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For Immediate Release

New Mexico Human Services Department Acts Quickly on Potential Fraudulent Activity

Internal Investigation Uncovers Falsified Cases That Are Now Closed

Santa Fe, New Mexico, October 19, 2006 – The New Mexico Human Services Department (HSD) has uncovered potential fraudulent activity at one of its Income Support Division (ISD) offices in the Albuquerque area.

The internal investigation has led to the dismissal of one employee and several employees have been placed on administrative leave pending the outcome of the investigation.

As part of HSD's internal audit process, an HSD employee suspected that fraudulent Electronic Benefits Transfer (EBT) cards had been issued to unknown clients and immediately alerted her supervisor. After further investigation dozens of fraudulent cases were found with benefits from the Food Stamps and Temporary Assistance for Needy Families (TANF) programs. The cases have since been closed, and the EBT cards inactivated ensuring the accounts can no longer be accessed.

“This is something we will not tolerate,” said Pamela Hyde, HSD Secretary. “The department takes very seriously its responsibility to help New Mexicans with programs, such as Food Stamps, TANF, Energy Assistance and Medicaid, and we have a duty to ensure that taxpayers' money is handled properly.”

HSD has turned its internal investigation over to the New Mexico Department of Public Safety (DPS) and the Bernalillo County District Attorney's (DA) office for criminal investigation and eventual prosecution and recovery of the misused funds. The department is also looking at methods to ensure there are no instances of this kind of behavior in the future.

“Our internal safeguards worked in this case and we will cooperate with DPS and the DA to see that all criminal wrongdoing is prosecuted to the fullest extent of the law,” said Secretary Hyde. “I am disappointed in the few staff involved in this activity and am thankful that the internal audit process uncovered the falsified cases.”

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