



## U.S. Department of Justice

United States Attorney  
District of Maryland



Rod J. Rosenstein  
United States Attorney

Vickie E. LeDuc  
Public Information Officer

36 South Charles Street  
Fourth Floor  
Baltimore, Maryland 21201

410-209-4800  
TTY/TDD: 410-962-4462  
410-209-4885  
FAX 410-962-3091  
[Vickie.LeDuc@usdoj.gov](mailto:Vickie.LeDuc@usdoj.gov)

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**CONTACT AUSA VICKIE E. LEDUC or  
MARCIA MURPHY at (410) 209-4885**

### **U.S. ATTORNEY AND SOCIAL SECURITY ADMINISTRATION ANNOUNCE IMPACT OF BENEFIT FRAUD PROSECUTIONS IN MARYLAND**

*Partnership Between the Social Security Administration and Department of Justice Increases  
Criminal Prosecution of Fraud in SSA's Title II and Title XVI Benefit Programs*

**Baltimore**, Maryland – Since October 2012, the U.S. Attorney's Office for the District of Maryland has participated in the Social Security Administration (SSA) Fraud Prosecution Project, which places attorneys in federal districts around the country to serve as Special Assistant United States Attorneys (SAUSAs). The District of Maryland is one of a dozen such districts to participate in the program, which will expand to at least ten additional districts in 2014. Assigned SAUSAs work within their assigned district to bring criminal indictments charging individuals who have actively defrauded SSA. These schemes can last many years and result in large financial losses to the agency. Collateral benefits of the program include providing a deterrent effect and punishment to those who steal from SSA benefit programs and who undermine the public's trust in SSA's stewardship of the trust funds.

### **FEDERAL CRIMINAL PROSECUTIONS**

Since October 2012, 15 defendants have pleaded guilty to their participation in fraud schemes affecting SSA's benefit programs. Five of those defendants have been sentenced to between one month and 33 months imprisonment. Twelve defendants have also been ordered to pay a total of \$761,109 in restitution to SSA, Maryland Medicare and Maryland Medicaid, with individual defendants paying between \$6,480.15 and \$190,900.

"We increased federal prosecutions of criminals who defraud the Social Security Administration as a result of unprecedented support from the agency," said U.S. Attorney Rod J. Rosenstein. "These cases are important in order to punish and deter people who lie, cheat and steal to gain government benefits they do not deserve."

"I'm gratified at the results of this joint effort, and I want to thank United States Attorney Rod J. Rosenstein and Chief Counsel David Black for their unwavering support," said Special Agent in Charge Michael McGill of the Social Security Administration - Office of Inspector General, Philadelphia Field Division. "The SSA-OIG is steadfast in its commitment to combating Social Security fraud, and relies heavily on the cooperation of both the Department of Justice and the Social Security Administration. These results illustrate with remarkable clarity what can be accomplished to preserve Social Security funds for those entitled to them when each of those parties not only commits

to combating fraud waste and abuse, but acts on that commitment.”

The following are examples of cases involving social security fraud schemes prosecuted in Maryland.

### **Deceased Beneficiary**

U.S. District Judge George L. Russell III sentenced Robert Errol Jackson, age 45, of Baltimore, today to 33 months in prison followed by three years of supervised release for theft of government property, in connection with an 18 year fraud scheme to obtain his grandfather's social security benefits. Judge Russell also entered an order that Jackson pay restitution of \$190,900 for social security benefits unlawfully received.

According to his plea agreement, Jackson's grandfather received monthly cash benefits from the Social Security Administration (SSA) at the time of his death on June 9, 1992. The benefits were paid by direct deposit into a checking account. After his grandfather's death, Jackson took possession of the debit card in his grandfather's name and used the card to regularly withdraw money from the account until December 3, 2010, when the benefits were terminated. From June 1992 to December 2010, SSA deposited a total of \$190,900 into the account on the grandfather's behalf. Jackson had no legal entitlement to these benefits.

Jackson was incarcerated between 1990 and 1994, and again between 2004 and 2010. During his imprisonment, Jackson told others to withdraw money from the account and spend it at his direction, including by sending money to Jackson in prison. He spent substantially all of the social security benefits that SSA had deposited in the account on his grandfather's behalf. When the grandfather's benefits were suspended in 2010, Jackson called SSA and unsuccessfully attempted to impersonate his grandfather in order to resume the payment of benefits.

### **Work Concealment**

Charles David Jones, Sr., age 58, of Frederick, Maryland, pleaded guilty on February 27, 2014, to theft of government property, after he received at least \$110,000 in disability benefits while working at a Frederick restaurant.

According to his guilty plea, Jones applied for disability benefits in March 2002, claiming that he could no longer work and was disabled. Starting in July 2002, Jones began to work as a cook at a Frederick restaurant and was promoted to manager and head chef. Jones never reported this work to SSA. On October 13, 2003, Jones purchased the restaurant and continued to manage and operate the restaurant through at least August 2011. In February 2004, Jones was awarded disability benefits by SSA, retroactive to August 2002 and continued to receive benefits until they were suspended in 2011. In March 2010, Jones signed and submitted to SSA a Continuing Disability Review Report, in which he claimed that he was not working and was not able to work.

Jones faces a maximum penalty of 10 years in prison at his sentencing, which is scheduled for June 24, 2014 at 9:30 a.m. Under the terms of his plea agreement, Jones will also be required to pay restitution of at least \$110,000.

On February 21, 2014, Ronald William Burke, age 53, of Crisfield, Maryland, was indicted by a federal grand jury on charges arising from his concealment of work activity while receiving Title II disability benefits.

The three count indictment alleges that Burke, who qualified for disability benefits in April 2010, returned to work as a commercial waterman without notifying SSA. The indictment alleges that Burke maintained an active commercial fishing license between 2010 and 2013, and owned and

operated commercial fishing boats during the same period, including the “Laura” and the “Belinda Jean.” On January 26, 2012, the indictment alleges that Burke signed an SSA work activity report, on which he was obligated to report all work activity since his disability in January 2010. Burke is alleged to have falsely certified that he had not worked during the entirety of that period, when in fact he had been self-employed as a commercial waterman during some of that time.

Burke allegedly received \$36,691 in unlawful disability benefits and \$35,610 in unlawful Medicare services between 2010 and 2013. He faces a maximum sentence of 10 years in prison for theft of government property; and five years in prison for making a false statement to SSA and for improper receipt of Title II benefits.

An indictment is not a finding of guilt. An individual charged by indictment is presumed innocent unless and until proven guilty at some later criminal proceedings.

### **Debit Card Program Fraud**

Scerena Simpson Genus, age 35, and her mother, Doreen Spence, age 50, both of Baltimore, pleaded guilty to a scheme to steal social security benefits. Genus was sentenced to two years in prison and Spence to 11 months in prison. Both were ordered to pay restitution of \$6,480.15.

According to their plea agreements, beginning no later than September 2011, co-conspirators in Jamaica, including cousins and other family members of Genus and Spence, applied by telephone for Direct Express debit cards in the names of social security beneficiaries, impersonating the victims and using the victims’ personal identifying information. The co-conspirators obtained the personal information of the victims by, among other means, telling the victims that they had won the Jamaican National Lottery and that they would send them “winnings” from the lottery if the victims provided their personal information. The Direct Express debit card program can be used by beneficiaries of federal programs which disburse cash benefits. The co-conspirators signed up for Direct Express in the name of the victims and requested that the victims’ monthly social security benefits be loaded onto the debit cards and sent to the home of Genus and Spence.

Spence and Genus received at least five of the more than 23 debit cards that the co-conspirators applied for and used the cards to make purchases and cash withdrawals at locations around Baltimore. Soon after withdrawing the benefits Spence and Genus wired a portion of the funds to the Jamaican co-conspirators, keeping a portion of the stolen benefits for themselves. The total amount of benefits fraudulently withdrawn from the five cards by Genus and Spence was \$6,480.15.

United States Attorney Rod J. Rosenstein thanked the Social Security Administration, Office of Inspector General for its work in these investigations. Mr. Rosenstein praised Special Assistant U.S. Attorney Paul Nitze, on detail from the Social Security Administration, who handles SSA-related fraud cases in Baltimore and Greenbelt, as well as Assistant U.S. Attorney Justin S. Herring, who is handling the Jones case.