



SUZANNE M. BUMP, ESQ.  
AUDITOR

# The Commonwealth of Massachusetts

AUDITOR OF THE COMMONWEALTH

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April 7, 2020

House Committee on Ways and Means  
24 Beacon Street  
Room 243  
Boston, MA 02133

Senate Committee on Ways and Means  
24 Beacon Street  
Room 212  
Boston, MA 02133

**Re: Bureau of Special Investigations (BSI) FY2020 second quarter report**

Dear Legislative Colleagues,

Pursuant to its obligations relative to fiscal year 2020 budget language (0710-0200), the Bureau of Special Investigations (BSI) submits the enclosed quarterly report detailing and summarizing its recent activity during the second quarter of fiscal year 2020.

Please do not hesitate to contact my office if you have any questions or wish to discuss the Bureau's work in greater detail.

Sincerely,

A handwritten signature in black ink, appearing to read "Suzanne M. Bump".

Suzanne M. Bump  
Auditor of the Commonwealth

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# Bureau of Special Investigations 2<sup>nd</sup> Quarter Report

Fiscal Year 2020

October 1, 2019 – December 31, 2019

## About the Bureau of Special Investigations

As a part of the Office of the State Auditor, the Bureau of Special Investigations (BSI) is charged with investigating allegations of public assistance fraud throughout the Commonwealth. The work of BSI fraud examiners ensures taxpayer dollars used to fund Massachusetts' public benefits programs are managed effectively so that programs are available to residents who truly need them.

Under state law, BSI's investigative authority extends to any assistance program administered by the Department of Transitional Assistance (DTA), the Department of Children and Families (DCF), and the Division of Medical Assistance, which administers MassHealth (the state's Medicaid program). Although the Department of Early Education and Care (EEC) is not included in the BSI statute, BSI also works with EEC through a Memorandum of Understanding. As a result of BSI's investigations, public assistance fraud cases are referred to agencies for administrative action, fraudulent overpayments are recovered through civil agreements, individuals are disqualified from programs for specified periods of time, and cases are prosecuted in state and federal courts.

Working under Section 17 of Chapter 11 of the Massachusetts General Laws, BSI fraud examiners operate from five offices across the Commonwealth. BSI consists of three separate investigative units: the Central Processing Unit; the MassHealth, Department of Transitional Assistance, and Early Education and Care Unit; and the Data Analytics Unit. While each unit has its own specific concentration, there is extensive cross-unit collaboration, and investigations often involve overlap. BSI also participates in joint investigations and task forces with other state and federal agencies that focus on combating fraudulent activities throughout the Commonwealth.

During Quarter 2 of fiscal year 2020, BSI<sup>1</sup> investigated a total of 1,133 cases. Of these, 153 were completed with fraud identified. Further detail regarding these 153 cases may be found below.

## Summary of Investigations Completed with Fraud Identified

Assistance type	Amount	% of total
Medicaid	\$2,100,909.99	65%
Supplemental Nutrition Assistance Program (SNAP)	\$821,153.31	26%
Transitional Aid to Families with Dependent Children (TAFDC)	\$233,433.39	7%
Emergency Aid to the Elderly, Disabled, and Children (EAEDC)	\$52,819.14	2%
<b>Total</b>	<b>\$3,208,315.83</b>	<b>100%</b>

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<sup>1</sup> Please note that BSI does not collect settlement payments of any kind; the individual benefit programs are responsible for collection activities related to BSI cases settled through civil recoupment or criminal prosecution. As such, BSI is unable to report on monthly collections or circumstances that produce shortfalls in collections.

## Summary of Restitution Settlements (Civil Recoveries)

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Total	\$415,010.81
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