

Clarence H. Carter, Director

FOR IMMEDIATE RELEASE
July 22, 2014

MEDIA CONTACT
Tasya Peterson
602-542-4296
TasyaPeterson@azdes.gov

DES Fraud Detection Initiative Recoups \$2.1 Million in Fines, Fees and Restitution

PHOENIX – The Department of Economic Security today announced the DES Fraud Detection Initiative recouped \$2.1 million in fines, fees and restitution during SFY2014. These monies were recovered from the Supplemental Nutrition Assistance (SNAP) and Unemployment Insurance Programs.

The SNAP Trafficking Detection Unit, in partnership with the U.S. Department of Agriculture, the Arizona Attorney General’s Office and local law enforcement resulted in 87 SNAP recipients barred from participating in the Nutrition Assistance Program for one year or more, including four lifetime disqualifications. Subjects were ordered to pay \$1,020,278 in restitution and overpayments.

The Unemployment Insurance Benefits Fraud (UIBF) Unit investigates allegations of fraud related to the Unemployment Insurance Program, prepares prosecution cases against individuals who have committed fraud and assists in recouping financial losses through offset payments and restitution. SFY2014 numbers conclude 122 individuals were convicted of unemployment fraud; seven were sentenced to jail time and 71 were placed on probation. Restitution, fines and fees total \$1,127,504 and also include 5,271 hours of community service.

“Our intention is to continue to prevent fraud from entering Arizona’s safety net system at the initial stage and throughout the ongoing process of the delivery of benefits, goods and services,” said Director Clarence H. Carter. “By eliminating fraudulent activities during the receipt of benefits, DES can mitigate losses to Arizona through quick detection, ongoing prevention and vigorous prosecution efforts.”

Established in 2012, the DES Fraud Management, Prevention and Detection Plan utilizes methods to aggressively identify and pursue those who attempt to defraud the government by abusing the public benefits system.

###