

28-Month Period

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# County Welfare Recipients Get \$304,084 In Excess Payments

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Overpayments totaling \$304,084 over the past 28 months have been made to county welfare recipients, and investigators have recovered about \$75,000 of that money, according to a report on welfare fraud that will be given supervisors Tuesday.

However, it is estimated that the special investigative unit of the count

Social Services Department — budgeted at \$166,056 since 1975 — has been responsible for stopping \$181,440 in potential overpayments.

The report is in answer to supervisors' concerns over the cost-benefit factor of welfare fraud investigation and reaction to the 1976-77 grand jury report which reported the county may be allowing "hard-nosed fraud" to continue unchallenged.

While the fraud unit, which now has

one superintendent, two investigators and four eligibility examiners, pays its way through preventive work, the report makes it clear that 75 percent or more of the overpayments are money that is not recovered.

In the report Social Services Director Dave Singleton notes:

"Recovery of fraudulent overpayments is not always possible under the

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aid to dependent children program nor under the food stamp program because a person or family who has committed fraud, or who has been determined to be guilty of fraud by a court, can continue to receive financial assistance if he or she or a family continue to be otherwise eligible."

Out of about 6,000 families with children (a case load of about 3,100 a month at a \$1 million a month budget), there have been 305 cases of overpayment amounting to \$238,536 in 28 months.

The overpayment rate, according to rough estimates of case load and total aid payments over 28 months, amounts to about .0085 percent, according to figures compiled by The Sentinel.

It is in the aid to families category that recovery of 25 percent of the overpayments is possible through adjustments of continuing grants.

On the food stamp program, running at about \$450,000 to \$500,000 a month, there were 271 cases of fraudulent overpayment, amounting to \$64,709.

Singleton notes that 70 percent of the food stamp fraud cases are companion cases to the aid to families with children.

The county's general assistance program, which has from 75 to 100 recipients per month, only 10 cases overpayment were noted, costing \$839.

General assistance applicants are expected to pay back all aid, when the recipient is physically able.

In direct repayments by recipients found to have received fraudulent overpayments, the county only recovered \$15,613.

That figure and the 25 percent recovery in the aid to families totals about \$75,000 of the \$304,084 in overpayments.

In all categories, 893 potential fraud cases were referred to the special investigative unit. Investigators disposed of 487 cases and 495 were referred to the district attorney's office.

The district attorney's office during the past 28 months has disposed of 905 cases, a large number of them carried over from prior to 1975.

Singleton gives no figures on prosecution, but explains the district attorney's office disposes of some cases by getting the recipient to agree to repay his or her excess payments.

He also said that in a number of cases "the amount of the overpayment is too

small to warrant criminal action and the person involved has no history of previous law violations."

At times, the statute of limitations (one year on misdemeanor welfare fraud) runs out, or there is a lack of witnesses, or there are language problems and it can't be shown the person had intent to defraud the government.

Many times the applicant just skips town.

Singleton pointed out that prior to July 1, 1974, the county did not have a welfare investigator and potential fraud cases were referred to the state.

He said that the first two investigators hired, soon left the job for higher paying positions elsewhere. Since then the county has increased wages for investigators.

The director said the eligibility workers — those interviewers who first check out applicants and are credited with saving the \$181,440 that might have been made in overpayments — should also be given a higher classification and more pay.

Singleton's report on fraud is scheduled on the consent agenda, however, it could be moved to the regular agenda Tuesday for discussion by the board.