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| New York Region |

AUDIENCE: FO, DPB, DPU, DQB, VI and DDS

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**Announcement of New Puerto Rico CDI Unit (U1Z) and**

 **e8551 Fraud Referral Process Reminders**

The purpose of this Disability Program Note is to announce the creation of a new Cooperative Disability Investigation (CDI) Unit in the Commonwealth of Puerto Rico and to provide tips and reminders about the fraud (e8551) referral process.

**CDI Background**

The CDI program, established in fiscal year 1998, is a joint effort among Federal and State agencies to combine resources to protect the integrity of the Social Security program by preventing improper payments and fraud in SSA’s Title II and Title XVI disability programs and related Federal and State Programs. The program currently consists of 25 Units covering 21 states and the Commonwealth of Puerto Rico. The CDI Units are typically comprised of one OIG Special Agent (Team Leader), two investigators from a State or local law enforcement agency, one Disability Examiner/Adjudicator, and one SSA Management Support Specialist or equivalent position.

**Mission**

The mission of the CDI Unit is to obtain evidence of material fact sufficient to allow the DDS to make timely and accurate disability determinations and to resolve questions of fraud in Social Security Disability programs. The investigations may relate to questionable statements and activities of claimants, medical providers, representatives, interpreters, or other service providers who facilitate or promote disability fraud. This program supports the Agency’s strategic goal of ensuring the integrity of Social Security programs, with zero tolerance for fraud.

In FY 2012, the CDI program reported $339.6 million in projected savings to SSA’s disability programs—the program’s greatest single-year savings total—for a return on investment of $17 to $1.

**New York Region CDI Units**

There are two active CDI Units in the New York Region. The New York CDI Unit (Code U75) co-located with the New York City DDS (S97), serves the five boroughs of New York City, Long Island and Westchester County. The Puerto Rico Unit (U1Z) will be co-located with the San Juan Teleservice Center (E04) and the Disability Processing Unit (S2T), and will cover the Commonwealth of Puerto Rico and the Virgin Islands. Activities of the New Jersey CDI Unit (Code UF2) has been suspended until further notice. However, any fraud allegations received from the State of New Jersey will continue to be assessed in the same manner. The Office of the Inspector General, New Jersey Office of Investigations (OIG OI), will decide if the allegation meets the established OIG OI guidelines and will open the case as an investigation or close the case.

**Who Can Report Fraud?**

* Any SSA Employee (FO, TSC, PSC, and ODAR)
* DDS Employees (Management, Disability Examiners & Medical Consultants)
* Civilians/Claimants

**Referrals to the CDI Unit**

Referrals to the CDI Units come from a variety of sources. Most referrals come from the Disability Determinations Services. However, referrals also originate from Field Offices, Regional Offices, SSA fraud Hotline, other law enforcement agencies, and the public. When the CDI Unit reviews a referral, the Team Leader decides if the referral meets established OIG OI guidelines for opening a criminal investigation. The CDI Team Leader has 45 days to review an allegation to determine whether to open as an investigation or close the issue. The CDI Unit considers the following in their evaluation:

* + - Is there potential fraud?
		- Does the referral contain any high risk factors?
		- Does the referral meet OIG OI case opening guidelines? Such as
			* Specificity of the allegation
			* Primary and/or shared jurisdiction

**CDI Unit Actions on Receipt of a Fraud Referral**

Referral is accepted:

* A National Investigative Case Management System (NICMS) OI case number will be assigned for tracking purposes.
* The investigation will be conducted and a CDI Summary Report of Investigation (ROI) will be sent to the referring component.
* If the case has prosecutive merit, it may be presented to Federal or State prosecutors for consideration of criminal or civil prosecution.
* Application of administrative sanctions by SSA may also apply. The Office of Counsel to the Inspector General (OCIG) is responsible for forwarding to SSA any cases that may be good candidates for administrative sanctions.

Referral is not accepted:

* If the CDI Unit does not accept the referral for investigation, the e-8551 Programmatic Fraud Reporting Form will be returned to the referring DDS or FO within a timeframe goal of 10 days.
* The returned Form SSA e-8551 should explain why the referral was not accepted for investigation.
* The explanation will help DDS or the FO understand referral criteria for future referrals.

**Field Office/DDS- Fraud or Similar Fault High-Risk Factors to consider (**Field Office POMS [DI 11006.005](http://policy.ssa.gov/poms.nsf/lnx/0411006005) and DDS POMS [DI 23025.005](http://policy.ssa.gov/poms.nsf/lnx/0423025005))

* Field Office observations of the claimant not consistent with the alleged disability
* Frequent reapplications and no current medical treating source
* Coaching by a middleman
* Poor cooperation in the presence of a middleman
* Suspicious middlemen situations- third parties seeking control of interviews, limit direct access to claimants, appear at interviews or consultative examinations and may charge a fee for their services
* Same medical source- *Medical reports provided by a middleman are from the same source as other claimants assisted by the middleman*
* Altered reports
* Different sources documents- Same handwriting
* Conflicting non-medical information/evidence
* Medical source outside the geographical area
* Concealment of work- *The field office (FO) may encounter potential fraud or similar fault (FSF) situations involving concealment of work activity in disability cases. Develop work activity and initiate a work continuing disability review (CDR), reopening, or referral to Office of the Inspector General (OIG) as appropriate (*[*DI 11006.015*](http://policy.ssa.gov/poms.nsf/lnx/0411006015)*)*
* Similar Claims- alert to high volume of claims for different claimants showing similar histories
* High risk allegations: anxiety and depression with no history or conflicting ADLs, etc
* Failure to appear for a consultative examination when independent interpreter is scheduled

**To report suspected fraud:**

When a Field Office (FO) or Disability Determination Service (DDS) has an issue that meets the high-risk definition, report the violation involving fraud and abuse via the e8551 process. ([DI 11006.025](https://secure.ssa.gov/apps10/poms.nsf/lnx/0411006025) for FO referrals and [DI 23025.015](http://policy.ssa.gov/poms.nsf/lnx/0423025015) for DDS referrals)

* SSA and DDS employees can report program-related fraud and Social Security Number violations using the electronic form [e8551-Fraud Entry](http://electronic8551.ssahost.ba.ssa.gov/%28S%28w21y5pxj04aj4hnz5mcba2co%29%29/e8551_intro.aspx). Follow local business process if supervisory review is required prior to submission of the e8551.
**Note**: *Remember to complete Section V, subsection c, which will automatically forward the e8551 to the designated CDI Unit in the drop down menu*.
* Civilians and Claimants can report fraud by contacting SSA’s OIG Fraud Hotline at
1-800-269-0271 (10am to 4pm EST), or they can visit the SSA OIG website at <http://oig.ssa.gov/>.

**Training link**

* [OIG Video on Reporting Fraud](http://oig.ssa.gov/report-fraud-waste-or-abuse)