



U.S. Department of Justice

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ARREST AND INDICTMENT OF SEVENTY-FIVE INDIVIDUALS FOR SOCIAL SECURITY FRAUD

SAN JUAN, P.R. - On August 16, 2013 a Federal Grand Jury in the District of Puerto Rico returned 73 separate Indictments charging three doctors, Wildo Vargas, Rafael Miguez Balseiro, and Erica Rivera Castro; one non-attorney representative, Samuel Torres Crespo, a former Social Security employee; and 71 other social security claimants for fraud in the application process of Social Security Administration (SSA) disability insurance benefits in Puerto Rico, announced United States Attorney for the District of Puerto Rico, Rosa Emilia Rodríguez Vélez.

For the past two years the FBI and SSA-OIG have jointly investigated fraud in claims for SSA disability insurance benefits. Analysis conducted by SSA of the volume of pending, processed, and approved claims suggested that Puerto Rico is one of the top districts in the country for the commission of this type of fraud. The investigation focused on historical claimants, whose claims were medically supported by suspect physicians.

The SSA is responsible for the implementation of the Disability Insurance Benefits Program. The SSA provides cash benefits to workers with severe, long-term disabilities, who have worked in SSA covered employment for the required length of time. Spouses and dependent children of disabled workers may also be eligible to receive benefits.

Pursuant to SSA regulations, a claimant must prove to SSA that he or she is disabled by furnishing medical and other evidence with the application. The application and supporting evidence would then be evaluated by SSA to determine the claimant's medical impairments and determine the effect of the impairment on the claimant's ability to work on a sustained basis.

Samuel Torres Crespo would complete an SSA disability insurance application for a claimant in a manner calculated to justify a non-existent medical disability, in order to improperly deceive and persuade the SSA to award the claimant retroactive and future disability benefit payments. Torres Crespo charged and collected a fee equal to 25% of the retroactive

lump sum payment made by the SSA, but not to exceed \$6,000.00 dollars. The government has civilly forfeited approximately \$1.7 million dollars and other valuables from Torres Crespo.

The doctors, Wildo Vargas, Rafael Miguez Balseiro, and Erica Rivera Castro, would evaluate, treat, and diagnose the claimants in a manner calculated to justify a non-existent disability in order to improperly deceive and persuade the SSA to award the claimants with retroactive and future disability benefit payments. The doctors would receive between \$150.00 to \$500.00 dollars for the submission of their medical reports to SSA.

The defendants who illegally received the benefits are Myrna M. Santos Rivera, Nevelline Tirado Gomez, Mayra L. Pantoja Carrelo, Obette Santiago Maldonado, Julio A. Crespo Crespo, Arnaldo Pino Hernandez, Jose Perez, Carmen L. Gonzalez, Olvin Rosado Ballester, Arlivone Rodriguez Rivera, Carlos Colon Gonzalez, Liz D. Vega Mena, Joanna Rodriguez, Lynette Figueroa Vazquez, Gerardo Torres Lopez, Aixa Prado Serrano, Joel Pabón Hernandez, Glorivette Montalvo Guzman, Ruth Adan, Lizbeth M. Martinez Velez, Juan J. Malpica Nieves, Victor R. Santiago, Carmen Noriega, Carmen R. Cortes Nieves, David Rodriguez Colon, Alex E. Morales Quijano, Cynthia E. Rivera Mejías, Ismael Rivera Figueroa, Enrique Torruella, Jismel A. Lozada Pabon, Jaime M. Santiago Piñeiro, Nancy Melendez Crespo, Madelyn Molina Valentin, Benny Bonet Rivera, Jose L. Orta Rivera, Jorge L. Morales Melendez, Hector L. Rodriguez Marrero, Luz D. Figueroa Diaz, Eduardo Serrano Quintero, Lissette Vidot Santiago, Victor O. Rodriguez Arroyo, Francisco L. Cintron Otero, Aurora Millet Millet, Neftalí Vazquez Erazo, Misael Ramirez, Jose L. Lozada Maldonado, Angel F. Declet, Maribel Matos Soto, Adelmis Rosario Hernandez, Nydia E. Rivera Rodriguez, Brenda I Rivera Rivera, Elsie Padilla Caban, Manuel Tirado Maldonado, Miguel Rivera Ayala, Luis R. Santiago Rodriguez, Juan C. Colon Casanova, Juan Arocho De Jesus, Adahid Galán Figueroa, Norma Calderon Ortiz, Leinette Bravo Maldonado, Alberto L. Pagan Rosario, Ruben Ortiz Rodriguez, Julio C. Baquero Torres, Doreli Pagan Castro, Sonia Candelario Castro, Carmen M Torres Hernandez, Luis Pastrana Pastrana, Maribel Varela Fuentes, Javier F. Declet Carrasquillo, Sandra I. Rios Serrano, and Hector L. Rodriguez Rodriguez. All the defendants are facing forfeiture allegations totaling more than 2.1 million dollars collectively.

“The claimants who defrauded the SSA by feigning medical disabilities, and the physicians who provided false medical justifications for these claimed disabilities, are perpetrating a theft of public funds.” said United States Attorney Rosa Emilia Rodríguez-Vélez. “Our office is committed to prosecuting those who abuse Federal programs and steal public monies, to the detriment of legitimate beneficiaries who have a legal right to the assistance monies.” stated Rodríguez-Vélez.

Special Agent-in-Charge Edward J. Ryan of the Office of the Inspector General, Office of Investigations of the Social Security Administration stated “This fraud conspiracy scheme involving unscrupulous medical professionals, a non-attorney representative, and SSA disability claimants has been exposed and those involved are being brought to justice. It was only after an extensive analysis of medical source documentation in voluminous SSA files that SSA and OIG identified the fraudulent pattern investigated by SSA OIG, the FBI San Juan Office, and the Puerto Rico Police Department. This intensive and complex investigative work consisted of numerous interviews, hundreds of surveillances, and other investigative activities that I cannot

detail. The evidence was provided to the U.S. Attorney's Office which culminated in the arrests this morning. However, our cooperative investigative work in this conspiracy continues. OIG will continue to work with our partners to protect the integrity of the Social Security Trust Fund."

The case was investigated by the Social Security-OIG with the collaboration of the FBI. The case was indicted by First Assistant U.S. Attorney Maria Dominguez.

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