



NEW MEXICO HUMAN SERVICES DEPARTMENT
P.O. Box 2348
Santa Fe, New Mexico 87504-2348

Bill Richardson
Governor

Pamela S. Hyde, J.D.
Secretary

*For further information contact Betina Gonzales McCracken
Communications Director 505-827-6245*

Governor Richardson's New Secretary of Human Services Uncovers Fraud

Santa Fe, February 27, 2003 – New Mexico taxpayers will benefit from an investigation conducted by the New Mexico Department of Human Services. Human Services Secretary Pamela Hyde said, “last year only one-half of one percent of all Food Stamps cases were investigated for fraud and only one in 13,500 were prosecuted. “In the new Richardson administration, the governor and I are committed to acting forcefully and quickly in protecting New Mexico taxpayers against abuse and fraud,” Hyde added.

Diligent teamwork, on the part of the Human Services Department resulted in the discovery of \$15,281 in Food Stamps that a Catron County client illegally obtained from the state. Thanks to the hard work of the department, during a routine case review, a supervisor and caseworker noticed inconsistencies in the Reserve case. It was then forwarded to the HSD Office of Inspector General (OIG) for fraud investigation. The OIG investigator was able to confirm the suspicions of the supervisor and caseworker. The client had a reputable job, lived with another who was also employed, and the two owned several vehicles. However, only the client's income was disclosed on the Food Stamp application. If the other income and vehicles were disclosed, the client would not have qualified for Food Stamps.

-More-

Food Stamp Fraud...Add 1

The investigation found that the client had been receiving Food Stamp benefits fraudulently for approximately five years. Instead of being prosecuted in a court of law for Food Stamp fraud, the case was accepted to the Socorro County District Attorney's (DA) office Pre-Prosecution Diversion Program. Now, the client will repay the \$15,281 in restitution to the state of New Mexico and the federal government.

“Our caseworkers are our first line of defense in identifying possible fraud,” said HSD Inspector General Kenneth Alessio. “It’s also important to have a close working relationship with the DA’s across the state to ensure timely prosecution of all welfare fraud,” Alessio added.

The number of families needing, and receiving Food Stamps far exceeds the number of fraud cases. Last year HSD provided 111,704 families with Food Stamps. In all of last year 626 cases were referred for possible fraud. Of those, 83 cases were prosecuted, with HSD recovering \$206,903.

“We want to make it easier for all of individuals and families to apply for and receive the benefits to which they are entitled,” said Hyde. “However, another responsibility we have is to ensure that Food Stamps, financial aid and medical care is received by those who are rightfully eligible, according to the law.”

To report a possible fraud case within the Human Services Department please call the Fraud and Abuse Toll Free number 1-800-228-4802. To apply for Food Stamps or other assistance, call 1-800-432-6217.

[PR#10-03]