Federal agencies, or by creating registries of approved interpreters. We believe this network is the most critical element of any combination of solutions.

As Ms. Chater testified, most of those things are being implemented.

For example, one referral was made to our office because Social Security offices in one metropolitan area in the Northeast part of the country had a large number of non-English-speaking applicants who, through the same interpreters, were alleging similar medical impairments. When the Social Security Administration began using its own interpreters with this language group, the problem abated.

In another State where non-English-speaking applicants arrived in the Social Security office, they provided an interpreter to interview them by phone from an undisclosed location while the applicants were still in the office. As a result, the duplication or pattern of the application information and evidence subsided.

We issued two OIG fraud alerts on interpreter fraud schemes to the SSA field offices. Fraud alerts are short descriptions of reported schemes which could occur in multiple locations. Two fraud alerts were distributed to all SSA and OIG field offices, which addressed the issue of interpreter problems. The fraud alerts were disseminated to SSA claims representatives, who, because they are in a position to identify patterns of similar cases, are one of our best sources of detecting suspicious cases.

We are also exploring with SSA the use of the Program Fraud Civil Remedies Act against persons involved in schemes to defraud the SSI Disability Program.

We believe that current statutory authorities for imposing civil penalties for false claims and statements are broad enough to permit imposition of penalties in interpreter fraud cases. However, there are some streamlined authorities that could be allowed that would speed up this process and make it less cumbersome.

As we continue to conduct these investigations, we will be reviewing cases to determine where imposition of these penalties would be appropriate.

The Department of Justice can also seek civil monetary penalties in Federal court under the Civil False Claims Act. We will, of course, refer any cases to the Department of Justice where imposition of such penalties might be appropriate. In fact, all program fraud civil remedies must be submitted to the Attorney General for review.

We are pleased to note that the Social Security Administration has adopted many of our recommendations and established an internal task force to review the interpreter fraud issue. The group formulated a listing of action items. This list, which I understand has been shared with the subcommittee, is clearly a positive step forward.

We are encouraged by the interest the Ways and Means Subcommittee on Oversight is taking in our antifraud efforts. With your support, both Social Security and the IG will be better able to manage and oversee the SSI Disability Program.

I would be happy to answer any of your questions.

[The prepared statement and attachments follow:]



Testimony by  
**June Gibbs Brown**

Inspector General  
Department of Health and Human Services

### **SSI Interpreter Fraud**

Good morning, Mr. Chairmen. I am June Gibbs Brown, Inspector General of the Department of Health and Human Services. With me today is Larry D. Morey, Deputy Inspector General for Investigations. We are pleased to be here to present our observations, experiences and recommendations on interpreter/middleman fraud in the Supplemental Security Income (SSI) program. Although I have a long history within the Inspector General community, this is my first appearance before these subcommittees since joining the Department of Health and Human Services.

We know your Subcommittees have been following the interpreter fraud issue very closely. Problems associated with this activity could result in millions of dollars being spent inappropriately from general Federal and State revenues for SSI and corresponding Medicaid benefits. We are pleased that recent preventive actions by the Social Security Administration (SSA) are being implemented to strengthen controls over this program. We believe additional work is needed. In my testimony I will outline the problem from an investigative and program improvement point of view.

#### **Introduction**

The Office of Inspector General (OIG), created in 1976, is charged with protecting the integrity of departmental programs as well as promoting their economy, efficiency and effectiveness. Our audits, investigations and inspections are well known to these subcommittees. Last year, the OIG generated savings, fines, restitutions, penalties and receivables of over \$61 for each Federal dollar invested in its operation. In addition, the OIG obtained 1,406 successful prosecutions and imposed 956 administrative sanctions in the form of program exclusions and civil monetary penalties.

#### **Investigative Background**

Interpreter fraud schemes involving non-English speaking SSA claimants are not a new phenomenon. However, interpreter fraud surfaced as a serious problem in the SSI program in the late 1980s. The SSI program provides monthly payments to low-income individuals who are aged, blind or disabled, including certain categories of noncitizens. The program also conveys automatic eligibility for Medicaid in most States. The first case of interpreter fraud to receive widespread publicity was in Southern California and involved interpreters who represented Southeast Asian refugees. While the problem does not appear to be as

pervasive in other parts of the country, we have received allegations of possible fraud in a number of other areas involving a variety of non-English speaking groups. In response, our office has opened investigations throughout the country.

The State agency responsible for making disability decisions for SSA claims in California began to notice a common pattern in the SSI claims received from various ethnic groups in the 1980s. The disability application forms, the supplemental forms detailing daily activities, and the physician statements were virtually the same for many claimants. These claimants were often brought to SSA by the same few interpreters, and many claimed to have been treated by the same physicians or psychologists.

While other interpreter fraud schemes appear to be unrelated, we have identified some general similarities in these cases. Most of the disability claims involve mental impairments. Many claimants of the same non-English speaking group use the same interpreter, make essentially the same disability allegations, and, where applicable, use the same treating source who files essentially the same report for each claimant. In interviews it appears that interpreters typically respond to questions either without claimant input or based on an obviously rehearsed script. Because of the language barrier, the interpreter provides all verbal communication with the doctor and with SSA interviewers. Thus, there is no opportunity to detect indications that the subject is not telling the truth.

#### OIG Activity

The SSA began referring interpreter fraud allegations to our office in the late 1980s. Investigations began in 1987, and subsequently two subjects pleaded guilty in 1989 for conspiracy and for aiding and abetting in a scheme to defraud the SSI program. One of the subjects was sentenced to 15-months incarceration and ordered to pay \$47,300 in restitution. The other subject was sentenced to 12-months incarceration and ordered to pay \$26,000 in restitution. We provided the SSA with the identity of 23 individuals who had filed SSI claims with the assistance of the pair.

In a subsequent case, an interpreter was convicted on one count of welfare fraud and one count of perjury. He was sentenced to 120 days in county jail, ordered to pay \$20,170 in restitution, placed on 5-years probation, and ordered to perform 600 hours community service. He also forfeited a motor vehicle for payment of attorney fees.

In another case, one of the two subjects entered in a deferred prosecution agreement for interpreting for immigrants and providing them with false age documentation to gain entitlement to SSI and social security benefits. The other subject was sentenced to 36 months in jail for bank fraud with an additional 7 months for providing false identity documents.

In early 1991, allegations began to surface of widespread fraud in the SSI disability and Medicaid programs in the Los Angeles area. Our office in Los Angeles began investigating these allegations in October, 1991 because of a request for assistance from the California

Attorney General's Bureau of Medi-Cal Fraud and Patient Abuse. Medi-Cal is California's Medicaid program. The State Attorney General had opened these investigations because many of the physicians and psychologists provided false information on behalf of SSI applicants were then allegedly involved in false billings under the Medi-Cal program. In California, individuals eligible for SSI disability benefits are also eligible for Medi-Cal. In these joint investigations, several undercover operations have been conducted and arrests made. Others are expected.

By May, 1993, our office had 10 agents involved in conducting HHS fraud investigations in Southern California. We conducted undercover activities and obtained operatives to pose as SSI applicants who approached interpreters to act as middlemen. To date, the undercover operations have resulted in approximately 30 search warrants and 18 arrests which produced evidence identifying medical clinics that provided unnecessary treatment, patients from these clinics who had applied for SSI, and the drivers who had been used to transport them. The investigation has produced evidence of fraudulent applications for SSI and Medicaid. The investigation is ongoing under the direction of the California Department of Justice and the U.S. Attorney for the Central District of California. We will continue to work closely with the State and the SSA Regional Commissioner on this case.

We have opened an investigation into a scheme that begins with an initial consultation with the doctor or other office personnel. During this consultation, the patients were apparently coached in their responses to questions that may be asked during the SSI interview. After this, the physician prepared lengthy medical reports regarding the patients' status. These reports were processed by his computer operators and sent to the SSA for evaluation. A fee of \$1,000 was charged to the patients for the initial reports, and the patients agreed to pay the doctor an additional \$2,000 in the event the claim was denied and an appeal became necessary. The fee was increased according to the degree of difficulty which arose during the appeal process. When the individuals were approved for SSI benefits, the doctor received a sum of money from the patients' back payments. All financial transactions were conducted in cash and were not recorded in the doctor's income reports.

Many of our open investigations are at the stage where it is not yet possible to project how many applicants were involved and how many fraudulent claims were filed. We do know that the number of non-English speaking applicants in California are significantly higher than identified in the other State investigations, probably due to the high percentage of refugees in the California population.

We have found similar schemes in several regions of the country other than California. For example, a 1991 case involving a Russian interpreter in Brooklyn resulted in a conviction for conspiracy and false statements. The interpreter had a close association with Russian organized crime and provided services to Russian Jewish immigrants. The interpreter translated for the immigrants and helped them file applications for social security and SSI aged benefits and social security number cards. The interpreter falsified the proof of age documents and information on the applications to help applicants receive benefits. The interpreter and her spouse were convicted. The spouse was incarcerated.

In the last two years, our office has stepped up its interpreter fraud investigation efforts nationwide. As recently as February 4, 1994, 10 search warrants were issued in Tacoma Washington. Two individuals were arrested and charged in connection with a large-sale, fraudulent scheme to qualify refugees for SSI. Because many of our investigations are open and ongoing, I cannot discuss all of our activities in detail. We appreciate that your staff has respected our position on this. We know you would like to have current information, and we will share it with you as these cases come to closure. I can tell you that in cooperation with other Federal and State investigators we have obtained and are analyzing the medical records of several thousand benefit recipients who we believe to be involved with interpreter schemes related to SSI and Medicaid.

#### Limitations on Criminal Remedies

Investigators face several limitations in documenting interpreter cases for prosecution. We are usually dealing with tight-knit ethnic communities. It is hard to obtain witnesses and hard to get undercover people inside the operation. Communication and cultural differences, plus the life experiences of many applicants (especially refugees), make it difficult to prove a mental disability is not present. Applicants from non-Western countries who have recently arrived in the United States may have a different traditional manner of dealing with Government officials. For example, in some countries it may be common practice to deal with the Government through middlemen, particularly where the individual is not literate and the Government is not trusted. Therefore, intent to defraud may be difficult to establish. Intent to defraud may also be difficult to establish where only outside interpreters are involved, and if so, whether the intent was on the part of the applicant, the interpreter, or both.

The SSA claims representatives cannot know whether the applicant is being asked the questions properly through an interpreter. They do not know if the interpreted responses are in fact what the applicant actually said. Where SSA is able to provide its own interpreters (for example for the Spanish-speaking community), there is a deterrent to the intentional misrepresentation of eligibility factors.

When the interpreter fraud scenario includes dishonest medical professionals who conspire with the interpreter and the applicant to submit false records, it is a challenge to obtain reliable counter evidence without Government-approved interpreters. Where the applicant has been well coached by the interpreter and/or a medical professional, even the presence of an approved interpreter may be inadequate to deter fraud.

Lack of resources is another obstacle. Because Federal investigative and prosecutive resources are limited, we sometimes cannot pursue smaller scale fraud schemes. We refer such cases to State and local law enforcement agencies where possible.

Occasionally, we have experienced witness intimidation. For example, one of SSA's bilingual Vietnamese employees perceived that she was threatened because she interviewed Vietnamese applicants for SSI. This denied the middleman the opportunity to serve as

interpreter and to effectively control the answers and the outcome of the claim. The original case involved a Vietnamese interpreter who was suspected of coaching the applicants on how to answer SSA's and the doctors' questions. This case was closed because of a lack of witnesses.

While we will continue to actively investigate these types of cases, we maintain that the best overall solution to the problem is prevention.

### Prevention

Our office submitted an inspection report to SSA in April 1990 on serving non-English speaking clients. We recommended that SSA should do more to recognize and address the needs of these clients. We suggested that this could be accomplished by taking the following actions:

- Establish a clear policy on the agency's responsibility for providing interpreter services;
- Expand the workload reporting system to identify non-English speaking workloads, and improve the system for collecting data on bilingual staffing;
- Assess bilingual staffing needs and assign resources: encourage outreach to community-based agencies, and tailor the 800 number to service the needs of these clients; and
- Emphasize bilingual skills in recruitment material, position descriptions, performance evaluations, and incentive programs.

SSA generally agreed with our recommendations and is implementing several improvements in its service delivery. We have encouraged SSA to establish a network of trusted interpreters, either by hiring multilingual claims representatives, by cooperative agreements with other Federal agencies, or by creating registries of approved interpreters. We believe this network is the most critical element of any combination of solutions. For example, one referral was made to our office because social security offices in one metropolitan area in the Northeast part of the country had a large number of non-English speaking applicants who, through the same interpreters, were alleging similar mental impairments. When SSA began using its own interpreters with this language group, the problem abated. In another State, when non-English speaking applicants arrived in the social security office, SSA provided an interpreter to interview them by phone from an undisclosed location while the applicants were still in the office. As a result, the duplication of the application information and evidence subsided.

Our office has had ongoing communication with SSA regarding active investigations on interpreter fraud cases. We have notified SSA when successful convictions were obtained. We have also made specific recommendations to SSA to contain the problem through

program policy changes rather than to rely solely on investigations--for example, to establish procedures for screening and registering independent interpreters; regulate fees charged by interpreter services; document claims folders that an interpreter had assisted the claimants; and develop outreach programs to educate non-English speaking communities about SSA programs, procedures, and requirements.

We issued two OIG Fraud Alerts on interpreter fraud schemes to SSA field offices. Fraud alerts are short descriptions of reported schemes which could occur in multiple locations. The two fraud alerts were distributed to all SSA and OIG field offices which address the issue of interpreter problems. The first highlighted a scheme in which an individual purporting to be a representative of a non-profit organization for non-English speaking immigrants had assisted these immigrants in filing fraudulent SSI applications. The second alert highlighted the trend in California of Southeast Asian interpreters who assisted non-English-speaking claimants to apply for SSI benefits. The fraud alerts were disseminated to SSA claims representatives who, because they are in a position to identify patterns of similar cases, are one of our best sources of detecting suspicious cases.

Our Office of Audit plans to initiate a review of the use of interpreters in disability claims. The review will determine what controls are in place to prevent fraud and abuse involving "for fee" interpreters and whether these controls have been circumvented.

We are also exploring, with SSA, the use of the Program Fraud Civil Remedies Act against persons involved in schemes to defraud the SSI disability program. We believe that current statutory authority for imposing civil penalties for false claims and statements under 31 U.S.C. 3801-3812 and our implementing regulations, 45 CFR Part 79, are broad enough to permit imposition of penalties in interpreter fraud cases. As we continue to conduct these investigations, we will be reviewing cases to determine where imposition of such penalties would be appropriate.

The Department of Justice may also seek civil monetary penalties in Federal court under the Civil False Claims Act, 31 U.S.C. 3729-3733. We will, of course, refer any case to the Department of Justice where the imposition of such penalties might be appropriate. Additionally, under 31 U.S.C. 3803(a)(3), all proposed program fraud civil remedies must be submitted to the Attorney General for review.

#### SSA's Implementation of OIG Recommendations

We are pleased to note that SSA has adopted many of our recommendations and established an internal task force to review the interpreter fraud issue. The group formulated a listing of action items. This list, which I understand has been shared with the Subcommittees, is clearly a positive step forward. We are encouraged by the interest the Ways and Means Subcommittees on Oversight and Human Resources are taking in our anti-fraud efforts. With your support, both SSA and the OIG will be better able to manage and oversee the SSI disability program.

ONE HUNDRED THIRD CONGRESS

DAN ROSTENKOWSKI, ILLINOIS, CHAIRMAN

SAM M. GIBBONS, FLORIDA  
 J.J. PICKLE, TEXAS  
 CHARLES B. RANGEL, NEW YORK  
 FORTNEY PETE STARK, CALIFORNIA  
 ANDY JACOBS, JR., INDIANA  
 HAROLD E. FORD, TENNESSEE  
 ROBERT T. MATSUI, CALIFORNIA  
 BARBARA B. KENNELLY, CONNECTICUT  
 WILLIAM J. COYNE, PENNSYLVANIA  
 MICHAEL A. ANDREWS, TEXAS  
 SANDER M. LEVIN, MICHIGAN  
 BENJAMIN L. CARDIN, MARYLAND  
 JIM MADERMOTT, WASHINGTON  
 GERALD D. KLECKA, WISCONSIN  
 JOHN LEWIS, GEORGIA  
 L.F. PAYNE, VIRGINIA  
 RICHARD E. NEAL, MASSACHUSETTS  
 PETER HOAGLAND, NEBRASKA  
 MICHAEL R. MONSULTY, NEW YORK  
 MIKE KOPETSKI, OREGON  
 WILLIAM J. JEFFERSON, LOUISIANA  
 BILL K. BREWSTER, OKLAHOMA  
 MEL REYNOLDS, ILLINOIS

BILL ARCHER, TEXAS  
 PHILIP M. CRANE, ILLINOIS  
 BILL THOMAS, CALIFORNIA  
 E. CLAY SHAW, JR., FLORIDA  
 DON SUNDQUIST, TENNESSEE  
 HANCY L. JOHNSON, CONNECTICUT  
 JIM BURNING, KENTUCKY  
 FRED GRANDY, IOWA  
 AMO HUGHTON, NEW YORK  
 WALLY MERGER, CALIFORNIA  
 JIM MCCREARY, LOUISIANA  
 MEL HANCOCK, MISSOURI  
 RICK SANTORUM, PENNSYLVANIA  
 DAVE CAMP, MICHIGAN

## COMMITTEE ON WAYS AND MEANS

U.S. HOUSE OF REPRESENTATIVES  
 WASHINGTON, DC 20515-6348

March 10, 1994

JANICE MAYS, CHIEF COUNSEL AND STAFF DIRECTOR  
 CHARLES M. BRAIN, ASSISTANT STAFF DIRECTOR

PHILIP D. MOSELEY, MINORITY CHIEF OF STAFF

The Honorable June Gibbs Brown  
 Inspector General  
 Department of Health and Human Services  
 Hubert H. Humphrey Building  
 200 Independence Avenue, S.W.  
 Washington, D.C. 20201

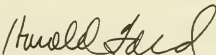
Dear Inspector General:

Thank you for appearing at the joint hearing on Supplemental Security Income Fraud which was held on Thursday, February 24, 1994 by the Subcommittees on Oversight and Human Resources of the Committee on Ways and Means. Your testimony was very helpful.

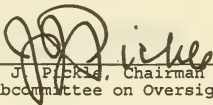
In order to complete the Subcommittees' hearing record, I request that you answer the enclosed questions by the close of business, Monday, April 11, 1994. To facilitate the printing of your responses, I request that you restate the question before each of your written answers. Also, it would be helpful if your staff could provide the answers regarding each section as the information becomes available. Over the next month, we will be developing proposals to address the situation, and the information requested in this letter is critical to our analysis.

If you have any questions, please contact Thomas K. Arnold, Assistant Counsel, Subcommittee on Oversight, at (202) 225-5522.

Sincerely,



Harold E. Ford, Chairman  
 Subcommittee on Human Resources



J. J. Pickle, Chairman  
 Subcommittee on Oversight

Enclosure



DEPARTMENT OF HEALTH &amp; HUMAN SERVICES

Office of Inspector General

Washington, D.C. 20201

RECEIVED

APR 20 1994

Ways and Means  
Subcommittee on Oversight

APR 20 1994

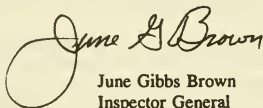
The Honorable J.J. Pickle  
Chairman, Subcommittee on Oversight  
Committee on Ways and Means  
House of Representatives  
Washington, D.C. 20515

Dear Mr. Pickle:

This is in response to the joint March 10, 1994, letter from you and Chairman Harold Ford, Subcommittee on Human Resources, requesting answers to questions to complete the hearing record for the hearing held on February 24, 1994, concerning Supplemental Security Income fraud. Our answers to these questions are enclosed. A copy of these answers is also being sent to Chairman Ford.

If you have any additional questions or would like to discuss the enclosed questions and answers further, please contact me, or your staff may contact Susan Callahan of the Office of the General Counsel, Inspector General Division at (202) 619-0335.

Sincerely yours,



June Gibbs Brown  
Inspector General

Enclosure



DEPARTMENT OF HEALTH AND HUMAN SERVICES  
OFFICE OF INSPECTOR GENERAL  
QUESTIONS FOR THE RECORD  
SUPPLEMENTAL SECURITY INCOME FRAUD HEARING  
HELD ON FEBRUARY 24, 1994

TRANSLATOR CERTIFICATION:

1. The following questions assume that SSA implements a new program requiring a "translator" to certify, under penalty of perjury, as to 1) the accuracy of his or her translation; 2) the nature and scope of his or her relationship with the SSI applicant/recipient; 3) whether the translator and the SSI applicant/recipient have a written agreement; and 4) the amount of compensation, if any, that they are to, or have received from the applicant/translator. The questions assume further that the individual certifies that he/she is merely a translator serving for little or no compensation and that there is no written agreement. If later, the Office of Inspector General (OIG) discovers evidence that the translator was in fact a middleman who was not accurately translating, was coaching the applicant on how to feign disability, and/or was charging the applicant thousands of dollars for those services pursuant to a written agreement,

a. Could the OIG refer that middleman to the Department of Justice (DOJ) for violation of 18 U.S.C. 1001?

Yes.

b. Would the OIG make such referrals?

We would refer a case where it appears to fall within the prosecutive guidelines of the relevant United States Attorneys Office. For example, while a case may otherwise have prosecutive merit, the dollar amount at issue might be below that of the prosecutive guidelines. However, that same case might later be referred as evidence develops of other instances of false statements by the subject of the investigation.

c. Would you expect DOJ to be receptive of such referrals and actively seek prosecutions for the "1001" violations in the absence of evidence of any other crimes?

From the hypothetical presented, the middleman was committing acts potentially in violation of other provisions of Federal criminal law such as conspiracy (18 U.S.C. 371) and false claims (18 U.S.C. 287) since the middleman was lying during interviews and coaching claimants to feign disability. If the hypothetical was slightly changed to eliminate the fraud aspect (harm to the government), and the middleman merely lied about the financial arrangements between the applicant and himself, the case is less likely to be accepted for prosecution.

**d. Would your decision to make referrals, and/or your expectation regarding prosecution of those referrals, differ if OIG also had evidence of 42 U.S.C. 1383a violations?**

Federal prosecution is far more likely if there is evidence of fraud or false statements regarding facts material to an eligibility determination. However, as already indicated, that type of evidence could be used to indict under the cited provision of the Social Security Act or other criminal provisions in title 18 of the United States Code such as 18 U.S.C. 287 or 1001. Since 42 U.S.C. 1383a is not a felony (except in limited circumstances, for second offenses), the Federal cases to date have all been brought under title 18. However, the existing misdemeanor statute is sometimes useful in facilitating plea agreements.

**e. Would your opinion differ if 42 U.S.C. 1383a were amended to make it a felony?**

Generally, no. As already stated, we have been able to use existing felony provisions in title 18 in prosecuting these fraud schemes.

**f. Do you recommend amending 42 U.S.C. 1383a to make it a felony?**

While we have successfully prosecuted these cases without relying on a program felony statute, we believe that there are some advantages to having a felony statute specifically drafted to cover program fraud schemes.

**2. Do you recommend that SSA obtain certifications, under penalty of perjury, from "translators" accompanying SSI applicants? What would you recommend that those certifications contain?**

We understand that SSA is already preparing certifications similar to that described in Question 1. We have supported this effort. We believe that the use of the certification will not only strengthen our criminal cases, but will act as a deterrent.

We believe that a certification as to the accuracy of the translation, the status of the translator vis a vis the applicant or recipient, and the terms of their arrangement (fees, etc.) are the most important issues to cover on the certification.

**TERMINATING SSI BENEFITS AND FRAUD REOPENING PROCEDURES:**

**3. Does OIG play any role in the process of "reopening" SSI recipient cases based on fraud?**

**a. What role does the OIG play?**

The OIG has no official role in the reopening process. The reopening of cases is an administrative responsibility of SSA. The process involves reevaluation of medical evidence and other factors of eligibility which are uniquely program responsibilities. Under the Inspector General Act of 1978, 5 U.S.C.A. App. 3, such program operating responsibilities cannot be transferred to the OIG. However, because the cases are dependent on evidence of fraud, OIG would often supply the necessary evidence to support SSA's action where it had conducted an investigation. The OIG can also provide leads for cases that should be reopened based on investigative findings.

**b. Should the OIG play that role, as opposed to SSA?**

SSA is free to gather its own evidence to support a reopening or obtain it from other sources such as state or local law enforcement agencies. Where the OIG has a case opened on a matter, it would generally be more efficient for SSA to rely on OIG and its staff of trained criminal investigators for leads and the evidence gathered in the investigation.

**c. How do you recommend that SSA proceed in reopening SSI recipient cases that involve the OIG?**

We believe that it is possible to satisfy both the needs of the criminal prosecution in avoiding premature disclosure and the program in removing these individuals from the rolls in a timely manner. We do not have nor do we recommend rigid rules on referral of open criminal cases for administrative action. When a program requests information for administrative action during an ongoing criminal case, we would consult with the relevant United States Attorney's Office and attempt to accommodate the program if at all possible. It should be noted, however, that parallel administrative proceedings can damage ongoing criminal investigations. Successful prosecutions are an important deterrent to future fraud schemes.

In the current cases being worked in southern California, we have had many discussions with SSA about removing individuals suspected of fraud from the SSI roles when they are identified in our investigations. We have never refused a request by SSA for names of these individuals (See our response to Question 10 below.). Since the hearing, we contacted SSA about beginning the reopening process for targets of on-going investigations. We also understand that SSA is already working on a number of reopenings based on fraud in California.

**SELECTING SSI CASES TO "REOPEN":**

**4. Is the OIG involved in selecting cases to reopen?**

**a. What role does the OIG play in selecting SSI cases to reopen?**

While the OIG has no official role in selecting cases for reopening, OIG input can be very important in cases being reopened based on fraud. In making referrals, we often request that cases be considered for appropriate administrative action. In the California SSI interpreter fraud cases, we specifically requested that the eligibility of recipients whose names we referred to SSA be reviewed.

**b. Should the OIG be playing that role, as opposed to SSA?**

Yes.

**5. The attached SSA documents labeled "Transmittal No. 57" and Transmittal No. 58," both originating from "ARC-POS, DFB" address SSI applications pending initial determination, commonly referred to as "pipeline" cases.**

**a. Does the OIG have any role in selecting individual SSI cases to which these procedures apply?**

**b. What is the OIG's role?**

**c. Should the OIG be performing that role, as opposed to SSA?**

The primary responsibility for selection of cases rests with SSA. It is inappropriate for the OIG to assume these types of program responsibilities. However, we have and will continue to have input into the process.

**6. Is there any reason why the same standards and procedures which are, or will be, used to select pending SSI applications for special treatment under Transmittals 57 and 58 could not be used to select which current SSI recipient cases to reopen?**

We would defer to SSA on this question. The legal requirements for a reopening may vary from those applicable to pending applications.

**7. Has SSA requested from the OIG any identifying information regarding SSI recipients who were either the clients of middlemen/translators or patients of the medical professionals who are the subject of any OIG SSI fraud cases?**

- a. Who made the request?
- b. What was the nature of the request?
- c. How did the OIG respond to that request?

We have partially addressed these questions in response to Question 3.c. As we indicated in our testimony, we have had a number of cases involving SSI interpreter fraud over the last several years. It is our policy to always refer our investigations to a program office where the case should be considered for administrative action. The referral is not dependent on an official request from the program office for the information. Information has been exchanged with SSA under this policy. While we have received requests from program officials wishing to pursue administrative action prior to completion of the OIG investigation, we are unaware of any official request for expedited referral in an SSI interpreter fraud case. As we indicated, it is our understanding that SSA is already in the process of reopening a number of suspected cases of interpreter fraud.

It should also be understood that information on investigations is often routinely exchanged prior to a formal referral (See our response to Question 10.). Since we must often obtain information such as SSA claims folders from SSA, SSA would often be aware of the targets of an investigation prior to a formal referral. In the absence of other factors, however, SSA and other program offices would typically wait for the referral since the case would be more fully developed.

**8. Has the OIG offered to SSA any identifying information regarding SSI recipients who were either the clients of middlemen/interpreters or patients of the medical professional who are the subject of any OIG SSI fraud cases?**

- a. To whom was the offer made?
- b. What was the nature of the offer?
- c. What was SSA's response to the offer?

We have answered this question in response to Question 7 and address it further in response to Question 10. OIG referrals are automatically made whenever there is a potential administrative action such as termination.

**TIMING FOR REOPENING SSI RECIPIENT CASES:**

9. Have you, or anyone in the OIG, requested that SSA delay reopening SSI recipient cases pending the prosecution of middlemen/translators and/or medical professionals involved in the SSI recipient's cases?

- a. If so, for what reason?

b. If so, explain how reopening related SSI recipient cases will, or could possibly, jeopardize the prosecution of associated middlemen and/or professionals.

We have not requested SSA delay reopening in any of these cases. However, as already noted, our typical procedure would be to refer a case for administrative action after a decision on prosecution.

c. Is it in the interest of the public to suspend reopening SSI recipient cases pending prosecution of associated middlemen and/or medical professionals?

Sometimes, but not always. When there is a question of proceeding administratively on cases identified in an open criminal investigation, we would, in consultation with the prosecuting agency, consider a number of factors in determining the public interest. The reopening of recipient cases prior to indictment of the middlemen or medical professionals would often lead to damaging premature disclosure of the investigation. In such cases, we believe that more often than not, delay of administrative action is warranted on the basis that prosecution can have a strong deterrent effort. However, if the recipients themselves are not targets, there may not be compelling reasons to delay administrative action after the indictments of the principals. Another example of factors to consider would be the strength of the potential criminal case balanced against the possible continuing loss of money to the government. Because of all of these variables, we do not believe that a blanket rule is in the public interest.

**THE "BLUE BINDER CASES:**

10. According to the California Bureau of Medi-Cal Fraud (BMCF), 14 blue binders were given to a Ms. Linda Summers of the OIG in June 1993. After BMCF, OIG and SSA analyzed the data in the 14 binders, BMCF determined in November 1993, that 1,981 of the individuals named in those 14 binders were, as of November 1993, receiving SSI benefits, were clients of one or more of the middlemen under investigation by BMCF, and were patients of one or more of the medical professionals under investigation by BMCF and was shared with Linda Summers and others in the OIG's field office in Santa Ana, California.

Prior to addressing your specific questions, we would like to clarify several points. There have been a number of search warrants issued in this investigation. The "blue binders" and other evidence obtained under the search warrants contained thousands of names which we have been reviewing in the course of our investigation. The 1,981 individuals referred to in the question were identified as in current pay status under the SSI program.

**a. Does the OIG have possession of the "blue binders"?**

We returned the binders to BMCF after we extracted information we needed for our investigation.

**b. Does the OIG have possession of the list of 1,981 individuals?**

Yes

**c. Does the OIG have possession of the SSI recipients identifying information contained in the "blue binders"?**

Yes. With regard to the list of 1981 names, we have obtained, from SSA, the files on these recipients in current pay status for review in our criminal investigation.

**d. Has the OIG made this identifying information available to SSA? If not, why not?**

The 1981 names were made available to SSA in December, 1993.

**e. Is there any reason why SSA could not reopen any or all of the 1,981 cases identified in the "blue binders"? If so, what is the reason?**

No. In fact, on March 7, 1994, we advised SSA that they could use the approximately 1981 names we made available in December, 1993 as a starting point to review questionable claims. While we had shared this information with SSA prior to that date, we had not recommended that they begin reviewing the claims until March 7, 1994, because we needed time to at least conduct an initial review of the thousands of records obtained under the search warrants and consult with the United States Attorneys Office based on that review. We notified SSA as soon as that process was completed.

From the original list, we are currently reviewing approximately 800 recipient claims folders as part of our criminal investigation. However, we have advised SSA that, even with regard to those names, we would work with SSA local offices to obtain information necessary to a reopening determination.

#### RECOVERING PAST SSI PAYMENTS IN FRAUD CASES:

11. Assuming that, at least, some of the SSI recipients who used either middlemen/translators or medical professionals currently under investigation by either OIG or other law enforcement agencies, are eventually determined to have never been entitled to SSI benefits, does OIG have the authority to collect prior payments of SSI benefits?

a. Does OIG plan to exercise that authority in such cases?

b. Does OIG expect to be successful in collecting prior SSI benefits in those cases where it is ultimately determined that benefits were fraudulently obtained?

Recoupment of overpayments is a program operating responsibility which cannot be delegated to the OIG under the Inspector General Act of 1978, 5 U.S.C.A. App. 3. We would have to defer to SSA in answering these questions.

#### CIVIL PENALTY AUTHORITY:

12. In your testimony, you discuss civil monetary penalty authority.

a. Does either SSA or the OIG currently have civil penalty authority in SSI fraud cases? If so, who and how is it used?

The OIG currently has authority to bring program fraud civil remedy actions in SSI fraud cases. That authority is explained in more detail in our testimony. While



we have pursued civil monetary remedies in SSA cases, we have not yet brought an action in an interpreter fraud case.

**b. Would imposing civil penalties against the middlemen/translators, medical professionals, and/or SSI recipients involved in defrauding the SSI program help prevent future abuses of the program? How?**

We believe that imposition of administrative penalties, like imposition of criminal penalties, can act a deterrent while also allowing the government to recoup some of its losses from these fraud schemes. It should be noted, however, that criminal cases are more widely publicized, have harsher penalties, and may have a greater impact.

**c. Against what category of individuals do you recommend imposing civil penalties?**

As we testified, the Department has statutory authority to sanction all of the categories of individuals cited in Question 12. SSA does not have any separate statutory sanctioning authority.

**d. Under what circumstances?**

The first question to consider would be the strength of the evidence. We have already testified as to the weaknesses of some of these cases. While the burden of proof is less, we would still have some of these problems in sanction cases. Another major factor to consider, under the law, is whether the individual has the resources to pay the penalty. Individual recipients often lack the resources to justify bringing a program fraud civil remedy action. With regard to medical professionals, while we might apply the sanctions cited in our testimony, we would also consider bringing a health care sanction against the professional under 42 U.S.C. 1320a-7a if he/she was, as is sometimes the case, also defrauding the Medicaid program.

**13. Does either SSA or OIG need additional civil penalty authority to deal with SSI fraud cases?**

**a. Exactly what additional authority is needed?**

**b. What statutory authority do you recommend be enacted to establish that authority?**

We have already testified that the Program Fraud Civil Remedies Act (PFCRA) provides the OIG with authority to bring civil monetary penalty actions in these cases. We have met with SSA to explore whether SSA should seek other sanction authorities or a more streamlined sanction process since imposition of penalties under PFCRA is time-consuming. We will work with SSA to develop a proposal and forward that information to the Subcommittees. We would, of course, defer to SSA as to the specifics of any additional authorities they may seek.

**ADDITIONAL AUTHORITY OTHER THAN FOR CIVIL PENALTIES:**

**14. Is there any other authority, other than for civil penalties, that SSA or OIG needs in order to effectively and efficiently prevent SSI fraud?**

The other problems which we have identified in our testimony do not appear as amenable to legislative solution.

**15. Is there any other authority that SSA needs in order to effectively and efficiently purge current SSI rolls of fraudulent SSI claims?**

It is difficult to answer this question until we have more experience with the process of reopening the determinations based on fraud. We will continue to monitor the reopening process and work with SSA to assure its effectiveness. We will notify the Subcommittees if we identify any additional authorities to reopen these cases.

Chairman PICKLE. Let me start off by saying, in connection to that statement where you say you are encouraged about our interest, I hope you are more than encouraged. We are going to see that a little stronger language is used, because we think this program is still being abused.

At the outset, I want to say to both of you that I don't personally say that you have allowed a situation to develop. You are both relatively new on the job. This is a new administration.

But I would say to you that overall, in the past decade, our committee has found that there has been very little interest in this program throughout the SSA regional offices. Our staff tells us we had very little response when we started on this thing. They didn't want to fool with these cases. We didn't really have much help in responding.

Apparently you are doing something about that now, and I like the recommendations that you are trying to take. I think that for too long, we have just let this thing go. Throughout the whole SSA area, I think there has been a general lack of interest in pursuing these cases.

It has come to light, and though it may be only 4 percent or whatever your percentage is, it amounts to millions of dollars, and we can't afford to let this go. If we do, this thing is going to grow bigger and bigger and it is going into other programs, and pretty soon everybody throws up their hands and it is hopelessly lost. We can't let that happen, so I think we have to do something about it.

With respect to your authority, my staff tells me that you probably have the authority, civil and criminal, to do something about this. I don't think we need to argue that here today, because our lawyers are looking into that. But if you need authority in any of these fields, tell us what it is and we will try to put it in the law. Let us not have any kind of academic debate or legal debate as to whether you have the authority or not. Let us get the authority and do something about that. I make that suggestion to all of you.

Let me ask one or two questions. When a claimant comes in and they make their claim, I think you said that you are going to require from now on that they identify or sign a kind of a certification that they are the claimant and they are making this through the translator. Is that correct?

Ms. CHATER. Yes.

Chairman PICKLE. What about having a requirement to say that the person show that they are the translator or that they are being paid for these services? Do you do that now? Is that shown anywhere in the record, that the middleman is now a paid representative? What would be wrong in showing that, instead of being just a member of the family that they are a professional in the job?

Ms. CHATER. Go ahead.

Mr. THOMPSON. There is a class of people that are actual representatives, and these you can think of as lawyers. They are not all lawyers, but they have a legal status as a representative. Those people do have to register with us. We then can regulate how much they are paid by the SSI beneficiary.

They have the status of a claimant representative, like a lawyer, so we have to deal with them. We don't deal with the claimant once that relationship has been established.

Chairman PICKLE. I think we have to take every step—pardon me.

Mr. THOMPSON. We have thought about whether we want the interpreters to be claimant representatives, and then we could control them. That has a downside to it, in that we then create a status for these middlemen. They, then, legally can stand between us and the claimant.

Chairman PICKLE. If we have our own interpreters, then that is going to minimize the situation considerably.

Mr. THOMPSON. Yes.

Chairman PICKLE. I understand it is one of your recommendations that you are going to make.

What about these people? These people testified earlier this morning that of 300 cases they looked at, most of them, they are fraudulent claims, false on the surface, easy as can be to get these applications in, or relatively easy, and they are on the SSI books for life. They said the bulk of these people, the big majority of them, are not disabled or they are not entitled to it, and yet they are on it for life.

How can you get those people off the books? Can you reopen these cases?

Mr. THOMPSON. Yes.

Ms. CHATER. Yes.

Chairman PICKLE. Have you reopened any of these cases?

Mr. THOMPSON. So far as I know, the Social Security Administration has not yet been given the names and numbers of these cases. These are under investigation, and the investigators have not turned over the list to us yet.

Chairman PICKLE. Mr. Thompson, you are dodging the question. Your responsibility is for you to find out whether this is happening, and I am asking you, do you reopen cases You said, well, we haven't because we haven't gotten the information from California. I am talking about in principle. Have you reopened any of these kinds of cases?

Mr. THOMPSON. Yes, we have.

Chairman PICKLE. I would like for you to submit to our committee how many. We don't know of any. If you have, they are mighty few.

[The following was subsequently received:]

SSA is acutely aware of the need to conduct timely reviews of any SSI recipients whose eligibility may have been established based on fraudulent evidence. Long-standing policy provides broad authority for reopening cases in which fraud is suspected. Given that incidents of fraud involving third parties are relatively new to SSA, and that, as discussed below, the authority to review such cases has been delegated to SSA field officials, past reopening activity has not been routinely tracked. Instead, field office and regional office staff have pursued potentially fraudulent cases on a case-by-case basis.

In 1992, SSA's San Francisco regional office initiated special continuing disability reviews of 4 foreign language beneficiaries involved with a suspected fraudulent medical practitioner. All 4 of these resulted in cessations of disability benefits; 3 filed an appeal, of which 2 are still pending and 1 was reinstated (when the basis for showing medical improvement was deemed inadequate in the context of the recipient's advanced age and lack of education). In these cases, SSA determined that it was not feasible to reopen the original allowance decision, because the proof of fraud at that time was lacking. However, the suspicion of fraud was used as the basis for giving less weight to treating source evidence and obtaining independent consultative evidence.

At its first meetings in April 1993, SSA's Interpreter Fraud Taskforce reaffirmed the need to review cases involving individuals suspected of fraud in foreign language claims. Until very recently, however, such cases were involved in active Office of Inspector General (OIG) and Department of Justice investigations, and thus required their official release. In October 1993, OIG requested SSA's assistance in determining the SSI payment status of about 13,000 cases found in the files of arrested middlemen and clinic operators in southern California. At that time, SSA provided information on just over 5,000 individuals who had ever applied for SSI, and OIG told SSA it would return if additional assistance was needed. In mid-March of this year, after the hearing before your subcommittees, OIG relayed information on 1,981 of these cases and gave clearance for redevelopment of not only these cases but also any other individual applicant cases that we were aware of. National and regional representatives met the week of March 21 to finalize an efficient strategy for redeveloping the eligibility criteria of some or all of these cases (and any others we can identify). Reviews of continuing eligibility commenced the week of April 25.

Ms. BROWN. If I may, sir, in the closed cases in San Francisco and New York, there have been 25 Laotian and Vietnamese in one San Francisco case taken off the rolls, and 12 Vietnamese in another San Francisco case, and then in the New York area, 9 Russians. In addition, 115 convicts that were in an institution were taken off the rolls in southern California.

Chairman PICKLE. Let us say you got 100 out of 1 million people who have been filing for it. I am glad somebody has been taken off the rolls, not that I want us to get money, but if they are not entitled to it, they ought to be taken off the rolls.

It seems to me that the SSA and the OIG ought to determine some way to get these people off the rolls, who are on the rolls for life. That is better than spending all of your lifetime with a pension. You just got a pension to start with. You are a refugee and you come over and you get a automatic pension. That is a pretty sweet deal.

I am just saying, if you have the authority to reopen these cases and look at them, I would like to see it. If you need more legislative authority to delve in that, our committee ought to consider it. We ought to perhaps be considering that ourselves, but the fact is, it ought to be done.

I just say to you that you ought to be more aggressive. It seems to me that for years, the OIG had been given the authority by SSA to investigate these cases. It was a sort of an in-house, polite arrangement. You identify them. If there is a problem, OIG will inspect it. But nothing has been done for 10 years, up until basically just within the last year.

Now I am being a little harsh in making that statement, and I don't want to be unfair about it, but essentially, that is the fact. It seems to me that something ought to be done.

I don't want to be unfair about this thing. I don't want to say that just automatically ought to take these benefits away, but we ought to look at those people. If they are on for life, they ought to be looked at.

Plus, I think we have to get more assistance from the Justice Department. They don't want to investigate Social Security fraud cases when they want to send some bank robber to jail for 100 years—and they usually lose those cases. But that is what they are interested in. I understand that they don't want to fool with that. They don't want to fool with these electronic fraud cases we had brought up recently. But the fact of the matter is, they have to be more aggressive, because in that area and in these cases, we may

be losing millions and even billions of dollars, and that can't be tolerated.

I would say to you that we have to be more diligent about this. That is a personal feeling. We are going to be working both with GAO and with your committees with specific follow-throughs on this particular hearing for action.

Let me defer to Mr. Ford.

Chairman FORD. Thank you, Mr. Chairman.

Commissioner, DDS, is that a part of SSA?

Ms. CHATER. Yes.

Mr. THOMPSON. It is the State agent.

Ms. CHATER. That is a State agency.

Chairman FORD. It is a State agency?

Ms. CHATER. Yes.

Chairman FORD. But it is a part of SSA?

Ms. CHATER. It is a part of the entire process for disability.

Chairman FORD. So the interpreters and the middlemen that we are talking about, those are not the ones that make the final determination as to the disabilities of one filing an application for SSI?

Ms. CHATER. That is right.

Chairman FORD. The determination is made by the physician who is contracted through the Social Security Administration? Or DDS, which is an agency that is a part of the Social Security Administration?

Mr. THOMPSON. Yes. What happens is the first time somebody submitted one of those write-ups like you had introduced into evidence by your earlier witness from a medical provider, the DDS people may look at that and say, that looks pretty good and this is a certified provider.

Chairman FORD. And they can be approved on the first application?

Mr. THOMPSON. That is right. The third time they see one that looks just like that, they should say, something is wrong here and we should send him to one of our own doctors. They don't automatically send people for what we call a consultative exam, which is where we pick the physician or the DDS picks the physician. They don't automatically do that, if they think they have sufficient evidence. But as soon as they begin to suspect there is something wrong, they ought to be sending them for consultative examinations, and that is what they are doing in California.

Chairman FORD. They don't really have to come in to fill that application out, do they? They can run copies of this application and have the middleman fill the application out, submit it to the Social Security field office, and it is accepted by SSA, is that correct?

Ms. CHATER. That is true.

Chairman FORD. That is true?

Ms. CHATER. It is true.

Chairman FORD. So in other words, they can run copies of the forms from the Social Security office, and usually these are all different colors, and get the middlemen to fill them out. They don't have to come in and talk to your interpreters. They can fill them out with the middleman and send them to SSA and you process them at that point, right?

In many cases, it is what we have heard today from some of the witnesses. You can basically get the same doctors who have been involved in some of the same schemes to defraud the Government in many of these health clinics.

Ms. CHATER. That is true, except that our employees then look at these, and I really feel that they look for the duplicated kinds of forms that you are talking about. They look for ways that information is presented. When they are suspicious, they draw that to our attention.

Chairman FORD. You don't see any evidence of that, when you see fraudulent representative payees by the hundreds. If they walk in with a middleman or send the application in that is filled out by the middleman, you certainly do not see any evidence that representatives in SSA's office be in these certain areas would be checking for the fraudulent representative payees.

Many of the applications, no doubt, are filled out, and I am sure that they all have a lot of similarities. There is no system of checks and balances to prevent fraudulent applications from being approved or if denied, resubmitted by the middlemen for reconsideration.

We are talking about all of these middlemen and the representative payees in Social Security's office, as you said in your testimony, Commissioner, who doesn't need to come into the office to see your staff? They can fill them out on the street corners. They can recruit people, fill out applications and submit them to your office, and if the evidence in the application is worthy of a disability claim being approved, oftentimes the claims are approved.

Ms. CHATER. That is very true, sir. What you have just said is exactly right. If the evidence with the application is the kind of evidence that meets the requirements for disability, yes, they can be processed.

Chairman FORD. I have never been able to fill out one of these applications in my office when a constituent of mine wanted to file for SSI. I am always told that the person must come into the office.

Mr. THOMPSON. It is possible for you to file an application for SSI and not come into our office, but it not the normal situation.

Chairman FORD. But it is easier for the refugees and immigrants to file these applications because of the middlemen.

Mr. THOMPSON. I will have to check for the record, and I will correct my statement, but my understanding is that that is not what is going on here. We are not getting a lot of applications from people who never showed up in our offices. They showed up and then we are going through this interpreter fraud.

So what you are painting is not exactly the problem that we are aware of today.

Chairman FORD. We have heard it from other witnesses. We had joint hearings last week with the Social Security and Human Resources Subcommittees of the Committee on Ways and Means. We would certainly like to have any information that you have available.

Mr. THOMPSON. On this issue of the people who don't even come into the office?

Chairman FORD. Right.

Mr. THOMPSON. Yes.

Chairman FORD. Those who do not have to come into the office, and these applications are filled out outside of our office. It is really just in black and white. Your application forms are not the same colors in the offices. Oftentimes many of those applications are submitted to the SSA office and approved before the application goes to the Disability determination section.

Mr. THOMPSON. It does happen, and let me submit for the record a little better story of how many times and in what circumstances. [The following was subsequently received:]

We currently estimate that 30-40 percent of all SSI disability or blindness claims are processed without any face-to-face contact between the claimant and SSA. The percentage range is lower in large urban areas where personal access to field offices is most convenient. Of course, many claims initially handled via telephone will still require a personal examination by a medical consultant at SSA's direction.

Telephone interviews (teleclaims) are permitted in all situations except when (1) complexities or special circumstances of a case indicate the need for face-to-face contact (e.g., suspected fraud, expectation of complex or lengthy interview, assessment needed of capability to handle own financial affairs), (2) the claimant's identity cannot be verified by telephone, or (3) the claimant chooses to come to a field office.

The requirement for a face-to-face interview for SSI claims was relaxed in January 1989. At that time, OIG agreed with our assessment that a face-to-face interview does not routinely enhance the integrity of the claims process. A recent SSA study of almost 6,000 allowed cases used extensive field reviews to assess the comparative quality of face-to-face interviews with pure teleclaims; no significant difference was found in payment accuracy or overall program integrity.

Many customers prefer to deal with SSA by telephone. We will continue to make every reasonable effort to provide the claimant with as many options as feasible for obtaining services from SSA without jeopardizing program integrity.

Chairman FORD. Ms. Franco discussed the monetary agreements between SSI applicants and the middlemen. Is this agreement legal? Would it be legal?

Ms. BROWN. There is no legal bar against them paying somebody else part of the money.

Chairman FORD. That would not be a legal document or agreement with the middleman and the SSI claimant?

Ms. CHATER. We would not get involved with that.

Chairman FORD. You would not acknowledge that agreement?

Mr. THOMPSON. It is not illegal.

Chairman FORD. Not illegal, legal.

Mr. THOMPSON. It is not illegal.

Ms. CHATER. There is nothing to preclude that from being a legal contract if they go into it.

Chairman FORD. When one goes before an administrative law judge to determine their disabilities and payments, the SSA sets a particular percentage in which the lawyer or the representative can or should receive. I think it is 20 percent.

Mr. THOMPSON. 25. If you are an official representative, there is a limit.

Chairman FORD. You are recognizing these middlemen as the representative payees? Are lawyers representative payees once they represent a client?

Mr. THOMPSON. They are representatives.

Chairman FORD. And once the administrative law judge awards that claimant their disability benefits, would the check be made payable to the representative payee, who may also be the legal representative, or would it be made payable to the claimant?



Mr. THOMPSON. The representative payee is a different situation, where, for some reason, the claimant isn't deemed to be capable of taking care of his own affairs.

Chairman FORD. Yes, but they made mention of these representative payees being the middlemen.

Mr. THOMPSON. Some of the middlemen have gotten themselves appointed as representative payees, yes.

Chairman FORD. Not some, but hundreds of them, according to Ms. Franco's testimony. In many of these cases in their investigation, you saw the representative payees being the middlemen, not once, not twice, but over and over and over. Is that correct?

Mr. THOMPSON. That is what she testified to, and we were taking notes.

Chairman FORD. Is it correct, what she testified to?

Mr. THOMPSON. We are going to look into that as soon as we get back to Baltimore. That was a wrinkle that we hadn't been aware of.

[The following was subsequently received:]

The allegation that middlemen were sometimes being appointed as representative payees has not surfaced before in our own review of the situation in southern California. However, if the only contact is through the interpreter/middleman, it is possible that a middleman can set himself up as the only person who cares about the best interests of the claimant and thus qualify as a representative payee.

Since SSA field offices must routinely assess the suitability of someone to act as a representative payee for a beneficiary, we asked for their first-hand assessment of the extent of this problem in heavily impacted areas. They do not believe this is a significant problem. Nevertheless, we are running both manual and computer checks of our records to see if known middlemen's names appear as representative payees. However, beyond that we would have no way to determine after the fact exactly who might be a middleman. (So far, we have identified 2 SSI recipients in Washington State for whom an arrested middleman was payee. Their benefits have been suspended pending designation of another payee and review of their continuing eligibility.)

We have asked affected field offices to be alert to the possibility of unscrupulous middlemen having themselves designated as payee. They should seek independent confirmation of the payee applicant's suitability to be a representative payee, if one is necessary.

We must bear in mind that there are many "middlemen," including authorized representatives, who are honest people and make good payees. The challenge is to identify and exclude any unscrupulous person, whether a middleman or not, from being a payee. To do this SSA has expanded its pre-appointment investigation of payees. We will need to do more to educate applicants and beneficiaries about our standards for payees and solicit their help in ensuring that we select the best possible payee.

As in all other aspects of this interpreter fraud issue, we believe that enhancing SSA's own bilingual capability will help prevent such occurrences.

NOTE.—This is to clarify the terms "representative" and "representative payee". A representative payee is someone appointed by SSA, after an investigation of suitability, to manage the payments received from SSA in the best interests of a minor child, legally incompetent adult, or mentally incapable person. Representative payees receive, disburse, conserve and account for benefits. An authorized representative, on the other hand, is someone appointed by an individual to represent the individual in dealings with SSA. (The person is often, but not always, an attorney.) An authorized representative typically helps a claimant through the process leading up to a benefit determination. An authorized representative may be appointed payee if benefits are awarded, a payee is required, and if he/she is otherwise qualified to be a payee.

Chairman FORD. It could be a problem that we could certainly identify in the inspector general's office.

I praise you for the 20 or 30 cases you solved, but we are talking about thousands and thousands of unsolved, undetected cases. It

surely wouldn't have to be up to the Inspector General's office to investigate some of what has been testified to here today, if it is all factual.

Ms. BROWN. Chairman Ford, one case can involve a great number of claimants. For instance, we have one case with 320. Another case is—

Chairman FORD. Oh, so one case, you are not talking about just one claimant.

Ms. BROWN. That is right.

If I could clarify something else for the record, this isn't as loose as it appears as far as what the Federal Government is doing. Of course, the IG Act requires that the investigative resources be centralized within the office of HHS. That way, you have independence. If you need to investigate Government officials, that is part of your responsibility as an inspector general. I think that independence is useful.

Also, the California Bureau of Medi-Cal Patient Abuse unit is one that is 75 percent paid for by the Federal Government. We finance those units to assist with the work, and they basically take care of all the Medicaid work for the Office of Inspector General, while we are much more involved in the Medicare and some of the other types of Social Security fraud.

This is a group that we have worked closely with. We have had 3 to 10 agents working with them the whole time. The undercover activity they were speaking of, we paid for out of our OIG budget of \$10,000, over and above the amount we are financing the fraud unit. We provided them with the space and accompanied them where we were able to do so.

They mentioned specifically that on certain searches they require people with weapons, and we don't have full law enforcement authority. That is something we have requested for years and feel is needed by our agents, but we have not yet been granted that authority.

So there is a very close working relationship. The people that testified were from one State. We are working this type of fraud in many States.

Chairman FORD. That was my next question, because the cases in California seem to involve mostly Southeast Asian communities. Are you finding this to any great percentage or an increased number of cases in other areas? You indicated that you have now gone in other areas.

Ms. BROWN. In other areas of the country, there also are mostly Southeast Asians. We also have some Russian claimants.

I think the reason that we are getting large numbers from these particular groups is because they are the ones where it is more difficult to get interpreters. These are languages that aren't quite as commonly used in our communities, with a lot of dialects. Also, there is the fact that they are tight-knit communities and many of the people you could hire are not willing to go in because they would be ostracized from their communities.

That is why it has been allowed to proliferate, in my view, in those areas where we haven't had the same problem in others.

Chairman FORD. Have you received, in any of the IG offices, any information that might give you some indication that there are em-

ployees of SSA in some of the field offices who might be working in conjunction with some of these middlemen, or certainly working with some of the physicians who are contracted out through SSA, that might be making some of these disability determinations more favorable in many of these cases?

Ms. BROWN. No. We have had a couple of isolated cases of SSA employees, but not in connection with this. Those have been diligently prosecuted and there has been nothing—

Chairman FORD. Is there anything from the DDS office? Are there any complaints or information pertaining to DDS?

Ms. BROWN. No, there has been nothing in this area.

Chairman FORD. Are there any complaints from SSA related to physicians who will make that disability determination for the SSA office?

Ms. BROWN. There have been some physicians, yes.

Chairman FORD. That were contracted by SSA?

Ms. BROWN. Oh, no sir.

Chairman FORD. That is all, Mr. Chairman.

I would like to recognize the ranking member of the Human Resources Subcommittee, Mr. Santorum.

Mr. SANTORUM. Thank you, Mr. Chairman.

I would like to go through the numbers that you presented, Commissioner, on the 4 percent. I think you said 87,000 people who were immigrants into this country applied and received disability, and that is only 4 percent of the case load?

Ms. CHATER. Yes.

Mr. SANTORUM. That is 4 percent of \$23 billion, which is \$900 million. You said 75 percent of the folks who come in are interviewed with interpreters provided by the Social Security Administration, so the potential for middlemen is about 25 percent, which is a potential fraud, if everyone is fraudulent—and we know they all are not—of \$225 million. If you throw in the Medicaid, which comes with that benefit, 25 percent of the Medicaid spent on that number of people is \$135 million.

So the potential fraud just in the areas that we have identified is \$360 million. That is not, at least from my estimations—I know we do a lot of big numbers around here, but that is not an insignificant number.

I appreciate your comments that you see this as a serious problem. My concern is that this seems to be a problem that is fairly well defined. There are very few communities, I think you mentioned Russian and Southeast Asian, involved. We know where these people are. Why haven't we targeted our resources to this very narrow problem and done something about this well before this situation developed?

This is not something that is widespread, that is difficult to handle. There are very few communities. Let us focus our efforts here to try to wipe this out. In fact, you make the argument that because it is such a small problem, it should be a rather easy problem to solve. We know where these are. Solve it.

Ms. CHATER. Yes. First, I want you to understand that I don't think it is an insignificant problem and we do want very much to solve this problem.

Our employees are so frustrated, because they suspect and sometimes see evidence of fraud and they want very, very much to help solve that problem. That is the first thing I would say.

Second, I think we do have to be careful that we don't put into place a policy or a set of procedures that is earmarked for one particular ethnic group. I believe there was actually a court case that suggested that we couldn't discriminate against one particular ethnic group, that our policies have to apply across the board. So we do have that caveat.

Now having said that, I am hopeful that the kinds of action items that we have in place at the moment will really help us tackle this problem, particularly from a preventive end. We can add more multilingual employees, and we are trying very, very hard to do that. We are also looking at something new that we just heard about. We understand that AT&T has a wonderful interpreter service now where you can dial an interpreter and somebody comes onto a conference phone and interprets for the people that need to be involved.

So we are looking at that, because I think to prevent it is really a way of solving the problem.

Mr. SANTORUM. I would just echo the chairman's remarks that we need to move on these things as quickly as possible. I understand looking at it, but if the fraud is continuing, then we need to move forward on that.

I guess my biggest concern is the question I asked Mr. Martin before, and that is how many people have been thrown off as a result of his investigation. He and Ms. Franco stated that, to their knowledge, nobody has been thrown off. They say that they know who these people are, about 2,000 people who are receiving benefits who received benefits through these middlemen, yet the Social Security Administration has not taken action to throw them off. They have the information.

If Ms. Brown is accurate, you say you are working and cooperating. You have all these investigators who are working with these people. This is a cooperative effort. That is the comment you made, not exactly what Mr. Martin made, but that is what you said.

Then why aren't these people being thrown off? What is stopping you from just sending a letter out to these people and saying, we are going to call you all in for redetermination. Can you send a letter out and say that?

Ms. BROWN. The case in Los Angeles is an open investigation. As you can tell, there was undercover activity going on and those names have not been turned over to Social Security. The areas where they have, San Francisco and New York—

Mr. SANTORUM. Have you asked for them?

Ms. BROWN. Did I ask for them?

Mr. SANTORUM. Did someone ask for them? I mean, obviously the names are there. People know who these are. Mr. Martin said they have the Social Security numbers on these people. Have you asked for the names?

Mr. MOREY. Yes. Some of the interpreters that we have dealt with in the past that admit that they have been involved in this scheme cannot provide us with a list of the names of the people that they helped defraud the program, even after we have them

admit that they did this. They may remember one or two, but they don't have a long list in their files for us to identify.

When you talk about this Los Angeles case, we are talking around 800 names.

Mr. SANTORUM. That is not the testimony that Ms. Franco gave us. I think the number she gave us was 1,900-and-some-odd names. This is just my recollection. That was just one middleman was 1,900-and-some-odd claims.

Mr. MOREY. Congressman, I can't confirm it or deny it. If she has that information, I don't know.

I do know that in one case of ours, we have 800, and in another case, we have 320 names that we have identified and are working with.

Mr. SANTORUM. So you have those names?

Mr. MOREY. Yes, I think we do.

Mr. SANTORUM. And have you taken any action to try to get re-determination or move them off?

Mr. MOREY. We are working with the U.S. attorney's office to see whether or not he would prosecute any of the claimants. In the past—

Mr. SANTORUM. I am not concerned about prosecution. I am concerned that these people are sitting here receiving benefits today. The question is, why aren't we doing something to remove them from the rolls? We can prosecute them later. That is all well and good. Why are they still receiving benefits?

Mr. MOREY. The Department of Justice looks at it a little bit differently. If you were to go back and submit the names for the overpayment, then they would not entertain the criminal conviction in most cases. They would think the thing had already been adjudicated administratively, and then they would not entertain a criminal—

Mr. SANTORUM. I am not concerned about the overpayment. I am just saying, why are we continuing to pay them? Why can't we at least call and ask for a redetermination? Can you send a letter out to these people? This is what Mr. Martin suggested, and it sounded reasonable to me. You have these people's names. Send out a letter saying, we want to do a redetermination. He suspects that half the people won't even show up because they know they have filed a fraudulent claim, so we can at least discontinue them. Why are we continuing to pay these people?

Mr. MOREY. The only thing I can tell you is that during their re-determination, as you go back and try to decide whether or not you are going to knock this person off the list, you would have to say that they are not entitled to the claim. You would have to have a doctor come in and say they are not entitled to it. We have doctors that said that they were entitled to it twice.

Mr. SANTORUM. Yes, but we have evidence that this middleman set up the situation with the doctor to get that evidence. Am I missing something here?

Mr. MOREY. Only to the fact that the refugee may be really entitled to the benefits.

Mr. SANTORUM. Fine. But you have a middleman who has admitted fraud. At least bring the people that he brought into the system back for a redetermination. Does that sound unreasonable?

Mr. MOREY. Somewhere along the line, there must be a middle that we can reach, and we would work with the SSA to reach that.

Mr. SANTORUM. Mr. Chairman, I would very much encourage this committee to try to do something to encourage this investigation, to at least identify who these people are and get these people re-evaluated, whether they should continue. Knowing that a large number of these people are on here fraudulently, knowing that that is a fact, that we are continuing to pay them benefits, that sounds outrageous.

Chairman PICKLE. That is a reasonable request, Mr. Santorum, and our committee will follow through on that.

Mr. SANTORUM. I just was handed something by your staff that says you can reopen if the application is based on fraud. We have someone who has admitted fraud. You say that, that you have a middleman that has admitted fraud. You have these people who are getting benefits based on this person's fraudulent admission. You can reopen these cases. Why aren't you doing it?

Mr. MOREY. He doesn't admit that each and every case he has ever worked is fraudulent. He will admit that generally it is. He may, in fact—

Mr. SANTORUM. But don't you have a reasonable suspicion? Don't you have probable cause here? Don't you have something here to reopen this case?

Mr. MOREY. I think we—

Ms. BROWN. At this time, in the cases they are talking about, there have not been convictions yet. These are cases in process and there are certain things that you have to go through.

One of the real difficulties in this and other parts of the SSI Program is the lack of specificity in who is entitled. If you are talking about somebody who has multiple sclerosis, that is—

Mr. SANTORUM. Here is what I would like you to do, with the indulgence of the chairman here for 1 second. You tell us what we need to do to rewrite the law to allow you to start going after these folks. That is what we want to know. You tell us how we do this so when we suspect there is fraudulent activity with people receiving benefits, how we can institute a procedure by which to remove these people from the rolls promptly.

Ms. BROWN. I would be happy to work with the committee on that.

Mr. SANTORUM. Thank you.

Chairman PICKLE. I think I am going to inject a question here, Mr. Hancock, with your indulgence, pursuant to what Mr. Santorum said with respect to reopening cases.

Rather than a broad question, I am going to ask you one or two things about the California cases. I want to ask you, when will the SSA reopen the first 10 California cases that are pending to determine if the beneficiaries are, in fact, eligible for SSI? When will you reopen those cases?

Mr. MOREY. We are not reopening them for investigation, are we, Mr. Pickle? Aren't we reopening them for a determination of whether or not they qualify for SSI benefits? Is that the question?

Chairman PICKLE. Whatever the question is, what are you doing about it? When will you determine that?

Mr. MOREY. I would suggest that we work with the U.S. attorney, and those that he wants to decline on and won't handle, then we would immediately turn them over to SSA.

Chairman PICKLE. I want you to tell us when you can—1 week, & 1 month, or approximately when? I don't want to just leave this as a large pennant floating around as something we have forgotten about. It waved and didn't make much disturbance. I want to know when you are going to reopen those cases, if you do have a way to reopen them. I want to know, when will the SSA be able to report the results of this limited review to the subcommittee.

When will we have it? Can you tell me? If not—I will just assume you can't tell me, because we are going to follow through to ask you that. We want to know what review procedures and process will be used, and we would like to know when the remaining 10,000 cases will be analyzed. We want something from you to know what you plan and what you hope to do. I don't think we have any right to ask you to do something that is impossible or ridiculous, but somewhere in the realm of these questions there is an answer, and we are going to follow through to see that we get some response to that. That is the main thing.

Mr. MOREY. Mr. Pickle, I don't know of any 10,000 cases. I will try to follow up. I don't know of 10,000, but I will work with the U.S. attorney's office and the California law enforcement people to see if we can't get those turned over as quickly as we can.

Chairman PICKLE. I don't know whether there are 10,000 cases, but I think the SSA office would know pretty much the number of cases pending, and you ought to share that, if you do know.

Mr. HANCOCK. Mr. Chairman.

Chairman PICKLE. Yes, Mr. Hancock. I will yield now to Mr. Hancock.

Mr. HANCOCK. No, actually, I think I am getting in a little ahead of time here, but I think we really need to pursue this thing.

Is there not any type of automatic look-back occasionally? Once a person gets on SSI, unless there is some indication of a fraud or something that would cause a criminal investigation, you don't ever just automatically take 1 or 2 percent and take a look at it to follow up and reevaluate? They do that with military disability, and we can't do it on SSI disability?

Mr. THOMPSON. There is an automatic look-back of a fraction of cases. Now I have to tell you in all honesty, in the SSI program it has become quite small. It became quite small as we were under the crush of trying to process cases. We are trying to get that back up again right now.

The thing we can't do is say that we will look at every Cambodian.

Mr. HANCOCK. I understand that. I understand that.

Mr. THOMPSON. We are doing some cases that the IG is finished with, and we are looking at those cases in California to see if we can come up with the profiles, which we can then defend as reasonable ways to figure out who to relook at. That activity is underway right now.

Chairman PICKLE. Are you looking at any cases from any other State?

Mr. THOMPSON. We are doing it in California right now because we have a set of profiles to work with, yes.

Chairman PICKLE. But nothing ongoing other than California?

Mr. THOMPSON. California is the area that we are concentrating on.

Chairman PICKLE. Only California?

Mr. THOMPSON. On that particular activity.

Mr. HANCOCK. We are investigating here today situations that have to do with legal aliens, refugees, mental impairments, and people that use interpreters. Has there been any investigation—forgetting about that particular group of people—you don't ever go back and look just automatically, just say, OK, here is a random lottery pick. We are going to investigate 10,000 a year or 1,000. Surely you have investigators.

Mr. THOMPSON. Yes, we do. As I said, we do do that.

Mr. HANCOCK. To what extent is that done?

Mr. THOMPSON. About 2 years ago, we cut back seriously on the number that we did in order to shift the resources to processing backlogs in new entitlements. We are now trying to push some more resources back toward restarting that effort.

Mr. HANCOCK. But there is nothing to keep you from just picking a name out of the file and saying, we are going to investigate this name to reevaluate? There is no law or anything else that stops you from doing that?

Mr. THOMPSON. That is correct. What we do try to do is figure out a way, like the IRS does with who should you audit. We have done this first with the Social Security claims, where there tends to be a little more money at stake, to come up with profiles. We are now concentrating on the continuing disability reviews of the people whose conditions may have improved. Next, we have to move to the SSI program to do it.

Mr. HANCOCK. One final question, Mr. Chairman. We heard testimony earlier, as Mr. Santorum mentioned, if you just sent it out to the mailing addresses and said, you are going to have to come in, the estimate from Mr. Martin is that 50 percent of those people will never show up. Wouldn't that be a good way to get rid of about 50 percent of the overpayment? You don't have to keep sending the check if they don't show up, do you?

Mr. THOMPSON. That is correct. We don't have to keep sending them the check if they don't show up.

Mr. HANCOCK. I wonder why we couldn't try that. Is there a reason that we can't try that?

Mr. THOMPSON. The U.S. attorney doesn't want us to do that until they have decided what they want to prosecute—

Mr. HANCOCK. I am not worried about the U.S. attorney. I am worried about the U.S. Congress spending the taxpayers' money, is what I am worried about, and Social Security money that belongs to people that deserve it.

You have to recognize, and I think Mr. Ford agrees with this, I don't think anybody wants to take money away from people that deserve it, but we also know that this type of thing does, in effect, take away money from people that deserve it. Like I said, I am not going to worry too much about what the U.S. attorney's office says. That is a separation of power. Let us do it.



Thank you, Mr. Chairman.

Chairman FORD. Mr. McDermott.

Mr. MCDERMOTT. Thank you, Mr. Chairman.

Picking up where Mr. Hancock left off, please give us a little bit more explanation about what the U.S. attorney has said, because it seems to me that you have this question of criminal activity. If they have a case under investigation, and then you just mill around in the midst of it, that raises some issues. What has the U.S. attorney told you about this? If somebody suggests that the U.S. Attorney has asked you not to mess with it—

Mr. THOMPSON. I have to defer to the Inspector General. There are lists of cases that have been found in the process of doing some of these undercover investigations that the inspector general and the State people have. We don't have those at Social Security.

Ms. BROWN. Where we have closed cases, we have forwarded the names of people who would fall into that category of having used a particular interpreter who is found to have been working fraud and they have reopened those cases, reopened them to determine whether that original determination was correct. They have taken people off the rolls.

Mr. MCDERMOTT. That is the 30 cases or so that you mentioned.

Ms. BROWN. It is 161. Those were in other parts of the country. The cases now in Los Angeles, and we also have other areas where there are undercover operations going on, in order to protect the integrity of those cases at the stage they are in, we have not forwarded large numbers of names that we have identified back to Social Security. As soon as that case has moved along far enough where that can be done, where we have the evidence collected and we can protect the informants, then we could do that.

Mr. MCDERMOTT. When you say a case is closed, do you mean a case has gone to court and a conviction has been made?

Ms. BROWN. That is right. Convictions have been obtained and sentencing has occurred.

Mr. MCDERMOTT. So then at that point you send the cases back to the Department.

Ms. BROWN. A case can involve many claimants. In California, as I say, the 2 we were talking about earlier, there are 300 claimants and 800 claimants that we know of in those 2 cases.

But once we have identified that an interpreter or middleman has been conducting fraudulent activity and we can get a conviction or at least take it to the point where we are not jeopardizing somebody's safety, we could then forward the names of the people we know they worked with. There may be others. We don't get a list from them of everyone they helped, and we may not have a good list.

One of the things the Social Security Administration was going to start doing was identify the interpreters. If they find that they are giving a true interpretation and then they code that to show who the interpreter was, then there would be something on the files that showed everybody who had been helped by that interpreter or who utilized that interpreter, and then it would be easy to go back and recheck those people. Right now, it is a matter of trying to construct a listing of all the folks who used a certain interpreter.

Mr. MCDERMOTT. So until you have completed a case, it would be difficult to say to SSA: Cut off the benefits. This person is involved in a case that is considered to be a fraud."

Ms. BROWN. That is right.

Mr. MCDERMOTT. Let us suppose you did it. What would the rights of the recipient be at that point?

Ms. BROWN. In my view, we couldn't tell them to cut off the benefits. We could tell them to reopen the original determination as to whether or not that person was entitled to benefits. Then if they weren't, they could also go back and try to recover the amounts already paid.

Mr. MCDERMOTT. Why not as soon as there is an indictment? Why do you have to wait until conviction? As soon as you are indicting somebody on the basis of these 800 cases, why not at that point? Why wait the 6 months or the year or whatever it takes to get to the prosecution?

Ms. BROWN. I agree with you. As soon as the case had come to closure, to that point where we could safely turn over that information, we would be able to do it—where we have the information. As I said, it is very difficult right now to construct an accurate list.

Mr. MCDERMOTT. Because the middlemen are unable, unwilling, or whatever, to give you more than the cases that they have been caught on?

Ms. BROWN. That is right.

Mr. MCDERMOTT. That is basically what you are—

Ms. BROWN. I am assuming that they are. I assume that there are probably others. It would appear that there are other cases as well, and we haven't got a way to track that back, as to everybody who used that particular middleman.

Mr. MCDERMOTT. Let me ask a couple of questions about the reprocessing of a case, because I know that right now there is a backlog of people in SSI. What is the backlog, right at this point, of unprocessed applications?

Ms. CHATER. We know there is a backlog of about 700,000 cases.

Mr. MCDERMOTT. So there are 700,000 unprocessed applications right now?

Ms. CHATER. Yes.

Mr. THOMPSON. That includes Social Security and SSI.

Ms. CHATER. It is everything.

Mr. THOMPSON. It is probably half and half.

Ms. BROWN. That is not all in the interpreter fraud area.

Mr. MCDERMOTT. No. I am moving away from that for the moment. I just want to get a picture of what is the added workload, because one of the implications in this testimony is that, somehow, Federal employees haven't been doing their job. What I want to try to understand is what kind of work load they are carrying at this point.

So you are talking about 700,000 cases never processed. What is the cost and time for a case? If you decide to reprocess 100,000 cases, what is the cost per case to do that?

Ms. CHATER. I can't say exactly, can you, Larry?

Mr. MCDERMOTT. You have to have another doctor's appointment, right?

Mr. THOMPSON. Yes. I may have to correct this, but my memory is that it is about \$3,000.

[The following was subsequently received:]

The normal cost of processing an SSI disability claim through the initial disability determination is about \$425. While SSA does not capture specific data on the cost of reopening SSI claims, we believe the cost is comparable to the cost of an initial determination.

Mr. MCDERMOTT. \$3,000 per case to reopen?

Mr. THOMPSON. Yes, but that is sort of an average. That may be a little high.

CALIFORNIA ATTORNEY GENERAL'S OFFICE

BUREAU OF MEDI-CAL FRAUD



MEDI-CAL/SUPPLEMENTAL SECURITY INCOME (SSI)  
FRAUD  
PRESENTATION

# CLINIC INVESTIGATIONS

## "Southern California"

### Commonalities

Chart C

#### Medical Redetermination

(Averages)

Department of Social Services      \$ 530.00      (Staff hours, consultative exam and interpreter)

Social Security Administration      \$ 51.00      (Staff hours)

TOTAL      \$ 581.00

Mr. MCDERMOTT. And what is your estimate of the fraudulent cases here?

Ms. CHATER. We are reluctant to put forth an estimate of fraudulent cases, because we really don't know how to calculate that. We know that the number is relatively small, given the total number of SSI cases. We have been using a 4-percent figure. But of that 4 percent, we know that many of those people speak English or have an interpreter that we provided, so we are suspecting that the number of possible fraudulent cases would be even smaller than the 4 percent, as small as 1 percent or less.

Mr. MCDERMOTT. How much money is spent by the Social Security Administration? Maybe that is not the right question to ask, but how much of your resources are spent in paying for interpreters to deal with bilingual people or non-English-speaking people?

Ms. CHATER. I don't know the answer to that.  
[The following was subsequently received:]

In fiscal year 1993, local offices, hearing offices, our international operations staff, and State Disability Determination Services collectively spent about \$2 million on interpreter services.

Mr. THOMPSON. Actually, it is more that we try to hire our own.

Mr. MCDERMOTT. OK. You try to hire them, one in every office or one in every regional—

Mr. THOMPSON. In the last couple of years, half of the new hires in the field offices have been bilingual. We would be happy to submit something for the record. It is something like 15 different languages. We have made quite an effort, and that is the first line of defense, really, to have somebody in the office that can speak that language.

[The following was subsequently received:]

During fiscal year 1993, 266 of the 531 persons hired by SSA were bilingual (50 percent), representing 16 languages. Twenty-six of those bilingual hires (10 percent) spoke Southeast Asian languages.

Mr. MCDERMOTT. Do you have the capacity financially to do that? Are you constrained by anything?

Mr. THOMPSON. To hire?

Mr. MCDERMOTT. Yes.

Mr. THOMPSON. Oh yes, of course.

Mr. MCDERMOTT. Who constrains your ability to hire these people?

Mr. THOMPSON. It is a question of how many people we can hire, what is our budget and how many—

Mr. MCDERMOTT. But who sets your budget?

Mr. THOMPSON. The Congress.

Mr. MCDERMOTT. The Congress sets your budget. So what is happening is that we have limited your money and said, now don't let anybody slip through, but we aren't going to give you the money to hire the people. Is that a fair statement?

Mr. THOMPSON. I think at this point you are being unfair to the Congress. [Laughter.]

Chairman PICKLE. Mr. McDermott, I don't think we have refused to allow them to hire. We haven't been asked for more funding in this area.

Mr. McDERMOTT. I really am raising it because I think that is one of the issues. Just coincidentally, my daughter got a job as a bilingual math teacher in the Seattle city schools. Somebody said, you should have applied down in Olympia, the State capital, for a job as an interpreter. I didn't know there was such a thing. So I understand that there is a need for them there, but what I am asking is do you have openings for people, and do you have money to pay for them if they are available?

Ms. CHATER. I guess I would have to answer that question fairly and say that it is really a question of priorities. We try very, very hard to do a whole lot of things with the budget that we have. Last year, we made a commitment that we were going to work very, very hard on recruiting people who speak more than English, and we have done extraordinarily well. Fifty percent of our new hires last year fit into that category.

We do have the ability and we do spend money to bring people from one region to another, if necessary.

We are also working with agencies that don't cost any money, with universities, for example, to see if we can tap into a university and have graduate students or faculty come over and act as interpreters. So we are looking creatively at how to provide more interpreters at the front end to avoid the problem altogether.

Mr. McDERMOTT. I used to work in a hospital in Seattle that had an interpreter bank of about 40 languages, because we dealt with so many different folks who didn't speak English. It was a real problem finding people to speak all the various dialects, the various southern Chinese dialects and so forth. So I understand the problem, and I think it is unfair to present this program as though you haven't been trying, because I actually know you have been.

Thank you, Mr. Chairman.

Chairman FORD. Mr. Cardin.

Mr. CARDIN. Thank you, Mr. Chairman.

I think this hearing is very important, and let me just underscore the importance of dealing with fraud in the Social Security Administration. Whenever it is discovered that people have improperly received Government funds, public confidence in the ability of the SSA to provide assistance to those in need is undermined. We don't need that in this country. We need to be working together to provide the best support that we can.

Following up on Dr. McDermott's question, I remember a hearing a few years ago before the Social Security Subcommittee. We were discussing the disability determinations backlog in the SSA and were surprised to find out that because of the requirements of setting priorities within SSA, there were virtually no funds being used for redeterminations of disability. Therefore, people were receiving disability payments who obviously should not have, simply because we didn't have the resources to investigate.

I look at this particular circumstance and ask myself the same question. Is it a problem because we don't have in place the procedures to review the SSI determinations? Is it the fact that we don't have the resources to do so or is it that the funds and resources have not been allocated to this area?

My own gut feeling is that for every dollar that we would place in enforcement, even more would return to the public treasury. If

we put the resources and efforts behind investigation of fraud, it would be a clear signal to people not to cheat and fewer people would then apply for SSI fraudulently. If we put more funds into the redetermination areas, misappropriation of funds would decline.

I would ask that you reflect upon this and, I would certainly appreciate hearing your views. It seems to me that in this area—it should be one of our highest priorities. Am I wrong?

Ms. CHATER. I would like to say to you that we have been working very hard on a strategic plan. We have reorganized some priorities. One of those priorities for the future is continuing disability reviews, just exactly as you state. We are also, as you probably know, reengineering the entire disability process because we know that it is unlikely that we will receive many more resources in the future. We decided that in order to tackle the whole disability program, we needed to start over and do it differently.

I am optimistic that by the end of March or early April of this year, we will have a proposal from SSA's disability process reengineering team that will enable us to redo the entire process of taking disability claims all the way through administrative appeal. Hopefully, our decisions on the process will allow us to streamline the process to free up some resources to take care of some of the other issues like this one.

Mr. CARDIN. So you are telling this committee that you hope to receive funding to develop a strategic plan to establish the necessary priorities within those resources to deal with this problem.

Ms. CHATER. Yes.

Mr. CARDIN. Thank you, Mr. Chairman.

Chairman FORD. Thank you.

Mr. Chairman, I have just one or two followup things.

The Inspector General's office, is it possible that you could pay closer attention to the field offices of SSA, DDS, contracting doctors by SSA as they relate to the Southeast Asians' applications that are being filed?

Ms. BROWN. Sir, we open annually 4,000 cases, in round numbers, in the Social Security area, and we return \$61 for every dollar spent. That has been consistent over several years.

We have a lot of our resources in this particular area right now, a disproportionately large share, and we intend to continue with this to get to the bottom of it and to stop this type of fraud from reoccurring.

I think with the changes that the Social Security Administration is also making to help in the preventive side, that we can stop the kind of activity that we have described today. But this is not an easy problem. This is one that is very, very difficult.

Chairman FORD. No, it is not. It is not an easy problem. We keep talking about the U.S. attorney's offices and all. I am not really focusing on the criminal prosecution. These U.S. attorneys are appointed people and these might not be high-profile cases for them. Therefore they don't go after these particular cases.

What about the Inspector General's office treating this as a civil matter? It is a long 2-, 3-year ordeal to prosecute these applicants while recipients still receive these tax dollars. I think all of my colleagues on both subcommittees have been suggesting all along that



we ought to take some action, and to reopen many of these cases, without waiting on local prosecutors to take any action. We have a responsibility.

This subcommittee has jurisdiction over the supplemental security income. We have oversight and investigative powers within our subcommittees. We are asking the Inspector General's office to look at the civil proceedings here and not focus on only the criminal prosecution. We should not be put on hold by the prosecutors in the U.S. attorney's offices and others.

Ms. BROWN. I thank you for that, Mr. Chairman. We have talked about it and I believe that Social Security mentioned in their testimony, that they would like to see some additional capabilities.

There is the Program Fraud Civil Remedies Act, but the discovery procedures make that as long and cumbersome, certainly, as any criminal conviction, and it might take years to get any results. There are some things that we have in the Medicare area where we have other authorities. If something similar were available for SSA, we could take action that might really streamline this and get some penalties in very quickly. That would certainly help.

Chairman FORD. Thank you.

Commissioner, SSA is stressing free interpreters' services and distributing multilanguage pamphlets and fact sheets. Do you have a copy of that? I have heard in other settings from witnesses that oftentimes, these middlemen use the services of SSA field offices to really go out and drum up business.

I think we raised this issue once before. Are those fact sheets and pamphlets distributed in other countries, in Southeast Asia, for one?

Mr. THOMPSON. Not by us.

Chairman FORD. Not by you, but don't you have word that they are being reproduced and sent over?

Ms. CHATER. We have so many cooperative arrangements with other countries. The State Department encourages us to help other countries set up Social Security-type programs, so I am sure that what is published becomes a public document and anyone could request it.

Chairman FORD. Do you have any type of relationships with any of these middlemen as it relates to these fact sheets and pamphlets? Do you distribute it to these middlemen and ask for their assistance in these other countries?

Ms. CHATER. No, no.

Chairman FORD. You do not?

Ms. CHATER. Not that I know of.

Mr. THOMPSON. Not knowingly.

Chairman FORD. Not knowingly, but you have heard that that is what happens?

Mr. THOMPSON. No, I just am not going to say it never happens, but we don't intentionally do that. We would hope not.

Chairman FORD. Recipients of Social Security benefits here in this country have always said that there are a couple of million who would be eligible for some supplemental security income, and that they have never received anything in their Social Security checks suggesting that they ought to check with their local SSA office to see whether they would be eligible for any of these benefits.

I am not implying that the SSA is working with any of the middlemen, but we do hear about all of these SSI applications coming into the SSA offices. It does raise certain concerns here at the subcommittee level as to what SSA is doing.

I certainly would hope, Mr. Thompson and Commissioner, that these are areas that you will continue to focus on and inform this subcommittee of any of the things that we are bringing up today. We ought to make sure that we are privy to that information, just like SSA. I certainly, as chairman of the Human Resources Subcommittee here on Ways and Means, I want to know. I am suggesting now to SSA's office that we be informed and kept informed on this matter.

[The following was subsequently received:]

SAA's Office of Public Affairs has produced program factsheets in five Asian Pacific languages: Cambodian, Chinese, Japanese, Korean, and Vietnamese. Subjects covered by these factsheets are Social Security Retirement and Survivors Insurance benefits, Social Security Disability Insurance benefits, and Supplemental Security Income benefits. (Copies attached.)

Our records indicate that SSA headquarters in Baltimore distributed approximately 150,000 factsheets in Asian Pacific languages since they became available in March 1992. We estimate that approximately 85 percent of the distribution was requested by SSA regional and field offices, and the balance by members of the general public—typically groups and organizations.

Please circulate this Bulletin to Managers and Staff involved in public information activities

Distribution:

Regional Commissioners  
 Assistant Regional Commissioners  
 Regional Public Affairs Officers  
 RCALJs & HOCALJs, OHA  
 Directors, PSCs & ODIO  
 Area Directors  
 Managers, District/Branch Offices & TSCs  
 Resident Stations  
 Disability Determination Services Administrators

# SSA PUBLIC INFORMATION BULLETIN

No.: 92-5 Section: Publications Date: March 1992 Retention Date: January 1, 1993

NEW FACTSHEETS NOW AVAILABLE IN FIVE PACIFIC ASIAN LANGUAGES

The purpose of this bulletin is to announce the availability of separate program factsheets in five Pacific Asian Languages. The languages are Cambodian, Chinese, Japanese, Korean, and Vietnamese. The program subjects covered are (1) Social Security Retirement and Survivors Benefits; (2) Social Security Disability Benefits; (3) SSI Benefits.

The new factsheets represent one of OPA's initiatives to support SSA's Agency Strategic Plan commitment to "effectively communicate with people whether they speak English or some other language." The significant increase in Pacific Asian populations in recent years has resulted in a demand for informational materials to reach this audience. (At the same time, we have greatly increased the availability of public information materials in Spanish, and now have produced all of the major program booklets, factsheets, and administrative publications in Spanish.)

Attached are copies of the factsheets in the five Pacific Asian languages as well as the English versions. Please note that the last page of each factsheet includes the English title, the language used, and the publication number. We have also attached a listing of all the factsheets. Because the need for these factsheets is more pronounced in specific geographic locations, we are not providing an automatic distribution to each field office. Rather, those field offices with a need for these factsheets can request additional copies from SSA's Public Information Distribution Center. Be sure to refer to the publication number when ordering.

The Office of Public Affairs will track requests for the materials in order to assess the overall demand and the usage in various parts of the country. Field offices should report on their experience in the use of the factsheets to Regional Public Affairs Officers. Based on these reports, additional printings of the factsheets will be done in larger quantities and sent directly to specific field offices with identified needs for these materials.

Attachments



U.S. Department of  
 Health and Human Services  
 Social Security Administration

**Vietnamese Factsheets**

SSI Benefits  
SSA Publication No. 05-10700  
February 1992 Edition

Social Security Retirement & Survivors  
SSA Publication No. 05-10701  
February 1992 Edition

Social Security Disability Benefits  
SSA Publication No. 05-10702  
February 1992 Edition

**Japanese Factsheets**

SSI Benefits  
SSA Publication No. 05-10703  
February 1992 Edition

Social Security Retirement & Survivors Benefits  
SSA Publication No. 05-10704  
February 1992 Edition

Social Security Disability  
SSA Publication No. 05-10705  
February 1992 Edition

**Chinese Factsheets**

SSI Benefits  
SSA Publication No. 05-10706  
February 1992 Edition

Social Security Retirement & Survivors Benefits  
SSA Publication No. 05-10707  
February 1992 Edition

Social Security Disability Benefits  
SSA Publication No. 05-10708  
February 1992 Edition

**Korean Factsheets**

SSI Benefits  
SSA Publication No. 05-10709  
February 1992 Edition

Social Security Retirement & Survivors  
SSA Publication No. 05-10710  
February 1992 Edition

Social Security Disability Benefits  
SSA Publication No. 05-10711  
February 1992 Edition

**Cambodian Factsheets**

SSI Benefits  
SSA Publication No. 05-10712  
February 1992 Edition

Social Security Retirement & Survivors Benefits  
SSA Publication No. 05-10713  
February 1992

Social Security Disability Benefits  
SSA Publication No. 05-10714  
February 1992 Edition

# Supplemental Security Income Benefits

## What Is SSI?

---

SSI stands for Supplemental Security Income. It's a program run by Social Security. It pays monthly checks to the elderly, the blind, and people with disabilities who don't own many things or have much income.

If you get SSI, you usually can get food stamps and Medicaid, too. Medicaid helps pay doctor and hospital bills.

To get SSI, you must be elderly or blind or have a disability.

- Elderly means you are 65 or older.
- Blind means you are either totally blind or have very poor eyesight. Children, as well as adults, can get benefits because of blindness.
- A disability means you have a physical or mental problem that is expected to last at least a year or result in death. Children, as well as adults, can get benefits because of disability.

## Things You Own and Income You Have

---

To get SSI, the things you own and income you have must be below certain amounts.

### Things You Own

We don't count everything you own when deciding if you can get SSI. For example, we don't count your home and some of your personal belongings. Usually, we don't count your car. We do count cash, bank accounts, stocks, and bonds. You may be able to get SSI if the things we count are no more than:

- \$2,000 for one person
- \$3,000 for a couple

### Income You Have

Income is the money you have coming in such as earnings, Social Security checks, and pensions. Non-cash items you receive such as food, clothing, or shelter also count as income.

The amount of income you can have each month and still get SSI depends on where you live. In some States, you can have more income than in others. The people at any Social Security office can tell you how much income you can have and still get SSI.

## Other Rules You Should Know

---

Before you can get SSI checks, you also must:

- Live in the U.S. or the Northern Mariana Islands and
- Be a U.S. citizen or be in the U.S. legally.

## How You Can Sign Up for SSI

---

It's easy. Just visit your local Social Security office. And remember, you never have to pay for information or service at Social Security. It's our job to help you for free.

## A Word About Social Security Benefits

---

Social Security also pays retirement benefits, survivors benefits, and disability benefits to people who have worked long enough under Social Security. For more information about these benefits, ask for the factsheets, *Social Security Retirement & Survivors Benefits* or *Social Security Disability Benefits*.

# Social Security Retirement And Survivors Benefits

Almost everyone who lives in the United States is affected by the Social Security system—either by working and paying Social Security taxes or by receiving Social Security benefits.

Social Security benefits are paid to workers and their families when a worker retires or becomes disabled. Survivors benefits can be paid to family members when a worker dies.

This factsheet tells you about retirement and survivors benefits. For information about disability benefits, get the factsheet, *Social Security Disability Benefits*.

People who are 65 or older, or blind, or disabled may be eligible for Supplemental Security Income (SSI) benefits. SSI provides payments to people who don't own many things or have much income. For information about SSI, get the factsheet, *Supplemental Security Income Benefits*.

## Your Working Years

---

You don't have to be a United States citizen to earn Social Security coverage. If you have been lawfully admitted for work, you can work at jobs covered by the Social Security system. When you work, you also earn coverage for Medicare health insurance benefits.

During your working years, you pay Social Security taxes on your earnings. If you work for someone else, your employer pays an equal amount of Social Security taxes on your behalf. If you are self-employed, you pay both the employee and the employer shares of the tax.

Your Social Security number is used to keep track of your earnings under a record kept for you by the Social Security Administration. Even if you change jobs, you continue to use the same Social Security number, building on the record of

your earnings. Your Social Security benefit will be based on your total earnings over your working career, so it is very important to always use the same Social Security number and to make sure all your employers deduct Social Security taxes.

You can verify that all your earnings are recorded by getting a free Personal Earnings and Benefit Estimate Statement. Call Social Security to request a form. Your statement will also give you an estimate of the amount of retirement, disability, and survivors benefits payable on your Social Security record.

## Retirement Benefits

---

Most people need 10 years of work at jobs where they paid Social Security taxes in order to qualify for retirement benefits. If you were born before 1929, you need less than 10 years of work.

The amount of your retirement benefit is based on your total earnings under the Social Security system. The higher your earnings are; the higher your benefits will be.

Social Security retirement benefits can be paid as early as age 62. The amount of your benefit at 62, though, is less than it is if you start your retirement benefits when you are older. The full benefit amount is paid at age 65.

Some family members may be able to receive Social Security benefits based on your work record. Your wife or husband can get benefits as early as age 62, or even earlier if she or he is caring for your child who is also getting benefits on your record. Your former wife or husband can get benefits if you were married at least 10 years. Children can get benefits up to age 18 or up to age 19 if they are attending elementary or secondary school. Children over 18 can get benefits if they are disabled.

### **Survivors Benefits**

---

When a worker dies, family members may be able to get monthly Social Security benefits. The amount of work needed to pay survivors benefits depends on the worker's age at the time of death. It may be as little as 1-1/2 years for a young worker. No one needs more than 10 years.

A widow or widower can get benefits as early as age 60, or even earlier if she or he is caring for a child who is also getting benefits on your record. A widow or widower who is disabled can get benefits at age 50. A divorced widow or widower can get benefits if you were married at least 10 years. Children can get benefits up to age 18 or up to age 19 if they are attending elementary or secondary school. Children over 18 can get benefits if they are disabled.

### **Medicare**

---

Medicare is a health insurance plan for people who are 65 or older, under 65 and disabled, or who have permanent kidney failure. If you are already getting Social Security when you reach age 65, your Medicare coverage will start automatically. Otherwise, you should contact Social Security 2-3 months before 65 to sign up for Medicare.

### **For more information**

---

All Social Security services are provided free. To apply for benefits or to get more information, call, visit, or write any Social Security office. The addresses and telephone numbers of Social Security offices are listed in the phone directory under "U.S. Government" or "Social Security Administration."

# Social Security Disability Benefits

## What Is Social Security Disability Insurance?

---

Social Security is a social insurance program that workers and their employers pay for with their Social Security taxes. Monthly disability benefits are paid to people with a severe condition that is expected to prevent them from working a year or more or to result in death. Eligibility for benefits is based on your past work. The amount of the benefit is based on your earnings. The amount of work needed depends on your age and ranges from 5 out of the last 10 years for people 31 and older to as little as 1-1/2 years out of the last 3 for people under age 24. The amount of your benefit is based on your earnings.

Essentially, the higher your earnings, the higher your benefits will be. Benefits are also paid to certain dependents, including a spouse and children under 18. Citizenship is not required, but you must have had legal permission to work in the U.S.

## Applying For Disability Benefits

---

To make the application as simple as possible, we give you the option of applying by phone, mail, or at any one of our community offices.

To speed up your claim, it will help if you have names, addresses, phone numbers, dates of treatment, and types of treatment you received from each doctor, clinic, or hospital so we can get copies of your medical records.

At the application interview, you should be prepared to discuss your work history for the last 15 years. You also will be asked for a copy of last year's W-2 form, or last year's tax return if you were self-employed.

## How The Disability Decision is Made

---

We send the medical part of your claim to the State's Disability Determination Service (DDS). Trained disability evaluation specialists will get your medical records, review the information, and make a decision on your case. If they need more information, they may schedule a medical examination at no expense to you.

## When Benefits Start

---

If your application is approved, your benefits will begin with the 6th full month after the date the evidence shows your disability began.

## Medicare Can Help

---

Medicare benefits will be available to you automatically after you have been getting disability benefits for 2 years. Medicare is a Federal health insurance program for people 65 and over or disabled. It can help with hospital and doctor bills.

## For More Information

---

For information about retirement or survivors benefits, ask at the Social Security office for the factsheet, *Social Security Retirement and Survivors Benefits*. For information about the Supplemental Security Income program, which pays monthly benefits to people 65 or older, or disabled or blind who have little income and resources, ask for the factsheet, *Supplemental Security Income Benefits*. Information from Social Security is free of charge.



## PHU CẤP AN SINH ( SUPPLEMENTAL SECURITY INCOME BENEFITS )

### PHU CẤP AN SINH ( SSI ) LÀ GÌ ?

SSI là chữ viết tắt của SUPPLEMENTAL SECURITY INCOME . Có nghĩa là phụ cấp an sinh .

Ngân quỹ này hàng tháng gửi chi phiếu đến cho những người lớn tuổi , những người mù và những người không có nhiều của cải hay tài sản mà lại bị tàn phế không thể đi làm được . Thông thường khi được hưởng tiền phụ cấp an sinh thì người ta cũng được hưởng tiền tem phiếu để mua thực phẩm ( food stamps ) và trợ cấp y tế ( Medicaid ) nữa . Trợ cấp y tế sẽ giúp trả tiền bác sĩ hay chi phí bệnh viện .

Để được hưởng tiền phụ cấp an sinh SSI , bạn phải là người lớn tuổi , hay bị mù , hoặc làm vào tình trạng tàn phế không đi làm được .

--- Lớn tuổi có nghĩa là từ 65 tuổi trở lên .

--- Mù có nghĩa là hoàn toàn không nhìn thấy gì hết hoặc mắt quá kém đã bị lừa .

--- Tàn phế có nghĩa là bị bệnh nặng về vật thể hay tâm trí mà theo tiền liệu bệnh đó sẽ kéo dài ít nhất 1 năm hoặc đưa bạn đến chỗ chết .

Trẻ em cũng như người lớn đều có thể được hưởng tiền phụ cấp an sinh nếu được liệt kê vào tình trạng tàn phế .

### GIỚI HẠN VỀ CỦA CẢI VÀ LỢI TỨC CHO NHỮNG NGƯỜI ĐƯỢC HƯỞNG PHU CẤP AN SINH .

Muốn được hưởng tiền phụ cấp an sinh thì lợi tức và của cải bạn sở hữu sẽ không được vượt quá một giới hạn nào đó .

### CỦA CẢI VÀ LỢI TỨC MÀ BẠN CÓ .

Khi quyết định xem bạn có đủ điều kiện để được hưởng tiền phụ cấp an sinh hay không , sở an sinh xã hội không tính tất cả những gì bạn có . Thí dụ sở an sinh sẽ không tính căn nhà mà bạn sở hữu , cũng như một số đồ tùy thân của bạn . Thường thì sở an sinh cũng không tính chiếc xe hơi của bạn . Nhưng sở an sinh sẽ xét đến số tiền mặt , trương mục ngân hàng , có phần , trái phiếu mà bạn có . Bạn có thể được chấp thuận hưởng tiền phụ cấp an sinh SSI nếu những gì bạn sở hữu mà sở an sinh xét tới sẽ không qua

---\$2,000 ( hai ngàn đô la ) tiền mặt cho 1 người .

---\$3,000 ( ba ngàn đô la ) tiền mặt cho 1 cặp vợ chồng .

## LỢI TỨC MÀ BẠN CÓ :

Lợi tức là tiền mà bạn lấy về như tiền kiếm được , tiền an sinh xã hội và tiền hưu bổng . Những thứ không phải là tiền mà quý vị nhận được như thực phẩm , quần áo , hoặc được cho ở nhà cũng bị coi là lợi tức .

Giới hạn về lợi tức hàng tháng mà bạn có thể van có thể được hưởng phụ cấp an sinh SSI tùy vào vùng bạn sống . Ở một số tiểu bang , mức lợi tức hàng tháng có thể cao hơn là ở các tiểu bang khác mà vẫn được lãnh tiền phụ cấp an sinh . Nhân viên ở bất cứ sở an sinh nào cũng đều có thể cho quý vị biết lợi tức hàng tháng của bạn ở mức nào thì sẽ được chấp thuận cho hưởng tiền phụ cấp an sinh SSI .

## NHỮNG ĐIỀU LỆ KHÁC MÀ QUÍ VỊ CẦN BIẾT :

Ngoài những điều kiện kể trên , muốn được hưởng tiền phụ cấp an sinh bạn còn phải :

- Sống trên lãnh thổ HK hoặc quần đảo Northern Mariana và
- là công dân Mỹ hoặc thường trú hợp pháp tại HK .

## MUỐN NỘP ĐƠN XIN TIỀN PHỤ CẤP AN SINH BẠN PHẢI LÀM THÈ NÀO :

Rất đơn giản , bạn chỉ cần đến sở an sinh xã hội ở địa phương và xin nhớ rằng nhân viên sở an sinh sẽ sẵn sàng chỉ dẫn , giúp đỡ . Tại sở an sinh xã hội không bao giờ quý vị phải trả tiền cả .

## LƯU Ý VỀ NHỮNG QUYỀN LỢI KHÁC CỦA CHƯƠNG TRÌNH AN SINH XÃ HỘI .

Chương trình an sinh xã hội cũng trả tiền hưu , tiền trợ cấp cho người thừa kế , và tiền trợ cấp tàn phế cho người từng đi làm đủ trong một khoảng thời gian đòi hỏi và đóng góp vào quỹ an sinh . Muốn biết thêm chi tiết về những quyền lợi này , quý vị hãy hỏi xin tài liệu nói về các vấn đề này ( Social Security Retirement And Survivors Benefits hay Social Security Disability Benefits ) .

## TIỀN AN SINH XÃ HỘI KHI VỀ HƯU VÀ ĐỂ LẠI CHO NGƯỜI THỪA KẾ

( SOCIAL SECURITY RETIREMENT AND SURVIVORS BENEFITS )

Hầu như tất cả mọi người sống trên đất Mỹ đều chịu ảnh hưởng của hệ thống an sinh xã hội, bằng cách đi làm và đóng thuế an sinh xã hội hoặc được hưởng các quyền lợi từ quỹ này.

Những ai từng đi làm và đóng góp cho quỹ này thì khi về hưu hay bệnh nặng trở thành tàn phế người đó và chồng hay vợ con sẽ được hưởng tiền an sinh xã hội. Tiền này cũng có thể được trả cho những người thừa kế trong gia đình trong trường hợp người làm việc chết đi.

Tài liệu này giải thích về tiền hưu và tiền để lại cho người thừa kế. Nếu quý vị muốn biết về quyền lợi được hưởng trong trường hợp trở thành tàn phế thì coi tài liệu nói về các quyền lợi về an sinh trong trường hợp tàn phế ( Social Security Disability Benefits ).

### TRONG NHỮNG NĂM BẠN LÀM VIỆC :

Bạn không nhất thiết phải là công dân Mỹ mới được tham dự vào quỹ an sinh. Nếu bạn được phép làm việc hợp pháp ở HK thì những công việc bạn làm thường nằm trong chương trình đóng góp vào quỹ an sinh. Thời gian làm việc cũng giúp bạn được hưởng chương trình bảo hiểm y tế Medicare khi về hưu.

Trong những năm làm việc kiếm tiền, bạn phải trả thuế an sinh xã hội căn cứ trên lợi tức bạn kiếm được. Nếu bạn làm cho người khác, chủ nhân của bạn đóng góp cho bạn một số tiền vào quỹ an sinh ngang với số tiền mà bạn đóng. Nếu bạn có cơ sở làm ăn riêng của chính bạn thì bạn phải trả cả phần của chủ nhân lẫn phần của người được thuê mượn vào quỹ an sinh.

Sở an sinh xã hội sẽ dùng số an sinh xã hội của bạn để theo dõi số lợi tức mà bạn kiếm được qua một hồ sơ mà sở an sinh cất giữ. Ngay cả khi thay đổi công ăn việc làm, bạn vẫn tiếp tục dùng số an sinh xã hội đó trong hồ sơ của sở an sinh có từ trước đến nay.

Bạn được hưởng tiền an sinh nhiều ít tùy theo số tiền bạn kiếm được trong suốt những năm bạn làm việc, vì vậy điều tối quan trọng là trước sau như một, lúc nào bạn cũng phải dùng cùng một số an sinh xã hội và biết chắc rằng tất cả các cơ sở mà bạn làm việc đều trừ tiền an sinh xã hội trên số lương của bạn để đóng góp vào quỹ an sinh.

Bạn có thể kiểm chứng rằng tất cả số lợi tức mà bạn kiếm được đã được sở an sinh xã hội ghi nhận trong hồ sơ bằng cách gọi điện thoại cho sở an sinh hỏi xin một mẫu đơn để kê khai các công việc bạn làm từ trước đến nay. Bản kê khai đó sẽ cho bạn biết ước lượng số tiền hưu của bạn tiền tàn phế trong trường hợp mất khả năng làm việc, và tiền để lại cho vợ, chồng, hoặc con dưới tuổi thành niên trong trường hợp bạn qua đời.

## TIỀN HƯU

Hầu hết phải đi làm được 10 năm và trả thuế an sinh xã hội suốt thời gian đó thì người đi làm mới được hưởng quyền lợi này khi về hưu . Nhưng nếu bạn ra đời trước năm 1929 thì thời gian bạn đi làm và đóng thuế an sinh không cần phải đủ 10 năm .

Số tiền hưu mà bạn được hưởng tùy thuộc vào tổng số lợi tức mà bạn kiếm được có ghi trong hồ sơ an sinh xã hội . Nếu lợi tức bạn kiếm được càng nhiều thì bạn càng được hưởng nhiều tiền hưu hơn .

Bạn có thể được hưởng tiền hưu vào tuổi 62 là sớm nhất . Tuy nhiên khi về hưu ở tuổi 62 bạn sẽ không được hưởng đầy đủ mọi quyền lợi về an sinh như trường hợp bạn về hưu ở một tuổi cao hơn . Về hưu vào lúc 65 tuổi bạn sẽ được hưởng đầy đủ mọi quyền lợi về an sinh .

Một số người trong gia đình có thể được hưởng các quyền lợi an sinh căn cứ trên quá trình làm việc của bạn . Vợ hay chồng bạn có thể được hưởng quyền lợi an sinh sớm nhất ở tuổi 62 hoặc có thể sớm hơn nếu người vợ hoặc chồng phải nuôi con , mà người con đó cũng được hưởng tiền an sinh căn cứ trên hồ sơ đóng góp của bạn . Vợ cũ hay chồng cũ của bạn cũng có thể được hưởng tiền an sinh nếu hai người đã kết hôn tổng cộng ít nhất 10 năm . Con cái được hưởng tiền an sinh của bạn cho tới tuổi 18 hay 19 nếu còn học tiểu học hay trung học . Con cái trên 18 tuổi cũng được hưởng tiền an sinh nếu chúng bị tàn phế .

## QUYỀN LỢI CỦA NGƯỜI THỪA KẾ

Khi người đi làm qua đời , những người trong gia đình có thể được hưởng tiền này hàng tháng . Số năm làm việc cần có để người trong gia đình được hưởng quyền lợi này tùy thuộc vào số tuổi lúc qua đời của người đi làm . Thời gian có thể chỉ cần 1 năm rưỡi nếu người đi làm qua đời lúc còn ít tuổi . Thời gian đòi hỏi cho tất cả mọi người sẽ không quá 10 năm .

Một quả phụ hay một người góa vợ có thể được hưởng tiền này ở tuổi sớm nhất là 60 , hay có thể sớm hơn nữa nếu quả phụ hoặc người góa vợ phải nuôi con , mà người con đó cũng đang hưởng tiền an sinh mà người góa cố để lại . Một quả phụ hay người góa vợ bị tàn phế có thể được hưởng tiền này ở tuổi 50 .

Nếu hai vợ chồng ở với nhau ít nhất 10 năm rồi ly dị , rồi sau đó người vợ hoặc chồng chết đi , người còn lại cũng sẽ được hưởng tiền an sinh để lại . Con cái của hai người cũng được hưởng tiền an sinh cho tới tuổi 18 hoặc 19 nếu còn đang học tiểu học hay trung học . Con cái trên 18 có thể được hưởng tiền này nếu bị tàn phế .

## CHƯƠNG TRÌNH BẢO HIỂM Y TẾ MEDICARE

Đây là chương trình bảo hiểm y tế dành cho những người từ 65 tuổi trở lên , hoặc dưới 65 tuổi nhưng bị tàn phế hay bị hư thận vĩnh viễn phải lệ thuộc vào máy lọc máu . Nếu khi tới 65 tuổi

mà bạn đã được lãnh tiền an sinh thì đương nhiên bạn sẽ khỏi sự được hưởng loại bảo hiểm y tế Medicare này . Bằng không thì bạn nên liên lạc với sở an sinh từ 2, 3 tháng trước khi tới tuổi 65 để ghi tên vào chương trình bảo hiểm y tế Medicare .

#### **NẾU MUỐN BIẾT THÊM CHI TIẾT HOẶC THỂ THỨC NỘP ĐƠN XIN QUYỀN LỢI AN SINH :**

Bạn có thể gọi điện thoại , viết thư , hoặc đích thân đến bất cứ sở an sinh xã hội nào . Địa chỉ và số điện thoại của sở an sinh được liệt kê trong điện thoại niên giám dưới mục “ các cơ sở chính phủ HK ” ( U.S government ) hoặc “ sở quản trị các chương trình an sinh xã hội ” ( Social Security Administration ) . Tất cả các dịch vụ này đều được sở an sinh cung ứng miễn phí .

## NHỮNG QUYỀN LỢI VỀ AN SINH TRONG TRƯỜNG HỢP TÀN PHẪ ( SOCIAL SECURITY DISABILITY BENEFITS ) .

### BẢO HIỂM VỀ AN SINH TRONG TRƯỜNG HỢP TÀN PHẪ LÀ GÌ ?

An sinh xã hội là một chương trình bảo hiểm mà người đi làm và chủ nhân của họ phải trả thuế an sinh . Tiền tàn phế được trả hàng tháng cho những người làm bệnh nặng đến độ không thể làm việc được ít nhất trong 1 năm hay hơn , hoặc bệnh sẽ đưa họ tới cái chết . Được hưởng tiền tàn phế hay không còn tùy thuộc vào thời gian bạn đi làm và trả thuế an sinh trước khi làm bệnh . Số tiền được lãnh tùy thuộc vào lợi tức bạn kiếm được . Thời gian làm việc cần có để một người được lãnh tiền tàn phế nếu chẳng may làm bệnh nặng là 5 năm trong khoảng thời gian 10 năm cuối trước khi làm bệnh cho những người từ 31 tuổi trở lên . Trong trường hợp dưới 24 tuổi thì chỉ cần làm 1 năm rưỡi trong 3 năm cuối . Số tiền mà bạn được hưởng trong trường hợp tàn phế tùy thuộc vào lợi tức kiếm được khi còn đi làm . Nếu lúc đi làm mà lợi tức cao thì tiền tàn phế sẽ cao . Tiền này cũng còn được trả cho một số người nào đó trong gia đình phải sống nhờ vào bạn , gồm vợ hay chồng , và con cái dưới 18 tuổi . Không cần là công dân Mỹ mới được hưởng tiền này , nhưng bắt buộc bạn phải được phép làm việc hợp pháp tại HK .

### MUỐN NỘP ĐƠN XIN TIỀN TÀN PHẪ BẠN PHẢI LÀM GÌ ?

Để giản dị hóa tối đa thủ tục nộp đơn , chúng tôi để quý vị tùy nghi nộp đơn bằng cách gọi điện thoại hoặc gửi đơn qua bưu điện hoặc đích thân đến bất cứ sở an sinh nào trong cộng đồng . Để có kết quả nhanh chóng bạn nên sắp sẵn mọi chi tiết như tên , địa chỉ , số điện thoại , ngày bạn đi điều trị và giấy chứng nhận mà các bác sĩ , bệnh viện cấp cho bạn , để chúng tôi có được phó bản hồ sơ bệnh lý của bạn .

Trong lúc phỏng vấn để xin tiền tàn phế , bạn nên chuẩn bị cho chúng tôi biết về quá trình làm việc trong 15 năm qua của bạn . Nhân viên phỏng vấn cũng sẽ yêu cầu bạn nộp một phó bản của mẫu kê khai lợi tức W-2 của năm ngoái hoặc giấy kê khai số tiền thuế mà bạn lấy về được nếu bạn tự làm chủ cơ sở làm ăn riêng của bạn .

### SỞ AN SINH XÃ HỘI SẼ LÀM NHỮNG THỦ TỤC GÌ TRƯỚC KHI QUYẾT ĐỊNH VỀ ĐƠN XIN TIỀN TÀN PHẪ ?

Sở an sinh xã hội sẽ gửi hồ sơ bệnh lý của bạn sang cho sở giám định tình trạng tàn phế của tiểu bang . Các chuyên viên được huấn luyện về vấn đề lượng định tình trạng tàn phế sẽ xét hồ sơ bệnh lý của bạn , duyệt xét các chi tiết và quyết định về trường hợp của bạn , nếu cần thêm các dữ kiện , họ có thể gián xếp để bạn đi khám bệnh lại mà bạn sẽ không phải trả tiền .

## KHI NÀO THÌ ĐƯỢC HƯỞNG TIỀN TÀN PHẾ ?

Nếu được chấp thuận thì bạn sẽ được lãnh tiền tàn phế đúng 6 tháng sau ngày giấy tờ cho thấy bằng chứng bạn bắt đầu lâm vào tình trạng tàn phế .

## QUYỀN LỢI Y TẾ MEDICARE DÀNH CHO NGƯỜI BỊ LÂM VÀO TÌNH TRẠNG TÀN PHẾ .

Sau 2 năm vẫn lãnh tiền tàn phế thì bạn đương nhiên được hưởng chương trình bảo hiểm y tế Medicare là chương trình bảo hiểm y tế của chính phủ liên bang dành cho những người 65 tuổi trở lên hoặc những người tàn phế . Chương trình này giúp trả tiền bác sĩ và bệnh viện .

## NẾU MUỐN BIẾT THÊM CHI TIẾT :

Nếu quý vị muốn biết thêm chi tiết về tiền hưu hay quyền lợi an sinh để lại cho người thừa kế , bạn hãy hỏi xin tài liệu nói về những quyền lợi này . Nếu muốn biết các chi tiết về chương trình phụ cấp an sinh ( SSI ) , tức là chương trình gửi tiền phụ cấp hàng tháng đến cho những người 65 tuổi trở lên hoặc bị tàn phế hay bị mù mà nguồn lợi tức lại quá thấp thì bạn hãy hỏi xin tài liệu nói về các quyền lợi này . Khi đến sở An Sinh Xã Hội , quý vị sẽ được chỉ dẫn miễn phí .

## Supplemental Security Income Benefits

### 補足保障所得手当

#### 補足保障所得手当とは？

補足保障所得 (Supplemental Security Income, SSI) プログラムは、米国社会保障制度の一環として実施されているもので、収入や財産のない高齢者、盲人、身障者を対象に毎月扶助金を支給する制度です。

SSI を受けている者は、食糧スタンプやメディケイド (国民医療保障) も同時に受けることができます。メディケイドは、医師や病院への支払いを援助するための国民医療保険です。

SSI は以下の条件を満たす高齢者、盲人、身障者に給付資格が与えられています。

- 年令 65 才以上の高齢者。
- 全盲または視力のほとんどない盲人。これには、成人に限らず、盲目の子供も含まれる。
- 何らかの疾病または精神疾患が最低 1 年以上続いている者、あるいは、このために死亡する可能性のある者。成人に限らず、疾患のある子供もこれに含まれる。

#### 所有財産と所得

SSI を受けるには、財産や所得が所定の金額以下であることが条件です。

##### 所有財産

SSI の資格を考慮する際には、所有財産のすべてが対象とされるわけではありません。例えば、住居やその他の個人所有物などはこれに含まれません。一般に乗用車もこの例外で、さらに、現金、銀行預金、株券や債券なども除外されています。当局が対象とする所有物の合計金額が次の金額以下であれば、SSI を受ける資格が与えられます。

- 一人当たり 2,000 ドル。
- 夫婦当たり 3,000 ドル。

#### 所得

給与、社会保障手当、年金などからの収入を所得と呼びます。食糧、衣類、または一時的宿泊といった非現金項目も所得とみなされます。SSI を受けながら毎月所得として得ることのできる金額は、居住地域によって異なります。さらに、その金額は州によっても差があります。従って、社会保障局の地方支局に問い合わせ、その金額を確認する必要があります。

#### その他の規則

SSI を受けるには、以下の条件にも見合っていないければなりません。

- 米国内、または北マリアナ諸島 (Northern Mariana Islands) に在住していること。
- 米国民であるか、あるいは合法的な在留権を所持していること。

#### SSI の申請手続き

手続きは実に簡単です。社会保障局の地方支局へ行ってその旨申し出ればよいだけです。社会保障局で得た情報やサービスはすべて無料です。皆様の手助けとなることが当局の職務であるからです。

#### 社会保障手当について

社会保障制度のもとで所定の期間働いた者は、退職年金手当、遺族手当、廃疾手当の支払いも受けることができます。これら手当についての情報は、説明書「社会保障退職年金と遺族手当 (Social Security Retirement & Survivors Benefits)」または「社会保障廃疾手当 (Social Security Disability Benefits)」を参照してください。

米国保健福祉省社会保障局

SSI Benefits (Japanese)  
U.S. Department of Health and Human Services



## Social Security Retirement And Survivors Benefits

### 社会保障退職年金と遺族手当

米国では、在住者のほとんどが、職業を通じて社会保障税を支払うか、あるいは社会保障手当を受けるかいずれかの形で、ソーシャル・セキュリティと呼ばれる社会保障制度に関与しています。

社会保障手当は、勤労者が定年退職した場合、または勤労不能に陥った場合に、本人とその家族に支払われる給付金です。また世帯主が死亡した場合には遺族手当がその家族に支払われます。この説明書は、勤労者の退職年金と遺族手当に関する情報をまとめたものです。廃疾手当についての情報は、説明書「社会保障廃疾手当 (Social Security Disability Benefits)」を参照してください。

65 才以上の高齢者、盲人、身障者は、いずれも補足保障所得 (Supplemental Security Income: SSI) と呼ばれる手当の支給対象ともなります。SSI は低所得者や財産のない者に対して補足的に支払われる給付金です。これについての情報は、説明書「補足保障所得手当 (Supplemental Security Income Benefits)」をご参照ください。

#### 勤労年数

社会保障手当は米国市民だけを対象としたものではありません。合法的に雇用された者であれば、社会保障制度の適用対象となる職種で働くことができます。同時に、勤労者はメディケア (高齢者医療保障) と呼ばれる医療保険の対象ともなります。

勤労期間中は、所得の一部を社会保障税として支払いますが、従業員として他社に雇用されている場合には、従業員の支払った社会保障税と同等の金額を雇用主が負担します。自営者である場合には、従業員の支払う税額と雇用主の支払う税額の両方を自己負担することになります。

社会保障局 (Social Security Administration) では、個人の所得総額を記録するために「社会保

障番号 (ソーシャル・セキュリティ番号)」を採用しています。ですから、職業を何度変えても、同じソーシャル・セキュリティ番号を使用していれば、この番号の下に所得が累積されてくわけです。社会保障手当は、勤労期間中に得た所得の総額に基づいて算出されますので、常に同じソーシャル・セキュリティ番号を使用し、雇用者側が給与から社会保障税を差し引いたかどうかを確認することが極めて重要です。

自己の所得総額を確認するために、個人所得・推定手当明細書 (Personal Earnings and Benefit Estimate Statement) を無料で取り寄せることができます。明細書の申し込み用紙は社会保障局に用意されていますので、電話で送付してもらおうと便利です。この明細書には、個人の記録に基づいた退職年金、身障者手当、遺族手当の推定額も記載されています。

#### 退職年金

退職年金を受けるには、最低 10 年間の勤労年数が必要で、この間に社会保障税を支払っていないとなりません。誕生日が 1929 年以前である者は、勤労年数が 10 年間以下でもこの年金を受ける資格が与えられています。

社会保障退職年金の早期給付は 62 才から受けることができますが、その金額は後に開始した場合と比較すると小額となります。年金が全額支給されるのは 65 才からです。

特定の家族の一員も、あななの勤務記録をもとに社会保障手当を受けることができます。あなたの妻または夫は 62 才から手当を受けることができますが、妻または夫があなたの子供を養育している場合、しかも子供もあなたの記録に基づいて手当を受けている場合には、62 才以下でも給付の対象となります。離婚をしている場合は、婚姻期間が最低 10 年であれば、前配偶者も手当を受けることができます。子供は 18 才までを給付対象としていますが、小学校、中学校、または高等学校に在学中の子供の場合は 19 才まで、身障者である場合は 18 才を超えても手当を受けることが可能です。

## 遺族手当

勤労者が死亡した場合、その遺族は社会保障手当を毎月受けることができます。この手当を受けるのに必要な勤労年数は、死亡時における勤労者の年齢によって異なります。勤労者の年齢が若い場合には1年半ほどでよいこともあります。一般に10年以上を要することはありません。

未亡人（妻でも夫でも）は60才から給付の対象となりますが、あなたの子供を養育している場合で、しかも子供もあなたの記録に基づいて手当を受けている場合には、60才以下でも給付を受けることが可能です。未亡人が身障者である場合には、50才から手当を受けることができます。また、離婚をした前未亡人が身障者である場合は、婚姻期間が10年以上であれば、やはり給付の対象となります。子供は18才まで手当を受けることができますが、小学校、中学校、または高等学校に在学中の場合は19才まで、身障者である場合は18才を越えても手当を受けることが可能です。

## メディケア（高齢者医療保障）

メディケアは65才以上の高齢者、65才以下の身障者や慢性腎臓疾患をもつ者を対象とした医療保険制度です。65才からすでに社会保障手当を受けている者は、メディケアが自動的に適用されますが、その他の場合には、65才になる2～3ヵ月前に社会保障局に連絡をとり、メディケアの手続きを行う必要があります。

## 問い合わせ

社会保障制度に関するサービスはすべて無料です。この手続きを行いたい者、詳細の問い合わせをしたい者は、電話、訪問、文書など、その方法を問わずいつでも社会保障局に申し出ることができます。社会保障局の住所と電話番号は、電話帳の「米国政府機関」欄または「社会保障局」欄に掲載されています。

## Social Security Disability Benefits

## 廃疾の決定過程

### 社会保障廃疾手当

#### 社会保障廃疾保険とは？

ソーシャル・セキュリティは、勤労者とその雇用主が支払う社会保障税で賄われる社会保険制度です。廃疾手当は、勤労者が受けた傷害や疾患の程度が極めて深刻なことから、以後1年以上のあいだ勤労不能である場合、あるいは、この傷害・疾患が勤労者を死に至らしめる可能性がある場合に毎月支払われるものです。この資格の有無は過去の勤労状況に基づいて決定され、また、支給金額はそれまでの所得に基づいて決定されます。この手当を受けるために必要な勤労年数は、勤労者の年齢によって異なります。例えば、年齢31才以上の者は過去10年間に最低5年間、年齢24才以下の者は過去3年間に最低1年半働いただけでこの手当を受けることができますが、給付額は所得によって格差があります。基本的には、所得が多ければ、付額も増大します。さらに、配偶者や18才以下の子供など、特定の扶養家族にも手当が支払われます。この手当を受けるのに、米国民である必要はありませんが、米国内で働くための合法的な許可証を所持していなければなりません。

#### 廃疾手当の申請手続き

手続きを簡素化するため、電話や郵送による申し込みや、地方支局での手続きが可能です。

また、申請者の住所氏名、電話番号、治療日をはじめ、医師、診療所、病院などで受けた治療内容を提示することにより、手続きをスピード・アップすることができます（当局が申請者の治療記録の写しを簡単に得ることができるため）。

面接の際には、過去15年間の職歴について質問されますので、十分な情報を用意しておく必要があります。自営者である場合は、前年の書式W-2または税金申告書の写しを提出するよう要請されます。

申請者の治療記録は、州政府機関である廃疾決定サービス（Disability Determination Service: DDS）部門へ送られ、ここで、経験ある廃疾評価の専門家が治療記録を検討し、手当を支給するかどうかを決定します。さらに情報が必要とされる場合には、検査や診察を受けるよう要請されることもありますが、これは無料です。

#### 手当の開始

申請が承認され立場合には、記録上で廃疾が始まったとされる日から6ヶ月後に給付が開始されます。

#### メディケア（高齢者医療保障）の援助

廃疾手当を2年間受けると、メディケアに自動的に加入できます。メディケアは、65才以上の高齢者や身障者を対象とした連邦政府の医療保険制度です。病院や医師への支払いを援助します。

#### 問い合わせ

退職年金や遺族手当についての情報は、説明書「社会保障退職年金と遺族手当（Social Security Retirement and Survivors Benefits）」が社会保障局に用意されていますのでご利用ください。また、補足保障所得プログラム（所得や財産がほとんどない65才以上の高齢者、身障者、盲人に毎月支給される手当）についての情報は、説明書「補足保障所得手当（Supplemental Security Income Benefits）」をご参照ください。当局が発行する説明書はすべて無料です。

## 增補保障收入福利

### *Supplemental Security Income Benefits*

#### 甚麼是增補保障收入福利？

增補保障收入 (SSI) 是社會保障的一個項目，根據這個項目，社會保障機構按月給財物不多，收入甚微的老年人、盲人和傷殘人寄出支票。

你如果有增補保障收入，通常也會有食品券，並享受「醫療補助」(Medicaid)。「醫療補助」幫助你支付醫生和醫院的費用。

只有老年人、盲人和傷殘人能夠享受醫療補助。

- 老年人指的是年滿六十五歲，或者六十五歲以上者。
- 盲人指的是雙目失明，或者視力非常弱的人。成年人以及兒童，只要失明，均可享受醫療補助福利。
- 傷殘指的是有身體上，或者是精神上的毛病，而這種毛病預計會至少持續一年，或者是致死。成年人以及兒童，只要有傷殘，均可享受這種福利。

#### 你的財物和收入

欲享受增補保障收入者，其財產和收入必須少於下述規定。

#### 你的財物

我們在決定你是否可以享受增補保障收入而計算你有多少財物的時候，並不見得把你所有的財物都計算在內。舉例說，你的住所以及某一些私人財物都不計算在內。通常，你的汽車也不計算在內。不過，現鈔，銀行存款，股票和債券卻要統計在內。如果我們統計進去的東西的總值不超過下列數額，你就有可能到增補保障收入：

一個人為兩千美元

夫婦為三千美元

## 你的收入

這裏所說的收入，指的是你的入款，比如說工資、社會保障金，和養老金。你所得到的非現金物品，如食品，衣服，或者住處，都計入你的收入。

你每個月可以有多少收入而仍然能夠得到增補保障收入取決於你所生活的那個地區。有一些州規定的數額比另外一些州高一點。任何一個社會保障辦事處的人員都可以告訴你，你的收入可以有多少而仍然能夠得到增補保障收入。

## 你應當知道的其他規定

在你能夠收到寄給你的增補保障收入支票之前，你必須

住在在美國，或者是北馬利亞納羣島

是美國公民，或者是合法住在美國的。

## 如何申請得到增補保障收入

手續十分簡便，只需要到你當地的社會保障辦事處去就可以了，同時，請牢記，社會保障辦事處不論是向你說明情況，還是提供服務，一律免費。我們的工作就是免費提供幫助。

## 再談社會保障福利

根據社會保障制度的規定，凡是達到了一定工作年數的人，都可以享受退休福利，遺族福利和傷殘福利，欲進一步了解情況者，可以索取社會保障退休和遺族福利說明，或者是社會保障傷殘說明。

SSI Benefits (SSI)

# 美國衛生與公眾服務部

## 社會保障總署

### 社會保障退休福利以及遺族享受的福利

#### *Social Security Retirement And Survivors Benefits*

凡是在美國生活的人，幾乎沒有不受社會保障制度影響的，不是在工作期間繳納社會保障稅，就是領取社會保障福利金。

當一名職工退休，或者是致殘的時候，他以及他的家屬可以領取社會保障福利金。當一名職工死亡的時候，他的家屬可以領取遺族福利金。

本文說明退休和遺族福利情況，欲了解領取傷殘福利金情況者，請索取「社會保障傷殘福利金說明」(Social Security Disability Benefits)。

凡年滿六十五歲，或者是六十五歲以上的人，以及盲人，或者是傷殘人，還有可能有資格得到增補保障收入(SSI)，凡是本人財物不多者，或者是本人收入不高者，均可由增補保障收入給予津貼。欲了解增補保障收入情況者，請索取增補保障收入說明。(Supplemental Security Income Benefits)

#### 你的工作年數

欲享受社會保障福利者，不一定非是美國公民不可。如果你合法入境工作，你就可以在有社會保障的工作部門工作，而你在工作的時候，同時也自為六十五歲的時候能夠享受到「醫療保險(Medicare)而買醫療保障保險。

在你工作期間，你需要根據你的收入情況而繳納社會保障稅。如果你是為他人工作，則僱主也要為你繳納金額相同的社會保障稅。如果你是個體經營者，是自我僱用者(self-employed)，則僱員和僱主應當繳納的社會保障稅由你一人承擔。

社會保障總署保存的檔案通過你的社會保障號碼把你的歷年收入情況逐一記錄下來，即便你換地方工作，你還是要繼續使用同一個社會保障號碼，以便使你的收入情況有案可查。你的社會保障福利金的多寡取決於你一生工作的總收入，因此，總是使用同一個社會保障號碼，十分重要，同時，還要留心僱主是否把社會保障稅從你的收入中扣除了。

你如果想要查對你的收入情況是否已經備案，你可以免費索取「個人收入和福利估計說明」(Personal Earnings and Benefits Estimate Statement)。你可以打電話給社會保障機構索取一份表格來填寫。給你的說明上面，會根據你的社會保障檔案上記錄的情況而估計出今後應當支付給你的退休金額，傷殘福利金額以及遺族福利金額。

### 退休福利

大多數人在需要繳納社會保障稅的工作崗位上做滿十年，並在十年期間繳納了社會保障稅以後，便有資格領取退休金了。然而，如果你是一九二九年以前誕生的，不足十年也可以。

你的退休金額的多寡取決於你加入社會保障制度以後所得到的總收入；收入越高，退休金越多。

你年滿六十二歲的時候就可以領取退休金；不過，你如果在六十二歲的時候開始領取，其金額會少於你等到年紀再大一點的時候再領取所能夠得到的金額。你六十五歲的時候才開始領取，則能夠領取足額。

根據你的工作情況，你的家庭中的某些成員也可能領取社會保障福利金。你的妻子，或者是丈夫，在年滿六十二歲的時候便可以享受一些福利了；然而，如果你的子女根據你的社會保障檔案上記錄的情況也可以領取福利金，而同時由她，或者是他扶養，在這種情況下，她或者是他，則可以提前領取福利金。前妻、或者是前夫也有可能享受一些福利，然而你們婚後生活至少要滿十年，未滿十八歲的子女，或者是在上中小學，未滿十九歲的子女，以及十八歲以上的撫養子女，均可以領取社會保障福利金。

### 遺族享受的福利

職工去世以後，他的家庭成員有可能每個月都能夠領取社會保障福利金。職工爲了使社會保障機構在他身後付出遺族福利金而必須有的工作年數取決於職工去世的時候的年齡。對於一個年輕職工來說，可能只需要半年到一年的工作年限。不過，任何人的工作年數都不必長於十年。寡婦，或者是鰥夫，只要年滿六十歲便可以領取社會保障福利金。你的子女，如果根據你的社會保障檔案上記錄的情況，同樣也能夠領取社會保障福利金而又由她，或者是他扶養，則她，或者是他，還可以提前領取。寡婦，或者是鰥夫，如果有傷殘，年滿五十歲便可以領取社會保障福利金。離婚以後的寡婦，或者是鰥夫，只要和原配偶至少生活過十年，也可以領取社會保障福利金。未滿十八歲的子女，或者是在上中小學，未滿十九歲的子女，以及十八歲以上的殘疾子女，均可以領取社會保障福利金。

### 醫療保障制度(Medicare)

醫療保障制度是爲六十五歲和六十五歲以上老人，或者是六十五歲以下的傷殘人，以及有永久性腎衰竭的人提供的醫療保險。你六十五歲的時候，如果享受社會保障，則也自動會享受醫療保障保險；否則，你應當在年滿六十五歲的兩，三個月之前同社會保障機構取得聯繫，並且在那裏登記，以便能夠得到醫療保障。

### 欲進一步了解社會保障情況者須知

一切社會保障服務項目都是免費提供的。需要申請社會保障金，或者是希望進一步了解情況者，可以給任何一個社會保障辦事處打電話訊問，登門訊問，或者是寫信訊問。電話號碼簿在「美國政府機構」一欄中，或者是在「社會保障總署」一欄中，有各辦事處的地址同電話號碼。



## 社會保障傷殘福利金

### *Social Security Disability Benefits*

#### 甚麼是社會保障傷殘保險？

社會保障是一種社會保險制度，職工和僱主通過繳納社會保障稅而獲得這種保險。凡是傷病情嚴重，預計一年，或者一年以上不能夠工作的人，以及預計因傷病情而會死亡的人，每一個月都可以領取傷殘福利金。是否有資格領取，取決於你過去的工作情況，傷殘福利金的多少取決於你的收入情況。工作年數則取決於你的年齡，其幅度從三十一歲和三十一歲以上的人，要在最近十年中工作過五年，到二十四歲以下的人，要在最近三年里工作過一年，或者是半年。傷殘福利金的多少取決於你的收入情況。基本上，收入越高，福利金也就越多。某一些家屬也可以領取這種福利金，其中包括配偶和未年滿十八歲的子女。領取這種福利金不見得非有民權不可，然而卻必須合法獲准在美國國內工作。

#### 申請傷殘福利金

我們儘量簡化了申請手續。你可以通過電話申請，可以寫信申請，也可以前往我們設在社區區的辦事處申請。

你如果能夠提供給你看過病的每一位醫生，每一個診療所和每一家醫院的名稱、地址、電話號碼，以及就醫的日期和治療情況，則可以加快審批手續，因為這樣一來，我們容易拿到你的病例的副本。

提出申請以後，我們會找你談話。在當面談話的時候，你需要做好準備，向我們介紹你十五年以來的工作情況。另外，我們也會向你索取說明你前一年的工資收入總額及繳納所得稅總額的報表(W-2);如果你是自己開業，或者是自我僱用的話，則我們要索取你上一一年度的納稅申報表。

### 如何確定確實為傷殘者

我們把你申請中的醫療部分送交州傷殘情況確定局(DDS)。在那裏，訓練有素的評估傷殘程度的專家，在拿到你的病例以後，會仔細研究你提供的情況，然後針對情況做出決定。如果他們需要進一步了解情況，他們會為你安排一次免費身體檢查。

### 福利金從何時開始領取

你的申請批准以後，自證明你有傷殘之日算起滿六個月的時候，便可以開始領取了。

### 醫療保障制度對你也有所幫助

你領取傷殘福利金滿兩年的時候，你會自動享受醫療福利。醫療保障制度是聯邦政府為六十五歲和六十五歲以上老年人以及傷殘人設置的醫療保險制度，用以幫助你支付醫生和醫院費用。

### 欲進一步了解情況者須知

凡欲進一步了解退休和傷殘福利情況者，均可以向就近的社會保障辦事處索取「社會保障退休福利和遺族福利說明」(*Social Security Retirement And Survivors Benefits*)。欲了解增補保障收入情況者，可以索取「增補保障收入福利說明」(*Supplemental Security Income Benefits*)。增補保障收入每個月都會給沒有甚麼收入，或者是沒有甚麼收入來源而年滿六十五歲，或者是六十五歲以上老人，以及傷殘人和盲人以福利金。向社會保障機構訊問的時候，不收任何費用。

## 사회보장 생활 보조비 지급

### SSI 사회보장 보조비란?

SSI는 사회보장 행정처가 운영 하는 생활 보조비 지급계획입니다. 이 보조비는 노인들과 맹인들 또 자산이 별로 없거나 소득이 별로 없는 사람들에게 매달 지급되는 정부 수표입니다 SSI 생활 보조 수표를 받는 분은 식비 보조를 위한 식품 구입 카드 (food stamp)와 메디케이드 혜택도 대개 받을 수 있습니다. 메디케이드는 의사 진료비와 병원비 지불에 도움이 됩니다.

SSI의 혜택은 노인이나 맹인이나 불구자일 경우에 받게 됩니다.

- 이 경우 노인은 65세나 그 이상의 노년층을 말합니다.
- 맹인은 완전히 시력을 잃었거나 시력이 거의 없는 경우를 말하고 이 경우에는 성인이나 미성년자나 모두 불구수당을 받습니다.
- 불구자는 적어도 일년간 신체적 정신적 장애가 있을 것으로 예상되거나 사망할 것으로 예상되는 경우를 말합니다. 불구자인 경우

성인이나 미성년자 모두 보조 수당을 받을 수 있습니다.

### 소유물품과 소득

사회보장 보조비를 받는데는 소유물건과 소득이 일정수준 이하라야 합니다.

소유물품 :

SSI 혜택 대상자 수준을 결정 할 때 자기 모든 소유물을 전체를 계산 하는 것은 아닙니다. 예를 들면 자기 주택이나 일부 개인 소지 품은 계산하지 않습니다. 자동차는 대개 계산되지 않습니다. 그러나 현금, 은행 구좌, 증권과 채권—등은 계산에 넣습니다. 이렇게 계산된 총액이

- 개인당 2천 달러 미만이거나
- 부부의 경우 3천 달러 미만이면 SSI의 혜택을 받을 수 있습니다.

들어오는 수입:

수입이라는 것은 봉급과 사회보장 수당 또 현금으로 받는 돈을 말합니다. 또 현금보조가 아니라도 의식주 형태의 보조를 받는 경우 수입으로 계산됩니다. 개인소득이 어느정도일 때 SSI 혜택이 중단 되는지는 주마다 한계가 다릅니다. 어떤 주는 다른 주 보다 수입이 더 많아도 여전히 SSI의 혜택을 받기도 합니다. 사회보장 사무실에

문의 하시면 어느 정도의 소득까지 SSI 혜택이 지급 되는지 알려 드립니다

Social Security Retirement & Survivors Benefits 또는 Social Security Disability Benefits 에 관한 설명서를 받아 읽어 보십시오

## 알아야 할 다른 규정들

SSI 혜택을 받기 전에 반드시 알아야 할 규정은

- 미국이나 북부 마리아나 군도에 거주하는 분과
- 미국시민이나 합법적으로 미국에 입국한 사람들이라야 한다는 것입니다.

## SSI를 신청하는 요령

신청 요령은 간편합니다. 가까이 있는 사회보장 사무실을 찾아가십시오. 설명서나 그들의 서비스는 무료라는 걸을 기억하십시오 여러분을 무료로 도와 드리는 것이 직원들의 일입니다.

## 사회보장 혜택에 관한 조언

사회보장은 퇴직수당과 유가족 수당을 지급하고 해당 기간동안 직장에 근무한 사람들이 불구자가 됐을 경우, 혜택을 지급하는 계획입니다. 더 자세한 것을 아시려면

## 사회보장 퇴직 수당과 유가족 퇴직수당 지급

미국에 사는 거의 모든 사람들이 사회보장 제도와 관련이 있습니다. 자기수입에 대한 사회 보장세를 지불하거나 사회보장의 혜택을 받는 것이 대부분의 경우입니다.

근로자가 은퇴하거나 불구자가 된 경우 사회보장 혜택이 지급됩니다. 근로자가 사망했을 때는 유가족에게 혜택이 지급 될수있습니다 퇴직수당과 유가족 수당에 대한 의문이 있으시면, 규정적인 설명서를 보십시오 불구자 혜택에 대해 알아 보려면, Social Security Disability Benefits 에 관한 factsheets 설명서를 보십시오.

65세나 그이상 노인들 또 맹인이나 불구자들도 생활 보조비 혜택 (SSI)을 받을수 있습니다 SSI는 소유재산이나 소득이 별로 없는 분들에게 지급되는 것입니다 SSI에 관한 문의사항은 보조비 지급혜택 (Supplemental Security Income Benefits) 의 factsheet 설명서를 보십시오.

### 근무기간

반드시 미국시민이라야 사회보장 혜택을 받는다는 규정은 없습니다. 합법적으로 고용되면 후일에 사회 보장 혜택을 받을수 있습니다. 또 근무하는 동안 노년 건강 보험 혜택 (Medicare)도 받을수 있습니다

소득에 대한 사회보장세를 지불하는데 자영업을 하지 않는 경우 근로자가 내는 사회보장 세와 똑같은 금액을 고용주가 사회 보장세로 지불 합니다. 자영업을 하는 분은 고용주 류의 사회 보장세와 근로자가 내는 류의 사회 보장세를 모두 지불해야 합니다.

사회보장 행정처의 기록에는 과거의 소득이 적혀 있는데 이 기록을 찾으려면 사회보장 번호를 이용해야 합니다. 직장이 달라져도 같은 사회보장 번호가 사용되기 때문에 자기 소득에 대한 기록은 누적 됩니다. 여러분의 사회보장 혜택 수준은 근무기간 동안의 소득전체를 기준으로 계산되기 때문에 똑같은 사회보장 번호를 가용할 것과 고용주들이 사회보장 세를 봉급에서 반드시 증계 하는 것이 아주 중요합니다

개인소득과 사회보장 혜택 예상 명세서 (Personal Earnings and Benefit Estimate Statement)는 무료로 얻을수 있고 자기 소득 기록에 차질이 없는지 파악할수

있습니다. 사회보장 행정처로 전화를 걸어 자기에 관한 사회보장 기록을 요청 하십시오. 이 기록에는 퇴직수당과 불구 수당 그리고 유가족 수당이 얼마나 될는지 추산이 나와 있습니다.

## 퇴직 수당

퇴직수당을 받을수 있는 조건은 대개 10년정도 일해서 사회보장세를 지불했을 경우 입니다. 1929년 이전에 출생하신 분은 10년간 일하지 않았더라도 퇴직수당을 받을수 있습니다.

퇴직수당 금액은 사회보장 기록에 나와있는 총소득으로 결정 됩니다. 총소득이 많을수록 퇴직 수당도 많습니다

사회보장 퇴직수당은 빠르면 62세부터 타기 시작할수도 있습니다. 그러나 62세부터 받기 시작하면 그후 부터 받는 경우 보다 수당액이 적습니다. 퇴직수당은 65세부터 정식으로 지급이 시작됩니다

근무 기록을 기준으로 근로자의 가족이 사회보장 혜택을 받을 수도 있습니다. 남편이나 부인의 경우 이르면 62세부터 혜택을 받을수 있고 일한 기록에 따라 자녀 양육 수당을 받는 남편이나 부인이 사회보장 혜택을 받을수 있습니다. 전 남편이나 전 부인이

적어도 10년간 결혼생활을 했을 경우에도 혜택을 받을수 있습니다. 18세 미만의 자녀 또는 국민학교나 고등학교에 다니는 19세 미만의 자녀도 사회보장 혜택을 받을수 있습니다. 18세 이상이지만 자녀가 신체 불구자일 경우에도 사회보장 혜택을 받을수 있습니다.

## 유가족 혜택

근로자가 사망했을 경우 유가족이 사회보장 혜택을 받을수 있습니다. 유가족 수당을 탈수있는 근무기간은 근로자 사망시 연령에 따라 좌우 됩니다. 젊은 근로자의 경우 최소한 일년 반 일했더라도 혜택을 받을수 있습니다. 혜택을 받기까지 10년 이상 일해야 하는 것은 아닙니다. 남편이나 부인이 사망했을 경우 빠르면 60세부터 사회보장 혜택을 받을수 있고, 근로자의 근무 기록에 따라 자녀양육 수당을 받는 경우에는 60세 전에도 사회보장 혜택을 받을수 있습니다. 적어도 10년간 결혼 했다가 이혼한 남편이나 부인도 혜택을 받을수 있습니다. 이 경우 18세 미만의 자녀 또는 국민학교나 중고등 학교에 다니는 19세 미만의 자녀들도 혜택을 받을수 있습니다. 그 자녀가 불구자일 경우에는 18세 이상이라도 혜택이 돌아갑니다

## 메디케어

---

메디케어는 65세나 그이상된 노인들과 65세 미만의 불구자 그리고 신장의 기능을 완전히 상실한 환자들을 위해 지급되는 건강 보험 계획을 말합니다. 65세 이상의 노인으로 이미 사회보장 혜택을 받는다면, 이들을 위한 건강 보험 계획인 메디케어의 혜택을 자동적으로 받게 되어 있습니다. 이 보험 혜택을 받지 못하는 분이 혜택을 받으려면 65세가 되기 두달전 내지 석달 전에 사회보장 행정처로 연락 하셔야 합니다.

## 자세한 문의 사항

---

모든 사회보장 서비스는 무료입니다. 혜택을 받으려고 서류를 신청하려는 분이나 문의사항이 있는 분은 사회보장 행정처 사무실로 전화를 걸거나 직접 가시던지 편지를 보내십시오. 사회보장 사무실의 주소는 전화 번호부에서 "미국정부 부서"나 "사회보장 행정처"라고 기록되어 있는 페이지에 나와 있습니다.

## 사회보장 불구자 수당

### 사회보장 불구 보험이란 무엇인가?

사회보장이란 근로자들과 고용주들이 내는 사회보장 세로 지급되는 보험계획입니다. 매달 지급되는 불구수당은 일년 또는 그 이상 일할수 없다고 예상되는 실한 신체 장애나 유고시에 지급되는 혜택입니다. 지급대상은 과거 직장근무를 기준으로 합니다. 지급액은 과거 소득을 기준으로 합니다. 불구수당 혜택을 받는데 필요한 근무 연수는 수혜자 나이에 따라 다릅니다. 31세나 그이상의 근로자일 경우에는 5년 또는 10년 동안 일해야 하고, 31세 미만의 경우는 지난 3년 동안에 1년반 일하면 됩니다. 불구수당 혜택도 그동안의 소득에 따라 결정 됩니다. 과거에 수입이 많을수록 불구수당의 혜택도 많습니다. 그리고 불구수당은 배우자와 18세 미만의 자녀들을 포함한 부양가족에게도 지급됩니다. 시민권이 있어야 이 혜택을 받는것은 아니지만, 미국에서 합법적 노동허가를 받아 일했어야 혜택을 받습니다.

### 불구수당 신청 요령

불구수당 신청 절차를 되도록 간편히 하기 위해 전화나 우편을 이용할수 있고 가까이 있는 사무실을 직접 찾아 갈수 있는 편의를 제공하고 있습니다.

그리고 신청 서류가 신속히 처리되도록 하시려면 성함, 주소, 또 전화 번호를 알아 두시고 의사나 진료소 또는 병원 치료 기록을 적은 서류사본도 제시하거나 우송 하시면 서류를 빨리 처리하는데 도움이 됩니다.

불구수당을 신청하기 위한 단계를 할때, 과거 15년간 일한 경력에 관해 질문에 답변 할수 있도록 준비 하십시오. 또 전년 수입에 대한 세금 고지서, W2 Form이나 자영업을 하는 분은 전래의 세금 보고서 사본을 제출하게 되어 있습니다.

### 불구수당 지급 여부에 관한 결정 방법

사회보장 행정처는 병원치료에 관한 서류들을 신청인이 거주하는 주의 해당 부서로 송부 합니다. 불구수당 신청 서류를 평가 하는 훈련된 전문가들이 신청자의



치료기록을 검토하고 가부 결정을 내립니다. 결정하기 전에 정보가 더 필요하다고 판단되면 무료 진료를 받도록 의사 진료를 예약 해주기도 합니다.

노인들 또는 불구자거나 소득이나 재정출처가 별로 없는 맹인들의 경우는 사회복지장 생활 보조비 지급에 관한 설명서를 보십시오. 사회복지장에 관한 설명서들은 무료입니다.

## 불구수당 지급이 시작되는 시기

불구수당을 탈수 있다고 승인을 받으면 일을 못했다고 증명된 날 부터 만 6개월 되는 날 수당이 지급되기 시작합니다.

## 메디케어의 혜택도 받을수 있습니다

불구수당을 받은지 2년 후부터는 메디케어 혜택이 자동적 해당 됩니다. 메디케어는 65세 이상의 노인이나 불구자들을 위해 미국 연방정부가 마련한 건강 보험계획입니다. 이 혜택은 병원비와 의사 치료비 부담을 돕는 것입니다.

## 자세한 문의 사항

퇴직수당과 유가족 수당에 대한 좀더 자세한 문의는 사회복지장 행정처에 있는 퇴직 수당과 유가족 수당에 관한 설명서를 보십시오. 그리고 65세나 그이상의

# ផលកម្រៃខាងប្រាក់ចំណូល បន្ថែមផ្នែកសន្តិសុខ។

## ផលកម្រៃខាងប្រាក់ចំ ណូលបន្ថែមផ្នែកសន្តិសុខ (SSI) ជាអ្វី ?

SSI មានន័យថាប្រាក់ចំណូលបន្ថែម  
ខាងសន្តិសុខ។ វាជាកម្មវិធី ១ បិតនៅ  
ក្រោមការចាត់ចែង ត្រួតត្រារបស់ក្រសួងធា  
នាសន្តិសុខសង្គម។ កម្មវិធីនេះ ចេញមូល  
ប្បទានប័ក្រ (Check) ប្រចាំខែឲ្យដល់ជន  
មានវ័យចាស់, មនុស្សខ្ចាក់, និងជនពិការ  
ដែលគ្មានទ្រព្យសម្បត្តិច្រើន ឬក៏ ប្រាក់ចំ  
ណូលច្រើន ។ បើលោកអ្នកទទួល SSI  
តាមធម្មតា លោកអ្នកអាចទទួលបំណ  
សង្គ្រោះសម្រាប់ម្ហូបអាហារ (Food Stamps)  
និងជំនួយផ្នែកពេទ្យ (Medicaid) ផងដែរ ។  
កម្មវិធី Medicaid ជួយចេញថ្លៃជូនវេជ្ជ-  
បណ្ឌិតនិងថ្លៃបង់សម្រាប់មន្ទីរពេទ្យ ។

ដើម្បីឲ្យបានទទួល SSI លោកអ្នកត្រូវ  
តែមានវ័យចាស់ ឬ ខ្ចាក់មើលមិនឃើញ ឬ  
ក៏មានពិការធ្វើការមិនកើត ។

- វ័យចាស់មានន័យថា លោកអ្នកមានអាយុ ៦៤ ឆ្នាំ ឬ ចាស់ជាងនោះ ។

- ខ្ចាក់មើលមិនឃើញមានន័យថា លោកអ្នកមើលមិនឃើញទាល់តែសោះ ឬ មើលមិនសូវឃើញសោះ។ ក្មេងប្រុស-ស្រីក៏ដូចជាមនុស្សពេញវ័យដែរ អាចទទួលប្រាក់ចំណាច់បាន ព្រោះមកពីខ្ចាក់មើលមិនឃើញ ។

- ភាពពិការមានន័យថាលោកអ្នកមានបញ្ហាខាងរាងកាយ ឬ ខាងផ្លូវចិត្តដែលត្រូវគេជឿជាក់ថាមុខជានិងមានយូរទៅទៀតយ៉ាងហោចណាស់ក៏ ១ ឆ្នាំឬនឹងបណ្តាលឲ្យស្លាប់ ។ ក្មេងប្រុស-ស្រី ក៏ដូចជាមនុស្សពេញវ័យដែរ អាចទទួលប្រាក់ចំណាច់បាន ព្រោះមកពីមានភាពពិការ ។

របស់របរដែលលោកអ្នក  
ជាម្ចាស់និងប្រាក់ចំណូល  
ដែលលោកអ្នកមាន ។

ដើម្បីទទួល SSI របស់របរដែលលោក  
អ្នកជាម្ចាស់និងប្រាក់ចំណូលដែលលោកអ្នក  
មាន ត្រូវតែមានកម្រិតតិចជាងចំនួនខ្លះ។  
របស់របរដែលលោកអ្នកជា  
ម្ចាស់ ។

យើងមិនរាប់របស់របរគ្រប់បែបយ៉ាង  
ដែលលោកជាម្ចាស់ទេ នៅពេលដែលយើង  
ធ្វើសេចក្តីសម្រេច ថា តើ លោកអ្នក  
អាចទទួល SSI បានឬមិនបាននោះ ។  
ជាឧទាហរណ៍ យើងមិនរាប់ផ្ទះសំបែង  
របស់អ្នកលោក និងប្រដាប់ប្រដារប្រើប្រាស់  
ផ្ទាល់ខ្លួនខ្លះៗ ទេ ។ តាមធម្មតាយើងមិន  
រាប់ថយន្តរបស់លោកអ្នកទេ ។ យើងប្រា  
កដរាប់ ប្រាក់កាស, គណនេយ្យធនាគារ,  
ចំណែកហ៊ុន និងប័ណ្ណសន្សំរបស់លោកអ្នក  
ជាមិនខាន ។ លោកអ្នកអាចទទួល SSI

បាន បើរបស់របរដែលយើងរាប់ទៅឃើញ  
ថា មិនលើសពី :

- ២,០០០ ដុល្លារ សម្រាប់មនុស្សម្នាក់
- ៣,០០០ ដុល្លារ សម្រាប់មនុស្ស ២  
នាក់ (ប្តី-ប្រពន្ធ )។

ប្រាក់ចំណូលដែលលោកអ្នក  
មាន ៖

ប្រាក់ចំណូលគឺប្រាក់កាសដែល  
លោកអ្នកមាន ដូចជាប្រាក់កាសដែលលោក  
អ្នករកបាន, មូលប្បទានប័ត្រពីការធានាសន្តិ  
សុខសង្គម, និងប្រាក់វិគ្រេតជាដើម ។ វត្ថុ  
ខ្លះដែលមិនមែនជាប្រាក់ ដែលលោកអ្នក  
ទទួលដូចជាចំណីអាហារ, សម្លៀកបំពាក់, ឬ  
ក៏ទីជម្រកជាដើម ក៏រាប់ជាប្រាក់ចំណូល  
ដែរ ។ ចំនួនប្រាក់ចំណូលដែលលោកអ្នក  
អាចមានជារៀងរាល់ខែ ហើយនៅ តែអាច  
ទទួល SSI បាននោះ អាស្រ័យទៅលើការថា  
តើ លោកអ្នករស់នៅ នៅក្នុងកន្លែងណា ។

នៅ ក្នុងរដ្ឋខ្លះ លោកអ្នកអាចមានប្រាក់ចំណូលច្រើនជាងនៅ ក្នុងរដ្ឋដទៃទៀត។ អ្នកធ្វើការនៅក្នុង ការិយាល័យណាមួយរបស់ក្រសួងធានាសន្តិសុខសង្គមអាចនិយាយប្រាប់លោកអ្នកឲ្យជ្រាបបានថា តើលោកអ្នកអាចមានប្រាក់ចំណូលច្រើនប៉ុណ្ណាហើយនៅ តែអាចទទួល SSI បាន ។

**មាត្រាច្បាប់ដទៃទៀតដែលលោកអ្នកគួរដឹង :**

មុននឹងលោកអ្នកអាចទទួលមូលប្ប

ទានប័ត្រ SSI លោកអ្នកត្រូវតែ :

- រស់នៅ នៅក្នុងស-រ-អ- ឬ ប្រជុំកោះ Mariana ខាងជើង និង
- ត្រូវតែជាប្រជាពលរដ្ឋអាមេរិកាំង ឬ ក៏រស់នៅ នៅក្នុង ស-រ-អ- ត្រឹមត្រូវតាមច្បាប់ ។

តើលោកអ្នកអាចចុះឈ្មោះសុំ SSI បានតាមរបៀបណា ។

វាមិនជាការពិបាកទេ គ្រាន់តែ

អញ្ជើញទៅជួបជាមួយអ្នកធ្វើការក្នុងការិយាល័យក្រសួងធានាសន្តិសុខសង្គម នៅក្នុងតំបន់របស់លោកអ្នកប៉ុណ្ណោះក៏បានហើយ ។ រួចសូមចាំទុកថា លោកអ្នកមិនចាំបាច់បង់ថ្លៃសម្រាប់ព័ត៌មានឬក៏ជំនួយការនៅ ឯការិយាល័យធានាសន្តិសុខសង្គមនោះទេ ។ វាជាករណីយកិច្ចរបស់យើង ដែលត្រូវជួយលោកអ្នក ដោយឥតគិតថ្លៃ ។

ព័ត៌មានអំពីផលកម្រៃរបស់ការធានាសន្តិសុខសង្គម ។

ការធានាសន្តិសុខសង្គម ក៏ចេញ

ប្រាក់បំណាច់សម្រាប់វិ, ត្រៃត, ប្រាក់បំណាច់សម្រាប់អ្នកនៅមានជីវិត, និងប្រាក់បំណាច់សម្រាប់មនុស្សពិការ ដល់ក្រុមជនដែលបានធ្វើការយូរគ្រប់គ្រាន់ នៅក្រោមរបបធានាសន្តិសុខសង្គមផងដែរ ។ ដើម្បីឲ្យបានជ្រាបព័ត៌មានបន្ថែមទៀត អំពីផលកម្រៃទាំង

ឡាយនេះ ចូរលោកអ្នកសុំសេចក្តីបញ្ជាក់  
 ព័ត៌មានសំខាន់ៗ មានចំណងជើងថា ផល  
 កម្រៃនៃការធានាសន្តិសុខសង្គម សម្រាប់វិ,  
 ត្រៃត និងផលកម្រៃសម្រាប់អ្នកនៅមានជី  
 វិត ឬផលកម្រៃនៃការធានាសន្តិសុខសង្គម  
 សម្រាប់មនុស្សពិការ (Social Security  
 Retirement & Survivors Benefits or Social  
 Security Disability Benefits) ។

មន្ទីររដ្ឋបាលធានាសន្តិសុខសង្គម ក្រសួង  
 សុខាភិបាល និង កិច្ចការមនុស្សធម៌  
 ស-វ-អ- ។

ប្រាក់បំណាច់នៃការធានា  
សន្តិសុខសង្គម សម្រាប់វិវ័,  
ព្រែកនិងក្រុមអ្នកនៅមានជី  
វិត។

ជនសឹងគ្រប់គ្នាទាំងអស់ដែលរស់នៅ  
នៅក្នុង ស-រ-អ- រមែងជាប់ទាក់ទងនិង  
របបធានាសន្តិសុខសង្គម ទោះជាក្នុងការ  
ប្រកបការងារ និងក្នុងការបង់ពន្ធអាករ  
សម្រាប់ការធានាសន្តិសុខសង្គមក្តី ឬ ក៏  
ក្នុងការទទួលប្រាក់បំណាច់ នៃការធានាសន្តិ  
សុខសង្គមក្តី ។

គេចេញប្រាក់បំណាច់នៃការធានាសន្តិ  
សុខសង្គមឲ្យដល់ក្រុមអ្នកធ្វើការ និង គ្រូ  
សារទាំងឡាយរបស់គេ នៅពេលដែលអ្នក  
ធ្វើការម្នាក់ចូលវិវ័ព្រែកឈប់ធ្វើការ ឬ មាន  
ពិការធ្វើការមិនកើត ។ ប្រាក់បំណាច់  
សម្រាប់ក្រុមអ្នកនៅមានជីវិត គេអាចចេញ  
ឲ្យក្រុមសមាជិកគ្រូសារ នៅពេលដែលអ្នក

ធ្វើការទទួលអនិច្ចកម្ម ឬ ស្លាប់ ។សន្លឹកផ្តល់  
ព័ត៌មាននេះ ប្រាប់លោកអ្នកឲ្យបានដឹងអំពី  
ប្រាក់បំណាច់សម្រាប់ពេលវិវ័ព្រែក  
និងសម្រាប់ក្រុមអ្នកនៅមានជីវិត។ ដើម្បីឲ្យ  
បានជ្រាបព័ត៌មានអំពីប្រាក់បំណាច់ សម្រាប់  
ពេលមានពិការ សូមយកសន្លឹកផ្តល់ព័ត៌  
មាន មានចំណងជើងថា ប្រាក់បំណាច់នៃ  
ការធានាសន្តិសុខសង្គម សម្រាប់ពេលមាន  
ពិការ ឬ Social Security Disability  
Benefits ។ ក្រុមជនដែលមានអាយុ ៦៤  
ឆ្នាំ ឬចាស់ជាងនោះឬ ក៏ខ្វាក់ភ្នែកមិនអាច  
មើលឃើញ ឬ មានពិការ អាចមានគុណ  
សម្បត្តិទទួលផលកម្រៃជាប្រាក់ចំណូល  
បន្ថែមនៃការធានាសន្តិសុខសង្គម (SSI) ។  
ប្រាក់ចំណូលបន្ថែម នៃការធានាសន្តិសុខ  
សង្គមឬ SSI អនុញ្ញាតឲ្យបើកប្រាក់ដល់អ្នក  
ដែលមិនមានទ្រព្យសម្បត្តិច្រើន ឬ ដែល  
មិនមានប្រាក់ចំណូលច្រើន។ ដើម្បីឲ្យបាន

ជ្រាបព័ត៌មានអំពីប្រាក់ចំណូលបន្ថែម នៃការ  
ធានាសន្តិសុខសង្គម SSI សូមរកសន្លឹក  
ផ្តល់ព័ត៌មាន មានចំណងជើងថា ផល  
កម្រៃជាប្រាក់ចំណូលបន្ថែម នៃការធានា  
សន្តិសុខសង្គម Supplemental Security  
Income Benefits.។

**ឆ្នាំដែលលោកអ្នកធ្វើការ ។**

លោកអ្នកមិនចាំបាច់តែជាប្រជាពល  
រដ្ឋ ឬ មានសញ្ជាតិជាអាមេរិកាំងទេ ដើម្បី  
ឲ្យបានទទួលការការពារ នៃប្រព័ន្ធធានា  
សន្តិសុខសង្គម ។ បើគេទទួលបានលោកអ្នក  
ចូលធ្វើការត្រឹមត្រូវតាមច្បាប់ នោះលោក  
អ្នកអាចធ្វើការក្នុងមុខរបរទាំងឡាយ ដែល  
ការពារដោយប្រព័ន្ធធានាសន្តិសុខសង្គម ។  
កាលណាបើលោកអ្នកធ្វើការ លោកអ្នកក៏  
បានទទួលកិច្ចការពារសម្រាប់ផលកម្រៃខាង  
ការធានាសុខភាពដែលបានទទួលពីការ  
ធានាសន្តិសុខសង្គមរបស់រដ្ឋាភិបាល

សហព័ន្ធផងដែរ។  
ក្នុងអង្គបុគ្គលបុគ្គលធានា ដែលលោក  
អ្នកធ្វើការ លោកអ្នកបង់ពន្ធអាករផ្នែក  
ការធានាសន្តិសុខសង្គមទៅលើប្រាក់ចំណូល  
របស់លោកអ្នក ។ បើលោកអ្នកធ្វើការឲ្យ  
អ្នកដទៃ និយោជក ឬ អ្នកជួលលោក  
អ្នកឲ្យធ្វើការ បង់ពន្ធអាករជំនួសលោក  
អ្នកក្នុងចំនួនស្មើគ្នានិងចំនួនដែលលោកអ្នក  
បង់ដែរ ។ បើលោកអ្នកប្រកបមុខរបរខ្លួន  
ឯង លោកអ្នកបង់ពន្ធទាំងចំណែកនិយោ  
ជករបស់លោកអ្នក ទាំងចំណែករបស់និ  
យោជក ។

គេប្រើលេខប័ណ្ណធានាសន្តិសុខសង្គម  
Social Security Number របស់លោកអ្នក  
ដើម្បីតាមដានមើលប្រាក់ចំណូលដែលលោក  
អ្នករកបាន នៅក្នុងបញ្ជីកត់ត្រាមួយ ដែល  
រដ្ឋបាលខាងការធានាសន្តិសុខ  
សង្គមរក្សាទុកជូនលោកអ្នក។ សូម្បីតែ បើ

លោកអ្នកផ្លាស់មុខរបរធ្វើក៏ដោយ ក៏លោក  
 អ្នកចេះតែប្រើលេខប័ណ្ណការធានាសន្តិសុខ  
 សង្គមដដែលនោះតទៅទៀតបន្ថែមលើបញ្ជី  
 កត់ត្រានៃប្រាក់ចំណូលដែលលោកអ្នករក  
 បាន ។ ប្រាក់បំណាច់ខាងការធានាសន្តិ  
 សុខសង្គមរបស់លោកអ្នក និងមានសំអាង  
 ទៅលើប្រាក់ចំណូលទាំងអស់ដែលលោកអ្នក  
 រកបាន នៅក្នុងអាជីពការងាររបស់លោក  
 អ្នក ដូច្នោះ វាមានសារសំខាន់ណាស់  
 ដែលគេត្រូវតែប្រើលេខប័ណ្ណការធានាសន្តិ  
 សុខសង្គមដូចគ្នាជាដរាបនិងត្រូវធ្វើឲ្យបាន  
 ដឹងជាក់ថា និយោជកទាំងអស់របស់លោក  
 អ្នក ប្រាកដជាដកប្រាក់ចំណូលសម្រាប់បង់  
 ពន្ធអាករការធានាសន្តិសុខសង្គមមែន ។

លោកអ្នកអាចពិនិត្យបញ្ជាក់ឲ្យបាន  
 ដឹងថាប្រាក់ចំណូលដែលលោកអ្នករកបាន  
 ទាំងអស់ប្រាកដជាត្រូវគេកត់ត្រាទុកក្នុងបញ្ជី  
 មែនគឺលោកអ្នកសុំឲ្យគេចេញឲ្យ

ដោយឥតគិតថ្លៃ នូវសេចក្តីបញ្ជាក់ពី  
 គណនេយ្យប្រាក់ចំនួនប្រាក់ចំណូលដែលរក  
 បានផ្ទាល់ខ្លួន និងប្រាក់បំណាច់។ ទូរស័ព្ទ  
 ហៅទៅកាន់ក្រសួងធានាសន្តិសុខសង្គម  
 ដើម្បីឲ្យគេផ្ញើឯកសារពាក្យសម្រាប់បំពេញ  
 មកឲ្យលោកអ្នក ។ សេចក្តីបញ្ជាក់ពី  
 គណនេយ្យរបស់លោកអ្នក ក៏នឹងប្រាប់  
 លោកអ្នកឲ្យដឹងអំពីការប្រមាណនៃចំនួន  
 ប្រាក់បំណាច់សម្រាប់ពេលវិ, ព្រៃត, ពេល  
 មានពិការធ្វើការមិនកើត, និងប្រាក់បំណាច់  
 សម្រាប់អ្នកនៅ មានជីវិត ដែលគេអាច  
 ចេញឲ្យ ទៅតាមបញ្ជីកត់ត្រា នៃការធានា  
 សន្តិសុខសង្គម របស់លោកអ្នកផងដែរ។  
 ប្រាក់បំណាច់សម្រាប់  
 វិ, ព្រៃត។

ប្រជារាស្ត្រភាគច្រើនចាំបាច់ត្រូវ  
 ការពេលធ្វើការ ១០ ឆ្នាំ នៅ ក្នុងមុខ  
 របរដែលគេបង់ពន្ធអាករសម្រាប់ការធានា



សន្តិសុខសង្គម ប្រយោជន៍ឲ្យមានគុណ  
 សម្បត្តិទូលព្រាក់បំណាច់សម្រាប់វិវត្តភាព ។  
 បើលោកអ្នកកើតក្នុងឆ្នាំ ១៩២៩លោកអ្នក  
 ត្រូវការពេលធ្វើការមិនដល់ ១០ ឆ្នាំទេ ។  
 ចំនួន នៃព្រាក់បំណាច់សម្រាប់វិវត្តភាព មាន  
 មូលដ្ឋានទៅលើព្រាក់ចំណូលសារុបរបស់  
 លោកអ្នកនៅក្រោមប្រព័ន្ធការធានាសន្តិ  
 សុខសង្គម។ បើលោកអ្នកបានទទួលព្រាក់ចំ  
 ណូលច្រើនប៉ុណ្ណា ដរាបនោះព្រាក់បំណាច់  
 ដែលលោកអ្នកនឹងបានទទួលក៏ច្រើនទៅតាម  
 ហ្នឹងដែរ ។ ព្រាក់បំណាច់នៃការធានាសន្តិ  
 សុខសង្គមគេអាចចេញឲ្យបានមុនពេលកំ  
 ណត់ក្នុងអាយុ ៦២ ឆ្នាំ។ តែទោះជាយ៉ាង  
 ណាក៏ដោយ ចំនួន ព្រាក់បំណាច់នៅក្នុងអាយុ  
 ៦២ ឆ្នាំ បានតិចជាងចំនួនព្រាក់វិវត្តភាព  
 ដែលកាលណាបើលោកអ្នកចាប់ផ្តើមទទួល  
 នៅពេលដែលលោកអ្នកមានអាយុចាស់ជាង  
 នោះ ។ ចំនួន ព្រាក់បំណាច់ពេញ ត្រូវគេ

ចេញឲ្យ នៅ ក្នុងអាយុ ៦៤ ឆ្នាំ ។  
 សមាជិកគ្រួសារខ្លះអាចទទួលព្រាក់បំ  
 ណាច់នៃការធានាសង្គមដោយសំអាងទៅ  
 លើបញ្ជីកត់ត្រាកិច្ចការរបស់លោកអ្នក ។  
 ភរិយា ឬ ស្វាមីរបស់លោកអ្នកអាចទទួល  
 ព្រាក់បំណាច់នៅមុនពេលកំណត់ក្នុងអាយុ  
 ៦២ ឆ្នាំ ឬ ក៏ មុនពេលនោះប្រសិនណាបើ  
 ភរិយា ឬ ស្វាមីនោះចិញ្ចឹមកូនរបស់លោក  
 អ្នកដែលកំពុងទទួលព្រាក់បំណាច់ទៅតាម  
 បញ្ជីកត់ត្រារបស់លោកអ្នកដែរនោះ ។  
 អតីតភរិយាឬ ស្វាមីរបស់លោកអ្នក  
 អាចទទួលព្រាក់បំណាច់បាន បើលោកអ្នក  
 រៀបអពាហ៍ពិពាហ៍នឹងគ្នាយ៉ាងហោច ១០  
 ឆ្នាំ ។ កូនប្រុស-ស្រីអាចទទួលព្រាក់បំណាច់  
 រហូតដល់ទៅអាយុ ១៨ ឆ្នាំ ឬ ក៏ដល់ទៅ  
 ១៩ ឆ្នាំបើកូនប្រុស-ស្រីនោះនៅរៀនក្នុងសា  
 លាបធម៌សិក្សាឬមធ្យមសិក្សា ។ កូនប្រុស-  
 ស្រីអាយុលើសពី ១៨ ឆ្នាំឡើងទៅអាចទទួល

ប្រាក់បំណាច់បាន បើគេមានពិការធ្វើការមិន កើត ។

**ប្រាក់បំណាច់សម្រាប់អ្នកនៅ មានជីវិត (Survivors Benefits)**

កាលណាបើអ្នកធ្វើការម្នាក់ស្លាប់ សមាជិកគ្រួសារអាចទទួលបានប្រាក់បំណាច់ ប្រចាំខែពីការធានាសន្តិសុខសង្គម។ ចំនួន នៃកិច្ចការដែលគេត្រូវការជាចាំបាច់ ដើម្បី ចេញប្រាក់បំណាច់ ឲ្យក្រុមអ្នកនៅ មានជី វិត អាស្រ័យទៅលើអាយុរបស់អ្នកធ្វើការ នៅពេលស្លាប់។ ពេលធ្វើការនោះអាចថយ នៅ តិចដល់ទៅ ១ ឆ្នាំកន្លះចំពោះអ្នកធ្វើ ការមានវ័យក្មេង។ គ្មាននរណាមួយត្រូវការ លើសពី ១០ ឆ្នាំទេ។

ស្ត្រីមេម៉ាយ ឬ បុរសពោះម៉ាយ អាច ទទួលបានប្រាក់បំណាច់ក្នុងពេលមានអាយុ ៦០ ឆ្នាំ ឬ ក៏ក្មេងជាងនោះ បើស្ត្រីមេម៉ាយ ឬ

បុរសពោះម៉ាយនោះចិញ្ចឹមកូនរបស់លោក អ្នកដែលកំពុងទទួលបានប្រាក់បំណាច់នៅលើ បញ្ជីរបស់លោកអ្នកដែរ។ ស្ត្រីមេម៉ាយ ឬបុ រសពោះម៉ាយ ដែលមានពិការអាចទទួល បានប្រាក់បំណាច់ នៅក្នុងអាយុ ៤០ ឆ្នាំ។ ស្ត្រីមេ ម៉ាយឬបុរសពោះម៉ាយ ដែលលែងលះគ្នា ហើយអាចទទួលបានប្រាក់បំណាច់បាន បើគេបាន រៀបអត្រាហ៊ីពីពាហ៍និវាសន៍យ៉ាងហោចណាស់ ១០ ឆ្នាំ។ កូនប្រុស-ស្រីអាចទទួលបានប្រាក់ បំណាច់រហូតដល់មានអាយុ ១៨ ឆ្នាំ ឬក៏ ដល់ទៅអាយុ ១៩ ឆ្នាំ បើគេនៅ ចូលរៀន ក្នុងសាលាបឋមសិក្សា ឬ មធ្យមសិក្សា។ ក្មេងប្រុស-ស្រីមានអាយុ លើសពី ១៨ ឆ្នាំ អាចទទួលបានប្រាក់បំណាច់បានបើគេមានពិការ ធ្វើការមិនកើត ។

**ផែនការធានាសុខភាព (Medicare)**

ផែនការថែរក្សារបស់ពេទ្យនិងការ

ព្យាបាលនៅមន្ទីរពេទ្យពីមូលនិធិធានាសន្តិសុខសង្គមគឺជាផែនការធានាសុខភាពសម្រាប់ប្រជាពលរដ្ឋដែលមានអាយុ ៦៤ ឆ្នាំ ឬ ចាស់ជាងនោះ, អាយុតិចជាង ៦៤ ឆ្នាំ ហើយមានពិការធ្វើការមិនកើត, ឬ ក៏ដែលខូចតម្រងមូត្រមើលមិនជា។ ប្រសិនបើលោកអ្នកកំពុងទទួលប្រាក់បំណាច់ពីក្រសួងធានាសន្តិសុខសង្គមជាស្រេចទៅហើយ នៅពេលដែលលោកអ្នក ដល់អាយុគ្រប់ ៦៤ ឆ្នាំហើយនោះ ការការពារនៃផែនការធានាសុខភាព (Medicare) នឹងចាប់ផ្តើមជាស្វ័យប្រវត្តិ ។ បើមិនដូច្នោះទេ លោកអ្នកគួរតែប្រស្រ័យទាក់ទងជាមួយក្រសួងធានាសន្តិសុខសង្គម ២ ឬ ៣ ខែ មុននិងដល់អាយុគ្រប់ ៦៤ ឆ្នាំ ដើម្បីចុះឈ្មោះសុំការថែរក្សាផ្នែកពេទ្យ គឺដើម្បីទទួល (Medicare) ។

**ដើម្បីឲ្យបានទទួលព័ត៌មានបន្ថែមទៀត ។**

ជំនួយការទាំងអស់ខាងការធានាសន្តិសុខសង្គម គេផ្តល់ជូនដោយឥតគិតថ្លៃទេ។ ដើម្បីដាក់ពាក្យសុំប្រាក់បំណាច់ ឬ ដើម្បីឲ្យបានទទួលព័ត៌មានបន្ថែម សូមលោកអ្នកទូរស័ព្ទ, ទៅជួប, ឬ សរសេរសំបុត្រទៅកាន់ការិយាល័យណាមួយរបស់ក្រសួងធានាសន្តិសុខសង្គម ។ អាសយដ្ឋាននិងលេខទូរស័ព្ទ នៃការិយាល័យទាំងឡាយរបស់ក្រសួងធានាសន្តិសុខសង្គមត្រូវគេចុះនៅ ក្នុងបញ្ជីរាយឈ្មោះអ្នកប្រើទូរស័ព្ទ ក្រោមចំណងជើងថា "រដ្ឋាភិបាល ស-រ-អ- " ឬ "មន្ទីររដ្ឋបាលធានាសន្តិសុខសង្គម" ("U.S. Government" or "Social Security Administration") ។

មន្ទីររដ្ឋបាលធានាសន្តិសុខសង្គម ក្រសួងសុខាភិបាលនិងកិច្ចការមនុស្សធម៌ស-រ-អ-

Social Security Retirement & Survivors Benefits (Cambodian)  
 U.S. Department of Health and Human Services  
 Social Security Administration  
 SSA Publication No. 05-10713  
 February 1992

# ប្រាក់បំណាច់នៃការធានាសន្តិសុខសង្គមសម្រាប់ពេលមានពិការ (Social Security Disability Benefits)

ការធានាសន្តិសុខសង្គមសម្រាប់ពេលមានពិការជាអ្វី ?

សន្តិសុខសង្គមគឺជាកម្មវិធីធានាសង្គមដែលអ្នកធ្វើការទាំងឡាយ និងនិយោជករបស់ខ្លួនបង់ថ្លៃឲ្យបានទទួល ដោយសារការបង់ពន្ធអាករបស់ខ្លួន សម្រាប់ការធានាសន្តិសុខសង្គម ។ ប្រាក់បំណាច់ប្រចាំខែសម្រាប់ពេលមានពិការ ត្រូវគេចេញឲ្យជនដែលមានអាការៈធ្ងន់ធ្ងរដែលគេជឿជាក់ថាមុខជារាវរាំងជននោះ មិនឲ្យអាចធ្វើការបាន ក្នុងពេល ១ ឆ្នាំ ឬ លើសពី ១ ឆ្នាំ ឬ ក៏នឹងបណ្តាលឲ្យស្លាប់ ។ ភាពជាអ្នកមានគុណសម្បត្តិ ឲ្យបានទទួលប្រាក់បំណាច់អាស្រ័យទៅលើកិច្ចការរបស់លោកអ្នកពីក្នុង

អតីតកាល។ ចំនួនប្រាក់បំណាច់អាស្រ័យទៅលើប្រាក់ចំណូលរបស់លោកអ្នក ។ ចំនួនពេលធ្វើការដែលគេត្រូវការជាចាំបាច់អាស្រ័យទៅលើអាយុរបស់លោកអ្នកហើយគិតពីរវាង ៤ ឆ្នាំ ពីក្នុងពេល ១០ ឆ្នាំ ចុងក្រោយបង្អស់ ចំពោះមនុស្សដែលមានអាយុ ៣១ ឆ្នាំ ឬ ចាស់ជាងនោះ រហូតដល់ពេលយ៉ាងតិច ១ ឆ្នាំកន្លះ ពីពេល ៣ ឆ្នាំ ចុងក្រោយបង្អស់ ចំពោះអ្នកមានអាយុតិចជាង ២៤ ឆ្នាំ ។ ចំនួនប្រាក់បំណាច់ របស់លោកអ្នក អាស្រ័យទៅលើប្រាក់ចំណូលដែលលោកអ្នករកបាន ។ ជាការសំខាន់ណាស់ កាលណាបើលោកអ្នករកប្រាក់បានច្រើនប៉ុណ្ណា នោះប្រាក់បំណាច់ដែលលោកអ្នកនឹងត្រូវបានទទួល ក៏នឹងបានច្រើនទៅតាមហ្នឹងដែរ ។ ប្រាក់បំណាច់ក៏ត្រូវគេចេញឲ្យដល់អ្នកនៅក្នុងបន្ទុកខ្លះៗដែរគិតរួមទាំងប្តី-ប្រពន្ធ និងកូនប្រុស-ស្រីនៅមាន

អាយុតិចជាង ១៨ ឆ្នាំ ផងដែរ ។ គេមិនចាំ  
បាច់ត្រូវការឲ្យមានសញ្ជាតិ ឬ ឋានៈជាប្រ  
ជាពលរដ្ឋអាមេរិកាំងទេ ក៏ប៉ុន្តែលោកអ្នក  
ត្រូវតែបានទទួលការអនុញ្ញាតតាមច្បាប់ឲ្យ  
ធ្វើការនៅក្នុង ស-រ-អ- ។

**ដាក់ពាក្យសុំប្រាក់បំណាច់  
ពេលមានពិការធ្វើការមិន  
កើត ។**

ដើម្បីញ៉ាំងការដាក់ពាក្យសុំឲ្យបាន  
ងាយស្រួលតាមការដែលអាចធ្វើទៅបាន  
នោះ យើងបើកឲ្យលោកអ្នកជ្រើសរើសក្នុង  
ការធ្វើពាក្យសុំតាមទូរស័ព្ទ, តាមរយៈការសរ  
សេរសំបុត្រ, ឬក៏ទៅ ឯការិយាល័យមួយ  
ពីក្នុងបណ្តាការិយាល័យទាំងឡាយរបស់  
យើងនៅ ក្នុងសហគមន៍ ។

ដើម្បីធ្វើឲ្យពាក្យតវ៉ាសុំរបស់លោក  
មានដំណើរជឿនលឿន ជាការមាន

ប្រយោជន៍ណាស់បើលោកអ្នកមានឈ្មោះ,  
អាសយដ្ឋាន, លេខទូរស័ព្ទ, ថ្ងៃខែ ឆ្នាំនៃការ  
ព្យាបាល និងប្រភេទនៃការព្យាបាលដែល  
លោកអ្នកបានទទួលពីវេជ្ជបណ្ឌិតម្នាក់ៗ, ពី  
មន្ទីរព្យាបាល, ឬមន្ទីរពេទ្យ ដើម្បី ឲ្យយើង  
អាចទទួលសេចក្តីចម្លងពីសំណុំរឿងពេទ្យ  
របស់លោកអ្នក ។

ក្នុងការធ្វើសម្ភាសន៍សាកសួរនៅពេល  
ដាក់ពាក្យសុំ លោកអ្នកគួរតែប្រុងប្រៀបខ្លួន  
ដើម្បីពិភាក្សាអំពីប្រវត្តិការងាររបស់លោក  
អ្នក ក្នុងរយៈពេល ១៤ ឆ្នាំមុន ។ លោកអ្នក  
ក៏នឹងត្រូវគេសុំឲ្យផ្តល់ជូននូវ Form W-2  
កាលពីឆ្នាំមុន១ សន្លឹកផងដែរ ឬ ក៏  
សេចក្តីចម្លងនៃសំបុត្របង់ពន្ធអាករកាលពី  
ឆ្នាំមុន ១ សន្លឹក បើលោកអ្នកប្រកបមុខ  
របរដោយខ្លួនឯង ។

តើយើងធ្វើសេចក្តីសម្រេចនូវ  
ភាពជាមនុស្សពិការតាម  
របៀបណា ។

យើងបញ្ជូនផ្នែកនៃសំបុត្របញ្ជាក់  
ពេទ្យ (Claim) របស់លោកអ្នកទៅឲ្យក្រុម  
អ្នកធ្វើការសម្រេចបញ្ជាក់ភាពមានពិការ  
របស់រដ្ឋ (DDS) ។ ក្រុមអ្នកជំនាញខាងការ  
វិនិច្ឆ័យភាពមានពិការដែលស្នាក់ជំនាញ  
នឹងទទួលយកសំណុំរឿងពេទ្យរបស់លោក  
អ្នកទៅពិនិត្យមើលព័ត៌មានហើយធ្វើសេចក្តី  
សម្រេចទៅលើការសំអាងរបស់លោកអ្នក ។  
បើគេត្រូវការព័ត៌មានបន្ថែមទៀតជាចាំបាច់  
គេអាចកំណត់ពេលឲ្យមានការពិនិត្យពេទ្យ  
ដោយមិនគិតថ្លៃជាប្រាក់កាសពីលោកអ្នក  
ទេ ។

តើប្រាក់បំណាច់ចាប់ផ្តើមបើក  
ឲ្យ នៅពេលណា ។

គេអនុម័តិយល់ព្រមតាមពាក្យសុំ  
របស់លោកអ្នក ប្រាក់បំណាច់របស់លោក  
អ្នកនឹងចាប់ផ្តើមបើកឲ្យនៅពេលគ្រប់ខែទី  
៦ ពេញ ក្រោយពីថ្ងៃខែ ដែលភ័ស្តុតាង  
បង្ហាញឲ្យឃើញ នូវពេលដែលលោកអ្នក  
ចាប់មានពិការធ្វើការមិនកើត។

កម្មវិធី សម្រាប់ព្យាបាលក្នុង  
មន្ទីរពេទ្យ និងជំនួយផ្នែក  
ពេទ្យ (Medicare) អាចជួយ៖

ប្រាក់បំណាច់របស់កម្មវិធី Medicare  
នឹងបើកជូនលោកអ្នកជាស្វ័យប្រវត្តិ ក្រោយ  
ពីលោកអ្នកបានទទួលប្រាក់បំណាច់សម្រាប់  
ភាពមានពិការអស់រយៈពេល ២ ឆ្នាំមក។  
កម្មវិធី Medicare ជាកម្មវិធី ធានាសុខភាព  
របស់រដ្ឋាភិបាលសហព័ន្ធ សម្រាប់ជនដែល  
មានអាយុ ៦៥ ឆ្នាំ និង ច្រើនជាងនោះ ឬ  
សម្រាប់អ្នកមានពិការធ្វើការមិនកើត។ កម្មវិ

ទីនេះអាចអាចជួយចេញថ្លៃសម្រាប់ព្យាបាល  
នៅមន្ទីរពេទ្យ និងវេជ្ជបណ្ឌិត ។  
**ដើម្បីឲ្យបានទទួលព័ត៌មាន  
បន្ថែម៖**

ដើម្បីឲ្យបានជ្រាបព័ត៌មានអំពីប្រាក់បំណាច់សម្រាប់ពេលវិវត្ត ឬ សម្រាប់ជន  
នៅមានជីវិត សូមលោកអ្នកសុំសេចក្តី  
បញ្ជាក់ព័ត៌មាននៅ ឯការិយាល័យធានា  
សន្តិសុខសង្គម គឺសេចក្តីបញ្ជាក់ព័ត៌មាន  
មានចំណងជើងថា ប្រាក់បំណាច់ធានាសន្តិ  
សុខសង្គមសម្រាប់វិវត្ត និងក្រុមអ្នកនៅ  
មានជីវិត (Social Security Retirement  
and Survivors Benefits) ។ ដើម្បីឲ្យបាន  
ទទួលព័ត៌មានអំពីកម្មវិធី ផ្តល់ប្រាក់ចំណូល  
បន្ថែមខាងការធានាសន្តិសុខសង្គម ដែល  
ចេញប្រាក់បំណាច់ប្រចាំខែដល់ជនដែលមាន  
អាយុ ៦៤ ឆ្នាំ ឬចាស់ជាងនោះ ឬក៏ដល់ជន  
មានពិការ ឬ ខ្វាក់មើលមិនឃើញ ដែល

មានប្រាក់ចំណូល និងធនធានបន្តិចបន្តួច  
ចូរលោកអ្នកសុំសេចក្តីបញ្ជាក់ព័ត៌មាន មាន  
ចំណងជើងថា ប្រាក់ចំណូលបន្ថែមខាងការ  
ធានាសន្តិសុខសង្គម (Supplemental  
Security Income Benefits) ។ ព័ត៌មានស្តី  
ពីការធានាសន្តិសុខសង្គមគេមិនគិតថ្លៃទេ។

Social Security Disability Benefits (Cambodian)  
U.S. Department of Health and Human Services  
Social Security Administration  
SSA Publication No. 05-10714  
February 1992

Mr. Chairman.

Chairman PICKLE. Thank you, Mr. Ford.

I have one or two questions. I know this hearing has been going on for some time, so we will bring it to a close.

Earlier this morning, our witnesses testified that the problem on the fraud cases centers around the fact that the middleman is in it for profit and has milked the services very well. That is our big problem.

I notice in the examples listed that they showed that these middlemen were advertising in the foreign language publications in that area out there about their services, that they have a great record. In other words, come on in and see us and we can get you the money.

I wonder, can the SSA run an ad in the same publication and say, if you do this, you are going to be put in prison and we are going to go back to these people and get them to return it. Can you advertise facts, just so people would know? Don't threaten them, just inform them of what the facts are and how the law reads and what it says.

Chairman FORD. Mr. Chairman, in many cases, I think what the middlemen are doing is reproducing just what the SSA's offices are putting out. They have an ongoing campaign. The middlemen are becoming consultants for the applicants. Whether they are being paid by them or in conjunction with them, I don't know.

I am not sure that these middlemen don't really pick up on what SSA is doing with these factsheets and pamphlets in order to round up all of the SSI claimants that are filing these applications for disability benefits.

Chairman PICKLE. Do you have any response to that, Ms. Chater?

Ms. CHATER. I don't know if there is any reason that would prevent us from putting out some sort of a notice. I do think that penalizing people is a deterrent, and I think as those cases of fraud are caught, prosecuted, and publicized, that will be a deterrent. So anything that we could do to inform people would be worthwhile.

[The following was subsequently received:]

SSA is developing Public Information materials (pamphlets and factsheets) along the lines suggested by the Subcommittees. We will also seek the cooperation of foreign language publications in having advertisements of a similar nature placed as public service announcements.

Chairman PICKLE. I would just ask you to give that some consideration, because people are entitled to know what are the facts, not what you threaten them, but what they can get or what they can expect. I don't know whether it wouldn't be a good thing that if they are advertising, we might do the same thing.

I am not going to get into this question about continuing reviews with you, Mr. Thompson. I am not happy with the amount of money, some \$300 to \$500 million to catch up on disability reviews. I don't know that we have cut that number down at all, maybe a little. But I understand that you have replied. My subcommittee staff says that we have gotten an answer to my inquiry about these continuing reviews. We will be talking about that later, so I don't think we need to go into it now.



I am concerned about two things. Dr. Chater. One, the witnesses this morning said that it is very easy to make these claims, and that everybody knew it, they were laughing about it, and they are just going through. Mr. Ford raised the question of how is that possible, that we list all these questions and the interpreter makes it out, because he still has to have the review of the DDS people.

He keeps saying that in his district, DDS won't approve it. It is just hard as everything to get it. I don't know what my situation is in Texas, but I hope it is also like Mr. Ford's.

It seems to me that in California, in that particular area, the DDS people have just accepted it. I made the observation this morning, either they were sloppy or they were inept or they just rubber stamped. Now I don't make that accusation, but on the surface, there is a combination of that, perhaps. I think you ought to look into that, because if that is so, then it suggests that we are just pushing them on through too easily, and that must not be continued.

I posed one other question about whether you have the authority. I don't mean just legal authority. I am talking about the certification of the translator. Suppose we were to ask that translator some of these questions. Can we say, I am translating verbatim, that is, accurately? That wouldn't be an unfair question, would it?

Mr. THOMPSON. We have instituted something, Mr. Chairman, that is very close to that. We are going to ask them to sign—

Chairman PICKLE. Can you say, I am or I am not being paid for my services by the claimant?

Mr. THOMPSON. We may be able to ask that, but again, it is not illegal for the claimant to pay him. We can discourage it, but it is not illegal. We can ask them whether they are being paid for their services as an interpreter, I guess. I am going to have to get back to you on that.

[The following was subsequently received:]

Currently, we do not ask whether and how much compensation has been paid or promised to the translator. We are looking into the legal implications of asking such a question as well as other concerns.

Chairman PICKLE. I understand, but we can ask that question. Or you can say, I am being paid so much, or I am being paid for these services. I don't see anything wrong with that, so I ask you to consider that.

Mr. THOMPSON. OK.

Chairman PICKLE. I think the main thing about this hearing has been that in one section of the country, we have found out that there is gross criminality being practiced. We have allowed hundreds, if not thousands, of people to get on the rolls and they are still on the rolls.

The law says, normally you would have to wait 3 to 5 years, an immigrant, to get these services, but with respect to a refugee, he or she could get on it and ride it for life. To get them off, under the law now, it may be that they have to show improvement. That is a problem for us.

But something ought to be done about it, because we are allowing a lot of illegal people to just rob the Treasury. Somehow, without being Machiavellian about it, we have to do something about

it, and so I ask you to give us your suggestions and we will try to address it and do something about it.

But I am dismayed that in the years past, that Social Security said, well, if they have seen some evidence of fraud, we don't do anything about it. We give it to OIG. And you give it to OIG and OIG says, well, there are too many. It is ridiculous. We can't do it. And you haven't paid much attention to it until this last year or so, I don't think very much, and the Congress hasn't done anything about it, either, because we knew what was going on. We were finding out about it.

All three of us have got to do something about this, and I am expecting it. That is why I said we are going to follow through with another hearing later on this year to see what has been done and what is the status, and where you can give us some information specifically, we expect you to do it. If you need some help specifically, we expect you to tell us what to do about it.

[The following was subsequently received:]

We are analyzing the possibility of defining new categories of civil penalties which could be applied in a more expeditious manner than the broad but difficult to establish criteria now available. We hope to make a suggestion in this area shortly.

We are also reviewing the nature of medical evidence available from examinations of immigrants or refugees by the Immigration and Naturalization Service or State Department, including any records that may be retained by the Centers for Disease Control. SSA has requested and received such evidence on an individual case basis in the past. However, anecdotal reports indicate that the response time is very long and the value of the information is minimal. Such examinations focus primarily on a small number of exclusionary conditions (i.e., AIDS, tuberculosis, and mental illnesses which represent a threat to public safety). We may make a formal suggestion that these medical examinations be much more thorough and better documented in order to be of value to other government agencies.

While beyond the scope of this immediate inquiry, the Subcommittees may also want to review the feasibility of a national interpreter resource center which would be available to any government agency (or others at cost) to assist in multilingual contracts. We understand that Australia provides such a national service in over 50 languages. Fooling interpreter resources maybe a more efficient way to address our needs nationwide.

If we don't, like Mr. Cardin said, it is going to erode public confidence in our program. All of us have got to be more vigilant. We have to bring Justice in, that they will do something about it. The OIG has got to be more aggressive about it. You, Ms. Gibbs, have got a good record in this field. I can't hold you responsible for the letdown on our discipline because you haven't been there long enough, but you are capable and you have a good record and we expect some response. I think we all need to work together to try to find this answer.

I am going to try to wind this up, but Mr. Hancock, I will give you one more question.

Mr. HANCOCK. Very quickly, how many checks a month do you write out for SSI? And then one other question. Really, we don't have much authority over the Justice Department, but we control their purse strings, too, don't we, Mr. Pickle? Don't we have a little bit to say about it?

Chairman PICKLE. I suppose so, a little bit.

Ms. CHATER. How many checks are mailed out to SSI recipients? About 5.9 million.

Mr. HANCOCK. You mail 5.9 million, and you are currently 700,000 applications behind?

Ms. CHATER. Approximately, for both the SSI and Social Security disability programs.

Mr. HANCOCK. In other words, 700,000 applications are pending. Thank you.

Ms. CHATER. You are welcome.

Chairman FORD. Mr. Chairman, I know we are going to conclude it now, but Mr. Thompson, let me just go back on one thing on this representative payee issue. I am reading from the program operations manual system.

A representative, as the term is used in this chapter, is not synonymous with a representative payee as defined in GN00501002L, who receives and manages benefits on behalf of the beneficiary who is unable to manage his benefits properly or protect his own interest. A friend or relatives who accompanied the claimant to the field office to help him supply information is not usually a representative.

It says, by itself, the giving of information or evidence does not constitute representation, while attorneys and accountants in earning matters frequently represent claimants. In some instances, they may only be suppliers of information and not considered as representative payees. They are suppliers of information.

We talked earlier about the claimant coming in. He can designate the middleman as the representative payee, but certainly under the manual, it is not defined that way, and it takes a little bit more than them just declaring them to be representative payees. They have to be qualified by SSA to be the representative payee, is that correct?

Mr. THOMPSON. That is right. We will look into that. We have not looked into the representative payee angle. We hadn't heard about that.

[The following was subsequently received:]

As noted in an earlier insert for the record, we have no evidence to indicate that middlemen serving inappropriately as representative payees is a significant problem. However, as a precaution, we have expanded our pre-appointment investigation of payees.

Chairman FORD. Someone just passed me this about the manual. The middle person can't just be designated on the spot in the SSA field office as the representative payee if he is there to supply information on behalf of the claimant.

Mr. THOMPSON. No, that is a different area, and we have tightened that up. When you are a representative payee, we do get your Social Security number and we are building a data base to make sure that the people who are representative payees are not folks who have a conviction for Social Security-related fraud, that they are not representing a whole lot of folks and we don't know about it. That is recent, but we have that built and we are implementing it now.

Chairman FORD. Thank you again, and I thank all of the witnesses for your testimony and the response to all of the questions today.

Thank you, Mr. Chairman.

Chairman PICKLE. Yes, and I want to thank you, too, particularly you, Ms. Chater, for coming here. You walked into a hot box, so to speak.

When we are asking that something be done, we are talking primarily about civil cases rather than criminal, because criminal cases take so long. But we want to know something about the civil cases. What can be done about it?

In addition, I want you to write me a letter, Ms. Chater, the first time you use your authority to pursue fraudulent cases. Write a little letter to me and mark it "personal," because I want to see it.


Ms. CHATER. All right, I will do it.

[The following was subsequently received:]

APR 25 1994

THE COMMISSIONER OF SOCIAL SECURITY  
BALTIMORE, MARYLAND 21235

APR 24 1994



The Honorable J. J. Pickle  
House of Representatives  
Washington, D.C. 20515

Dear Mr. Pickle:

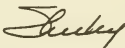
Following the February 24, 1994, hearing before the Subcommittees on Human Resources and Oversight on interpreter fraud in the Supplemental Security Income (SSI) program, I promised to provide you with information regarding beneficiaries who may have obtained SSI benefits fraudulently.

In mid-March, the Office of the Inspector General (OIG) provided the Social Security Administration (SSA) with a list of 1,981 cases involving suspected fraudulent interpreters or medical professionals. This list was refined from a much larger number of clients found in the files of individuals arrested for alleged fraudulent activities. In addition, based on a separate SSA study, we have identified another 100 suspected fraud cases currently receiving SSI payments in California. These two sources will provide the starting point for SSA's review of the eligibility of recipients in cases in which fraud is suspected, now scheduled to start the week of April 25. We also have formally requested that the OIG share the identity of any and all individual SSI applicants or recipients nationwide for whom fraud may be material to SSA's decision.

Since these individuals will be provided the same due process rights as any others, this re-review process will take several months. We will provide periodic updates for the subcommittees as this work progresses, with the first report targeted for June 30, 1994. We also continue to explore possible enhancements to SSA's authority to assess civil penalties for fraudulent activities and will keep you informed.

I share your concerns regarding the integrity of the SSI program and am committed to working with you to address the complex and difficult issues and problems we are facing.

Sincerely,



Shirley S. Chater  
Commissioner  
of Social Security

Chairman PICKLE. Thank you all for attending.

This hearing is adjourned.

[Whereupon, at 1:34 p.m., the subcommittees were adjourned.]

[Submissions for the record follow:]

REPORT OF THE HEALTH AND BENEFITS COMMITTEE<sup>1</sup>  
 NATIONAL CONFERENCE OF ADMINISTRATIVE LAW JUDGES  
 AMERICAN BAR ASSOCIATION  
 Mid-year meeting, Kansas City, February 4, 1994

*I. EXECUTIVE SUMMARY*

*Statement of purpose:* The purpose of this report is to respond to the challenge issued by Chair Parlen McKenna and Chair-elect Judge Ronnie Yoder at the 1993 ABA Annual Meeting. That challenge recognized that the problems with disability benefits adjudication are dire and immediate; that the judges involved in that system are best suited to make recommendations for reform at the administrative appeals level; and that the time is ripe for those recommendations to be considered by the National Conference of Administrative Law Judges.

It is not the committee's purpose to fix blame for the problems now facing the disability program. Though a historical review is essential to understanding how the system became what it is and to making recommendations for reform, we recognize that virtually everyone within the Social Security Administration, from judges to upper management to disability claims examiners to quality control personnel, is dismayed and frustrated by a system that seems to create obstacles to delivering the very service the system is charged to deliver. Therefore our purpose is to suggest reform rather than assign responsibility.

*Scope of the mission:* The members of the committee understand their original mission to be recommendations on the "revamping of disability adjudication from top to bottom." The committee is very sensitive, however, to maintaining an appropriately neutral posture on matters beyond its purview. In responding to the Conference's challenge, we concluded that recommending changes in the substantive law, whether established by case law, statute, or regulation, would be inconsistent with our positions as neutral arbiters of the law. We concluded at the outset that the scope of our mission was to suggest reform in any area that could impact in any way on the truth seeking process and the delivery of due process to the litigants at the administrative law judge level. We discuss the substantive law and its development over time by way of background primarily to demonstrate the impact that it has had on the judges' ability to assure due process. We recognize that whether the law should be changed is a matter for the Congress, the courts, and the Secretary.

*Nature of the problem:* Social Security administrative law judges are part of a larger system caught up in a volume vortex that threatens to overwhelm each public servant working in it. The number of disability applicants has, since 1989, jumped by 40%, from 2.5 million to 3.5 million per year. These cases are decided initially by the agency and if denied, then appealed to administrative law judges. There is currently pending, before a corps of approximately 840 judges, a several hundred thousand case backlog, which have an average actuarial value of \$90,000 [including auxiliary beneficiaries]. The amount currently at issue before the judges thus amounts to not less than \$33 billion, and climbing. The Office of Hearings and Appeals of the Social Security Administration projects 500,000 additional requests for hearing per year for the next three years, and thus the administrative appeals level will continue to fall further behind. Data detailing the backlog are set forth in the footnote below.<sup>2</sup>

The most immediately visible problem, then, is the backlog. However, numerous underlying systemic problems have created the current impasse and contributed to that backlog:

<sup>1</sup> This statement is submitted on behalf of the Association of Administrative Law Judges, Inc. [the "Association"], a recognized professional association within the Social Security Administration. The statement was passed by the National Conference of Administrative Law Judges [the "Conference"] of the American Bar Association on February 5, 1994, and adopted by the Association by resolution February 25, 1994. The statement is submitted by the Honorable Christine M. Moore, an administrative law judge within the U.S. Department of Health and Human Services, who serves as an officer of the Association and a member of the executive committee of the Conference.

<sup>2</sup> The backlog for the current fiscal year is 360,000 and will grow by 90,000 cases based on current estimates. Moreover, hearing receipts in the next three years are expected to increase. The situation is as follows:

	Receipts	Production	Backlog
1994	500,000	410,000	360,000
1995	500,000	500,000	450,000
1996	500,000	500,000	450,000

The production and backlog figures assume an increment of 135 judges [with appropriate support staff] for FY 1995 and FY 1996 [with a small attrition in 1996] and significant productivity increases above 1993 levels. To achieve the match between receipts and dispositions, the required productivity levels are:

1994: 835 judges @41 cases per judge per month X 12 mos = 410,000

1995: 970 judges @43 cases per judge per month X 12 mos = 500,000

1996: 950 judges @44 cases per judge per month X 12 mos = 500,000

The foregoing figures are even more sobering if one factors in retirements in greater numbers than now anticipated. Note that above, OHA anticipates only "small attrition" in 1996. However, currently over 50% of the ALJ corps within Social Security is eligible for retirement, and one can safely assume that once those judges have achieved their "high three" years for calculating maximum retirement benefits, many will leave the corps. This should happen within three to six years after the 1990 pay raise.

First, the agency and its administrative law judges work toward different, but entirely legitimate, goals in attempting to serve the public. However, the means by which they seek to achieve those goals conflict, and the result is that the agency and judges work at cross-purposes. The administrative law judges are currently adjudicating cases upon legal standards that have not been incorporated into the procedures used by the agency in deciding cases at the initial and reconsideration levels. The facts suggest that the agency is doing so in an effort to "protect" the disability trust fund from the developing law, by two primary means: (1) largely ignoring or paying only lip service to select legal standards at the initial and reconsideration determinations; and (2) failing to fund the early determination levels so that adequate development and assessment of the evidence, and training of personnel, can be done. The result is that many otherwise legitimate claims are denied at the agency level and "washed out" because many claimants are discouraged and drop out of the system rather than taking appeals. This results, in turn, in something quite different from a true appellate system, where the standards are identical at all levels.

Cases that are appealed to the administrative law judge level are poorly developed, developed inconsistently throughout the nation, and "dumped" at the judge level, for the Office of Hearings and Appeals to sort out. The primary responsibility of the administrative law judges is to apply legal requirements to each and every case to assure due process to each and every claimant. Judges grant benefits to somewhere between 70% and 80% of the claimants whose applications have been denied by the agency previously. We are unaware of any other appellate system in the world in which there is such a discrepancy between determinations at the first two decision-making levels, and the level at which an impartial factfinder becomes involved. The reasons for this disparity must be exposed and remedied.

Second, the SSA judges are tasked with responsibilities that do not belong in a judicial function. Worse, they are tasked to do them without adequate resources, adequate means to tap the resources of the agency, or adequate means to assess the quality and control the timeliness of the available information [which comes largely from claimants' attorneys]. Judges throughout the country are frustrated with their inability to "get at" the evidence they need, and to access resources [particularly personnel] so that the job gets done properly.

Third, the erosion of the "substantial evidence" rule, along with the open record approach and lack of finality in the system, means that cases are adjudicated time and time and time again. Many cases are remanded because an Appeals Council member or staff person disagrees with the judge's factual decision. This also happens at the federal court level.<sup>3</sup> Claimants may submit new information at any time in the administrative process, regardless of whether it was previously available at the hearing level; as a result, an administrative law judge may issue a perfectly appropriate denial decision, only to find that on appeal, the claimant has provided new evidence to the Appeals Council or district court, which then remands for further hearing. Because the administrative law judge has remand authority to the agency in only limited circumstances, all such cases are re-adjudicated at the hearing level. The lack of finality in the system creates a merry-go-round that falls most harshly on the administrative law judges, not to mention the cost to society. One can fairly conclude that the backlog results at that level in large part because that is where the buck stops.

The committee wishes to stress that the backlog results from the culmination of these problems, not from lack of diligence or production by the judges. The large majority of judges have continually risen to the challenge of the increased caseload, and now produce an average of nearly 40 cases per month per judge, a tremendous output under the circumstances of an increasingly complex set of legal requirements. The number of incoming requests for hearing is so enormous, the authority and resources for the judges so scant, that more production cannot be demanded of the judges without risking serious harm to individual claims. Revolutionary, fundamental, changes are needed.

**Fundamental recommendations:** As we explain in detail below, our recommendations consist of the following broad categories:

*Prehearing measures* designed to implement the proper legal standards at the earliest moment in the process: a legal development team at the agency level, consisting of lawyers and assistants who develop and assess the case alongside those making medical decisions, as well as a revised set of standards incorporating current law, and additional funding to enhance the quality of evidence and quality review processes.

*Hearing measures* designed to restore balance in the evidence: restoring the administrative law judge to the function of neutral fact finding, and placing responsibility for developing and presenting the evidence on the agency's legal development team and the claimant; provision for adversarial hearings; measures for assuring independence of administrative law judges; and procedural improvements to allow for settlement and streamlined hearings.

*Post-hearing measures* to bring finality and restore the substantial evidence test, as well as provide for a nationwide standard.

While the committee concludes that an immediate increase in personnel is required to confront the backlog, implementing the foregoing should, over time, not only enhance the integrity of the disability program as a whole, the administrative law judge hearing level in particular, but also eventually reduce the size of the administrative law judge corps.

## II. DISCUSSION

### A. Current Organization

The current field organization of the Office of Hearings and Appeals (OHA) of the Social Security Administration (SSA) consists of approximately 840 administrative law judges (ALJs) who are located in approximately 140 hearing offices throughout the nation. SSA administrative law judges are delegates of the Secretary of HHS appointed pursuant to the Administrative Procedure Act as independent adjudicators. The current head of OHA is an Associate Commissioner appointed by the Commissioner of SSA.

<sup>3</sup> During FY 1993, the Appeals Council remanded 26% of the cases appealed to that level. The federal court remand rate was 42%.



Other important entities are (1) the disability determination services [DDS], which are SSA field offices<sup>4</sup> within each state that adjudicate the claims initially and on reconsideration, and (2) the Appeals Council, which is the Secretary's administrative appellate body. The Appeals Council reviews cases on appeal from administrative law judge decisions and makes certain policy determinations.

DDS is charged with the initial development of the case. In the usual case, neither the claimant nor the Secretary is represented by counsel at this juncture. DDS has at its disposal teams of in-house physicians who review the medical record and make recommendations to disability examiners. Additionally, DDS may seek consultative examinations from outside physicians who actually examine the claimant and render a report. In deciding claims, the DDS offices are guided by the POMS, the Program and Operation Manual System, a voluminous set of standards representing the SSA view of disability adjudication. Disability examiners at DDS virtually never see the claimant. Their assessment is based entirely on the medical record, applying the standards of the POMS. The POMS are updated periodically by the agency but frequently do not reflect current statutory, regulatory, and case law standards.

At the DDS level, a sampling of claims is reviewed by the DQB [Disability Quality Branch]. Data available to us indicate that DQB does not sample randomly: 95% of the claims it reviews are those granted by DDS; only 5% are the claims denied. Common sense suggests that if a reviewing entity is second-guessing one's judgment, and scrutinizes most closely those granted, one will quite naturally think twice about granting claims. The committee has no evidence whatsoever that any disability examiner at DDS has succumbed to these subtle pressures. Nevertheless, these pressures are a systemic reality and create an unhealthy climate for impartial adjudication at the DDS level.

#### B. Nature of the work and some of the problems.

The majority of OHA's work concerns claims for disability benefits under the insured portion [Title II] of the Social Security Act or under the supplemental security income [Title XVI] provisions of the Act [42 U.S.C.]. The ultimate issue in a disability matter is whether the individual claimant suffers from a medically determinable impairment that renders or will render him or her incapable of substantial gainful activity for a period of at least 12 months. To answer this question, a five step sequential evaluation process has been promulgated for application at all levels of administrative adjudication (20 CFR 404. 1520 *et seq.*)

Such a claim may undergo as many as four levels of administrative review: (1) an initial determination by disability examiners at DDS. If the claim is denied at this level and appealed, it undergoes (2) a reconsideration determination by different disability examiners at the same DDS office, applying the same standards. If the claim is denied at this level and appealed, it undergoes (3) a formal hearing before an administrative law judge, who issues a decision that may become the final decision of the Secretary. If the claim is denied at this level and appealed, it undergoes (4) review by the Appeals Council. A decision of the Appeals Council may be challenged by a complaint in the federal district court. As stated above, the claimant may submit new evidence at any point in the process.

Current data indicate that few claims that are denied by DDS at the initial review are changed on reconsideration by DDS. In contrast, approximately 75% of those claims appealed from the DDS reconsideration denial are granted by the administrative law judge. The most glaring and obvious source of the discrepancy is that administrative law judges apply the statute, the regulations, and the caselaw, while DDS applies the POMS. Most judges do not have access to the POMS and do not regard it as controlling in any event.

At the hearing level, although the judge is charged with responsibility for continuing to develop the file [a carry-over from the days when most claimants were unrepresented], the administrative law judge has no meaningful development authority. If the judge believes a consultative examination is called for, he or she must request it from DDS, which is not required to respond as requested. Many disability examiners question the judges' requests, decline to carry them out, or simply carry them out as they think best. Requests for further development by these SSA field offices are often ignored or delayed for extended periods of time. Judges have neither the authority to place time limits on the development or reach presumptive conclusions about failure to develop. Judges may call medical or vocational experts to testify at hearing, although no funds have been allocated to train these "experts" nor do the judges have any input into the question of whether the doctors or vocational counselors are qualified to be placed on the experts roster. The judge can issue a subpoena for documents or testimony, although these are routinely ignored, particularly by doctors [both in and outside the government], and there is no independent sanction or enforcement power. In practical effect, because 80-90% of claimants are represented at the hearing level, the judge depends on the claimant's attorney to supply information and must essentially rely on the ethical practice of the attorney to assure that all relevant information has been supplied. No uniform, enforceable, rules of procedure exist.

#### C. Historical perspective: the evolution of disability law.

Disability adjudication has changed dramatically over the years, resulting in tremendous demands at the administrative law judge level, particularly when viewed against a system of mass justice. In years past, disability examiners and administrative law judges confronted mostly physical, objectively verifiable, impairments. Over the last two decades, the law in this area has evolved tremendously, no doubt as a reflection of medical and social recognition that other, more subtle, problems can impact a claimant's ability to be productive. Currently, evidence in a disability case must be assessed under strict court-established standards. The greatest impact has resulted from development in three areas of the law: assessment of subjective complaints [both physical and non-exertional], assessment of opinion evidence, and assessment of drug and alcohol abuse.

Disability insurance benefits were established by the Social Security Amendments of 1956 (P.L. 90-248) (90th Cong., 1st Sess.). The original concept of disability adjudication was two-fold: first, entitlement to disability was impairment-driven and based on a fundamentally objective test; second, adjudication by an administrative law judge was contemplated to be an informal non-adversarial proceeding, something akin to a "chat" between judge and claimant, in which the judge was to assure both the rights of the claimant and the interests of the Secretary. However, the federal courts began early on to add a gloss to the strict objective test. In *Underwood v. Ribicoff*, 298 F.2d 850, 854 (4th Cir. 1962), a germinative case in terms of disability "substantial evidence" review, the court declined to sustain the Secretary's decision, commenting that a finding of

<sup>4</sup> DDS is actually composed of state offices that contract with the agency to perform disability evaluations.

non-disability was possible on the record before it only if one adopted a highly technical and literal interpretation of the Act, which the Court declined to do. By 1967 Congress was already concerned with the manner which the definition of disability was being interpreted in the courts. This concern was precipitated by cases such as *Ber v. Celebrezze*, 332 F.2d 293 (2nd Cir. 1964), reversing the Secretary in a case of questionable objective basis on the rationale that claimant's pain was "very real to her" and that pain "real to the sufferer" can constitute a disability regardless of the source. *Id.*, at 294-297.

This congressional concern was manifested in the enactment of new section 223(d)(3) of the Social Security Act: "For purposes of this subsection, a 'physical or mental impairment' is an impairment that results from anatomical, physiological or psychological abnormalities which are demonstrable by medically acceptable clinical and laboratory diagnostic techniques." [42 U.S.C. 423 (d)(3).] The Senate Finance Committee noted: "The studies of the Committee on Ways and Means indicate that over the past few years the rising cost of the disability insurance program is related, along with other factors, to the way in which the definition of disability has been interpreted. The committee therefore includes in its bill more precise guidelines that are to be used in determining the degree of disability which must exist in order to qualify for disability insurance benefits." S. Rep. No. 744, 90th Cong., 1st Sess., reprinted in (1967) U.S. Code. Cong. and Adm. News 2834, 2881.<sup>5</sup> To effectuate this legislative intent the Secretary promulgated 20 C.F.R. 404. 1529 (1983) which provided:

If you have a physical or mental impairment you may have symptoms (like pain, shortness of breath, weakness or nervousness). We consider all your symptoms, including pain and the extent to which signs and laboratory findings confirm these symptoms. The effects of all symptoms, including severe and prolonged pain, must be evaluated on the basis of a medically determinable impairment which can be shown to be the cause of the symptom. We will never find that you are disabled based on your symptoms, including pain, unless medical signs and findings show that there is a medical condition that could be reasonably expected to produce those symptoms.

There are three notable things about the 1967 Amendments beyond the issues discussed above. First, Congress was already concerned with the rising costs of the disability program. Second, Congress apparently expected that the majority of cases would be decided primarily on the basis of medical considerations. Third, the courts' interpretations were resulting in an increasingly subjective system of adjudication of disability, and, in a practical sense, displaced the burden of proof on the ultimate issue of disability from the claimant to the administrative law judge. This was accomplished by requiring that the judge show that a claimant's allegations of disabling pain or other symptoms were not credible, rather than requiring that the claimant prove on a medical basis that the allegations were supportable. Similar rules were posited and proliferated with respect to pronouncements of disability on the part of treating physicians; if a treating physician pronounced a claimant disabled, it became incumbent on the administrative law judge to provide clear and convincing reasons not to accept this opinion.

The expansion of caselaw affecting the disability adjudication process may be seen in the Ninth Circuit Court of Appeals. In 1986, the Ninth Circuit refined its position to the "excess pain" standard. In *Cotton v. Bowen*, 799 F.2d 1404, 1407 (9th Cir. 1986), the court stated "(i)f the claimant submits objective medical findings that would normally produce a certain amount of pain, but testifies that she experiences pain at a higher level (hereinafter referred to as the claimant's excess pain)", the Secretary is free to decide to disbelieve that testimony, ... but must make specific findings justifying that decision" (citations omitted). That this requirement of "findings justifying that decision" amounts to a burden of proof has been recognized by the courts. The Ninth Circuit in a subsequent case, *Fair v. Bowen*, 885 F.2d 597, 603-605 (9th Cir. 1989), discusses how the administrative law judge may "rebut" claims of "excess pain," and further notes the development in the circuit of an "intricate assortment of judicially-created rules" wherein the administrative law judge must "convincingly justify" his rejection of testimony, while the circuit rules on a piece-meal basis that the reasons offered in given decisions are insufficient. Circuit Judge Sneed, concurring in *Stewart v. Sullivan*, 881 F.2d 740, 746 (9th Cir. 1989), notes his "belief that it is extremely difficult for the Secretary to refute successfully an excess pain claim." Both Judge Sneed, in *Stewart*, and the court in *Fair*, note the changing nature of the mark an administrative law judge must hit in rationalizing his or her cases. The crux of the difficulty with this approach to disability case adjudication, and the effect of this approach on both the disability rolls (in terms of allowance rate) and the administrative process, is presaged by footnote 3 in the *Fair* decision, 885 F.2d, at 602.

The growth in the number of excess pain cases may be a self-perpetuating phenomenon. As we decide more cases involving pain, the law regarding pain acquires more and finer refinements. The time lag between an ALJ's decision in a particular case and the day that case comes before us is often two years or longer; ALJs are thus often making excess pain determinations according to law that has been superseded by the time the cases are judicially reviewed. By continually shifting the target at which we ask ALJs to aim, we no doubt make it harder for them to hit it. The likelihood that an excess pain claimant will win reversal on appeal because the ALJ applied the wrong law accordingly increases, causing a corresponding increase in the number of excess pain cases appealed. And so on.

The development of this line of cases and a similar line requiring the rebuttal of treating physicians' opinions of disability (see, e.g., *Day v. Weinberger*, 522 F.2d 1154, 1156 (9th Cir., 1975)), persisted and gathered steam not only after the

<sup>5</sup> The Finance Committee's concern with rising costs was voiced at a time when the number of disability recipients had risen from 455,371 in 1960 to 1.193 million in 1966. The failure of Congressional efforts in 1967 and in 1984 (see discussion, below), to limit the increase is reflected in the fact that by 1992 the disability rolls had risen to 4.9 million. See, Social Security Bulletin, Annual Statistical Supplement, 1993. The cost in dollars rose apace, from \$568 million in 1960, to \$1.78 billion in 1966, to \$31.1 billion [including auxiliary beneficiaries] in 1992. *Id.* The foregoing figures are for Title II beneficiaries only, whose benefits are paid through the disability trust fund. In addition, in 1992, some 5.6 million people received SSI disability of approximately \$361 per month each, a cost of \$21.7 billion from the U.S. general fund.

1967 Amendments, but after the 1984 Amendments as well, as discussed below. Another area that the agency found [and continues to find] troublesome is a line of caselaw establishing that drug and alcohol addiction are legitimate, disabling impairments when they are of such severity that the claimant cannot control them, and they render the person so unreliable that he cannot be expected to sustain competitive employment.

In the early 1980's, the then-new administration sought to cope with the growing problem using drastic and ultimately untenable methods. To reduce the rolls, it instituted "paper" or medical file reviews by physicians at DDS, who, without seeing the claimant, made a decision on whether or not the claimant's impairment had improved to the point that he or she was no longer disabled. Benefits for thousands of claimants were ceased at the DDS level without a hearing. Additionally, in so doing, the agency chose to largely ignore the case law regarding subjective complaints and treating physicians' opinions. The Congress and the federal courts responded with vigor, as did the SSA administrative law judges, who reinstated many claims wrongfully ceased. Contemporaneously, the agency instituted the Bellmon review, a surveillance program of judges thought to be granting too many disability claims. The effect of the Bellmon review on judicial independence was chilling. The American Bar Association issued a commendation to the Social Security judges in recognition of their relentless work in assuring the rights of the claimants in the face of agency pressure.

In 1984, Congress revisited the issue of the definition of disability and the role of the courts in interpreting the statute. A cornerstone of the 1984 amendments was Congress' insistence that the agency bring the four levels of adjudication into line, that is, that it assure disability adjudication be based on one uniform standard at each level. While Congress took one track and the agency another, the federal courts continued as they had to develop the gloss on the disability system. In the face of this redefinition of fundamental aspects of the Social Security disability program, the agency embarked upon the questionable tactic of "non-acquiescence." Rather than appeal much of the troublesome precedent which flowed from the courts, the agency proceeded simply to ignore such precedent in deciding similar issues in subsequent cases. Another, related, technique was a failure to inform the DDS offices of the current caselaw; because disability examiners are guided by policies set forth in POMS, they are unable to effectuate caselaw for which they have been given no guidance. This lawlessness did and does great discredit to the agency and, more importantly, creates one level of justice for those claimants who can go on with their appeals and another for those who cannot or do not know how to pursue their claims. It was [among other things] the non-acquiescence policy that prompted Congress to issue the 1984 Amendments, to assure uniform adjudication standards, an effort which has failed. The American Bar Association has taken a stand against the non-acquiescence practice, and passed a resolution condemning it.

This in turn has been the cause of a considerable rift between political bureaucrats on one side and the administrative law judges, who by oath of office and professional tradition recognize and honor the controlling nature of judicial appellate decisions. The ALJs have been caught in the middle of the face-off between the agency and the courts. The Office of Hearings and Appeals Handbook, published in 1976 stated: "(W)here a district or circuit court(s) decision contains interpretations of law, regulations, or rulings (that) are inconsistent with the Secretary's interpretations, the (administrative law judges) should not consider such decisions binding on future cases simply because the case is not appealed." *Id.*, section 1-161, quoted in *Steiberger v. Heckler*, 615 F. Supp. 1315, 1351 (S.D.N.Y., 1985), *vacated on other grounds*, 801 F.2d 29 (2d Cir., 1986). In 1985 SSA revised its approach and indicated it would henceforth issue Notices of Acquiescence. Under this procedure the agency now issues Acquiescence Rulings "identifying circuit court decisions which are at variance with established SSA policy" and "explaining how SSA will apply the decision within the circuit." The result of the agency's failure to adhere to circuit court precedent has been an explosive growth in the number of disability cases filed in the federal courts, as well as a patchwork of caselaw varying from circuit to circuit.

The current OHA approach to acquiescence is seen in Attachment I, a memorandum from the Associate Commissioner dated January 31, 1994. As indicated in that memorandum, policy dictates that until an acquiescence ruling is published — a process that may take years — the administrative law judge must explain, in the body of his or her decision, that the federal court's ruling does not apply. In effect, by delaying publication of an acquiescence ruling, the agency creates an automatic interim of non-acquiescence.

It is in this legal and political maelstrom the administrative law judges for SSA find themselves. As explained above with respect to acquiescence, the agency plays tug-of-war with the courts, interpreting holdings narrowly, ignoring them altogether, or to all appearances not educating the DDS on judicial developments in the law. For example, DDS offices virtually always refuse to pay substance abuse cases, despite the well-developed caselaw providing that addiction can be disabling. The onslaught of such cases is thus simply passed through by the agency to the administrative law judge level, who must shoulder the responsibility of authorizing these often unpalatable awards. The committee must conclude that the agency finds this law distasteful [as do many judges] and has either not instructed the DDS to pay in accordance with the law or has simply failed to update the POMS.

Another example illustrates the problem. In 1990, the Ninth Circuit held in *Gonzalez vs. Sullivan* 914 F.2d 1197 (9th Cir. 1990) that when the agency denies a disability claim by issuing a defective notice, that claim must be re-opened as a matter of law. Consequently, administrative law judges throughout the Ninth Circuit have, since 1990, been routinely re-opening prior claims with defective notices, although this is not provided for by regulation. However, after a more than two year delay, the agency recently issued Acquiescence Ruling 92-7(9), holding that *Gonzalez* may be applied only to initial denial notices that are defective, not to *reconsideration* notices that are defective. Most judges agree that this interpretation is incorrect, but they are nevertheless bound by the ruling. The committee emphasizes that *Gonzalez* is a constitutional interpretation by the Ninth Circuit, and we are unaware of any authority within the executive branch to "re-interpret" such a holding. More importantly, although *Gonzalez* is now three years old, the DDSs have never been told how to handle the millions of cases sitting in archives that have defective notices. To our knowledge, the only stage at which *Gonzalez* is being applied to correct defective notices is at the administrative law judge level. This means that the judges often adjudicate prior claims that the DDS has never bothered to resurrect, despite the Ninth Circuit ruling.

As a result, DDS disability examiners make determinations that are by and large medical, with agency standards that do not incorporate an accurate picture of legal standards. In contrast, administrative law judges are charged by their oath of office to apply the law, regardless of whether they agree with it or find it distasteful. The judges make a legal decision based on medical facts and lay, medical and vocational testimony. Judges, then, adjudicate a case that is different from the case as perceived by DDS. This, we submit, is the discrepancy that is the cause of the enormous "reversal" rate at the hearing level. For good or for ill, this program is and will remain a matter of statute, regulation and caselaw. The agency simply chooses to

disregard this fact at the initial and reconsideration levels by following policy rather than law. The judges are literally at the center of the storm in disability adjudication.

Thus, for the administrative law judge, the adjudication of objective medical information must be accompanied by assessment of subjective allegations, including pain, fatigue, emotional complaints and the like. This latter adjudication is left to the administrative law judge as the courts have established it, essentially a rebuttable presumption created by allegations. However, such a system necessarily requires resources to investigate the viability of such allegations. No adequate resources are available to the administrative law judge. This situation exists against a backdrop of ever changing judicially created rules. In such a context, there is little reason to wonder at the multiplying number of claims and allowances, and the expanded roll of disability recipients currently exhausting the Disability Trust Fund, now estimated by some sources to be empty within five years. Litigation at all levels continues to grow as the subjectivity of the system and the changeability of the applicable rules encourages the pursuit of appeals.<sup>6</sup> One must be mindful that this system continues to be non-adversarial and the Secretary unrepresented, despite the changing nature of the law and practice at the administrative law judge level. Only claimants are represented, and this is the case at all levels of administrative adjudication. Where a claimant is represented, the practical effect is that primarily only information favorable to the claimant is presented, because of the difficulty of accessing other information. This, coupled with the necessity of rebutting subjective allegations and the opinion of the treating physician,<sup>7</sup> results in a situation where the judges see a lack of evidentiary development of the Secretary's case, but are powerless to direct that development.

#### D. Current management and allocation of resources.

Management practices and allocation of resources do not permit the administrative law judges to do their jobs. The current organizational structure, both centrally and in the field, does not allow the judges to develop their cases because they have no authority over staff in the hearing office or the field. This lack of authority leads to many other problems, resulting in a compounding of inefficiency. The committee concludes that while many offices [particularly small hearing offices] manage to work well, they do so in spite of the current structure. In contrast, many offices do *not* work well. The reality of the system in the field that there is little consistency in terms of staff responsiveness; many staff personnel respond erratically, if at all. Additionally, the agency holds the purse strings, and doles funds out rather stingily to the hearings level. Central Office of OHA, in turn, has historically punished offices not doing well by depriving them of needed resources, rather than instituting management techniques to help revive them. Moreover, the lack of authority is multi-tiered: whereas judges lack the authority to direct hearing office staff, in addition the hearing office staff have no ability to assure that the agency field offices respond to the requests that are made. This leads to much frustration among the hearing office staff as well as the judges.

The fundamental problem in the Office of Hearings and Appeals, as currently constituted, is that the responsibility and accountability for the entire hearing and decisional process is placed upon the individual administrative law judge, yet the judge has been given no authority or resources to carry out this mandate. Administrative law judges are said to wear "three hats," an ironic euphemism that is now sadly undermining the hearing process itself. The judge is charged with representing the interests of the claimant AND the Secretary [regardless of whether the claimant is represented], yet has no independent investigative authority or resources other than astute questioning. The judge has two theoretical sources of support: DDS and the hearing office staff. As to DDS, when judges deem a case needing additional development and request documents or a consultative examination, they must request the same through DDS. Often the DDS will not cooperate, citing lack of funds, or questioning the decision; often the DDS itself is simply overwhelmed and cannot cooperate. Indeed, judges have on occasion asked that agency witnesses appear to explain the agency's actions and rationale, only to find that the agency refuses. This is particularly frustrating in overpayment cases, which often involve computer entries, calculations, and inconsistent notices that require explanation.

As to the hearing office staff, some years ago a "managerial" decision was made to take away from the administrative law judge all supervisory authority over hearing office support personnel, including staff attorneys, decision writers, clerical support staff and typists. In 1981, confronted by a concerned Congress about increasing volumes and delays in adjudication, the agency committed to increase support staff to a ratio of five personnel to one judge. While statistics from the agency appear to show such a ratio, they do not reflect the structural change. In 1976, when data were first compiled regarding support staffs, the staff was directly assigned to the individual judge, who directed and supervised them on a daily basis in managing the cases. This system was known as the "unit" system. Each judge was assigned a unit of support staff members. This system was apparently perceived by agency management officials as "insulating the judge from agency control." Eventually, there was a wholesale removal of staff from judges.

In connection with this reconfiguration scheme, the agency has delegated supervisory and directive authority to "manager judges," known as hearing office chief administrative law judges or "HOCALJs", who operate with inconsistent, unclear, and unspoken guidelines concerning their authority. In practice they have no meaningful authority over actual resources. Some "manager judges" are abusive and overuse the authority they believe they have. While the official position description of administrative law judges provides that they shall not be subject to agency direction and control, and may be subject to supervision only in general office management matters, the agency's policies have gone far beyond general office

<sup>6</sup> This, along with virtually no finality in the system, results in claimants' attorneys doggedly pursuing claims through every stage, knowing that the chance of some degree of success on appeal is substantial. The process is known among the claimants' attorneys as "going back to the well."

<sup>7</sup> See in this latter regard, Physicians' Attitudes Toward Using Deception to Resolve Difficult Ethical Problems, Novack et al., *Journal of the American Medical Association*, May 26, 1989, indicating statistically a willingness of physicians to deceive insurers for the global well-being of their patients.

management matters. "Manager judges" perceive and are instructed to believe that they, in fact, are the supervisors of the judges and may dictate to them the manner and method by which a case should be processed, even to the point of insisting that drafts of decisions be edited little, if at all, so that the typing function will not be delayed. Cases are routinely reassigned in some offices after judges have made significant discretionary decisions and spent considerable time preparing the case. Such direction and control by a person not assigned to the case and who is a "management official" of the agency is unauthorized and should be discontinued.

The result of this office configuration is that administrative law judges have no power to expedite the work or assure that it is done correctly. Managerial decisions are often made for the purpose of facilitating management itself [allocating resources for report writing and data gathering, for example, rather than for hearing and case issuance]. Additionally, cases are often not assigned on a strict rotational basis; as required by the Administrative Procedure Act; rather, a member of the support staff, under supervision of management, makes a decision about which judge is assigned to which case. There is often an imbalance in terms of type, number and age of cases assigned.

With respect to the current parallel rather than cooperative system of management, judges are dependent on staff who are not supervised by judges but by others, who assess their performance. Thus, many times judges make requests only to find that they have been countermanded or ignored by mid-level supervisory staff. Judges in some offices also find that staff attorneys are ignoring their instructions in drafting decisions, resulting in much lost time while the judge makes the appropriate corrections. The judges have become demoralized, especially with the added pressure to issue a large volume of decisions, because of their frustration in trying to assure that their work is done appropriately.

Thus it is no longer meaningful — and this has been the case for over a decade — to speak of support staff ratio to judges. The staff do not exist to support the judges' work, but that of management. The true support staff ratio of office members to individual judges is now zero to one, as a result of pooling the staff. With the inception of the reconfiguration system the judge became isolated, with needless adverse affect.

In addition, OHA has been impaired by inconsistent policies of other branches within SSA which have impacted upon its ability to perform efficiently. As an example, the recently instituted Quality Assurance Program has created an elaborate 22 page checklist to review ALJ decisions, which are frequently much less than 22 pages in length. Twenty-five judges have been taken from their judicial duties to perform quality assurance review, another inroad on the corps' ability to adjudicate the backlog of claims pending. At the same time the SSA Workgroup on OHA Workload Issues has suggested that, in view of the caseload crunch, judges issue short-form decisions and "limit editorial changes to initial draft decisions." The Office of Human Resources of SSA is simultaneously implementing a program to replace OHA attorney decision writers with non-attorney writers. Thus, while appearing to demand a high quality legal product, the agency denies its judges the resources to meet the demand. Inconsistent policies of this type, of other branches within SSA, impact upon OHA in an adverse manner which is wasteful and inefficient. These practices result in a poor quality work product, a waste of resources and delay in claims adjudication.

In short, while responsibility for development of the evidence and protection of the interests of all parties clearly rests on the administrative law judge, in practice the judge's independence and authority have been roundly undercut by management practices largely directed to controlling the judge, which appear to have stemmed from a long-standing agency intolerance of judicial independence. Ironically, these limitations on judicial authority severely undercut the judges' ability to develop evidence favorable to the agency, and place the claimant's counsel in control of evidentiary development.

In addition, the original notion of the hearing as an informal "chat" with an unrepresented claimant is a thing of the past. Over 80% of the claimants are represented, and the substantive law has become increasingly complex. Moreover, there are no rules of procedure such as those by which other judges throughout the United States manage their dockets. There is no provision for pre-hearing motions, dispositive motions, settlement or discovery procedure, or control over attorney conduct [for example, no sanctions are available for failure to provide evidence timely, or failure to disclose all evidence]. Judges are expected to issue 37+ decisions per month, an expectation that will increase to meet the increase in receipts.<sup>8</sup> This currently translates into 1.6 written decisions per day, in addition to the duties to review, develop and hear cases, and travel to remote sites. The amalgam of these factors — that only evidence in favor of the claimant is readily available, that the judge must bear the burden of rebutting the presumption that subjective allegations and treating physicians' conclusions are supportable, and that 1.6 decisions must be issued daily — creates an inevitable pressure on the system, and results in a 70-80% allowance rate by the judges.

### III. RECOMMENDATIONS

*The committee respectfully reminds the reader that our purpose is to address any matter that impacts the administrative judicial function.*

#### A. The Process at DDS

1. *Institute one standard for determining disability.* It should be clear to the reader at this point that the agency has never complied with Congress' directive in 1984 to institute a single standard to be applied at every level of disability adjudication. The substantive law governing disability has been largely defined by standards established in judicial settings, which standards have been disregarded at the DDS level. We recommend that evaluation at DDS be brought into compliance with those standards by requiring the agency to establish guidelines reflecting the case law, and to advise DDS regularly of those standards. As discussed above, DDS disability examiners are currently kept in the dark about the case law, and often even when advised, are ill-advised by the agency, which chooses either to ignore or interpret holdings in an indefensibly narrow manner. This reform can be accomplished by one or a combination of the following:

a. *Require a complete revision of the POMS to reflect current law, with ongoing advice to the DDS concerning implementation of the law.*

<sup>8</sup> See Footnote 1. OHA bases production expectations not on factors such as feasibility and quality, but simply by dividing the pending caseload by the number of available judges.

*b. Require the agency to establish legal development teams at the DDS level, consisting of an attorney and paralegal charged with developing the evidence, assembling the file, and reviewing the disability examiner's decision to determine if it is supportable under applicable law. We anticipate that if the legal team is doing its job, 30%+ of the caseload now presently appealed to the administrative law judge level will be resolved below, resulting in earlier payment for worthy cases, better preparation of the cases for hearing, reduction of the caseload on appeal with concomitant freeing of time and resources to devote to those cases genuinely in dispute. In addition, the legal development team should assure that the file is assembled identically to the way in which it would be assembled for appeal, thus eliminating the current, very costly, practice of completely disassembling and reassembling the file at the appeal level. Once assigned to a legal development team, the claim should remain with that team throughout all levels of adjudication.*

*2. Authorize face-to-face interviews at the initial determination at the instance of either the claimant, the disability examiner, or the legal development team. Disability cases are not always clear-cut, which makes it very important to have a clear visual picture of the claimant, his or her impairment, and its effect on the claimant's functioning. The availability of face-to-face interviews enhances the ability of the claimant to understand the issues and present favorable evidence, as well as the agency to assess his or her case.*

*3. Abolish the reconsideration decision. As it now stands, DDS makes an initial determination under the POMS which, if appealed, is simply reviewed once again on reconsideration [by a different person], but again under the POMS. Given that the POMS does not accurately reflect the standards applicable to disability adjudication, one can fairly conclude that under the current system, DDS is simply doing half the job, but doing it twice. Instead, we suggest that the initial determination itself be a two-part decision: one medical, the other legal. Thus, DDS will be doing the entire job, which if done correctly, need be done only once. One can reasonably project that the revision of the POMS, implementation of the legal development team and institution of face-to-face interviews will increase the number of cases correctly decided at the agency level and, more importantly, result in paying deserving claimants earlier. To the extent that the agency has relied on the reconsideration level to act as a "sifter" of cases, it should no longer be necessary.*

*4. Enhance the quality of the evidence by instituting training for consultative examiners. The consultative examination should be, but unfortunately is not, a valuable tool for disability examiners or judges. The evidentiary value of consultative medical examinations is actually quite low, largely due to lack of training and in part due to inadequate funds. Currently reports of such examinations are virtually meaningless in terms of determining functional limitations; often the physicians — who are practicing doctors trained to take a history and place credence in subjective complaints — merely report what the claimants have told them instead of making an objective evaluation. The investment in forensic and report-writing training would yield vastly superior decisions at both the DDS and administrative law judge level. This will require adequate funding.*

*5. Reform the DQB review process. Currently "quality control" at the DDS level involves reviewing only the decisions granting benefits. Even assuming that this one-sided review does not actually skew the system, it certainly has the appearance of doing so. We recommend that quality control include an equal random sampling of both grant and denial decisions, in conformity with acceptable statistical practices designed to assure integrity of the sample, to assure that all decisions are carefully made.*

#### *B. The Process at the Hearing Level*

*6. Require the agency to establish an adversarial system of adjudication at the hearing level. The time has come to acknowledge that the disability system, at the hearing level, has not only changed fundamentally since its inception; but also that the matters at stake to both the claimant and the public are of utmost importance, not the least of which is the average actuarial value of \$90,000 per case. While the vast majority of claimants make genuine or at least defensible claims, a disturbing number file bogus claims. An adversarial system is the class American way of assuring balance in the truth-seeking process. The public thus merits having its interests protected to the same extent afforded claimants, who regularly avail themselves of needed, helpful, legal representation. To assure quality representation, we recommend that only licensed attorneys be admitted to practice in these hearings.*

The purpose of providing for representation for the Secretary must be thought of as integral to the overall plan for legal involvement at both the agency [DDS] and hearing level, as discussed in Recommendations 1 and 7. In other words, it is not the intent to require that claimants be represented and indeed provisions must be made to recognize that some claimants will continue to appear *pro se*. Rather, the legal team for the Secretary should be charged, from pre-hearing, to hearing, to post-hearing, with responsibility for developing and presenting the evidence, to assure that all of the evidence is available to the fact-finder. When the claimant is represented, such a system will naturally be akin to the adversarial hearings that are typical in administrative proceedings. When the claimant appears *pro se*, the responsibility of representatives for the Secretary must primarily be to develop and present the evidence. In other words, representation of the agency is a means to assure the quality of the evidence.

*7. Restore the entire responsibility for development of the evidence to the agency, and remove that responsibility from the administrative law judge. The current system retains the fiction that the administrative law judge should and can successfully wear three hats, representing the interests of the Secretary and the claimant, while acting as a neutral fact-finder. This fiction ill serves all parties, for two primary reasons. The first, and most practical, reason is that while judges are given that responsibility in theory, in practice they are provided no useful tools for carrying it out. Indeed, they are more often thwarted in their efforts to fulfill this responsibility, depending on DDS personnel who may or may not respond to requests, depending on claimants' attorneys who may or may not supply all relevant evidence, and without recourse to personnel in their own hearing offices or field offices.*

The second, and most compelling reason, is that conflict of interest is simply unavoidable. An impartial factfinder must not be in the business of developing evidence and questioning witnesses; he or she should be evaluating the evidence, not generating it. Moreover, the interests of the two litigants are so obviously adverse that a judge wearing three hats cannot do justice to one without doing injustice to the other. Institution of the legal development team at the DDS level will go far

toward accomplishing the placement of this responsibility where it belongs -- with the agency -- where it should remain at all phases of adjudication.

If, despite the foregoing recommendation, the development responsibility were maintained with the judge at the hearing level, then five other key reforms would be necessary to offset the burden this responsibility imposes. First, the regulations must be amended to grant authority to administrative law judges to issue orders of remand to the DDS, requiring the DDS to carry out the particulars of those orders. Second, judges must have access to adequately trained court experts. The current situation allows experts to enter a hearing room with virtually no training in the disability system, and no notion of their appropriate function. Many of the medical experts believe, mistakenly, that their duty is to solve a puzzle for the administrative law judge, somehow discovering the proper diagnosis that explains the claimant's subjective complaints. Thus, rather than examining the record from an objective point of view and some background in forensics, medical experts in the vast majority of cases arrive at conclusions supporting the claim for disability. Third, judges must be given enforceable subpoena power, and the agency required to supply agency witnesses for hearing when requested. Fourth, adequate funds must be allocated to pay for quality expert testimony, subpoenaed documents, and the like. Fifth, outside investigative resources similar to those used in workers compensation programs must be provided for, e.g., *sub rosa* investigations.

**8. Reaffirm ABA support for an independent Federal Administrative Judiciary.** In earlier sections of this report, we discussed problems between the agency and its judges. The ABA has long supported an independent administrative judiciary, and the need for this independence is especially important now. It seems indisputable that if the words of the Administrative Procedure Act granting judges judicial independence are to have any meaning, judges must have structural independence so that their obligation to apply the law is not thwarted. Judges cannot long survive in an agency whose public and private agenda is in direct conflict with the very integrity of the judicial process, from the administrative law judge to the federal courts. Equally important is the current public perception that administrative law judges are simply tools for the agencies that employ them, and that they as litigants will not get a fair shake on appeal. Senator Specter spoke eloquently about the need for such independence:

...as we have seen the progress of the administrative agencies in carrying out the complex laws of the Federal bureaucracy, which is too massive, these administrative law judges have been created as part of the executive branch. Whereas they ought to be independent, and ought to function in the traditional role of judges, as impartial, they have, regrettably, been subjected to pressures from within their own agencies. Cong. Rec. November 19, 1993, at S. 16555.

The separation of the judges from a dependent position and employee status with the agencies, and establishment of a truly independent administrative judicial position will do much to ensure the protection of the claimants' rights and to assure the public that appeals before administrative law judges are fair and impartial.

The independent corps must be structured to assure the independence guaranteed by the Administrative Procedure Act. Lessons from OHA dictate that, at a minimum, the corps must:

- a. restore supervisory control of support personnel to the judge
- b. eliminate unnecessary layers of management, including the ten Regional Offices, whose function is simply to micromanage the hearing offices; convert the position allotments to meaningful support staff in the hearing office to work on the case backlog.
- c. eliminate unnecessary supervisory, and multiple existing supervisory positions in the hearing Office, and allocate those employees to work on the case backlog
- d. remove actual and apparent policies which permit "manager judges" to supervise and direct individual judges in the performance of their judicial functions.
- e. restore case assignment of cases on a strictly rotational basis as required by the Administrative Procedures Act.
- f. prohibit removal and reassignment of cases from one judge to another, except with consent of the judge from whom the case is removed, except where ordered on remand or where the judge is unable to serve.

Indeed, such reforms are necessary regardless of whether an independent corps is established.

**9. Early dispute resolution or other disposition.** Passage of the independent corps bill will not, however, solve all of the problems at the hearing level. There must be means of resolving cases short of full-blown hearings. These means include:

*a. Pre-hearing motion procedures addressing jurisdictional, procedural and substantive defenses.* Currently there is only a narrow band of resolutions for disposing of a claim: on-the-record decisions, which must be decided favorably to the claimant; or a hearing. A means of summary judgment should be instituted for cases which involve only matters of law; this happens quite often in overpayment cases. Jurisdictional motions [for example, concerning timeliness of filing should be available for the agency. Both claimants and the agency should have the authority to bring such motions.

*b. Institution of settlement procedures between the claimant and his attorney and the legal development team.* Currently the only prehearing disposition procedure in place involves a system euphemistically known as the pre-hearing conference. In practice, the system involves the master docket clerk assessing the case against a set of criteria [advanced age and adverse vocational factors]. The case is then assigned to a staff attorney at OHA who reviews it and makes a recommendation either to issue an on-the-record favorable decision or to proceed to hearing. We propose that instead, the agency's legal development team, which is much more familiar with the claim, should have responsibility to negotiate meaningfully with the claimant, investigate leads, and obtain all other outstanding evidence; as well as entering into a proposed settlement, subject to the approval of the judge to whom it is assigned.

**10. Narrowing and presenting the issues for hearing.** If the case cannot be resolved by settlement, the agency [through its legal development team] and claimant should attempt to limit the issues remaining in dispute to be resolved by the judge at

hearing. The legal development team would then have the opportunity, *if it or the judge chose*, to present the issues and the evidence at the hearing, as the claimant does now and would continue to do, along with the power to call and cross-examine both lay and expert witnesses at the hearing. In addition, we recommend that the judge have authority to order the agency to be represented to assure full airing of the facts and issues. As indicated previously, this is particularly important in program issues such as overpayments which often involve computer entries and calculations that are not comprehensible based on the documentary evidence alone.

**11. Realignment of personnel to reflect the reassignment of the development, investigatory and representation functions.** We reference above the agency's citation of a five-to-one staff/judge ratio. In truth, judges do not need five support personnel each. We believe a judge's chambers are well served by a law clerk, a clerk/typist, and a centralized docketing office, much as the federal courts now employ. Currently, hearing offices house career staff attorneys and hearing assistants. The hearing assistants put in order the file received from DDS, and are responsible for independent development as well as carrying out the judges' requests for development; all of their work is pre-hearing. These positions can be eliminated at the hearing level, because they would be transferred to the legal development team. The legal research and drafting functions at the hearing level should be performed by law clerks assigned to and supervised by the judges, with perhaps a two or three year tenure, rather than by career attorneys whose talents are best used elsewhere, such as the legal development teams. The net result of this would, of course, be a reduction of staff at the hearing level, with a concomitant increase at the agency level, under direct control of the agency.

**12. Institution of uniform rules of administrative procedure.** Currently no rules exist to manage the caseload or assure that claimants and their attorneys comply with even the most rudimentary of expectations in a judicial setting. A poignant example of this need is seen at Attachment 2, where an ALJ was chastised by management for attempting to require, in pre-hearing orders, that the claimants' attorneys submit their evidence in a timely fashion. Such rules are necessary for the anticipated independent corps, and will be needed even if the corps legislation is not passed. Although OHA has promised that such rules will be forthcoming, judges in the field have seen nothing in the way of approved, uniform procedures that would make their caseloads manageable. In addition to the establishment of pre-hearing motions by such rules, the procedural scheme must address discovery procedures, timeliness and submission of evidence, and closing of the evidence. The current system requires the administrative law judge to develop the case and resort to uncertain, balky, resources within the agency who may or may not respond. With a legal development team and rules of administrative procedure, this function will be carried out where it appropriately belongs: by the parties. The committee recommends immediate implementation of Uniform Rules of Procedure committee to begin this important work.

#### C. The Process Post-hearing

**13. Close the record at the hearing level and reinstate the substantial evidence test on appeal.** As indicated previously, the current regulations allow introduction at virtually every level of adjudication, even so far as the U.S. district court. One must keep in mind that a claimant has six potential levels of adjudication available to him: initial, reconsideration, administrative hearing, administrative appeal, appeal to district court, and appeal to circuit court. Yet the evidence of record is a moving target and subject to change at every level except the last. As a result, claimants and their attorneys are able to keep a case spinning for any number of years, up and down the ladder. No appellate system can function under such circumstances; nor, in the committee's view, does due process require such an open-ended opportunity to make one's case. Rules of finality are required to get and keep the backlog under control. Therefore, the record must close at the hearing level, the only exception being for good cause such as newly discovered evidence.

Additionally, the post-hearing review levels must be reintroduced to the "substantial evidence" test. Substantial evidence is defined as that amalgam of evidence upon which a fact finder could reasonably draw a conclusion. It is more than a scintilla and less than a preponderance. Many judges find, however, that employees at the Appeals Council second-guess factual findings on such matters as credibility and weight of the evidence, which are areas traditionally preserved to the fact-finder. While this happens much less frequently at the federal court level, it does happen. One of the consequences of budget cutting is that the agency has insufficient funding to defend remands for lack of substantial evidence, and as a result erroneous remands occur now with greater frequency than before.

Additionally, the issues on appeal should be narrowed. Currently, claimants can raise issues for the first time before the Appeals Council and the district court, which, rather than deal with them on the merits, simply remand for yet another hearing. This is an untenable state of affairs, particularly where 80% of the claimants are represented. A true appellate system should be instituted where the issues reviewed are those raised below, where findings of fact are sustained where supported by substantial evidence, and where the focus is on appropriate standards and conclusions of law.

**14. Institution of a Social Security Court of Appeals under Title III.** The patchwork of circuit law must be integrated into a single court whose authority cannot be challenged by the agency. We submit that a federal circuit court whose function it is to establish a nationwide set of standards will obviate the lawless practice of non-acquiescence. In this regard, the rulings of the court must be applicable at all levels of adjudication, and the DDS in particular advised of the import of those rulings. The committee cautions that this recommendation does not disturb the claimant's right of appeal to the federal district court.

#### D. Interim Emergency Procedures

We recommend that the process for implementing the foregoing recommendations begin now and proceed apace. In the meanwhile, as we wait for new systems to be put in place, the agency continues to face a nightmare backlog. The committee recommends that the agency be required to explore immediately a system whereby retired judges and judges expected to retire within the next few years can be retained on an interim or part-time basis after retirement, with a provision for adequately funding contract support staff. The committee is aware that the agency is now considering part-time or contract judges, to be hired from the newly opened register. The committee disapproves of this proposal, given the lack of training, experience and uncertain qualifications that can be expected when hiring from the register outside the normal process.



CALIFORNIA STATE DEPARTMENT OF SOCIAL SERVICES  
TESTIMONY FOR A JOINT HEARING ON FRAUD  
AND ABUSE IN THE SUPPLEMENTAL SECURITY INCOME PROGRAM

My name is Eloise Anderson and I am the Director of the California Department of Social Services (CDSS). The CDSS wishes to express its appreciation for the level of Congressional interest being shown for problems relative to fraud in the SSI/SSP program. Our experience shows that the amount and kinds of fraud being committed warrant more extensive action by government. As such, we have a specific proposal that I will detail in this testimony. This proposal has been shared with the Social Security Administration. I understand that federal approval of our pilot may be forthcoming in the near future.

### BACKGROUND INFORMATION

In July 1993, there were approximately 620,220 active SSI/SSP disabled cases in California, including 37,030 Immigration Reform Control Act (IRCA) and refugee cases. These cases receive approximately \$287.1 million per month in benefits, of which \$106.6 million is paid from the State General Fund. There are no data regarding the precise incidence of fraud in this program. Further, there is no effective system to identify and prosecute fraud. Once an SSI/SSP disability claimant's case is approved, he/she may receive federal and State fund benefits for years. This is especially troubling given the inadequate federal funding of continuing disability reviews.

Fraud in the disability component of the SSI/SSP program can manifest itself in several ways. Generally, SSI/SSP disability fraud involves the deliberate false representation of symptoms or medical evidence to qualify for or continue receiving disability benefits. These misrepresentations may involve claimants, the medical community, and others who have an interest in the claimant's eligibility (commonly called "middle men").

Our California procedures require that when State disability examiner staff suspect fraudulent activity in a disability claim, they prepare a written description of the suspected fraudulent activity, including all available documentation. This information is referred to the Office of the Inspector General (OIG), an agency of the federal government, for investigation and follow-up. Traditionally, disability fraud has been difficult to prove and prosecute. Except under rare circumstances, the OIG has not prosecuted suspected disability fraud through the U.S. Attorney's Office. In fact, in some instances, California's examiner staff are discouraged about making fraud referrals because of the amount of work involved with no perceived action or feedback from the OIG.

We welcome the recent increased OIG investigative activity in this program. Further, we are encouraged that the Social Security Administration (SSA) has proposed more stringent requirements which could reduce fraud; however, more remains to be done to assure the integrity of this program.

### FRAUD INVESTIGATION PROPOSAL

The CDSS has proposed to SSA that we establish, on a three-year limited term basis, a pilot or demonstration project which would include the following components:

- 1) The stationing of a team of trained professional investigators in the CDSS Disability Evaluation Division's Branch office to investigate suspected disability fraud cases;
- 2) Increased federal Office of Investigator General (OIG) prosecutions as a result of the investigation and documentation by the investigative staff of the project;

- 3) Denial or discontinuance of SSI/SSP benefits to claimants/recipients where the investigation of their cases has found and proven fraud;
- 4) Prosecution of claimants and/or others through case action by local District Attorneys and/or the State Attorney General in cases where the OIG does not act; (Both civil and criminal actions could be considered.)
- 5) Documentation and evaluation of the cost-benefit of pursuing and prosecuting disability fraud cases; and (This project is proposed to be patterned after the highly cost effective detection/prevention system now operating in California in the AFDC and Food Stamp programs. Results in those programs have shown that for every dollar spent on early investigations, twenty-one dollars are saved.)
- 6) A feasibility analysis of establishing a profile of high potential fraud claims.

It is also anticipated that this project would provide and also demonstrate to disability staff that fraud can be successfully prosecuted. Additionally, we expect that this project would have a deterrent effect in the community at large once publicity about successful prosecutions became known.

We propose that this project be staffed by professional investigators and an attorney. Translator services would also be required. In establishing the project, close liaison and consultation would be sought and maintained with the Social Security Administration, the OIG, local District Attorneys, and the California Department of Justice.

It is proposed that the pilot be operated in one of our Los Angeles Branch offices where fraud investigators would be co-located with the evaluation staff. The project would be closely managed and monitored by our disability central office staff to ensure that the rights of claimants are protected.

Initially, the project would focus on suspected fraud rings where middlemen and others may be involved in large scale "coaching" or other influence on disability case development. Later, the project could include work on individual cases.

While the focus of this pilot would be on early fraud investigation of referrals by examiner staff regarding the medical condition of claimants, investigations could also occur where there are allegations of false identity and excess income or property. In addition, it is possible that SSA claims staff could begin making fraud referrals to CDSS for investigation of cases already in payment status.

#### CURRENT STATUS

I am pleased to report that SSA has responded favorably to our proposal. We will be working with them to implement this project over the next several months. If this project is successful, its replication in California, as well as in other states nationwide, should be considered.

JAY DICKEY  
4TH DISTRICT, ARKANSAS

COMMITTEES  
AGRICULTURE  
NATURAL RESOURCES  
SMALL BUSINESS



Congress of the United States  
House of Representatives

DISTRICT OFFICES  
WASHINGTON, DC  
1338 LONGWORTH H O B  
WASHINGTON, DC 20515  
(202) 225-3772  
PINE BLUFF  
100 EAST 8TH STREET,  
SUITE 2521  
PINE BLUFF, AR 71601  
(501) 536-3378  
(800) 223-2220  
HOT SPRINGS  
100 RESERVE  
SUITE 201  
HOT SPRINGS, AR 71901  
(501) 823-5800  
EL DORADO  
101 SOUTH JACKSON  
SUITE 201  
EL DORADO, AR 71730  
(501) 862-0238

TESTIMONY  
of  
THE HONORABLE JAY DICKEY  
Fourth District - Arkansas  
Before the  
Subcommittee on Human Resources  
House Committee on Ways and Means  
Regarding  
Abuse of the Supplemental Security Income Program

MARCH 9, 1994

Mr. Chairman and members of the subcommittee, thank you for the opportunity to submit my testimony for the record regarding abuse in the Supplemental Security Income (SSI) program. I have recently become aware of allegations that some parents encourage their otherwise healthy children to act "mentally disabled" in order to qualify for SSI benefits. I am alarmed at these reports.

I want to stress that I do not intend to diminish or trivialize the fact that deserving disabled children receive benefits from the SSI program. I am concerned, however, with some parents who encourage their children to misbehave in school to increase their chances of receiving SSI benefits.

Mr. Chairman, the problem with the child disability portion of the SSI program lies in the *definition* of a child's disability. Before 1990, the definition included a specific list of 182 disabilities, one or more of which the child must manifest. A claimant had to show that his or her impairment matched the criteria of the listed disabilities.

The new definition was derived by the Supreme Court in *Sullivan v. Zebley* in 1990. It kept the list of 182 disabilities but added a step for those child claimants who did not meet the criteria of the list. That extra step allowed child claimants with "unlisted impairments" to show that they were equally disabled. These "disabilities" include any impairment which reduces the child's ability to grow, mature, or engage in "age appropriate" activities. Mr. Chairman, this has opened the door for parents who want to defraud the American taxpayer to encourage their children to act "inappropriate" for their age. Under the broader definition, an additional 255,000 children have been added to the rolls of SSI. The program now serves 770,000 children and cost taxpayers \$3.6 billion in 1993.

In addition, if a child's application was rejected under the previous and stricter definition, the Supreme Court has allowed those children to receive a lump-sum payment for the amount they

would have received for the time elapsed since the application was rejected. However, they must spend it within six months. Lump-sum payments of \$15,000 to \$20,000 are not uncommon.

In Arkansas, allegations have arisen that parents use SSI benefits to buy items not directly related to the medical or therapeutic aid of the child: Taxpayer money, meant to benefit a disabled child, is being used to purchase television sets, video games, furniture, and automobiles.

If this were not already enough, each child in a family receives a separate payment. So, a family with three children, each receiving SSI payments averaging \$400 per month, would receive \$14,400 per year in tax-free government benefits. I read in the newspaper of one case where a family with nine SSI-eligible children received more than \$43,000 per year in tax-free benefits. None of the money was spent on therapy, however, since all nine children have therapy provided FREE under the early childhood intervention program.

Mr. Chairman, I respectfully request that this subcommittee schedule congressional hearings to deal specifically with the nature, scope, and extent of this problem. My constituents are very interested in seeing this problem resolved and I believe testimony given at such a hearing would be very instrumental in drafting a legislative solution to the problem.

###

THE DEFICIT LETTER from Wright Publishing Co.  
1800 Diagonal Road - Suite 600 \* Alexandria, VA 22314  
Christopher M. Wright, Publisher \* Compuserve 73514,1217  
703-684-4470

STATEMENT OF CHRISTOPHER M. WRIGHT  
for the  
Subcommittee on Oversight  
House Ways & Means Committee  
Hearing on SSI Fraud  
February 24, 1994

OUTLINE

- I. Introduction
- II. The Tip of the Iceberg
- III. Mismanagement
- IV. Conclusions
- V. Suggestions for Reform

I. Introduction

The total number of SSI recipients has grown each year since 1982. In that year, the total was 3.47 million. In 1992, the number was 5.20 million. The number is projected to increase to 7.35 million in 1998. The number of aged recipients has declined sharply since 1975. However, the number of blind or disabled has increased sharply and further increases are projected through 1998. 1993 House Ways & Means Committee Green Book, Overview of Entitlement Programs, p. 852, 853. The federal government spends more money on SSI benefits than it does on AFDC benefits. The average monthly benefit is larger for an SSI recipient than it is for AFDC. The fact that such a large and growing program is prone to fraud and abuse should command our attention.

All factual representations herein are documented. Sources are available upon request.

II. The Tip of the Iceberg

SSA handled its own fraud cases until 1988 when SSA transferred that function to the HHS Office of Inspector General (OIG). OIG monitors approximately 240 programs and has stated that it is hampered by diminishing resources. OIG Semiannual Report, March 31, 1993, p. 36. My sources put the number of SSI fraud cases at 'fewer than 10' a year up until late last year, when the enforcement efforts which are the subject of this hearing got underway. My sources indicate that, with Grand Juries convening around the country, the number of SSI fraud cases will soon increase dramatically. Approximately 10,000 fraudulent claims are suspected. It is fair to conclude that large-scale fraud in the SSI program has gone unrecognized and unchecked for a long time.

Only a handful of SSI fraud cases have been generated up to this point. Here is what the tip of the iceberg looks like:

\* "A self-professed California street beggar, who used assumed names to obtain several SSN's with which he made multiple applications for SSI, was sentenced to 24 months

incarceration. He was also ordered to pay a total of \$88,532 in restitution and \$50,000 in fines. He was convicted on nine counts of conversion of public monies, nine counts of filing false claims and two counts of money laundering. To date, approximately \$1.2 million has been seized under various accounts...." OIG Semiannual Report, September 30, 1992 p. 58.

\* "An attorney in California was sentenced to 180 days in custody, 5 years probation and 250 hours community service for defrauding an SSI beneficiary. After SSI disability payments were approved for the recipient, the attorney applied for and was approved as the recipient's representative payee. He received two retroactive checks, but did not use the funds for the beneficiary. He was ordered to pay restitution of \$10,000." Id. p. 63.

\* "An SSA computer match uncovered the fact that a California woman who was receiving both disability and SSI benefits had earnings credited to her SSA record. Investigation showed that she was working as an elementary school teacher. She was sentenced to 5 years probation and ordered to make full restitution of \$18,830 she had been overpaid." Id. p. 65.

\* "A California woman was sentenced for defrauding SSI of more than \$69,700. Shortly after becoming entitled to SSI benefits in 1975, the woman returned to work under her own SSN. Over the years, she signed some 20 statements that she did not work. Questioned several times about her earnings, she continued to insist someone else was using her SSN...." Id. p. 67.

\* "Another woman was sentenced in California for converting to her own use her deceased son's SSI benefits. She was representative payee for her son, who was born in late June 1987 and died in November 1987 without leaving the hospital. She continued to claim that the son was in the hospital until July 1990, when SSA notified her that she had been overpaid \$19,000...." Id. p. 67.

\* "A man was sentenced in New York for converting an SSI recipient's benefits to his own use. His friend was representative payee for a mentally retarded cousin. When she and the cousin died within a few months of each other, the man called SSA and reported a change of address to his residence in Brooklyn. For almost a year he received the SSI checks, forged the friend's signature and cashed them. He was sentenced to ... pay \$6,524 restitution." Id. p. 68.

\* "An Iowa pawnshop owner was sentenced for concealing financial assets, including bank accounts and a \$30,000 recreational vehicle, to obtain SSI and Medicaid assistance for his disabled child. The man was ordered to ... repay \$19,300 to the two programs." Id. p. 68.

\* "A Pennsylvania man was sentenced to ... \$13,850 in restitution. His mother died in February 1989 and he continued to withdraw SSI funds from her account." OIG, Semiannual Report, March 31, 1993, p. 40.

\* "An Iowa man was sentenced to ... \$4,980 restitution for defrauding the SSI program. He applied for benefits in 1984, claiming blindness and unemployment after being hit on the head with a baseball bat during a barroom brawl. He plead guilty to fraud after learning that an investigator made videotapes of him working in a local warehouse unloading semi-tractor trailers, driving a forklift, and reading computer invoices, as well as driving his car on public streets." OIG Semiannual Report, September 30, 1993, p. 47.

\* Reports have surfaced in Wisconsin of children being coached on how to collect SSI disability. In one egregious case, a father (himself on Social Security Disability Income and SSI) coached his daughter to show up at school with gum in her hair, to act up, and to get bad grades. SSI eventually added her to the rolls and gave her a lump sum award of \$18,000 going back to the date of her application. The family bought a car, furniture and new clothes. Then they went on a trip to Florida. The daughter had a job but her father warned her "not to take too many hours because it will make us lose your benefits." Congressman Gerald D. Kleczka (D-Wis.), Statement before the Subcommittee on Human Resources, House Ways and Means Committee, October 14, 1993 at p.1.

\* On November 24, 1993, I watched a woman being sentenced for AFDC, Medicaid and Food Stamp fraud in the District of Columbia. She falsely certified that she was receiving no other income. She was ordered to pay \$2,164 in restitution. During her sentencing, her attorney represented that the woman was now on SSI. I did not see enough to know whether she had concealed her SSI income from the AFDC program (in which case the question becomes whether she also concealed her AFDC income from the SSI program) or she went on SSI subsequent to her conviction for AFDC fraud (in which case the question becomes why this is allowed).

This short survey indicates there are many ways to defraud the SSI program:

- \* people file multiple claims under bogus SSN's. Some people believe there are 5 million bogus SSN's in existence.
- \* people fake their disabilities, sometimes with the help of professionals.
- \* representative payees convert benefits to their own use or fail to report the death of beneficiaries. (It has been reported that there are 6.5 million representative payees for all Social Security programs nationwide and that only 30 suffered criminal conviction in FY 1992.)
- \* beneficiaries conceal their work status or financial assets (SSI is a means-tested program).

Even SSA employees have been convicted for assisting fraud in Social Security programs by combing through records and selling restricted information. OIG Semiannual Report, March 31, 1993, p. 46. A former OIG official was convicted in one such scheme. Id.

The OIG has noted an "extraordinary increase in Social Security fraud." OIG Semiannual Report, 3-31-93, p. 36. Look for SSI fraud to get worse before it gets better.

### III. Mismanagement

SSA cannot plead ignorance. In 1991, SSA paid \$100,000 to the Neighborhood Service Center to study the question of fraudulent SSI enrollment in the refugee population in Santa Ana, California. The study estimated that at least 30 percent of those enrolled were receiving their SSI disability payments as a result of fraud. In a telephone interview, Center Executive Director Mary Ann Salamida told me SSA never contacted her again regarding her findings. It was business as usual at SSA until inquiries from the Oversight Subcommittee prompted a flurry of activity in October 1993.

SSA has been aware of the problem but is not very far along in learning how to deal with it. Records pertaining to SSI fraud are not maintained by SSA but by the HHS Office of Inspector General. Surprisingly, the OIG does not keep track of the number of SSI fraud convictions. OIG simply has no idea how many SSI convictions there are, what their dollar value might be, or what the trend-line is. My FOIA request for general statistics drew a complete blank. Moreover, I also requested records detailing the methodology used to identify suspicious SSI claims. No records were produced in response to my request. Therefore, it is entirely possible that no methodology has ever been developed. Similarly, the OIG and SSA could not produce documents discussing what types of disabilities are commonly faked, such as "mental stress" claims. This is especially interesting in light of the fact that an open-ended "impairment" concept is at the heart of SSI. This great engine of growth is capable of producing an infinite variety of claims because, as SSA told me in response to another FOIA request, there is no supposed condition that they have categorically excluded from consideration for SSI benefits.

Strangest of all, the OIG could not produce documents discussing in general terms the problem of fraud in SSI or other disability programs. OIG manages the caseload but has no documents discussing overall trends, departmental responses or other matters one would think would be part and parcel of any rational enforcement effort. Evidently, very little thought has been given to the subject of SSI fraud up until now.

### IV. Conclusions

Americans commonly picture immigrants as sturdy individuals who come to this country, work hard and take their place in society. SSI is changing the picture. Mary Ann Salamida, Executive Director of the Neighborhood Service Center in Santa Ana, California, is distressed that rampant SSI fraud is destroying values of hard work and self-reliance in the refugee population she serves. SSI fosters dependency and resistance to acculturation, she told me. Simply put, these people are not learning the American way of life and the rest of us are picking up the tab.

We have fallen into the bad habit of maintaining generous social welfare programs at the same time we are running huge budget deficits. Open-ended entitlement spending is running up the national debt. We can no longer afford such programs, especially when they are as prone to fraud and abuse as SSI.

If past is prologue, SSA will say all the right things at this hearing: that fraud is terrible, that SSA has been less than diligent, and that SSA is making the necessary changes to deal with fraud and abuse in the future.

I pose two questions: Can SSA be trusted? And how will we know that SSA has succeeded in fixing the problem?

With respect to the first question, remember this is the



agency that commissioned a study in 1991 which found rampant fraud among refugees and did nothing in response. This is the agency that conducted business as usual until the Oversight Subcommittee began making inquiries in October 1993. This is the agency that can produce no documents describing any kind of rational enforcement program. This is the agency that never came forward on its own to alert Congress that there were big problems in SSI or that more fraud enforcement resources were needed. This is the agency that, in the face of an "extraordinary increase in Social Security fraud", has shifted resources into processing new claims and has emphasized outreach programs in an effort to find even more. SSA has made its priorities quite clear: Get as many people as possible on this program, and measure success by how much money is flying out the door. The irony here is that this puts SSA on the same side as those who wish to defraud the program.

As for fixing the fraud problem, this Subcommittee should ask SSA what specific steps SSA contemplates and should also give SSA a deadline for completion. SSA should have performance measures, yardsticks so we can come back at a specified time and see whether SSA did the job.

#### V. Suggestions for Reform

Here are some suggestions for tightening up SSI and making it less prone to fraud and abuse:

1) Middlemen who assist immigrants in applying for SSI should be licensed and regulated.

2) Similarly, translators should be licensed and regulated or, preferably, SSA should have its own translators.

3) SSA should set fee scales and cap the amount of money that middlemen, translators, doctors, psychiatrists, lawyers and other professionals can make from social security cases every year. Professionals who are nominally in the private sector should not expect to make their entire living from government work. Individual initiative is destroyed and too much self-dealing results.

4) Methods developed by private insurance companies to identify suspicious disability claims should be studied and adopted.

5) The entire question of what a disability is and how it is determined should be examined. The statutory "impairment" concept that knows no limits or bounds is no longer appropriate in light of the surge in disability claims and chronic deficit spending. Perhaps it is time to require work simulation tests or some other device in addition to perfunctory medical evidence. Also, does it make sense that workers receive partial disability ratings under workers compensation schemes, but people get total disability ratings in federal programs? Should vocational rehabilitation be the norm as it is under workers compensation?

6) SSI should not continue as an open-ended entitlement program. It should be replaced with a system of rationing so we will know exactly what we are spending, and we will not spend more than we can afford.

APPENDIX

RECENT COURT DOCUMENTS RELATING TO SSI FRAUD INVOLVING MIDDLEMEN

FILED  
477 9 1993

5/11/93 Amended

1 DANIEL E. LUNGREN, Attorney General  
of the State of California  
2 THOMAS A. TEMMERMAN, Senior Assistant Attorney General  
Bureau of Medi-Cal Fraud  
3 HARDY R. GOLD, Deputy Attorney General  
Bureau of Medi-Cal Fraud  
4 110 West A Street, Suite 300  
San Diego, California 92101  
5 Telephone: (619) 237-7685  
6 Attorneys for Plaintiff

7  
8 MUNICIPAL COURT FOR THE LONG BEACH JUDICIAL DISTRICT  
9 COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

11 THE PEOPLE OF THE STATE OF CALIFORNIA,  
12 Plaintiff,  
13 vs.  
14 HOUR BUN KHY, (CHRISTINA DUONG)  
15 TRAN,  
16 Defendants.

Case No: 119015838  
COMPLAINT  
PCS127/487(1)-Conspiracy to  
Commit Grand Theft; WIS14107-  
Medi-Cal Fraud; PCS127-  
Subornation of Perjury; PCS72  
False Claim to Government

18 The undersigned complains that in the County of Los  
19 Angeles, State of California, and before the making or filing of  
20 this complaint, the defendants, HOUR BUN KHY and CHRISTINA DUONG  
21 TRAN, did commit the following crimes:

22 COUNT 1  
23 [CONSPIRACY TO COMMIT GRAND THEFT]

24 Beginning at least as early as in or about June, 1992,  
25 and continuing through in or about April, 1993, in the County of  
26 Los Angeles, State of California, and elsewhere, defendant HOUR  
27 BUN KHY conspired with CHRISTINA DUONG TRAN and others known and

1 unknown to violate section 487, subdivision 1, of the Penal Code,  
2 and to obtain money and property from the United States of  
3 America and the State of California by false pretenses, and to  
4 cheat and defraud the United States of America and the State of  
5 California of property by criminal means, all in violation of  
6 section 182, subdivisions (a)(1) and (a)(4), of the Penal Code, a  
7 felony.

8 OVERT ACTS

9 In furtherance of the conspiracy and to accomplish the  
10 objects of the conspiracy, defendants HOUR BUN KHY and CHRISTINA  
11 DUONG TRAN and their co-conspirators committed and caused to be  
12 committed various overt acts within the County of Los Angeles and  
13 elsewhere, including but not limited to, the following:

14 OVERT ACT #1

15 On or about June 26, 1992, in the County of San  
16 Bernardino, during a Department of Justice undercover operation  
17 an associate of HOUR BUN KHY told the undercover operator to call  
18 up HOUR BUN KHY to get put on Social Security's Supplemental  
19 Security Income, and gave the undercover operator HOUR BUN KHY's  
20 phone number.

21 OVERT ACT #2

22 On or about September 1, 1992, a Department of Justice  
23 undercover operator spoke to HOUR BUN KHY by phone, and HOUR BUN  
24 KHY scheduled an appointment for an undercover operator whose  
25 code name is SAD02 to meet HOUR BUN KHY at HOUR BUN KHY's office  
26 in Long Beach to discuss getting Supplementary.

27 ///

## OVERT ACT #3

1  
2 On or about September 3, 1992 SADO2 met HOUR BUN KHY,  
3 CHRISTINA DUONG TRAN, and another co-conspirator at HOUR BUN  
4 KHY's office. The office was named Amerasian Communication  
5 Services ("Amerasian").

## OVERT ACT #4

6  
7 On or about September 3, 1992 at the meeting at  
8 Amerasian, HOUR BUN KHY, CHRISTINA DUONG TRAN, and another co-  
9 conspirator told SADO2 that he needed to have a story explaining  
10 how SADO2 became disabled in order for SADO2 to qualify for  
11 Supplemental Security Income Disability.

## OVERT ACT #5

12  
13 On or about September 3, 1992 at the meeting at  
14 Amerasian, HOUR BUN KHY, CHRISTINA DUONG TRAN, and another co-  
15 conspirator created a false story for SD02 to use for SD02 to  
16 claim that he was disabled.

## OVERT ACT #6

17  
18 On or about September 3, 1992, at the meeting at  
19 Amerasian, HOUR BUN KHY charged SD02 \$200 to begin the disability  
20 application process for SD02.

## OVERT ACT #7

21  
22 On or about September 11, 1992, HOUR BUN KHY went with  
23 SADO2 to Dr. Gary Abrams' medical office in Long Beach for an  
24 appointment scheduled by HOUR BUN KHY.

## OVERT ACT #8

25  
26 On or about September 11, 1992, at Dr. Abrams' office,  
27 a co-conspirator of HOUR BUN KHY and CHRISTINA DUONG TRAN told

1 Dr. Abrams false information about SD02.

2 OVERT ACT #9

3 On or about September 11, 1992, at Dr. Abrams' office,  
4 a co-conspirator of HOUR BUN KHY and CHRISTINA DUONG TRAN told  
5 SADO2 to purposely alter a test that Dr. Abrams was administering  
6 to SD02.

7 OVERT ACT #10

8 On or about September 17, 1992, CHRISTINA DUONG TRAN  
9 told SADO2 that she had scheduled an appointment for SADO2 with  
10 the Social Security Administration.

11 OVERT ACT #11

12 On or about September 17, 1992, CHRISTINA DUONG TRAN  
13 told SADO2 to go to Dr. Piabul Tongbai and tell the doctor that  
14 SADO2 suffered from headaches, chest pain, dizziness, mental  
15 illness, and insomnia, even though CHRISTINA DUONG TRAN knew that  
16 SADO2 did not suffer from these problems.

17 OVERT ACT #12

18 On or about September 22, 1992, CHRISTINA DUONG TRAN  
19 served as SADO2's interpreter during a Social Security telephone  
20 interview.

21 OVERT ACT #13

22 On or about September 22, 1992, SADO2 observed  
23 CHRISTINA DUONG TRAN filling out a Social Security disability  
24 form by copying the maladies from one form and putting the same  
25 information on the form for another client.

26 OVERT ACT #14

27 On or about September 23, 1992, a co-conspirator of

1 HOUR BUN KHY's named Vicki went with SADO2 to an interview at  
2 Social Security Administration to serve as SADO2's interpreter.

3 OVERT ACT #15

4 On or about September 23, 1992, while at the Social  
5 Security Administration, Vicki turned in a disability eligibility  
6 report on behalf of SADO2 which contained false information.

7 OVERT ACT #16

8 On or about September 29, 1992, in a phone conversation  
9 between CHRISTINA DUONG TRAN and SADO2, CHRISTINA DUONG TRAN told  
10 SADO2 that it would cost SADO2 \$2,000 when he finally was  
11 qualified to receive Supplemental Security Income disability  
12 payments.

13 OVERT ACT #17

14 On or about October 7, 1992, CHRISTINA DUONG TRAN told  
15 SADO2 that the more doctors SADO2 saw, the better it would be for  
16 SADO2's disability application.

17 OVERT ACT #18

18 On or about January 12, 1993, HOUR BUN KHY scheduled  
19 two medical appointments for SADO2.

20 OVERT ACT #19

21 On or about January 21, 1993, while in the waiting room  
22 of a psychiatry office in Long Beach, SADO2 overheard HOUR BUN  
23 KHY and CHRISTINA DUONG TRAN each instruct clients on what they  
24 should do and say during their appointments.

25 OVERT ACT #20

26 On or about March 25, 1993, at Amerasian, HOUR BUN KHY  
27 met with SADO2 and another Department of Justice undercover

1 operator whose code name was "SDUT25."

2 OVERT ACT #21

3 On or about March 25, 1993, HOUR BUN KHY told SDUT25  
4 what ailments HOUR BUN KHY wanted SDUT25 to complain about when  
5 seeing physicians.

6 OVERT ACT #22

7 On or about March 30, 1993, HOUR BUN KHY told SDUT25  
8 what she should complain about when she was examined later that  
9 day by Dr. Kenneth Sokolski.

10 OVERT ACT #23

11 On or about April 7, 1993, CHRISTINA DUONG TRAN served  
12 as SDUT25's interpreter in SDUT25's Social Security telephone  
13 interview.

14 OVERT ACT #24

15 On or about April 7, 1993, CHRISTINA DUONG TRAN gave  
16 false information while interpreting for SDUT25 during SDUT25's  
17 Social Security telephone interview.

18 OVERT ACT #25

19 On or about April 8, 1993, HOUR BUN KHY gave false  
20 information about SDUT25 to Social Security during an interview  
21 at Social Security.

22 COUNT 2

23 [PRESENTING FALSE MEDI-CAL CLAIM]

24 On or about September 11, 1992, in the County of Los  
25 Angeles, State of California, defendants HOUR BUN KHY and  
26 CHRISTINA DUONG TRAN, with intent to defraud and in furtherance  
27 of their conspiracy, did cause to be presented for allowance and

1 payment a false and fraudulent Medi-Cal claim for services  
2 allegedly furnished by GARY ABRAMS, PhD, to an undercover  
3 operator using the name CANH NGOC NGUYEN, in violation of section  
4 14107 of the Welfare and Institutions Code, a felony.

## COUNT 2

## [PRESENTING FALSE MEDI-CAL CLAIM]

7 On or about September 21, 1992, in the County of  
8 Orange, State of California, defendants HOUR BUN KHY and  
9 CHRISTINA DUONG TRAN, with intent to defraud and in furtherance  
10 of their conspiracy, did cause to be presented for allowance and  
11 payment a false and fraudulent Medi-Cal claim for services  
12 allegedly furnished by PIABUL TONGBAI, MD, to an undercover  
13 operator using the name CANH NGOC NGUYEN, in violation of section  
14 14107 of the Welfare and Institutions Code, a felony.

## COUNT 3

## [PRESENTING FALSE MEDI-CAL CLAIM]

17 On or about November 12, 1992, in the County of Orange,  
18 State of California, defendants HOUR BUN KHY and CHRISTINA DUONG  
19 TRAN, with intent to defraud and in furtherance of their  
20 conspiracy, did cause to be presented for allowance and payment a  
21 false and fraudulent Medi-Cal claim for services allegedly  
22 furnished by PIABUL TONGBAI, MD, to an undercover operator using  
23 the name CANH NGOC NGUYEN, in violation of section 14107 of the  
24 Welfare and Institutions Code, a felony.

## COUNT 4

## [PRESENTING FALSE MEDI-CAL CLAIM]

27 On or about February 4, 1993, in the County of Los



1 Angeles, State of California, defendants HOUR BUN KHY and  
2 CHRISTINA DUONG TRAN, with intent to defraud and in furtherance  
3 of their conspiracy, did cause to be presented for allowance and  
4 payment a false and fraudulent Medi-Cal claim for services  
5 allegedly furnished by KENNETH SOKOLSKI, MD, to an undercover  
6 operator using the name CANH NGOC NGUYEN, in violation of section  
7 14107 of the Welfare and Institutions Code, a felony.

## COUNT 5

## [PRESENTING FALSE MEDI-CAL CLAIM]

9  
10 On or about March 30, 1993, in the County of Los  
11 Angeles, State of California, defendants HOUR BUN KHY and  
12 CHRISTINA DUONG TRAN, with intent to defraud and in furtherance  
13 of their conspiracy, did cause to be presented for allowance and  
14 payment a false and fraudulent Medi-Cal claim for services  
15 allegedly furnished by KENNETH SOKOLSKI, MD, to an undercover  
16 operator using the name CANH NGOC NGUYEN, in violation of section  
17 14107 of the Welfare and Institutions Code, a felony.

## COUNT 6

## [PRESENTING FALSE MEDI-CAL CLAIM]

18  
19 On or about March 30, 1993, in the County of Los  
20 Angeles, State of California, defendants HOUR BUN KHY and  
21 CHRISTINA DUONG TRAN, with intent to defraud and in furtherance  
22 of their conspiracy, did cause to be presented for allowance and  
23 payment a false and fraudulent Medi-Cal claim for services  
24 allegedly furnished by KENNETH SOKOLSKI, MD, to an undercover  
25 operator using the name SOMALY TEP, in violation of section 14107  
26 of the Welfare and Institutions Code, a felony.  
27

## COUNT 7

## [SUBORNATION OF PERJURY]

1  
2  
3 On or about September 23, 1992, in the County of Los  
4 Angeles, State of California, defendants HOUR BUN KHY and  
5 CHRISTINA DUONG TRAN did wilfully and unlawfully and in  
6 furtherance of their conspiracy, procure another person, to wit,  
7 an undercover operator using the name CANH NGOC NGUYEN, to commit  
8 perjury in that they did procure said person to sign a Social  
9 Security Disability Report under oath certifying as true a  
10 material matter which said person knew to be false, in violation  
11 of section 127 of the Penal Code, a felony.

## COUNT 8

## [SUBORNATION OF PERJURY]

12  
13  
14 On or about September 23, 1992, in the County of  
15 Orange, State of California, defendants HOUR BUN KHY and  
16 CHRISTINA DUONG TRAN did wilfully and unlawfully and in  
17 furtherance of their conspiracy, procure another person, to wit,  
18 an undercover operator using the name CANH NGOC NGUYEN, to commit  
19 perjury in that they did procure said person to sign a Social  
20 Security Application for Supplemental Security Income under oath  
21 certifying as true a material matter which said person knew to be  
22 false, in violation of section 127 of the Penal Code, a felony.

## COUNT 9

## [SUBORNATION OF PERJURY]

23  
24  
25 On or about April 8, 1993, in the County of Los  
26 Angeles, State of California, defendants HOUR BUN KHY and  
27 CHRISTINA DUONG TRAN did wilfully and unlawfully and in

1 furtherance of their conspiracy, procure another person, to wit,  
2 an undercover operator using the name *SOMALY TEP*, to commit  
3 perjury in that they did procure said person to sign a Social  
4 Security Disability Report under oath certifying as true a  
5 material matter which said person knew to be false, in violation  
6 of section 127 of the Penal Code, a felony.

## COUNT 10

## [SUBORNATION OF PERJURY]

7  
8  
9 On or about April 8, 1993, in the County of Orange,  
10 State of California, defendants HOUR BUN KHY and CHRISTINA DUONG  
11 TRAN did wilfully and unlawfully and in furtherance of their  
12 conspiracy, procure another person, to wit, an undercover  
13 operator using the name *SOMALY TEP*, to commit perjury in that  
14 they did procure said person to signed a Social Security  
15 Application for Supplemental Security Income under oath  
16 certifying as true a material matter which said person knew to be  
17 false, in violation of section 127 of the Penal Code, a felony.

## COUNT 11

## [FRAUDULENT CLAIM TO THE GOVERNMENT]

18  
19  
20 On or about September 22, 1992, in the County of  
21 Orange, State of California, defendants HOUR BUN KHY and  
22 CHRISTINA DUONG TRAN in furtherance of their conspiracy did  
23 wilfully and unlawfully and with intent to defraud, present for  
24 allowance and payment a false and fraudulent claim and writing  
25 pertaining to undercover operator *CANH NGOC NGUYEN*, to the Social  
26 Security Administration which was authorized to pay said false  
27 and fraudulent claim and writing, if genuine, in violation of

1 section 72 of the Penal Code, a felony.

2 COUNT 12

3 [FRAUDULENT CLAIM TO THE GOVERNMENT]

4 On or about April 8, 1993, in the County of Orange,  
5 State of California, defendants HOUR BUN KHY and CHRISTINA DUONG  
6 TRAN in furtherance of their conspiracy did wilfully and  
7 unlawfully and with intent to defraud, present for allowance and  
8 payment a false and fraudulent claim and writing pertaining to  
9 undercover operator *SOMALY TEP*, to the Social Security  
10 Administration which was authorized to pay said false and  
11 fraudulent claim and writing, if genuine, in violation of section  
12 72 of the Penal Code, a felony.

13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27

(619) 645-2455  
(619) 645-2429

April 28, 1994

UNITED STATES HOUSE OF REPRESENTATIVES  
COMMITTEE ON WAYS AND MEANS  
SUBCOMMITTEE ON OVERSIGHT  
1135 Longworth House Office Building  
Washington D.C. 20515

Attention: THOMAS K. ARNOLD, Assistant Counsel

RE: Social Security S.S.I. Fraud Criminal Complaints

Dear Mr. Arnold:

Enclosed please find conformed copies of the two criminal complaints that this office filed against criminal defendants who were involved in defrauding the Social Security Supplemental Security Income program. All three defendants have pled guilty.

If there is anything additional we can do or anything further we can provide you, do not hesitate to call on us.

Sincerely,

DANIEL E. LUNGREN  
Attorney General

---

HARDY R. GOLD  
Supv. Dep. Attorney General

Encl.

cc: THOMAS A. TEMMERMAN, Director, Bureau of Medi-Cal Fraud

FILED	LOGGED
RECEIVED	
FEB 02 1994	
CLERK OF DISTRICT COURT WESTERN DISTRICT OF WASHINGTON TACOMA	

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
AT TACOMA

1 UNITED STATES OF AMERICA, )  
2 )  
3 )  
4 )  
5 )  
6 )  
7 )  
8 Plaintiff, )  
9 )  
10 v. )  
11 )  
12 JIMMY HUYEN VO, )  
13 a/k/a JIMMY H. VO, )  
14 a/k/a THAH HUYEN VO, )  
15 )  
16 Defendant. )

NO. CR 94-576  
INFORMATION

The United States Attorney charges that:

From on or about June 1985, to January 27, 1994, in Pierce County, in the Western District of Washington, Jimmy H. Vo, a/k/a Jimmy Vo, a/k/a Thah Huyen Vo ("defendant") did knowingly and willfully devise and intend to devise a scheme and artifice to defraud the Washington State Department of Social and Health Services, the United States Department of Health and Human Services, members of the Southeast Asian refugee community, and the taxpayers, and to obtain money belonging to the Washington State Department of Social and Health Services and the United States Department of Health and Human Services, by means of false and fraudulent pretenses and representations. Pursuant to the scheme and artifice to defraud and the scheme to obtain money by false and fraudulent pretenses and representations, defendant assisted some

INFORMATION/VO - 1  
(VO.1NF)

UNITED STATES ATTORNEY  
3600 Seafirst Fifth Avenue Plaza  
800 Fifth Avenue  
Seattle, Washington 98104  
(206) 553-7970

1 two hundred members of the Southeast Asian refugee community in  
2 obtaining public assistance benefits to which they were not  
3 entitled, specifically Aid to Families with Dependent Children  
4 (AFDC), Supplemental Security Income (SSI), General Assistance  
5 Unemployable (GA-U), housing supplements, food stamps and other  
6 social welfare programs. It was a part of said scheme that  
7 defendant dba Refugee Professional Services, did instruct his  
8 clients on how to feign symptoms of mental disease, mental illness  
9 or mental retardation, and would accompany them to the offices of  
10 doctors who were associates of his in the scheme and who would,  
11 without appropriate professional analysis, certify the clients to  
12 be unable to perform gainful employment due to debilitating mental  
13 disease, mental illness or retardation. Based upon those false and  
14 fraudulent pretenses and representations, and as a result of the  
15 scheme and artifice to defraud, the Washington State Department of  
16 Social and Health Services, and the United States Department of  
17 Health and Human Services made monthly payments to numerous clients  
18 of defendant, who were, in fact, ineligible to receive such  
19 payments. For his services, defendant did charge each client  
20 between \$2,000.00 and \$3,000.00.

21 On or about each date listed below, each such listing being a  
22 separate count of this Information, within the Western District of  
23 Washington, JIMMY VO, a/k/a, JIMMY H. VO, a/k/a THAH HUYEN VO, for  
24 the purpose of executing the aforesaid scheme and artifice to  
25 defraud and for obtaining money by means of false pretenses and  
26  
27  
28

UNITED STATES ATTORNEY  
3600 Seafirst Fifth Avenue Plaza  
800 Fifth Avenue  
Seattle, Washington 98104  
(206) 553-7970

INFORMATION/VO - 2  
(VO.INF)

1 representations, did knowingly cause to be sent and delivered by  
 2 the United States Postal Service the following mail matter:

3  
 4 COUNT I

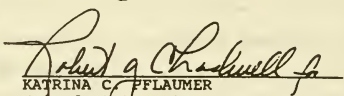
5 <u>DATE</u>	<u>RECIPIENT</u>	<u>SSI CHECK AMOUNT</u>
6 08/02/93	Socheatra Soeum	\$1,145.94

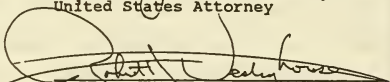
7  
 8 COUNT II

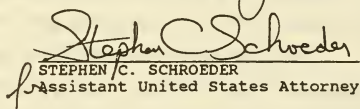
8 <u>DATE</u>	<u>RECIPIENT</u>	<u>SSI CHECK AMOUNT</u>
9 05/06/93	Sadoeung Say	\$ 998.07

10 All in violation of Title 18, United States Code,  
 11 Section 1341, and Section 2.

12 DATED this 1<sup>st</sup> day of February, 1994.

13  
 14  
 15   
 16 KATRINA C. PFLAUMER  
 United States Attorney

17  
 18   
 19 ROBERT H. WESTINGHOUSE  
 Assistant United States Attorney

20  
 21   
 22 STEPHEN C. SCHROEDER  
 Assistant United States Attorney

23  
 24  
 25  
 26  
 27  
 28  
 INFORMATION/VO - 3  
 (NO. INF)

UNITED STATES ATTORNEY  
 3600 Seafirst Fifth Avenue Plaza  
 800 Fifth Avenue  
 Seattle, Washington 98104  
 (206) 553-7970



FILED ENTERED  
LODGED RECEIVED

MAR 16 1994

AT SEATTLE  
CLERK U.S. DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
BY DEPUTY

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
AT TACOMA

UNITED STATES OF AMERICA, )  
 )  
 Plaintiff, )  
 )  
 v. )  
 )  
 NARITH POR KONG, )  
 )  
 Defendant. )

NO. CR94-5164

INFORMATION

The United States Attorney charges that:

COUNT 1

From on or about December 1, 1993, to on or about January 24, 1994, in the Western District of Washington, in a matter within the jurisdiction of the United States Department of Agriculture and the Department of Health and Human Services, both departments of the United States, the defendant, NARITH POR KONG, knowingly and willfully made and caused to be made a false, fictitious, and fraudulent material statement and representation, in that, in connection with an application for food stamps and General Assistance-Unemployable, the defendant aided, abetted, counseled, and commanded an undercover operative using the name "Kosal Chan" to represent that he was suffering from headaches, could not sleep

UNITED STATES ATTORNEY  
3600 Seafirst Fifth Avenue Plaza  
800 Fifth Avenue  
Seattle, Washington 98104  
(206) 553-7970

1 nor eat, that he was not working, that his family had been killed  
2 by the Communists, that he had been having dreams about the  
3 Communists since the 1980's and that, as a result of those things,  
4 he was depressed; when in truth and in fact, as NARETH POR KONG  
5 well knew, "Kosal Chan" was not suffering from debilitating  
6 depression, he was working, was not having trouble eating or  
7 sleeping, his family had not been killed by the Communists, and he  
8 was not disabled.

9 All in violation of Title 18, United States Code,  
10 Section 1001 and Section 2.

11 COUNT 2

12 From about 1987, to on or about February 3, 1994, in the  
13 Western District of Washington, the defendant, NARITH POR KONG,  
14 did knowingly and willfully devise and intend to devise a scheme  
15 and artifice to defraud the Washington State Department of Social  
16 and Health Services, the United States Department of Health and  
17 Human Services, the United States Department of Agriculture,  
18 and the taxpayers, and to obtain money belonging to the Washington  
19 State Department of Social and Health Services and the  
20 United States Department of Health and Human Services, by means of  
21 false and fraudulent pretenses and representations. Pursuant to  
22 the scheme and artifice to defraud and the scheme to obtain money  
23 by false and fraudulent pretenses and representations, defendant  
24 obtained and attempted to obtain public assistance benefits for  
25 more than fifty applicants who were not entitled to said public  
26 assistance, specifically, Aid to Families with Dependent Children  
27  
28

UNITED STATES ATTORNEY  
3600 Seafirst Fifth Avenue Plaza  
800 Fifth Avenue  
Seattle, Washington 98104  
(206) 553-7970

1 (AFDC), Supplemental Security Income (SSI), food stamps, and other  
2 social welfare programs. It was a part of said scheme that  
3 defendant, aided, abetted, counseled, and commanded more than  
4 fifty applicants, whose identities are both known and unknown to  
5 the United States Attorney, to feign symptoms of mental disease,  
6 mental illness, or mental retardation, and caused doctors to  
7 certify them to be unable to perform gainful employment due to  
8 debilitating mental disease, mental illness, or retardation.  
9 Based upon those false and fraudulent pretenses and  
10 representations, and as a result of the scheme and artifice to  
11 defraud, the Washington State Department of Social and Health  
12 Services, the United States Department of Health and Human  
13 Services, and the United States Department of Agriculture made  
14 payments to the more than fifty applicants totaling in excess of  
15 One Million Dollars to which said applicants were not entitled.

16 On or about November 2, 1992, within the Western District of  
17 Washington, NARITH POR KONG, for the purpose of executing the  
18 aforesaid scheme and artifice to defraud and for obtaining money  
19 by means of false pretenses and representations, did knowingly  
20 cause to be sent and delivered by the United States Postal  
21  
22  
23  
24  
25  
26  
27  
28

UNITED STATES ATTORNEY  
3600 Seafirst Fifth Avenue Plaza  
800 Fifth Avenue  
Seattle, Washington 98104  
(206) 553-7970

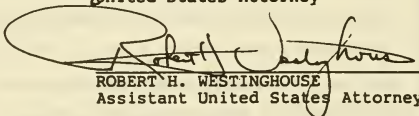
1 Service, a check drawn on the United States Treasury in the amount  
2 of \$6,940.13 for the benefit of SOKHA KETH.

3 All in violation of Title 18, United States Code,  
4 Section 1341 and Section 2.

5 DATED this 16 day of March, 1994.

6  
7 

8 KATRINA C. PFLAUMER  
United States Attorney

9  
10 

11 ROBERT H. WESTINGHOUSE  
12 Assistant United States Attorney

13  
14 

15 STEPHEN C. SCHROEDER  
16 Assistant United States Attorney

17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
UNITED STATES ATTORNEY  
3600 Seafirst Fifth Avenue Plaza  
800 Fifth Avenue  
Seattle, Washington 98104  
(206) 553-7970

UNITED STATES ATTORNEY  
Western District of Washington  
3600 Seafirst Fifth Avenue Plaza  
Seattle, Washington 98104-3190

TEL (206) 553-7970  
FAX (206) 553-0882

February 3, 1994

CS/mfc

Mr. Narith Por Kong

Re: Plea Agreement, Narith Por Kong

Dear Mr. Kong:

Based upon the understanding specified below, Narith Por Kong (hereinafter referred to as the "defendant") and the United States of America agree as follows:

1. Narith Por Kong will enter a guilty plea in the Western District of Washington to a two-count Western District of Washington Information charging him with mail fraud, in violation of Title 18, United States Code, Section 1341, false claims, in violation of Title 18, United States Code, Section 287, or other five-year offenses based upon his efforts to defraud the state and federal governments.

2. Each of the two counts in the respective Informations will be punishable by a maximum period of incarceration of five years and a fine of \$250,000. The parties further agree that the two offenses constitute a single group of closely-related counts under U.S.S.G. § 3D1.2.

3. The defendant agrees to provide assistance to the United States in the ongoing investigation and ultimate prosecution of others. The assistance requested includes Mr. Kong's providing truthful, complete, and reliable information and testimony against all other individuals or corporations; and his cooperation as directed by the United States Attorney's Offices for the Western District of Washington or Federal agents in the ongoing investigation. The cooperation shall include, conversing and secretly recording conversations with others who may be involved, complying with instructions received from the United States Attorney's Office or Federal agents, setting up meetings and meeting with others as directed by the United States Attorney's Office, and keeping secret this agreement and his cooperation with Federal authorities during the course of the investigation. All expenses incurred by Mr. Kong in carrying out this Agreement will be paid by the Government as provided in paragraph 9 below.

4. The defendant requests that the Government defer the filing of charges and agrees to waive any defense he may have based on the statute of limitations for any delay in filing the charges

after the date of this agreement. The defendant further agrees to waive indictment and consents to be charged by Information filed by the United States Attorney.

5. The United States expressly reserves the right to allocute at the time of sentencing to advise the Court and the Probation Department of the facts, circumstances, and significance of the offense pursuant to Rule 32(a)(1) of the Federal Rules of Criminal Procedure. The Government further reserves the right to make recommendations to the Court; to provide to the Court and to the United States Probation Office a statement of facts relating to the criminal conduct for which defendant was responsible; and further reserves the right to correct and comment upon any statements of fact made by the defendant or his representative in the course of the presentence investigation, in the course of the sentencing, or in other proceedings. The Government promises to make the Court fully aware of the nature and extent of Mr. Kong's cooperation prior to sentencing, and further promises that its recommendation as to sentence will fairly reflect that cooperation, and if he provides substantial assistance the Government will move the Court to depart below the guidelines (as to any potential incarceration or fine) pursuant to U.S.S.G. § 5K1.1.

6. The United States agrees that it will not prosecute the defendant for non-violent offenses which he reveals during the course of his cooperation, and further agrees that information about other criminal violations the defendant provides to the office or the Federal Grand Jury pursuant to this agreement (or any information directly or indirectly derived from such testimony or other information) will not be used against the defendant in any criminal case, except a prosecution for perjury, false statement, obstruction of justice, or contempt of court. The defendant understands that he remains subject to prosecution for any other violations which he fails to disclose prior to or during his appearance before the grand jury in Seattle.

7. The defendant shall truthfully disclose all information with respect to the activities of the defendant and others concerning all matters of inquiry or on behalf of the United States. Upon request of the Government, he will take a polygraph examination administered by the FBI to evidence the truthfulness of information provided to the Government.

8. The defendant will be available at all reasonable times requested by representatives of the Government and shall cooperate with all reasonable requests to assist in investigations and shall truthfully testify before Federal Grand Juries and at any trials as to any subject about which the defendant is questioned. All documents which are relevant to any investigation and which are in the possession of or control of the defendant will be furnished to the United States upon request. All travel or other expenses approved in advance and required by the Government will be at Government expense, with travel expenses paid at the rate payable to

all federal witnesses.

9. This agreement does not apply to acts involving actual or threatened violence. While the United States Attorney's Office for the Western District of Washington has no reason to believe that the defendant has been involved in any such acts, the burden is upon the defendant either to disclose that there may be a potential problem with such a limitation or to face the consequence that no benefit will be gained by a subsequent disclosure which would not be covered by the terms of the agreement.

10. This agreement does not prohibit the United States, any agency thereof, or any third party from initiating or prosecuting any civil proceedings directly or indirectly involving the defendant.

11. The defendant must at all times give complete, truthful, and accurate information and testimony. This is the essence of the agreement. Should the defendant withdraw from this agreement or should it be judged by the United States Attorney's Office for the Western District of Washington that the defendant has, subsequent to the date of this agreement, intentionally given materially false, materially incomplete, or materially misleading testimony or information, or has otherwise violated any provision of the agreement, this agreement shall be null and void and the defendant shall thereafter be subject to prosecution for any substantive crimes of which the Government has knowledge as of the time the agreement is terminated including, but not limited to, perjury, false statement, and obstruction of justice. Any such prosecution may be premised upon any information provided by the defendant or obtained as the result of information having been provided by him and such information may be used against the defendant. A determination by the Government that the defendant has intentionally given materially false, incomplete or misleading information may be challenged by the defendant, in which case disputed issues shall be determined by the Court based upon a preponderance of the evidence.

No additional promises, agreements and conditions have been entered into other than those set forth in this letter and none will be entered into unless in writing and signed by all parties.

Very truly yours,

KATRINA PFLAUMER  
United States Attorney



STEPHEN C. SCHROEDER  
Assistant United States Attorney

# UNITED STATES DISTRICT COURT

WESTERN DISTRICT OF WASHINGTON

In the Matter of the Search of  
The person, luggage and effects  
of JIMMY H. VO

## APPLICATION AND AFFIDAVIT FOR SEARCH WARRANT

CASE NUMBER:

I DAVID B. SOUSA being duly sworn depose and say:

I am a Special Agent of the Federal Bureau of Investigation and have reason to believe that XXX on the person of or XXX on the premises known as the person, luggage and effects of Jimmy H. Vo

in the WESTERN District of WASHINGTON  
there is now concealed a certain person or property, namely that described in Attachment A hereto, which is evidence, instrumentalities and proceeds of violations of Title 18, United States Code, Section 286 (Conspiracy to defraud the Government with respect to claims); Section 666 (Theft or Bribery Concerning Programs Receiving Federal Funds); Section 1001 (False Statements); Section 1341 (Mail Fraud); Section 1343 (Wire Fraud); Section 1956 (Money Laundering); Title 42, United States Code, Section 408 (Social Security Fraud); Title 26, United States Code, Sections 7201 (Attempt to Evade or Defeat Tax); Section 7206(1) and (2) (Fraud and False Statements); and Title 18, United States Code, Section 371 (Conspiracy to commit said offenses), as more particularly described in the Affidavit of Special Agent David B. Sousa filed on January 26, 1994, which is incorporated by reference herein.

Continued on the attached sheet and made a part hereof:  Yes  No

\_\_\_\_\_  
Signature of Affiant

Sworn to before me, and subscribed in my presence

Date: \_\_\_\_\_ at Tacoma, Washington  
City and State

FRANKLIN D. BURGESS  
United States Magistrate Judge

Name & Title of Judicial Officer

\_\_\_\_\_  
Signature of Judicial Officer

USAO# 9300759

AO 106 (Rev 5/7)



AFFIDAVIT IN SUPPORT OF APPLICATION  
FOR SEARCH WARRANT OF JIMMY H. VO'S  
BUSINESS, RESIDENCE, PERSON, LUGGAGE  
EFFECTS AND VEHICLE.

INTRODUCTION

DAVID B. SOUSA, Special Agent, FEDERAL BUREAU OF INVESTIGATION, being duly sworn, deposes and says:

1) I have been a Special Agent with the FEDERAL BUREAU OF INVESTIGATION (FBI) since May, 1990. I am currently assigned to the FBI Field Office in Seattle, Washington, where one of my primary responsibilities is the investigation of violations of federal criminal law in relation to fraud against the government. Since June, 1992, I have been involved in a joint federal, state, and local investigation regarding the abuse of the welfare and entitlement system by certain private individuals and employees within the Washington State DEPARTMENT OF SOCIAL AND HEALTH SERVICES (DSHS).

2) This affidavit is submitted in support of an application for a search warrant to search: (a) the business premises of JIMMY H. VO, aka JIMMY VO, aka THANH HUYEN VO, d/b/a REFUGEE PROFESSIONAL SERVICE, also d/b/a ASIAN WORLD WIDE TRAVEL & TRADING LTD., both businesses located at 4314 Portland Avenue, Suite 2, Tacoma, Washington; (b) the residence of JIMMY H. VO, located at 19013 114th Ct. SE, Renton, Washington; (c) the person of JIMMY H. VO; (d) the luggage and effects of JIMMY H. VO; (e) the vehicle which transports JIMMY H. VO to Seattle Tacoma International Airport; concerning offenses involving Title

18 U.S.C. Section 286, Conspiracy to Defraud the Government With Respect To Claims; Title 18 U.S.C. Section 666, Theft or Bribery Concerning Programs Receiving Federal Funds; Title 18 U.S.C. Section 1001, False Statements; Title 18, U.S.C. Section 1341, Mail Fraud; Title 18 U.S.C. Section 1343, Fraud by Wire; Title 18 U.S.C. Section 1956, Money Laundering; Title 42 U.S.C. Section 408, Social Security Fraud; Title 26 U.S.C. Section 7201, Attempt to Evade or Defeat Tax; Title 26 U.S.C. Section 7206(1) and (2), Fraud and False Statements; and Title 18 U.S.C. Section 371, Conspiracy to Commit These Offenses. The business premises to be searched, 4314 Portland Avenue, Suite 2, Tacoma, Washington, is described as a suite in a one story strip mall with grey exterior and blue roof with brick trim and REFUGEE PROFESSIONAL SERVICE printed on the front door, said premises being identified more fully in the photograph and map attached to this affidavit. The residence to be searched, 19013 114th Ct SE, Renton, Washington is is described as an off-white two-story wood framed house with attached three-car garage and is identified more fully in the photograph and map attached to this Affidavit.

3) I have participated in the investigation of the above offenses. As a result of my personal participation in this investigation, through interviews with and analysis of reports submitted by other Special Agents of the FBI and by Special Agents and Investigators of the following federal, state and local agencies: INTERNAL REVENUE SERVICE; U.S. CUSTOMS SERVICE; UNITED STATES POSTAL INSPECTION SERVICE; IMMIGRATION AND

NATURALIZATION SERVICE; WASHINGTON STATE PATROL; PIERCE COUNTY PROSECUTOR'S OFFICE; UNITED STATES DEPARTMENT OF AGRICULTURE, OFFICE OF THE INSPECTOR GENERAL (USDA-OIG); TACOMA POLICE DEPARTMENT; PIERCE COUNTY SHERIFF'S OFFICE; and DEPARTMENT OF HEALTH & HUMAN SERVICES, OFFICE OF THE INSPECTOR GENERAL (HHS-OIG); (hereinafter collectively referred to as the "Task Force"); witnesses, and other concerned parties, I am familiar with the circumstances of the offenses described in this affidavit. On the basis of this familiarity, I allege that facts contained in this affidavit show that there is probable cause to believe that JIMMY H. VO and others have committed the violations enumerated in Paragraph Two of this affidavit and that there is probable cause to believe that located at the REFUGEE PROFESSIONAL SERVICE premises, 4314 Portland Avenue, Suite 2, Tacoma, Washington, and at the residence located at 19013 114th Ct SE, Renton, Washington, and on the person of JIMMY H. VO, and in the luggage and personal effects of JIMMY H. VO, and in the vehicle which transports JIMMY H. VO to Seattle Tacoma International Airport are records, documents and other items (listed in Paragraph 36 of this Affidavit) which are evidence and proceeds of the crimes enumerated in Paragraph Two of this Affidavit.

BACKGROUND.

4) JIMMY H. VO is an asian male born in Vietnam and a naturalized citizen of the United States. He is described as being five feet seven inches in height, weighing 138 pounds, with black hair and brown eyes and a date of birth of January 1, 1932.

JIMMY H. VO, a former social worker employed by TACOMA COMMUNITY HOUSE (whose duties there entailed bringing clients to hospitals and into DSHS welfare programs) and who is presently doing business as REFUGEE PROFESSIONAL SERVICE, a private business, has engaged in various criminal schemes and criminal activities as set forth below:

a) Social Security Fraud. The activities of JIMMY H. VO which initiated this Task Force investigation involve a criminal scheme whereby individuals (almost exclusively members of the Southeast Asian immigrant community) not otherwise eligible for public assistance are aided by VO in fraudulently obtaining eligibility for public assistance. In other cases, Asian immigrants who actually are eligible for public assistance are convinced by VO that they require his assistance in gaining eligibility. In return, VO requires these individuals to pay for his assistance in cash or the enlistment of others to expand the scheme. VO contacts Asian refugees, especially those of Cambodian and Laotian extraction, and offers to enroll them in Aid to Families with Dependent Children (AFDC), Supplemental Security Income (SSI), General Assistance - Unemployable (GA-U) and other social welfare programs. (AFDC is a program providing financial assistance to children who are deprived of parental care or support. Deprivation may be due to death, absence, incapacity or unemployment. Financial need must also be shown. SSI is a program providing financial assistance for people over age 65, or who are blind, disabled or do not have sufficient

income and resources to maintain a standard of living at the established federal minimum income level. GA-U provides financial assistance to those who are physically, mentally or emotionally unable to perform gainful employment for at least 90 days from the date of application. Alcohol/drug dependency is excluded. SHARON FULLER, PIERCE COUNTY PROSECUTOR'S OFFICE, Family Support Unit, has advised that all the PIERCE COUNTY entitlement programs, including the aforementioned, are at least sixty percent (60%) federally funded.)

There is probable cause to believe that VO assists the refugees in completing the necessary forms and instructs them about false claims to make about absent parents, family size, disability, and income. There is also probable cause to believe that VO arranges appointments with doctors to obtain the necessary certifications that the would-be recipient suffers from a disability. Further, there is probable cause to believe that VO's clients are then referred to specific employees of DSHS who process the false claims. There is probable cause to believe that VO maintains records and proceeds of these activities at his business office, REFUGEE PROFESSIONAL SERVICE, 4314 Portland Avenue, Suite 2, Tacoma, Washington and at his residence, 19013 114th Ct SE, Renton, Washington, as well as on his person, in his luggage and effects, and in his vehicle in which he will travel to Seattle Tacoma International Airport on or about Thursday, January 27, 1994, as the first leg of his trip to Saigon.

b) Tax Fraud. In addition to the above-described SSI fraud scheme, there is probable cause to believe that JIMMY H. VO has: i) fraudulently filed false personal tax returns for the years 1989, 1990 and 1991, under-reporting his income during those years; ii) acted as a tax preparer, willfully and knowingly preparing false or fraudulent tax returns on behalf of his clients; and iii) acting in his capacity as a tax preparer, conspired with his clients in preparing false and fraudulent tax returns and related documentation. There is probable cause to believe that VO maintains records and proceeds of these activities at his business office, REFUGEE PROFESSIONAL SERVICE, 4314 Portland Avenue, Suite 2, Tacoma, Washington and at his residence 19013 114th Ct SE, Renton, Washington, as well as on his person, in his luggage and effects, and in the vehicle in which he will travel to Seattle Tacoma International Airport on or about Thursday, January 27, 1994, as the first leg of his trip to Saigon.

c) Money Laundering. There is probable cause to believe that JIMMY H. VO has knowingly conducted financial transactions which in fact involved the proceeds of specified unlawful activity, to wit: mail fraud (18 U.S.C. Section 1341), with the intent to conceal and disguise the nature, source, ownership and control of said proceeds, all in violation of Title 18 U.S.C. Section 1956.

There is also probable cause to believe that VO maintains records and proceeds of these activities at his

business office, REFUGEE PROFESSIONAL SERVICE, 4314 Portland Avenue, Suite 2, Tacoma, Washington; at his residence, 19013 114th Ct SE, Renton, Washington; and that records and proceeds of these activities will be on his person, in his luggage and effects, and in the vehicle in which he will travel to Seattle Tacoma International Airport on or about Thursday, January 27, 1994, as the first leg of his trip to Saigon.

FACTS AND CIRCUMSTANCES

5) This investigation was initiated on June 5, 1989 when the Office of Special Investigation, Washington State Department of Social and Health Services, Olympia, Washington, reported that they had received information alleging that certain individuals who were employed as social workers by DSHS were receiving kickbacks for helping Asian refugees qualify for state and federal benefits. During the spring of 1989, JIMMY H. VO, together with certain DSHS employees, was first identified by local investigators as being involved in the aforementioned fraudulent scheme to defraud DSHS. On August 8, 1990, an individual of southeast Asian extraction, with no known criminal involvement (hereinafter referred to as C-1) voluntarily came forward to cooperate with Task Force members. C-1 met with VO at VO's place of business. During that meeting VO contacted an individual by telephone at DSHS and C-1 overheard a portion of the conversation. In this conversation VO was heard to jokingly state to the individual at DSHS that, "you have to help him/her (meaning C-1) out or you'll answer to me." After the

conversation ended VO assured C-1 that he was ninety-nine percent sure he/she could qualify for welfare because these people, meaning the people at DSHS, are all "under him." At that point in the meeting the telephone rang and VO made an appointment with an unknown caller regarding a visit to DSHS. In this conversation VO stated to the caller that he would take her to the welfare office himself. The caller further agreed to immediately come to VO's business so that VO could show both the caller and C-1 how to get to the welfare office.

6) On September 24, 1990, Special Agent J. R. PARKER, U.S. Department of Agriculture interviewed SIRAY THACH, Pierce County AFDC Investigator, Pierce County Prosecutor's Office, Tacoma, Washington. THACH stated that over the last two years he has received at least 12 reports from various individuals who felt that they had information regarding the welfare system that should be brought to his attention. THACH confirmed that each of these individuals was receiving some type of public assistance. The common information these people provided to THACH was that there were several individuals involved in a welfare fraud scheme in Pierce County. One of the individuals mentioned by name was JIMMY H. VO. According to all the individuals that THACH spoke with, they were required to pay approximately \$2,000.00 to JIMMY H. VO or one of the other individuals in order to become qualified for AFDC and \$3,200.00 to qualify for SSI. According to THACH, the information he received from would-be recipients was that VO was one of the most active perpetrators of welfare



fraud in the Cambodian, Laotian, and Vietnamese communities. VO repeatedly bragged to these informants that a DSHS worker, BARRY SOM, was on his payroll. Investigation has revealed that BARRY SOM is employed by DSHS as a Case Worker. (In an August 23, 1985 memorandum from DICK JOHNSON, Casework Supervisor, DSHS Pierce County South, to GLEN A. MC ILRAITH, Administrator DSHS Pierce County South, JOHNSON advised that BARRY SOM reported to him that JIMMY VO, at that time employed by TACOMA COMMUNITY HOUSE, was instructing individuals on how to misrepresent themselves in order to qualify for public assistance or SSI, and that he was charging those individuals for such advice. JOHNSON advised that SOM stated the easiest way to gain eligibility is via the mental health route because Doctor SEIICHI ADACHI, who at that time worked at Tacoma Community House with JIMMY VO, diagnosed clients as being mentally retarded. SOM claimed to have been present during an examination by Dr. ADACHI, with JIMMY H. VO present, during which VO instructed a client to simulate retardation for the doctor. Although a large number of people brought this matter to THACH's attention, the majority requested that their names be withheld from any investigation as they feared reprisal from individuals within the Asian community who might be associated with the persons involved in the welfare fraud scheme.

7) On September 27, 1990, Investigator R. H. BARNES, DSHS-OSI, and Special Agent PARKER, U.S. DEPARTMENT OF AGRICULTURE, interviewed a RET PEO. PEO, a former Cambodian mental health counselor for SOUTHEAST ASIAN COUNSELING SERVICE,

now known as ASIAN COUNSELING SERVICE, provided information about several suspects in this investigation. This information was provided to PEO by former clients/patients of hers when she was employed by SOUTHEAST ASIAN COUNSELING SERVICE. SOUTHEAST ASIAN COUNSELING SERVICE, 4301 S. Pine, TACOMA MALL BUILDING, Tacoma, Washington, is a private organization which receives federal funding to provide counseling to Cambodian, Vietnamese and Laotian immigrants. PEO was terminated by SOUTHEAST ASIAN COUNSELING SERVICE on September 13, 1990 for what they termed unprofessional behavior/conduct. PEO, however, maintains that her termination was due to the influential actions of a co-worker whose sexual advances she refused. PEO provided Special Agent PARKER with the names of three people who had interacted with VO in their application process to the entitlement programs. The first person, CHAN TUON, was a client at the SOUTHEAST ASIAN COUNSELING SERVICE. TUON told PEO that she met with JIMMY H. VO and requested his assistance in her application for SSI while at the same time her husband met with a DSHS worker to apply for welfare. Her husband was denied welfare benefits but TUON eventually obtained SSI benefits after making payments to JIMMY H. VO. The two other people, PREAP RUON and SAVOEUN SAM, both friends of PEO's, told PEO that they had paid VO for his assistance to ensure they obtained SSI benefits.

A pen register and trap/trace has been in place on telephone number (206) 474-1704 subscribed to by JIMMY H. VO, dba REFUGEE PROFESSIONAL SERVICE, 4314 Portland Ave., Suite #2,

Tacoma, Washington, since 9/24/92. From data available to date, the pen register and trap/trace have recorded telephone calls from the target number to a telephone subscribed to by a SAVOEUN SAM and calls from the telephone subscribed to by SAVOEUN SAM to the target number, totalling at least 249 calls, the latest of which occurred on January 12, 1994. (SAVOEUN SAM's fraudulent qualification for SSI and business relationship with VO is described in Paragraphs 22 and 27). According to PEO, JIMMY H. VO assists people in qualifying for SSI. This "assistance" entails setting up doctor's appointments for the would-be recipients. In order to receive SSI benefits, a doctor must certify that the would-be recipient suffers from some type of medical problem, mental disorder, or have some type of medical/mental condition that prohibits the individual from being gainfully employed. PEO stated that at least ten of her former clients and acquaintances have told her that once JIMMY H. VO makes an appointment with a physician for one of his clients, he directs the client on how to appear for their appointment with the doctor. The clients are told how to dress poorly, to take any medication that would make them appear drowsy, and to refrain from combing their hair and washing their face. The information PEO provided regarding VO's activities and modus operandi have been corroborated through the use of an individual who is cooperating with the Task Force in an undercover role (discussed in Paragraphs 10 - 20 of this Affidavit, and through TITLE III

wire and oral interceptions of conspiratorial conversations of JIMMY H. VO discussed in Paragraph 27).

8) On October 1, 1990, Investigator R. H. BARNES, DSHS-OSI, and Special Agent J. R. PARKER, U.S. DEPARTMENT OF AGRICULTURE, interviewed a Doctor THU V. LE of Tacoma, Washington. Doctor LE stated that for the past three years various patients of his had told him about other individuals in the Asian community who visited doctors in the Tacoma area in order to qualify for SSI. LE said that at least ten of his patients had told him about their friends' action to obtain SSI benefits. Reports indicated that these people had visited with doctors and that the visits had been arranged by JIMMY VO. VO had instructed these individuals to act retarded in order to enhance their chances of receiving SSI benefits. LE also stated that at least two of his patients had reported instances where VO had instructed the would-be recipients to act epileptic when they visited the doctor. Doctor LE stated that he had heard JIMMY VO's name often and that it was common knowledge that VO instructed people to act epileptic and/or retarded whenever they would visit their doctors in order to qualify for SSI.

9) On March 10, 1992 a letter addressed to the Director of the Social Security Administration in Tacoma, Washington was received and thereafter provided to the FBI. The letter alleged that VO operated a business in Tacoma, Washington where he worked with Cambodian clients to help them qualify illegally for SSI. The letter further alleged that VO would

charge between \$2,000 - \$5,000 from the people who he helped qualify for SSI and would split the money with "Asian doctors" who assisted him in getting his clients qualified for SSI. The letter stated that VO would have his clients, healthy people, feign mental health problems to qualify for SSI. The letter was signed the "Cambodian Community". On May 13, 1992 a second, similar letter was received making essentially the same allegations against VO.

10) On July 1, 1992, another individual cooperating with the Task Force, who has provided information to the Task Force on several occasions (said information having never been shown to be inaccurate by subsequent investigation), and who has agreed to testify if necessary, (hereinafter referred to as C-2) made a consensually monitored telephone contact with JIMMY VO on VO's business phone, (206) 474-1704 (unless otherwise indicated all phone conferences and meetings with VO by C-2 have been consensually monitored and recorded). After introductions were exchanged C-2 stated that he/she was interested in obtaining SSI benefits and heard that VO was the person to contact to get on SSI. VO asked if C-2 could meet with him at his office that day, July 1st. VO told C-2 that he wanted to meet with C-2 in person and discuss what C-2's problems were. Shortly thereafter, C-2 phoned VO at his office and set up an appointment for late afternoon. VO instructed C-2 to call VO at his office at telephone #(206) 474-1704 prior to him/her leaving the residence. Pursuant to instructions, at approximately 5:00 p.m. that day C-2

telephoned VO at (206) 474-1704 and VO told C-2 to contact him at VO's office at 4314 Portland Avenue, Tacoma, Washington. C-2 showed up at VO's office and met with VO. C-2 told VO that he/she wanted to apply for SSI. After some discussion C-2 provided VO with a type of IMMIGRATION and NATURALIZATION SERVICE (INS) identity card and VO advised C-2 that he had never seen this type of INS card and he had been in the business nearly 20 years. VO told C-2 to wait and he took C-2's INS card and went out to an adjoining jewelry store. VO was overheard to ask a woman in the jewelry store if she had ever seen this type of INS card that the C-I had brought in. The woman told VO to be careful, that someone might do something bad to him. VO then re-entered his office and told C-2 that he had never seen this type of INS card and told C-2 that he could not help him/her.

11) On July 2, 1992, C-2 returned to VO's office where he/she met with VO again. C-2 brought with him/her the INS papers that VO had been looking for the day before. C-2 asked VO if he could help the C-2 get on SSI now that C-2 had provided him with the necessary INS documentation. VO told C-2 that he was not sure if he could get C-2 on SSI but that he would ask some people. C-2 asked VO when he/she could come see VO again and VO said that he would call C-2. C-2 advised VO that he/she did not have a phone and VO told C-2 to call him in two or three days. VO told C-2 that because he/she had only been in the country a short time, it might be difficult to get on SSI. VO gave C-2 his business card bearing # (206) 474-1704 and told C-2 to call him.

12) On July 9, 1992, C-2 contacted VO via telephone at his business and C-2 was instructed by VO to meet VO in person on July 10, 1992. On July 10, 1992, C-2 met with VO at his business premises. VO explained to C-2 that he/she would need to see doctors in order to apply for SSI benefits. VO stated that he could not drive C-2 to the doctors' offices because he had to help up to forty other people (clients) at the doctors' offices on the same day. VO said that he was a very busy man and that he sold passports and arranged for people to travel to Cambodia. VO told C-2 that he would explain to C-2 later how much she/he needed to pay VO later on. VO explained that he always tried to be nice to the people who he helped and that when those people got money then he would get money. C-2 then accompanied VO to the SOCIAL SECURITY ADMINISTRATION OFFICE where VO spoke with one of the employees there regarding the eligibility of C-2 for the SSI program. On that same day Task Force surveillance vehicles located VO's vehicle parked at the SOCIAL SECURITY ADMINISTRATION OFFICE at South 40th Street in Tacoma, Washington. Surveillance observed C-2 and VO exit the SOCIAL SECURITY ADMINISTRATION OFFICE, enter VO's vehicle and leave the parking lot.

13) On July 24, 1992, C-2 contacted VO at his office via telephone. VO instructed C-2 to meet him at his office on Tuesday, July 28, 1992 at 10:00 a.m. VO never showed up for that appointment.

14) On August 5, 1992, at approximately 9:45 a.m., C-2 contacted VO as he was preparing to get into his car in the

parking lot of his business at 4314 Portland Avenue, in Tacoma. After a brief discussion about missed appointments VO scheduled C-2 for an appointment at his office the next day, August 6th. VO made an appointment in his schedule book that he was carrying. When C-2 asked VO what he/she should do as he/she did not have any money and was not really sick, but did not wish to get a job. VO responded that the problems were C-2's, and that he would talk with C-2 about it the next day. VO told C-2 to bring \$150.00 with him/her the next day. C-2 told VO again that he/she did not have any money. VO mentioned a \$500.00 figure that he had discussed with C-2 at a prior meeting and then told C-2 that he had to leave as he had an appointment with someone else applying for SSI. VO showed C-2 his appointment book, got into his car, and left.

15) On August 6, 1992, C-2 again met with VO at his place of business. VO asked C-2 if he/she had the money that he/she had been told to bring. C-2 took out a money order for \$100.00 and gave it to VO. VO explained that he needed another \$500.00 for the three doctors' appointments that C-2 would need in order to get on SSI. VO told C-2 that each of the doctors were paid \$150.00. VO kept the remaining \$50.00 for all the paperwork that he did. VO told C-2 that C-2 would also have to be prepared to pay \$40.00 for the doctors' appointments when C-2 went to their offices. VO told C-2 that if C-2 could not afford to pay the \$40.00 for the doctor's appointment, C-2 should apply for welfare and get medical coupons. When C-2 gave the money to



VO he/she asked VO if this was to pay for one of the doctor's appointments or for something else. VO's response was to wave his hands indicating that C-2 had no need to know. After VO asked C-2 preliminary questions about his/her place of birth, family relations, and schooling, VO asked C-2 about any ailments that C-2 had experienced. C-2 told VO that there was nothing wrong with him/her. C-2 asked VO what he/she should say was wrong with him/her. VO told C-2 that he/she should say that he/she was dizzy all the time and had recurring headaches. VO told C-2 to say that his/her parents had been killed by the Khmer Rouge and that C-2 had suffered from nightmares. VO told C-2 to say that C-2 had witnessed the killing of his/her parents and that it bothered him/her. VO told C-2 that he would do everything for C-2 and that C-2 should repeat what he was telling C-2 now when they went to the doctors. VO then began telling C-2 what C-2 should do to prepare for the doctors' appointments. VO told C-2 to cut his/her nails, to eat very little, to stay up all night watching television for several nights before going to the doctors' appointments, and to wear poor clothing. VO told C-2 that after he/she got the SSI money, C-2 needed to continue to go to see a doctor. VO told C-2 that he/she did not have to do everything that VO had instructed him/her to do with regards to preparing for the appointments, but that C-2 should continue to complain about headaches and dizziness. VO also told C-2 that C-2 could get a job or anything else C-2 wanted to do as long as C-2 continued to visit the doctor. VO then told C-2 that once C-2

received the SSI check, C-2 should pay VO \$1,500.00. VO told C-2 that he charged everyone else \$2,500.00 but because VO liked C-2 and thought of C-2 as a son/daughter, VO would only charge C-2 \$1,500.00. VO then told C-2 that he/she needed the \$500.00 for the doctor appointments. VO stated that he would schedule an appointment for C-2 and send a letter to C-2's apartment. VO told C-2 to call him when C-2 received the letter and on the day of the appointment, C-2 should come to VO's office and they would go to the doctors' offices together from there.

16) On October 8, 1992, at approximately 9:57 a.m., C-2 met VO at his place of business. C-2 advised VO that he/she had brought the money VO had instructed him/her to bring to his office earlier. VO told C-2 that he had not been able to reach him/her by telephone because C-2 had no telephone. VO then showed C-2 that he had scheduled a doctor's appointment for C-2 on September 24th but he had not been able to reach C-2. C-2 asked VO why VO would not send a letter to C-2 notifying C-2 of the appointment as he had talked about doing. VO told C-2 that he was worried that his paper would "fall into the wrong hands." VO then gave C-2 one of his business cards with an October 14th doctor's appointment written on the back of the card. VO told C-2 to come to his office at the time and day indicated on the card. Next, VO telephoned Doctor JESSY ANG's office in Tacoma, Washington and scheduled an appointment for C-2 on October 29th. A pen register report registers a phone call from the business phone of Refugee Professional Service to a phone number

subscribed to by Dr. JESSY ANG on October 8, 1992 at 10:08 a.m. Finally, VO filled out an appointment card for a Doctor ROBERT CHAMBERS. VO did not telephone the doctor's office but put down November 10th for the appointment time. VO then told C-2 to dress poorly for the appointments. VO told C-2 to pull the skin on C-2's neck and forehead so that it would look very red. VO told C-2 to cut C-2's fingernails. C-2 told VO that he/she needed his help and VO said he would tell C-2 what to say and that C-2 should not worry. VO instructed C-2 that when he/she was asked to count out numbers C-2 should count wrong. VO also told C-2 that when C-2 was asked his/her age C-2 should act as though C-2 was not sure what it was, and simply pull out an identification card. VO also told C-2 that when C-2 got the first SSI check he would only charge C-2 \$1,500.00. VO told C-2 that he charged other people \$2,000.00. VO told C-2 that he could not guarantee that the CI would get on SSI but he would try his best to get C-2 on SSI. VO told C-2 that if C-2 did not know how to get to the doctors' clinics C-2 should come to VO's office and he would take C-2 there.

17) On October 14, 1992, in accordance with VO's instructions C-2 met VO at his place of business to meet with a doctor. When C-2 arrived, VO asked why C-2 had not pulled the skin on C-2's face to make it appear red. VO continued to talk with C-2 and told C-2 to do things poorly whenever C-2 was instructed to do something. VO also told C-2 to do the things that the doctor asked C-2 to do very slowly. VO told C-2 to

pretend as though C-2 did not know how to read. An Asian doctor was at VO's office and gave a psychological type examination to C-2 on VO's business premises. C-2 later selected the photograph of Dr. SEIICHI ADACHI from a photomontage as being the doctor who performed the exam on him/her at VO's office. During this examination VO acted as interpreter/translator between C-2 and the doctor. During this psychological exam VO instructed C-2 to answer incorrectly to the doctor's various questions and tests (the doctor did not appear to speak the language C-2 and VO were speaking).

18) On October 29, 1992, C-2 met VO at the offices of Doctor JESSY ANG in Tacoma, Washington. ANG is a psychiatrist. The reception room to ANG's office was full of seven Asian people, apparently patients. While C-2 was waiting in the reception area he/she noticed that VO would accompany each patient into Doctor ANG's office and that each appointment would last approximately 10 minutes. When it was C-2's turn for his/her appointment VO asked C-2 for \$20.00, and upon receiving the money, VO inserted the \$20.00 inside the file. VO looked to see if C-2 had cut his/her fingernails. VO told C-2 to look around at the way the other people in the reception area were dressed. As C-2 entered the doctor's office VO told C-2 to walk slowly (non-monitored, unrecorded conversation follows). Once in the doctor's office ANG asked several questions in English about C-2 to VO. In answer to several of ANG's questions, VO's translation to the doctor of C-2's answers were different than C-

2's actual answers and were falsifications about how many people C-2 lived with, the fate of C-2's parents (C-2 answered to VO that the CI's parents were separated and VO told ANG that C-2 said that the Communists had killed C-2's parents). VO also volunteered false information that C-2 was very worried and stressed, that the CI was suicidal and did not sleep well at all. ANG provided C-2 with a prescription. Dr. ANG then asked VO when C-2's next appointment with ANG was and VO said that it would be in about a month. VO continued to tell ANG that C-2 did not sleep well and had nightmares, and ANG made notes in C-2's files. The entire appointment with C-2, VO, and ANG lasted approximately ten minutes.

19) On November 10, 1992, C-2 met VO at the offices of Doctor ROBERT CHAMBERS in Tacoma, Washington. Upon entering the reception area C-2 noticed there were 13 Asian people in the waiting room. C-2 noted that VO would accompany each of the patients into Doctor CHAMBERS' office and would spend approximately 15 minutes with the doctor before both VO and the patient would leave CHAMBERS' office. Upon one patient's visit being completed, VO would come out and direct the next patient who would see Doctor CHAMBERS, and VO typically would accompany that patient to see the doctor. When it became time for C-2 to see Doctor CHAMBERS, VO ushered C-2 into an examining room and requested \$10.00 from C-2. C-2 asked about paying the doctor and VO told C-2 not to worry about it. VO instructed C-2 to pretend that it hurt whenever and wherever the doctor touched C-2. VO

tried to muss up C-2's hair and told C-2 that for the next doctor's appointment C-2 should make a red dot or mark on C-2's forehead. VO explained that since this was C-2's first visit to the doctor C-2 would need to go into an examining room and change into a robe. VO did not stay during CHAMBERS' examination. The doctor took C-2's height and weight and examined C-2's ears and eyes. The doctor felt C-2's neck and shoulders, used a stethoscope to listen to C-2's heart, and asked if C-2 had pain anywhere. C-2 nodded. The doctor checked C-2's joints for reflex reactions, told C-2 to put his/her clothes back on and then left the room. Thereafter, VO came into the changing room and gave C-2 a prescription from the doctor and told C-2 that C-2 did not have to fill it if he/she did not want to. VO made a xerox of the prescription and thereafter came back and told C-2 that C-2 had to go to Doctor ANG's office and Doctor CHAMBERS' office once more and then he would apply for SSI for C-2.

20) VO scheduled a second appointment for C-2 with Dr. ANG and Dr. CHAMBERS in February of 1993. Due to a serious illness on the part of C-2, however, C-2 is no longer able to be utilized by the Task Force as an operative investigating JIMMY VO.

21) On January 28, 1993 an individual employed by a federal government agency who is voluntarily cooperating with the Task Force (hereinafter referred to as C-3) telephonically contacted VO at VO's place of business. During this conversation C-3 expressed an interest in becoming eligible for a certain type

of welfare (GA-U). VO advised C-3 over the telephone that he had a couple of doctors who could help get C-3 qualified.

22) On February 10, 1993 your Affiant, together with other Task Force members, met with an individual cooperating with the Task Force. This individual (hereinafter referred to as C-4) has provided another federal law enforcement agency with reliable information at least four times in the past, leading to three convictions and one case pending. C-4 advised that he/she was acquainted with JIMMY VO and that VO had discussed various criminal schemes with him/her. VO told C-4 he could provide him with a passport from another country for \$50,000 - \$100,000. VO also described a scheme for transferring money out of the country. VO ships large amounts of his money to southeast asia by courriers assisting VO in the scheme. Individuals then come to VO wishing to send money to southeast asia. VO collects the money from the individual, for example \$2,000, and then sends instructions via his facsimile machine to his contact in southeast asia telling his contact to give \$1,850 (out of the pool of money previously brought overseas) to the person designated by the individual sending the money. VO retains \$150 for his services. VO's contact in southeast asia also retains approximately \$200 for his services from the \$2,000. Title III wire interceptions conducted pursuant to a Court Order (see paragraph 27 of this Affidavit) confirm that VO is involved in this scheme with SAVOEUN SAM, among others. In these intercepted conversations VO and SAM discussed a particular instance where

this scheme was used. In addition, C-4 advised that his/her roommate had gotten qualified for SSI through JIMMY VO even though the roommate was employed. The roommate/applicant had to pay VO the proceeds of his first SSI check for a total of approximately \$2,000 for VO's assistance.

23) On March 2, 1993, C-3 contacted VO telephonically at telephone number (206) 474-1704 and an appointment was made to meet at VO's place of business at 4314 Portland Avenue, Suite 2, Tacoma, Washington. During the meeting at VO's office VO advised C-3 that he could not help C-3 become eligible for GA-U but he could steer C-3 in the right direction. VO provided C-3 the name of QUAN NGUYEN, a DSHS worker employed at the Pierce County South office of DSHS. (VO also provided C-3 the name of a second DSHS employee employed at Pierce County North but C-3's residence is located in Pierce County South.) VO also advised C-3 to go to a doctor whom he named for his medical exam (required to become eligible for GA-U). VO told C-3 that VO may be able to help C-3 more after C-3 shows VO the report of the doctor's medical exam.

When C-3 met with QUAN NGUYEN at DSHS C-3 advised NGUYEN that there was nothing wrong with him but that he wanted to get on GA-U anyway. NGUYEN advised C-3 to lie on his GA-U application so he could qualify. NGUYEN told C-3 to say that he had come from a re-education camp and that the VIET CONG had beaten him up.

25) On September 24, 1992 a Court Order was issued by Magistrate Judge JOHN L. WEINBERG authorizing a pen register and



trap/trace device to be installed on telephone number (206) 474-1704, which is leased to, or listed in the name of JIMMY H. VO, dba REFUGEE PROFESSIONAL SERVICE. During the period of time from the installation of the pen register and trap/trace to date, the pen register and trap/trace have revealed the following relevant telephone contacts made from and to the telephone number (206) 474-1704 (note that trap/trace data does not provide for duration of call) :

Phone calls to/from JESSY ANG, M.D.:

<u>DATE</u>	<u>TIME</u>	<u>DURATION</u>	<u>SUBSCRIBER #</u>
10/08/92	10:08:39	02:53	206-627-6606
10/14/92	15:37:51	02:58	206-627-6606
12/30/92	12:27:08	02:23	206-627-6606
12/31/92	9:50:42	03:19	206-627-6606
12/31/92	9:57:39	01:13	206-627-6606
01/05/93	13:52:58	02:01	206-627-6606
02/08/93	10:52:42	02:57	206-627-6606
02/23/93	10:42:53	incoming	206-627-6606
02/24/93	13:02:20	incoming	206-627-6606
04/13/93	15:08:03	01:06	206-627-6606
06/03/93	16:18:46	04:13	206-627-6606
08/11/93	10:11:58	incoming	206-627-6606
10/27/93	13:12:37	incoming	206-627-6606
11/04/93	08:02:06	incoming	206-627-6606

Phone calls to ROBERT M. CHAMBERS, M.D. :

11/16/92	09:49:48	01:34	206-582-1062
11/17/92	10:02:26	02:19	206-582-1062
11/20/92	08:53:41	00:29	206-582-1062
03/16/93	08:27:26	01:14	206-582-1062
07/09/93	10:26:93	01:26	206-582-1062

Phone calls to DANIEL J. WANWIG, M.D. :

12/31/92	10:31:08	00:34	206-272-3031
12/31/92	11:56:33	00:21	206-272-3031
01/22/93	11:36:53	00:23	206-272-3031
01/29/93	12:01:52	00:06	206-272-3031
02/05/93	12:56:26	01:17	206-272-3031
02/05/93	13:46:18	02:10	206-272-3031

04/21/93	15:02:52	00:14	206-272-3031
04/21/93	15:07:16	00:07	206-272-3031
04/21/93	15:12:06	01:32	206-272-3031
09/16/93	14:38:14	incoming	206-272-3031
09/29/93	12:17:51	incoming	206-272-3031

Phone calls to Dr. SEIICHI ADACHI:

12/30/92	09:34:26	01:13	206-824-3734
12/30/92	12:25:14	01:22	206-824-3734
12/31/92	09:42:21	03:36	206-824-3734
05/26/93	14:23:12	01:22	206-824-3734

Dr. JESSY ANG and Dr. ROBERT CHAMBERS both performed examinations on C-2 arranged for by VO. Dr. SEIICHI ADACHI performed the psychological examination of C-2 at VO's place of business. Dr. DANIEL J. WANWIG performs examinations on VO's clients which VO arranges.

Phone calls to/from U.S. GOVT - SOCIAL SECURITY:

12/03/92	16:10:11	incoming from:	206-474-6397
12/04/92	10:22:52	incoming from:	206-474-6397
12/09/92	11:38:54	incoming from:	206-474-4596
12/10/92	15:14:31	incoming from:	206-474-6396
12/12/92	15:14:31	incoming from:	206-474-6396
12/14/92	09:26:32	incoming from:	206-474-4596
01/15/93	11:53:51	incoming from:	206-474-4594
01/22/93	15:33:11	01:17	206-474-4594
01/22/93	13:54:16	incoming from:	206-474-4594
02/11/93	09:18:39	incoming from:	206-474-9297
03/12/93	09:51:02	incoming	206-474-9297
03/12/93	10:43:17	incoming from:	206-474-6397
03/12/93	14:00:38	incoming from:	206-474-4596
03/15/93	08:44:59	incoming from:	206-474-4595
03/23/93	08:39:17	incoming from:	206-474-6398
03/24/93	08:32:03	incoming from:	206-474-6398
03/24/93	08:34:11	incoming from:	206-474-6397
03/26/93	11:21:00	incoming from:	206-474-6398
03/26/93	15:20:41	incoming from:	206-474-6396
03/29/93	14:48:46	02:20	206-474-6396
03/30/93	08:43:03	incoming from:	206-474-6397
03/30/93	08:59:05	incoming from:	206-474-6397
03/30/93	09:57:00	incoming from:	206-474-6396
03/30/93	10:36:33	incoming from:	206-474-6396
03/30/93	10:48:05	incoming from:	206-474-6398
03/30/93	10:59:27	incoming from:	206-474-6397
03/31/93	10:04:93	incoming	206-474-9296
03/31/93	10:31:32	01:44	206-474-9295
04/02/93	15:16:17	incoming	206-474-9296
04/09/93	14:52:22	incoming	206-474-9297
04/12/93	11:51:14	00:07	206-474-6398

05/03/93	11:59:49	incoming from:	206-474-6397
05/07/93	16:46:15	incoming from:	206-474-2707
06/01/93	09:12:40	incoming from:	206-474-6396
06/01/93	11:30:44	incoming from:	206-474-6396

Phone calls to/from individuals of Asian ancestry receiving SSI aid:

Individual                      Number of Contacts

BY, YOEUING	1
CHAK, SOEUR	32
CHAN, DATH	5
CHAN, HOEUING	1
CHAN, NOEUT, KOEM	4
CHAU, MANNE	6
CHAU, SON	3
CHEA, HANE	1
CHEA, MEACH	5
CHHAY, KAN SENG	1
CHHORN, THANG	1
CHHUM, SOKHA	2
CHIL, ANN	2
DEAP, SAN	1
DUONG, KONG	1
DUONG, VAN	1
DY, BUN CHHAN	10
HAM, OEUN	3
HE, HIENG	3
HENG, CHHOEUN	1
HONG, KHORN	2
HOU, MOM	8
HUYNH, RAI VAN	4
HUYNH, YEN VAN	5
KHAM, SIDA	1
KHAMSOKSAVATH, THEAN	1
KHRAI, SALAO	3
KHUON, RAM	3
LACH, PHALLA	1
LE, KICH, VAN	8
LE, UT THI	3
LY, LEAP	11
MEAS, SOPHATH	8
MENG, NEANG	6
MOM, SIVANTHA	1
NGET, SRIN	2
NGUON, SRENG	4
NGUYEN, CHUNG VAN	7
NGUYEN, CUONG GAU	2
NGUYEN, HAI	8

NGUYEN, THAI V.	7
NORNG, HEAK	2
NUON, DARA	1
NUON, PHAM	24
NUON, THON	4
OUK, CHHUM	1
OUM, SEAB	5
PHAN, MARA	3
PHIN, NOUM	1
PHOENG, PHEACH	5
PHOK, SOK	2
PHOUNG, PENH	1
PHUNG, LUU	1
PRAK, SAVOEUN	7
PRANG SOK	4
PREAP, THEAP	1
REACH, BUNHO	2
REAM, PRENG	8
ROTH, BOPHA	3
SAM, SAVOEUN	82
SAN, SAMNANG	2
SANDPOL, SAMAMIE	1
SEM, CHREAN	4
SENG, SAVEURN	3
SEREY, SANGWATH	1
SIV, MOM	3
SOEUNG, MAN	1
SOK, PRANG	1
SON, SAMY THI	11
SOR, OEUN	7
SUM, HAY	5
TE, MUON	1
THAI, HIM	1
THAI, ROM	7
THIP, RIEM	4
THOU, KIM SOEUN	10
TIOUNG, KIMANH	1
TIV, NOR LAC	3
TRAN, HAI THI	1
TRUONG, QUEN	1
VAN, TIN	2
VAY, MAI	7
VO, NAM	2
VUC THI LE	7
YIM, ROEUN	3

Phone call to the PIERCE COUNTY DSHS:

11/20/92

09:23:57

1:36

206-593-2954

27) On April 5, 1993, this Court issued Order #93-5020M pursuant to Section 2518 of Title 18, U.S.C., authorizing the interception of wire communications of JIMMY H. VO and others unknown, over a telephone line subscribed to by JIMMY H. VO, d/b/a/ REFUGEE PROFESSIONAL SERVICE, 4314 Portland Avenue, Suite 2, Tacoma, Washington, carrying telephone number (206) 474-1704, as well as the interception of oral communications of JIMMY H. VO and others unknown occurring at 4314 Portland Avenue, Suite 2, Tacoma, Washington. On May 5, 1993, this Court issued an Order extending said wire and oral interception. On June 4, 1993 said wire and oral interception was terminated. The total period of authorized wire and oral interception was sixty days. As a result of said interceptions, coupled with other investigation, the following was learned:

a) JIMMY H. VO has engaged in a criminal scheme to defraud DSHS and SSI by fraudulently gaining eligibility for individuals not otherwise eligible. Brief examples of summarized pertinent conversations intercepted pursuant to Court Order # 93-5020M follow:

i) On April 6, 1993, JIMMY VO answered an incoming call from a woman identifying herself as DOEUNG. She asked VO what time her appointment with the doctor was, and VO told her that it was at 4:30 the next day. DOEUNG told VO that she only had six dollars, and asked him if he could wait until the end of the month. VO responded that the money was for the doctor, not VO, and that he would collect it at the appointment tomorrow.

The woman pleaded that she had run out of money, that she did not have even one penny. VO responded that the money was for the doctor, and that he would collect it at 4:30 the next day. VO also told the woman to make her face look bad for the visit with the doctor (paragraph #16 of this affidavit details similar advice given by VO to C-2). Investigation has revealed that the recipients of WASHINGTON STATE PUBLIC ASSISTANCE obtain medical coupons to be used to pay for medical examinations, and legitimate claimants should not have to pay.

ii) On April 7, 1993, at 17:45, VO had the telephone off the hook making an outgoing call. While the phone was ringing, a man could be heard talking to a woman in VO's office. The man asked the woman (in English) whether she's applying for SSI. When VO replied, "Yes," the man responded, "You understand that I'm going to write a report?" VO then said: "When it's completely done, it will be mailed to SSI for an evaluation of you, okay?" The woman answered, "Yes." VO then told her, "Don't let them see you drive your car. Wait for someone to pick you up."

iii) On April 21, 1993, JIMMY H. VO called BARRY SOM at DSHS and left a message on SOM's voice mail that he wanted to meet with SOM right away and for SOM to please return his call. (Paragraph 6 of this affidavit details the relationship between VO and BARRY SOM.)

iv) On April 22, 1993, BARRY SOM, calling from his residence, made three unsuccessful attempts to call VO at VO's office. The calls went unanswered.

v) On April 21, 1993, JIMMY H. VO calls an unknown female at Dr. DANIEL WANWIG's Office, stating that he wants to add one more patient to the May 21st list. VO states the patient, CHANTHA CHEA, is very depressed. SIRAY THACH, Investigator, PIERCE COUNTY PROSECUTOR'S OFFICE, whose duties include investigating public assistance fraud, advised that the claim of "depression" is commonly used by those seeking qualification for public assistance. THACH further advised that CHANTHA CHEA is currently on AFDC. THACH states that an individual receiving AFDC must claim that she does not know the whereabouts of her husband. Typically, a recipient of AFDC will go off AFDC, gain qualification for SSI by claiming a disability such as "depression," and then the husband will be "located" and "returned" to the residence.

vi) On April 28, 1993, at 16:24 p.m., VO met with a Cambodian male and a Cambodian female in his office. VO instructed the male and female about the filling out of paperwork and how to answer questions during a medical exam. VO told them to say they grew up on a farm, that they only have two years of education because of the war. VO told them to say that when POL POT took over the country, the whole family escaped and that they have been looking for a job since arriving in the United States. VO said to say that they cannot sleep. VO told the female to say

that her husband is her only means of support. VO told them to say that they have become very forgetful, and that their stress is high (laughter can be heard in the background). At some point in the conversation, surveillance showed that Dr. SEIICHI ADACHI arrived at VO's Office and joined the conversation. VO mentioned that the female should go to see a neurologist, and a conversation about seizures followed. VO explained that the doctor is going to have to give them a mental exam. In English, a male (presumably the doctor) asked VO if the "customer" understood what to say. VO translated to the customer, again. The doctor mentioned something about "percentages," and then asked the male and female a series of questions (with VO acting as a translator), apparently purporting to be some type of psychological exam.

vii) On May 3, 1993, at 15:30, VO met with a Cambodian female, SADOEUNG SAY, in his office. VO told her that she was to meet him at the SSI Office, the next day at 10:00 a.m. - they have an appointment. VO told SAY that when she gets her first check for \$1,000.00, she is to give it all to him. When the woman gets additional checks, she is to pay an additional \$200-\$300. VO told SAY that she owed him \$1,500.00 for this. (Paragraph 16 of this affidavit described a similar conversation between VO and C-2, wherein VO tells C-2 that C-2 will have to pay VO \$1,500.00 once C-2 receives the SSI check.)

viii) On May 5, 1993, VO spoke with a Cambodian couple in his office. VO began by dicussing how much he will charge the



clients for his services. VO needed \$500.00 for the paperwork. Then VO will send the clients to a doctor. The doctor will say the clients are sick. After six months, welfare will not want the clients to work. After six months, VO will ask for another \$500.00. If the clients qualify in four months, they will get \$1,600.00, and they will pay VO \$1,500.00. VO says he will send the clients to a doctor in Olympia. VO repeats he needs \$500.00 to prepare the initial paperwork. VO says if he doesn't prepare the report, the doctors will not understand. VO stated he will talk to the doctors. VO told his clients they will qualify in six to nine months. VO said he will prepare all the paperwork, and then VO and the clients will go to "our doctor." VO stated he would also prepare the paperwork for SSI. VO told the clients that when they go to the doctor, they should say what he (VO) tells them, don't wear any jewelry, tell the doctor you can't breathe and have headaches. VO stated he didn't have one or two clients, but many clients. VO told the clients to pull their skin, act dizzy and sick. VO told his clients that he would send them to the doctor. The doctor will see twenty to thirty people. VO tells the clients to bring the paperwork, green card and identification.

ix) On May 6, 1993, a similar conversation took place between VO and another couple. In this conversation, VO also told the couple to bring \$50.00 for the doctor and \$500.00 for VO. VO told the couple that when the doctor asks "you to do

something, don't do it right - do it wrong." VO then said, "Don't worry about the doctor, I am the translator."

x) On May 7, 1993, VO was talking to a Cambodian female, SOPHAN MON. VO said he has an appointment for her with Dr. (JESSY) ANG. VO then told MON about welfare payments based on a person's income. VO told MON to ask BUNNATH (BARRY SOM, a DSHS worker VO has bragged is on his payroll) about welfare payments based on income. VO said that if her husband makes little money, then welfare has to help her. MON asked if she could pay the money off at one time, to the people. VO said he just acts as a go-between for some of the things. For some of the things a person could go to jail. VO described his role as being like that of an attorney.

xi) Also on May 7, 1993, VO had a similar conversation with a Cambodian couple in his office, counseling them on how to qualify for SSI and concocting a story for the couple to tell the doctor about their medical problems. VO told the couple he would charge \$2,500.00 for his services. VO stated he will send them to a Dr. TRAN in Olympia, Washington. VO said the wife must say she has a bad brain, that she is dizzy, can't read, and fell from a tree and hit her head (laughter heard), which is why she can't read or study. VO also told the wife to say she witnessed the killing of her family by the KHMER ROUGE, causing her psychological problems. For the doctor's appointment VO told the couple not to dress well, make their faces look bad, don't sleep for two or three days prior to the appointment. VO also told the

couple they would have to see a second doctor. VO stated he has qualified three or four other people from Everett.

xii) On May 10, 1993, VO is speaking to a Cambodian female in his office. The conversation turned to a discussion about welfare and bribing people. BUNNATH (BARRY SOM) is mentioned. VO told the woman she can "tell the corrupt people straight, then we will bribe them \$20 to \$30 if they want it." The woman told VO that people are down on her because she sells beargrass and is still collecting welfare. VO says, "If you are capable to do it, why not?"

xiii) On May 14, 1993, VO spoke with a Cambodian female in his office. VO said he was charging her \$2,500.00 to qualify for SSI. VO guaranteed that she will qualify if VO does the paperwork. Dr. CHAMBERS and Dr. ANG are mentioned in the conversation. VO stated he had already qualified SADOEUNG SAY.

xiv) On May 17, 1993, a Cambodian male using the name of SADOEUNG called VO regarding his appointment with Dr. CHAMBERS the next day. SADOEUNG told VO that he had gotten no answer from California SSI and now wanted to apply in Washington. VO told SADOEUNG that he (VO) must go with him to apply for SSI at the social security office, in order for him to get an appointment.

xv) On May 17, 1993, a Vietnamese male discussed SSI with VO in his office. VO told the male to wait for the lawyer to send the paper to him, and explained that the lawyer was going to write the paper. VO explained to the man the procedure for re-instatement. VO told the man that even if he was healthy, he

could still claim mental problems. VO stated that he wanted the man to see a counsel named PHUC, and PHUC would check his mental condition. VO said that PHUC would refer the man to a doctor. VO explained that because the man has a family, he would get \$2,000 or \$3000, and it would take approximately two months.

xvi) On May 19, 1993, VO talked to a Cambodian woman in his office, believed to be SAVANN OUN. VO told her that she had already paid him \$500.00 and that she needed to give him \$400.00 now. VO mentioned Dr. SOU, and instructed the woman to tell him that she is not working and that she is sick. "When you go to the state, you don't work. None of you work." VO coached her to say that she has headaches, can't sleep, and that her body aches. VO told her not to wear jewelry for her appointment and for her to wrap her head.

xvii) On May 21, 1993, VO had a conversation with a Vietnamese man in his office. VO explained that the man would receive money from welfare and that VO would get \$2,500.00. VO directed the man to give the welfare office a post office box and not to use his home address.

xiii) On May 21, 1993, VO spoke with a Cambodian female and a Vietnamese male in his office. VO instructed them to get a note saying they were unfit for work for three-to-six months. If still sick, they should apply again. VO told them that they must go to an appointment in June, and the doctor will claim they are sick and can't work for six months or so.

xix) On May 31, 1993, an older Cambodian male was seen entering VO's office carrying a satchel. Once inside, he had a conversation about money and stated that he had Cambodian money with him. Monitoring agents could hear counting in denominations of \$500 and \$200. VO told the man that on June 25, 1993, he would help him do some things. VO would make a doctor's appointment for the man. VO explained that he must wait until the appointment is made by VO before going to the doctor and that the man must come to VO's office with the papers before going to the doctor. The man was then seen departing VO's office without the satchel. Later in the day, VO was seen leaving his office with the satchel.

xx) On June 1, 1993, an incoming call by a man verifying himself as TONG was intercepted. The man told VO that SING (LY) did the paperwork and now he has an American doctor. TONG did not trust the American doctor and asked VO to make an appointment with Dr. ANG. VO told TONG not to worry about the American doctor, because Dr. ANG referred TONG to him. TONG told VO that he wanted an appointment with Dr. ANG. VO agreed and arranged to meet TONG in Dr. ANG's office.

xxi) On June 1, 1993, VO met with a Cambodian male and female. VO told them that he had three doctors and he would make appointments for them. They discussed an application for SSI, and VO told them he needed \$500.00 today. VO told them not to wear any gold jewelry when they went to the doctor's office, and

that they should bring all identification papers; i.e., social security card, medical coupon, and birth certificate.

b) On January 22, 1994, Inspector JIM VACH, UNITED STATES POSTAL INSPECTION SERVICE was interviewed by your Affiant. VACH advised that he reviewed the SSI application and file of SOCHETRA SOEUM, a/k/a SOCHEATRA SOEUN, asian female, date of birth 3/20/65, SSAN 460-51-8145, and her immigration file and determined the following:

1. SOEUM's original SSI application was signed and dated on June 7, 1993.
2. SOEUM's residence prior to July 12, 1993 was 5620 E. McKinley, Apt. D, Tacoma, Washington. Beginning on July 12, 1993 SOEUM's residence has been 4440 East Q Street, Tacoma, Washington.
3. SOEUM is married to SOPHAN NO, who is the payee for her SSI checks because of SOEUM's claimed mental impairment.
4. On or about August 2, 1993, SOEUM received a retroactive SSI payment in the amount of \$1145.94. As of August 2, 1993 SOEUM has been receiving monthly SSI payments in the amount of \$462.00.
5. SOEUM is listed as the owner of record of a 1984 Chevrolet van (from her SSI application).
6. SOEUM was examined at least five times by Dr. JESSY ANG. Dr. ANG reported that SOEUM complained of headaches, poor appetite, depression and an inability to do home chores, pay

bills and care for her children or manage money. Dr. ANG described her condition as mentally ill.

7. SOEUM was examined by Dr. SEIICHI ADACHI on May 12, 1993. Dr. ADACHI reported that she and her husband, SOPHAN NO, said she had been in a slave labor camp in Cambodia where she had been severely beaten and subjected to electric shock and many of her immediate family had been murdered. She complained of depression and lack of motivation. Dr. ADACHI tested SOEUM and reported an I.Q. of 50, which according to Dr. ADACHI is at the lowest end of the moderately mentally retarded range of intelligence. Dr. ADACHI stated in his report that she is so severely disabled mentally that she is incapable of learning and performing the most elementary and routine occupationally related tasks or of managing her own money.

8. SOEUM was examined by ROBERT CHAMBERS, M.D. and in a letter addressed to JIMMY VO dated May 18, 1993, described SOEUM as complaining about headaches, dizzy spells and suicidal ideations. Dr. CHAMBERS stated, "The patient does have paraspinal tenderness throughout the spinal axis and has the findings indicative of traumatized complaints associated with fibromyositis of the cervical and dorsal areas. This accounts for the dizziness which she experiences."

9. In a Disability Report dated June 7, 1993, SOEUM claimed her disabling condition as headaches and dizzy (sic) with blackouts; confusion and depression with suicidal attempts and therefore is unable to work, use a washing machine

or make decisions about shopping. She further claimed not to know how to operate a vehicle and that her husband gives her a ride wherever she goes. In the report she also lists JIMMY VO as a counselor who is willing to assist her.

10. On May 6, 1993, in a conversation occurring in the office REFUGEE PROFESSIONAL SERVICE, which was intercepted pursuant to the aforementioned Court Order, a male and a female speaking in KHMER identified themselves as Mr. and Mrs. SOPHAN NO who live at an address with a house number of 5620. During this conversation JIMMY VO told SOPHAN NO and his wife to come to the doctor on Wednesday. VO then told the couple the following: to say exactly what he tells them to say; to make her face look like an "old jail"; when the doctor asks her to draw something she should draw slowly, one at a time; to say she cries at home and doesn't know anything; to claim she tries to cook but she once put Comet cleaning powder in the food because she thought it was salt; to claim she went to school but could not learn; to say that when he tells her to do something she does something other than what she is told to do.

11. On May 12, 1993, in a conversation occurring in the office of REFUGEE PROFESSIONAL SERVICE which was intercepted pursuant to the aforementioned Court Order, Dr. SEICHI ADACHI interviewed SOPHAN NO and his wife SOCHETRA SOEUM with the translation assistance of JIMMY VO. During this interview and mental acuity test JIMMY VO, speaking in KHMER, tells SOPHAN NO and SOCHETRA SOEUM on three separate occasions to do or say the



wrong thing to the doctor. Subsequently, SOEUM responds so incorrectly on at least one occasion as to provoke laughter. At the conclusion of the interview/test Dr. ADACHI said he would make a report and give it to VO who will help her apply for SSI.

12. On May 6, 1993, video surveillance shows a 1984 Chevrolet van, Washington license 836 DVW, registered owner SOPHAN NO, arrive at REFUGEE PROFESSIONAL SERVICE, 4314 Portland Avenue. An asian female matching the description of SOCHETRA SOEUM entered VO's business and approximately 30 minutes later leaves VO's business and departs in the same van.

13. On May 12, 1993, video surveillance shows an asian male and female matching the description of SOPHAN NO and SOCHETRA SOEUM entering REFUGEE PROFESSIONAL SERVICE at 4314 Portland Avenue, Suite 2, Tacoma, Washington. The surveillance also shows the same Chevrolet van in the parking lot in front of REFUGEE PROFESSIONAL SERVICE. A short time later an asian male, Dr. SEICHI ADACHI, known to inspector Vach through personal contact, entered REFUGEE PROFESSIONAL SERVICE. Dr. ADACHI's 1991 Honda Civic, Washington license 484 DSS is also observed in the parking lot at this time.

14. On May 12, 1993 FBI surveillance observed SOPHAN NO's 1984 Chevrolet van, Washington license 836 DVW, with people matching the description of SOPHAN NO and SOCHETRA SOEUM inside, with NO driving. The van was seen stopping at three locations where the person matching the description of SOEUM (hereinafter referred to as SOEUM) got out of the van and

appeared to be shopping. SOEUM then returned to the van, got into the driver's seat and drove the van back to their residence at 4440 E. Q Street, Tacoma, Washington. Later that same day, SOEUM is observed riding in another vehicle to a shopping center. SOEUM was observed in a store displaying no outward signs of physical impairment and was observed picking up and replacing items as she shopped.

15. Inspector VACH has advised your Affiant that he has obtained a copy of SOCHETRA SOEUM's Washington State Driver's License Number SOEUNS\*352DO, issued March 17, 1990 which expires on March 20, 1994. VACH advised that the Washington Department of Licensing computerized records show it to be a current license with no restrictions noted.

c) On January 23, 1994, Detective PATTI REED was interviewed by your Affiant. REED advised that she has reviewed the SSI application files of SOK PHOK, SADOEUNG SAY and DAVID SAVOEUN SAM and advised that there is probable cause to believe said SSI applications contain false and fraudulent statements and probable cause to believe that JIMMY H. VO did aid in the fraudulent application for SSI for each of the aforesaid applicants. With only one known exception (SOK PHOK's appointment with Dr. Fletcher), VO acted as the translator for all four individuals listed below during their medical appointments with doctors and application appointments with the Office of Disability Insurance or the Social Security Administration.

Regarding SOK PHOK:

1. On February 9, 1993, SOK PHOK, an asian female, date of birth 1/10/61, SSAN 007-82-1525, applied for SSI. On or about August 2, 1993, PHOK received a retroactive SSI check in the amount of \$2,457.43. PHOK currently receives a monthly SSI check in the amount of \$462.00.

As part of her SSI application, on March 9, 1993, PHOK stated that she was suffering from headaches, dizzy spells, and severe depression coupled with thoughts of suicide, which she attributed to her presence in a motor vehicle accident in 1988 in which PHOK's husband and one of her children were killed. In another piece of paperwork dated March 9, 1993, PHOK stated that she was married to PIN THEANG but that they had separated on January 1, 1979. In a third statement dated March 22, 1993, PHOK told Dr. DANIEL J. WANWIG that two of her children were killed in an accident in 1986 and her husband deserted her. This information appeared in a letter dated March 24, 1993 from Dr. WANWIG to the Office of Disability Insurance.

2. On June 12, 1993, during an appointment with Dr. PAGE M. FLETCHER, PHOK again stated that she was a widow due to an accident in 1988 where her husband and one of her children were killed. According to Dr. FLETCHER's medical report PHOK reported putting Comet cleanser in her family's food preparation (see paragraph 27(b)(10) above, for SOCHEATRA SOEUM's identical claim regarding putting Comet cleanser in the food).

3. INS documents support the fact that PHOK's husband was PIN THEANG. A driver's license check on October 27, 1993 revealed that PIN THEANG was a current resident of Tacoma, Washington. THEANG's vehicle, a 1985 red Toyota four-runner, has been observed by Task Force surveillance parked behind PHOK's residence at various hours of the day and night during the past four months.

4. On May 5, 1993, in a telephonic conversation which was intercepted pursuant to the aforementioned Court Order, JIMMY H. VO told PHOK that he had "prepared the paperwork" and would send it that day. VO then told PHOK what to tell her friends to say if the state officials should call and question them about PHOK. VO said that PHOK should have her friends say that PHOK "is lost and confused and they should embellish more." VO went on to say to PHOK that PHOK's friends should tell the state official that she is insane, does not know anything, does not know what is west, what is east, just go ahead and tell (him or her) like she is really crazy." In concluding the conversation, VO warned PHOK that if her friends said the wrong thing, PHOK's claim would be "dead" (denied).

REGARDING SADOEUNG SAY:

1. On April 1, 1993, SADOEUNG SAY, asian female, date of birth 4/12/63, SSAN 548-85-1574, applied for SSI. On or about May 6, 1993, SAY received a retroactive SSI check in the amount of \$998.07. SAY currently receives a monthly SSI check in the amount of \$462.00.

In SAY's SSI application SAY indicated that her disability began on or about November of 1989 when, as a passenger, she was involved in a motor vehicle accident. SAY complained of headaches, blackouts, and depression. SAY also indicated that she did not know how to operate a car.

2. TPD has a record of a motor vehicle accident on December 5, 1992 in which SAY was the driver of one of the vehicles involved in the accident. SAY's four children were the only passengers in the vehicle.

3. A check of the driver's license division of the State of Washington indicated that SAY is currently licensed to drive. SAY is the sole legal owner of a 1985 blue Nissan Maxima.

4. Task Force surveillance observed SAY frequenting JIMMY H. VO's office, 4314 Portland Avenue, Suite 2, Tacoma, Washington, on numerous occasions in May and June, 1993. On each such occasion, SAY was driving the 1985 Nissan.

5. On April 6, 1993, in a telephonic conversation intercepted pursuant to the aforesaid Court Order, SAY told VO she did not have the money to pay him, claiming she did not have even one penny. VO insisted on being paid, claiming the money is for the doctor when he sees SAY. VO told SAY to make her face look disheveled for the appointment.

6. In a number of medical documents sent to the Office of Disability Insurance, information was relayed indicating that SAY witnessed the brutal killing of her parents and siblings by the Khmer Rouge. VO, however, indicated in a

report that he filed that SAY was an only child. In processing SAY's application, information was found refuting SAY's claim of never having been employed. DSHS in California issued a report that showed SAY was employed by them in 1987. When asked about this SAY replied that she had been paid for taking care of her mother.

Regarding DAVID SAVOEUN SAM:

1. On July 8, 1992, DAVID SAVOEUN SAM, asian male, date of birth 12/12/50, applied for SSI. On or about February 2, 1993, SAM received a retroactive SSI check in the amount of \$1,160.50. SAM currently receives a monthly SSI check in the amount of \$337.00.

On his SSI application SAM claimed that he was unable to work due to major depression, headaches, dizziness, and a withdrawal from reality. After the initial interview and review of subsequent medical reports, it was determined that SAM was incapable of managing his own finances. Another person was named as the payee for SAM's SSI checks. A report by Dr. ADACHI demonstrated SAM's apparent inability to perform even the most rudimentary tasks such as counting or adding numbers together. Dr. ADACHI's diagnosis of SAM was mental retardation. In several conversations intercepted pursuant to the aforementioned Court Order (conversations occurring on April 11, 21, and May 10, 1993) SAM is heard discussing complex financial transactions with JIMMY H. VO. Pen register and trap/trace data show at least 249 telephonic contacts between VO and SAM between October, 1992 and January 1994. SAM also indicated on his SSI application that he

was suffering from "social withdrawal" and tended to stay at home so as to avoid having to interact with other people in a social setting. Conversations intercepted pursuant to the aforementioned Court Order tend to refute SAM's claim of "social withdrawal". On May 17, 1993, SAM was heard discussing with VO SAM's proposed trip to Cambodia. During a two month period of time SAM was observed out in the community meeting with VO and various other people on at least twelve different occasions.

b) Through Title III interceptions there is probable cause to believe that JIMMY H. VO earns income from arranging the provision of INS and State Department travel documents to clients as well as providing travel arrangements for clients:

i) On April 9, 1993, an unidentified female called VO to ask if her passport was ready yet. VO said that it was. She arranged to pick up the passport at VO's office.

ii) On April 25, 1993, at 12:35 p.m., a man named RUONG calls VO to inquire about his passport. VO tells him the passport is being processed in D.C., not in Seattle, and asks RUONG to wait one to two weeks.

iii) Previously, VO met with an individual cooperating with the Task Force. This individual (hereinafter referred to as C-4) has provided another Federal law enforcement agency with reliable information at least four times in the past, leading to three convictions and one case pending. VO told C-4 that he would get him a genuine passport from another country for \$50,000-\$100,000.

iv) During the period of the Title III

interception, numerous conversations relating to VO's efforts to arrange travel to Southeast Asia for various people were intercepted along with several conversations relating to VO's obtaining INS and State Department travel documents for people.

c) Through Title III interception and other Task Force investigation, there is probable cause to believe that JIMMY H. VO is acting as a tax preparer and knowingly preparing fraudulent Federal tax returns for his clients:

i) On April 15, 1993, at 14:50 p.m., an individual who has been identified as SOEURN KEN called VO to ask if VO had finished preparing his taxes. VO tells him "yes" and to come to VO's office and sign the return and get his copy. Internal Revenue Service records and analysis of SOEURN KEN's bank deposits indicate that he has under-reported his gross income by more than \$950,000.00 in tax years 1989 through 1991. (See paragraph 29 below, for further discussion of SOEURN KEN).

ii) On April 19, 1993, C-3 met with JIMMY H. VO at VO's place of business. C-3 was seeking VO's assistance in preparing his tax return. C-3 advised VO that C-3's W-2 Form did not accurately reflect his actual income from wages and that he had actually earned an additional amount in cash equivalent to that shown on the W-2. VO advised C-3 that he didn't care about cash because cash cannot be traced. VO went on to say that he did not care if C-3 earned an extra \$100,000 in cash, there was no reason to put it on the return. VO prepared C-3's return



without the return showing C-3's cash income. Instead of owing money to the IRS, C-3 will receive a small refund.

iii) As of April 23, 1993, the Internal Revenue Service advised your Affiant that JIMMY H. VO has signed as a preparer on some thirty-two tax returns.

iv) During the period of the Title III interception numerous conversations were intercepted relating to VO's preparation of income tax returns for various people.

28) IRS Special Agent and Task Force member BOB WEIGHTMAN has advised your Affiant that there is probable cause to believe that JIMMY H. VO has fraudulently filed false personal income tax returns for the years 1989, 1990 and 1991. SA WEIGHTMAN analyzed the 1989, 1990 and 1991 personal income tax returns of JIMMY H. VO and his wife, ROT THI LE, and determined that the returns were filed with the Internal Revenue Service Ogden Service Center. JIMMY H. VO identified himself as a refugee service worker for the 1989 and 1990 tax years and a refugee service provider for 1991. The tax returns list ROT THI LE's occupation as housewife for 1989 and 1990 and a seamstress for the 1991. The 1991 tax return, however, shows that ROT THI LE earned no income as a seamstress.

SA WEIGHTMAN's analysis of the 1989, 1990 and 1991 tax returns shows the following comparison of income and expenses:

Item	1989	1990	1991
Sch C Gross Rec.	\$ 11,107.00	\$ 14,187.00	\$ 27,253.00
Sch C Ded.	(7,808.00)	(11,110.00)	(31,181.00)

Net Profit	3,299.00	3,077.00	(3,928.00)
Interest Inc.	862.00	534.00	526.00
IRA Distr.	-0-	258.00	10,028.00
Other Inc.	7,200.00	-0-	633.00
Total Inc.	11,261.00	3,869.00	7,259.00
AGI	11,261.00	3,869.00	7,259.00
Item. Ded.	(8,460.00)	(5,450.00)	(5,700.00)
Exemptions	(4,000.00)	(4,100.00)	(4,300.00)
Taxable Inc.	-0-	-0-	-0-
Income Tax	-0-	-0-	-0-
Self-Emp Tax	429.53	435.00	-0-
Total Tax Liab.	429.53	435.00	-0-

SA WEIGHTMAN advises that his analysis of the Schedule C shows that VO operates under the business name of REFUGEE PROFESSIONAL SERVICES with an office located at 4314 Portland Avenue #2, Tacoma, Washington. According to the tax returns, the method of accounting used by VO is the cash method of accounting. SA WEIGHTMAN advised that from his experience as a Special Agent, he knows that individuals on the cash method basis of accounting should report all income on their tax returns in the year the income is received.

SA WEIGHTMAN's analysis of bank records for the business account of Refugee Professional Services received from Seattle First Bank revealed the following deposits for 1991:

Item	1989	1990	1991
Cash deposits	have	not	been
Checks Deposited			\$100,411.35
Other Deposits	received		108,454.03
			830.00
Total Deposits			\$209,695.38

SA WEIGHTMAN's analysis of bank records for the personal account of JIMMY H. VO and ROT THI LE received from Puget Sound National Bank (Key Bank) revealed the following:

Item	1989	1990	1991
Cash Deposits	\$ 36,311.00	\$ 37,033.00	\$ 16,500.00
Savings Transfer	-0-	700.00	-0-
Checks Deposited	21,014.65	72,547.52	62,320.14
Total Deposits	\$ 57,325.65	\$110,281.02	\$ 78,900.14

A comparison of deposits to the business account of Refugee Professional Services with the amount reported as gross receipts on the 1991 Schedule C revealed the following discrepancy:

	1991
Total deposits to business account	\$ 209,695.38
Reported Schedule C Gross Receipts	27,253.00

Unexplained Difference \$ 182,442.38

A comparison of deposits to VO's personal account with the amounts reported as income on his tax returns revealed the following differences:

	1989	1990	1991
Total deposits to account	\$57,325.65	\$110,281.02	\$78,900.14
Reported Income	11,261.00	3,869.00	7,259.00
Unexplained Differences	\$46,064.65	\$106,412.02	\$71,641.14

SA WEIGHTMAN interviewed JIMMY H. VO on May 26, 1993, in regard to VO's capacity as a tax return preparer. VO revealed that, in

addition to preparing tax returns, he also assists individuals in obtaining INS documents, works as a social worker in the mental health field, and also acts as a property manager for the strip mall where he has his office.

29) IRS Special Agent BOB WEIGHTMAN has analyzed the 1989 personal income tax return of SOEURN KEN and the 1990 and 1991 personal income tax returns of SOEURN KEN and his wife, SOKHA CHHUM, and has determined that the returns were filed with the Internal Revenue Service Ogden Service Center and that SOEURN KEN identifies himself as a wholesaler. The tax returns list SOKHA CHHUM occupation as a housewife.

JIMMY H. VO has signed each return as the income tax return preparer.

My analysis of the 1989, 1990 and 1991 tax returns shows the following comparison of income and expenses:

Item	1989	1990	1991
Sch C Gross Rec.	\$ 19,796.00	\$ 85,585.00	\$ 21,917.00
Sch C Ded.	(11,469.00)	(74,482.00)	(6,683.00)
Net Profit	8,327.00	11,103.00	15,234.00
Interest Inc	-0-	1,757.00	1,382.00
IRA Distr.	-0-	-0-	-0-
Other Inc.	-0-	-0-	-0-
Total Inc.	8,327.00	12,860.00	16,616.00
AGI	8,327.00	12,860.00	15,539.00
Std. Ded.	(3,100.00)	(5,450.00)	(6,741.00)
Exemptions	(2,000.00)	(10,250.00)	(10,750.00)
Taxable Inc.	3,227.00	-0-	-0-
Income Tax	1,084.18	1,569.00	2,153.00
Total Tax Liab.	1,568.18	1,569.00	2,153.00

SA WEIGHTMAN's analysis of the Schedule C shows that KEN operates under the business name of KEN BEARGRASS EVERGREEN, located at 7502 Golden Given Road, Taxoma, Washington. According to the tax returns, the method of accounting used by KEN is the cash method of accounting. From SA WEIGHTMAN's experience as a special agent, he knows that individuals on the cash method basis of accounting should report all income on their tax returns in the year the income is received.

Investigation has revealed that KEN sold forest products to eight wholesalers in the Puget Sound area. Those wholesalers provided checks payable to SOEURN KEN. Those totals are as follows:

<u>WHOLESALER</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>
Pacific Coast Evergreens	\$359,168.59	\$494,618.36	\$ 24,355.11
Hood Canal Evergreens	-0-	1,673.10	-0-
Hiawatha, Inc.	35,742.25	7,210.00	-0-
Hillcrest Evergreens	1,058.13	6,800.00	-0-
Continental Floral	-0-	-0-	2,800.00
Puget Sound Evergreens	-0-	1,148.00	1,975.00
Turnbull Evergreens	-0-	85,585.00	21,917.00
Canadian Floral	<u>-0-</u>	<u>10,880.00</u>	<u>106,487.05</u>
TOTAL	\$395,968.97	\$607,914.46	\$215,163.81

A comparison of checks from wholesalers to amounts reported as gross receipts on KEN's Schedule Cs revealed the following discrepancies:

Wholesaler checks	\$395,968.97	\$607,914.46	\$215,163.81
Less:			
Reported Schedule C			
Gross Receipts	<u>19,796.00</u>	<u>85,585.00</u>	<u>21,917.00</u>

Unexplained difference: \$376,172.97    \$522,329.46    \$193,246.81

On May 24, 1993, a conversation between JIMMY H. VO and SOEURN KEN occurring at VO's office, REFUGEE PROFESSIONAL SERVICE, 4314 Portland Avenue, Suite 2, Tacoma, Washington, was intercepted pursuant to the aforementioned Court Order. During the course of the conversation VO told KEN that the IRS is auditing his return. VO told KEN not to let the IRS "see too much money in your bank account". KEN told VO he took all the money out of his bank account. VO responded, " Don't leave too much money in your bank account. I just want to let you know. They (IRS) are good at looking into your bank account."

30) IRS Special Agent BOB WEIGHTMAN has advised there is probable cause to believe that JIMMY H. VO assisted in the preparation of a false and fraudulent tax return by advising and instructing NAM LIM to prepare false business expense records which were then used in the preparation of LIM's 1988 income tax return. On May 31, 1993, a conversation between VO and LIM taking place in VO's office was intercepted pursuant to the aforementioned Court Order. VO instructed LIM to tell the IRS that he only made \$50,000 to \$60,000 during 1988. VO informed LIM that the IRS will only tax him on the money he deposits in his bank account. VO then asked if LIM had filed a tax return for 1988. When LIM replied he had not, VO stated he would prepare the paperwork for LIM. VO advised LIM to prepare paperwork to indicate payments to 17 people in the amount of \$3,000 to \$4,000 per person, to total approximately \$50,000, then

that sum would be subtracted from LIM's total income and there would be no tax. VO told LIM that the amounts listed for each of the seventeen people must not be the same. VO stated, ". . . (make sure) you vary the salaries up and down (from one person to the other) . . ." and ". . . put down whatever, as long as it's not the same, understand?"

31) On January 18, 1994, members of the Task Force met with an informant who has close ties to the southeast asian community and who has supplied reliable information to the Task Force on previous occasions. This individual advised that JIMMY H. VO was planning on leaving the country and going to Vietnam in the near future, with the intent to set up a new business there and possibly to stay in southeast asia. He/she also advised that VO would be travelling with approximately \$200,000.00 in cash or cash equivalents with him. According to this individual, another person, BILLY BINH DUONG, is supposed to be leaving Washington for Vietnam on or about the same date as VO with an equivalent amount of cash. SAVOEUN SAM has reportedly already left Washington for Vietnam.

32) On January 20, 1994, C-3 met JIMMY H. VO at his office, REFUGEE PROFESSIONAL SERVICE, 4314 Portland Avenue, Suite 2, Tacoma, Washington for the purported reason of having VO prepare his 1993 tax return. In reality, C-3 was instructed by the Task Force to ascertain if and when JIMMY H. VO was leaving the country. VO did not mention that he was planning on leaving the country and made arrangements to meet with C-3 during the

first week of February, 1994. C-3 observed that VO's office was in the same condition as it was when he/she had been there several months previously. VO's file cabinets and computer were still in the office.

33) Task Force investigation has revealed that JIMMY H. VO has purchased an Alaska Airlines ticket, flight 256 departing Seattle Tacoma International Airport on January 27, 1994 at 6:50 a.m. to Los Angeles, California and purchased a Korean Airlines ticket departing Los Angeles at 11:10 a.m. that same day with a destination of Vietnam. Task Force investigation has also revealed that VO has transferred ownership of his vehicles to others, sold his house and purchased his present residence listing his daughter and son-in-law as legal owners, is no longer the property manager at the strip mall where his business is located, and drawn down his bank accounts. Within the last week, FBI surveillance has observed VO visiting two banks, entering and exiting each bank carrying a briefcase.

34) There is probable cause to believe that located at the offices of REFUGEE PROFESSIONAL SERVICE 4314 Portland Avenue, Suite 2, Tacoma, Washington; the residence of JIMMY H. VO at 19013 114th Ct SE, Renton, Washington, on the person of JIMMY H. VO; in JIMMY H. VO's luggage and effects; and in the vehicle transporting VO to Seattle Tacoma International Airport, are records, documents, and other items listed in Paragraph 36 below, which are evidence and proceeds of the crimes enumerated in Paragraph 2 of this Affidavit. It is your affiant's experience,



as well as the experience of other Task Force investigators, that in fraud against the government cases and tax fraud cases it is typical for individuals involved in such crimes to maintain records of their activities in their business offices and residences. During SA WEIGHTMAN's interview of JIMMY H. VO (accompanied by SA GARY VARGAS) on May 26, 1993, SA WEIGHTMAN and SA VARGAS were able to observe both tax files and travel document files maintained by VO in his office.

35) On January 22, 1994, your Affiant interviewed GERRY GIBSON, Department of Health and Human Services, Office of the Inspector General (HHS-OIG). GIBSON advised that, except where arrangements have been made for direct deposit to a recipient's account, it is the practice for SSI checks to be mailed to recipients or their designated payee via the U.S. Mail.

36) The following are records, computers and computer magnetic media such as disks, diskettes or memory storage devices (including memory storage devices in facsimile machines), documents and other items, for the time period of 1985 to the present which can provide evidence of the crimes set forth in Paragraph 2 of this Affidavit:

- a) All appointment books, writings, registers, journals or calendars showing scheduling of client visits to JIMMY H. VO and REFUGEE PROFESSIONAL SERVICE, all address books, telephone directories, telephone lists

and other records of contacts with co-schemers and clients of JIMMY H. VO and REFUGEE PROFESSIONAL SERVICE;

- b) All cash receivables, receipts, journals, deposit slips, bank records and other receipts that would show receipt of funds;
- c) All personal and business federal income tax returns, related tax records, and all documents used in preparation of same, of REFUGEE PROFESSIONAL SERVICE, Jimmy H. VO and Rot T. Le for the years 1989, 1990, 1991, 1992 and 1993.
- d) All federal, state and local tax returns, related tax records and all documents used in preparation of same on which JIMMY H. VO has signed as the preparer, and the tax returns, related tax records, and all documents used in preparation of same, of other individuals and businesses evidence of which is maintained, possessed or controlled by JIMMY H. VO and/or REFUGEE PROFESSIONAL SERVICE;
- e) All domestic and foreign bank statements, canceled checks, check registers, deposit slips, savings account passbooks, certificates of deposit, retained copies of cashier's checks, money orders, currency transaction

- reports, notes and correspondence relating to the transfer of funds and other monetary instruments possessed or controlled by JIMMY H. VO, REFUGEE PROFESSIONAL SERVICE and ASIAN WORLD WIDE TRAVEL & TRADING LTD.;
- f) All books of account, including, without limitation, all journals and ledgers for cash receipts, cash disbursements, income, expenses, balance sheet items, records of costs of goods sold, miscellaneous expenses, payroll records, state and federal employment tax reports, licenses, permits, charters, accounts and loans payable, regarding any business activity or personal account associated with or for JIMMY H. VO, REFUGEE PROFESSIONAL SERVICE, ASIAN WORLD WIDE TRAVEL & TRADING LTD.;
- g) Deeds, mortgages, insurance policies, loan documents, brokerage accounts and similar such other evidence of the acquisition of real or personal property of JIMMY H. VO, REFUGEE PROFESSIONAL SERVICE and/or ASIAN WORLD WIDE TRAVEL & TRADING LTD.;
- h) Receipts and invoices for all expenditures, including but not limited to telephone bills, utility bills, credit card bills;

- i) All data, correspondence, reports, files and other documentation reflecting any interaction among JIMMY H. VO, REFUGEE PROFESSIONAL SERVICE and/or the clients of same, with DSHS, U.S. GOVERNMENT SOCIAL SECURITY, and/or the following doctors:
- i. DR. JESSE ANG
  - ii. DR. ROBERT CHAMBERS
  - iii. DR. SEIICHI ADACHI
  - iv. DR. J. DANIEL WANWIG
- j) All data, correspondence, reports, files maintained, possessed or controlled by JIMMY H. VO, REFUGEE PROFESSIONAL SERVICE, or ASIAN WORLD WIDE TRAVEL & TRADING, LTD. regarding the provision of INS and/or U.S. STATE DEPARTMENT travel documents, and/or the provision of travel services;
- k) All facsimile machine logs for telephone number (206) 474-3564;
- l) All REFUGEE PROFESSIONAL SERVICE and ASIAN WORLD WIDE TRAVEL & TRADING, LTD. company records and organization charts showing detailing ownership interests;
- m) United States currency, foreign currency, monetary instruments, jewels and jewelry, gold

and other items which constitute proceeds of  
the offenses and/or unreported income.

-----  
DAVID B. SOUSA  
SPECIAL AGENT  
FEDERAL BUREAU OF INVESTIGATION

SUBSCRIBED and SWORN to before me this \_\_\_ day of  
January, 1994.

\_\_\_\_\_  
FRANKLIN D. BURGESS  
United States Magistrate Judge

# EMPLOYMENT



Office of the Prosecuting Attorney  
100 Tacoma Avenue South, Room 1A-127  
Tacoma, Washington 98402-2105  
Telephone: 252-3377 x 21



BOSTON PUBLIC LIBRARY



3 9999 05982 460 5





ISBN 0-16-044310-5



9 780160 443107