

POTENTIAL FRAUD ALERT – ARRA

DATE: February 19, 2010
TO: Agency Inspectors General
FROM: Florida's ARRA Fraud Deterrence Committee
SUBJECT: Reported ARRA Related SCAM attempt in West Virginia

This week, Chief Inspector General Melinda Miguel forwarded an email she received from Economic Stimulus Special Advisor, Don Winstead. Mr. Winstead reported receiving information regarding a fraud scheme which occurred in West Virginia.

The scheme involves a letter purportedly sent by Mouch & Thompson, PLLC, located in West Virginia, which advises "Benefit Recipients" that the U.S. Department of Health & Human Services (HHS) has awarded them a "grant" for rent monies under the stimulus program. The letter then asks the recipients to provide proof that they receive certain types of benefits (i.e. social security) and to present such documentation at a "temporary" office location on the Presidents Day Holiday.

HHS is not involved in any such program. This scam seems to be an attempt to obtain personal information from social service recipients to be used for illicit activity. Please note the company name and the *modus operandi* for similar scams that may appear in Florida. [See attached letter]

The ARRA Fraud Deterrence Committee recommends agency inspectors general disseminate this information as they determine appropriate within their agencies to heighten awareness of the potential for scams of this nature, and for ARRA related frauds in general.

1 Attachment: "Mouch & Thompson, PLLC" letter

Mouch & Thompson, PLLC
221½ Capitol Street
Charleston, West Virginia 25301

February 8, 2010

Dear Benefit Recipient:

Our office has been contracted by the United States Department of Health & Human Services to assist eligible individuals prepare applications for grants under §10-289 of the American Recovery and Reinvestment Act of 2009, usually referred to as the Economic Stimulus Bill.

Under this program, if you qualify, you will receive a one time grant equal to the amount you normally pay for rent during the months of March 2010 through September 2010. This money will be paid directly to you to offset your rent payments.

In order to be eligible for this grant, you must be the recipient of one or more of the following benefits:

- Social Security Supplemental Income
- Social Security Disability Income
- Supplemental Nutrition Program for Women, Infants, and Children (WIC)
- Supplemental Nutrition Assistance Program (SNAP - Food Stamps)
- Section 8 Rental Assistance
- Unemployment Insurance Assistance Payments

Be sure to bring documentation to show that you are receiving one or more of these benefits.

We will begin accepting applications on Monday, February 15, 2010 at our temporary office location at 221½ Capitol Street, Charleston, West Virginia 25301. Our office will open at 8:30am and will be open only on February 15, 2010.

The first 50 applicants are guaranteed approval and this program is limited to only 250 individuals in Kanawha County. It is important that you arrive early as we will close our office doors once 250 applications have been accepted.

We look forward to meeting with you on Monday, February 15, 2010.

Wesley Mouch
President