

1 **Workers' Compensation Full Board Meeting Minutes**

2
3 **Date:** Tuesday; April 18, 2023
4 **Location:** 328 State Street, Schenectady, NY
5 Room 324
6 WebEx/Live Broadcast

7 **Time:** 10:00 a.m.

8 **MEMBERS OF THE BOARD**

9 Clarissa M. Rodriguez, Chair
10 Freida Foster, Vice Chair
11 Mark Higgins
12 Loren Lobban, Esq.
13 Samuel G. Williams
14 Linda Hull
15 Fredrick M. Ausili, Esq.
16 Steven A. Crain, Esq.
17 Mark R. Stasko
18 Arelis Tavares
19 Martin M. Dilan
20 Pamela Caggianelli
21 Renee Delgado, Esq.

22 **SECRETARY TO THE BOARD**

23 Laura Inglis

24 **ACTING GENERAL COUNSEL**

Heather MacMaster, Esq.

OFFICE OF GENERAL COUNSEL

Eugene Martin, Senior Attorney

ALSO PRESENT

Lucy Lang, New York State Inspector General
Bryan Richmond, Attorney-In-Charge
Jane Seely, Managing Investigator
Jackie Desautels, Investigator
David Howard King, Director of Communications

1 CLARISSA RODRIGUEZ: Good morning, everyone.
2 Thank you for being here. I'm Clarissa Rodriguez,
3 Chair of the New York State Workers' Compensation
4 Board. Today's meeting is being webcast live for
5 members of the public. So welcome, everyone.
6 I now call the 1,001 -- and -- and 20th -- the
7 1,020th meeting of the Full Board to order. Madam
8 Secretary, will you please call attendance?
9 LAURA INGLIS: Board Member Foster.
10 FREIDA FOSTER: Here.
11 LAURA INGLIS: Board Member Higgins.
12 MARK HIGGINS: Here.
13 LAURA INGLIS: Board Member Lobban.
14 LOREN LOBBAN: Here.
15 LAURA INGLIS: Board Member Williams.
16 SAMUEL WILLIAMS: Here.
17 LAURA INGLIS: Board Member Hull.
18 LINDA HULL: Here.
19 LAURA INGLIS: Board Member Ausili.
20 FREDRICK AUSILI: Here.
21 LAURA INGLIS: Board Member Crain.
22 STEVEN CRAIN: Here.
23 LAURA INGLIS: Board Member Stasko.
24 MARK STASKO: Here.

1 LAURA INGLIS: Board Member Tavares.
2 ARELIS TAVARES: Here.
3 LAURA INGLIS: Board Member Caggianelli.
4 PAMELA CAGGIANELLI: Here.
5 LAURA INGLIS: Board Member Dilan.
6 MARTIN DILAN: Here.
7 LAURA INGLIS: And, Board Member Delgado.
8 RENEE DELGADO: Here.
9 LAURA INGLIS: All members are present
10 today.

11 CLARISSA RODRIGUEZ: Thank you, Madam
12 Secretary. Okay. Agenda Item 1, approval of the
13 March 21, 2023 meeting minutes. You have all received
14 a copy of the March meeting minutes for your review.
15 Are there any questions or need for a discussion?
16 Okay. Hearing none, may I please have a motion to
17 approve the Board's March 2023 meeting minutes?

18 MARK STASKO: Yes, Madam Chair. This is
19 Board Member Mark Stasko, and I move that the
20 March 21st, 2023 Board meeting minutes be adopted by
21 the Full Board.

22 CLARISSA RODRIGUEZ: Thank you, Board Member
23 Stasko. Is there a second?

24 LOREN LOBBAN: Yes, Madam Chair. This is

1 Board Member Loren Lobban, and I second the motion.

2 CLARISSA RODRIGUEZ: Thank you, Board Member
3 Lobban. Is there any opposition to the motion? Okay.
4 Seeing and hearing none, Board Members all in favor,
5 please say aye.

6 ALL: Aye.

7 CLARISSA RODRIGUEZ: All opposed? Okay.
8 Hearing no opposition, I am also a yes. That motion
9 is passed. Thank you, Board Members. Agenda Item 2,
10 Office of General Counsel's Departmental Report. Now,
11 Acting General Counsel, Heather MacMaster, will
12 present the Statistical and Informational Report for
13 March.

14 HEATHER MACMASTER: Good morning, Madam
15 Chair, Vice Chair and Board Members. In March 2023
16 19,014 -- 470 hearings were held, 12,679 cases were
17 resolved at that hearing and 399 Reserve Decisions
18 were issued. Adjudication also finalized 1,938 Waiver
19 Agreements. The Administrative Review Division
20 received 1,149 applications for review, processed
21 1,020 and there are currently 4,969 applications
22 pending. In Legal Affairs Division, 156 applications
23 for Full Board Review were received, 109 were
24 processed and there's a current inventory of 226

1 applications pending.

2 CLARISSA RODRIGUEZ: Thank you. Board
3 Members, are there any questions or need for
4 discussion? Okay. Seeing and hearing none, may I
5 please have a motion to accept the Office of General
6 Counsel's Departmental Report?

7 MARK STASKO: Madam Chair, this is Board
8 Member Mark Stasko, and I move that the General
9 Counsel Departmental Report be adopted by the Full
10 Board.

11 CLARISSA RODRIGUEZ: Thank you, Board Member
12 Stasko. Is there a second?

13 LOREN LOBBAN: Yes, Madam Chair. This is
14 Board Member Loren Lobban, and I second the motion.

15 CLARISSA RODRIGUEZ: Okay. Thank you, Board
16 Member Lobban. Is there any opposition to the motion?
17 Seeing and hearing none, Board Members all in favor,
18 please say aye.

19 ALL: Aye.

20 CLARISSA RODRIGUEZ: Okay. Thank you. All
21 opposed? Hearing no opposition, I am also a yes.
22 That motion is passed. Thank you. Agenda Item 3,
23 License Applications. Senior Attorney, Eugene Martin,
24 will now present the Licensing Applications for the

1 last month.

2 EUGENE MARTIN: Good morning, Chair
3 Rodriguez, Vice Chair Foster, Board Members,
4 colleagues and guests. You have before you the
5 recommendations from the Assigned Board Panel
6 regarding the Licensing Applications listed in Part 3
7 of today's agenda.

8 Under Section 24-a, Olubunmi Ojugbele, one-year
9 initial license period. Stephanie Quinn, three-year
10 renewal. Jay Boardway, three-year renewal.

11 Under Section 50(3-b), Concord Claims
12 Incorporated, qualifying officer, Denise Gold,
13 Esquire, one-year initial license period. Crown
14 Management LLC, qualifying officer,
15 Michael Kudarauskas, Esquire, three-year renewal.

16 Under Section 50(3-d) Lincoln Life and Annuity
17 Company of New York, qualifying officer, Timothy Blum,
18 Esquire, three-year renewal. Gallagher Bassett
19 Services Incorporated, qualifying officer,
20 David Goldsmith, Esquire, three-year renewal. And
21 finally, AG Risk Management Incorporated, qualifying
22 officer, David Goldsmith, Esquire, three-year renewal.
23 I present these recommendations to the Board for your
24 consideration.

1 CLARISSA RODRIGUEZ: Thank you, Eugene.
2 Board Members, are there any questions or need for
3 discussion? Okay. Seeing or hearing none, may I
4 please have a motion to accept the recommendations of
5 the Panels as presented?

6 MARK STASKO: Yes, Madam Chair. This is
7 Board Member Mark Stasko, and I move that the
8 recommendations of the Board Panel regarding Licensing
9 Applications be affirmed by the Full Board.

10 CLARISSA RODRIGUEZ: Thank you, Board Member
11 Stasko. Is there a second?

12 LOREN LOBBAN: Yes, Madam Chair. This is
13 Board Member Loren Lobban, and I second the motion.

14 CLARISSA RODRIGUEZ: Thank you, Board Member
15 Lobban. Is there any opposition? Okay. Hearing
16 none, Board Members all in favor, please say aye.

17 ALL: Aye.

18 CLARISSA RODRIGUEZ: Thank you. All
19 opposed? Hearing no opposition, I am also a yes.
20 That motion is passed. Thank you, Board Members.
21 Agenda Item 4, Legal Appeals. Heather MacMaster will
22 now present the recommendations concerning decisions
23 by the Appellate Division.

24 HEATHER MACMASTER: Thank you. With

1 respects to Items 4A through 4F, it is the
2 recommendation of the Office of General Counsel to
3 adopt the decisions of the Court as the decisions of
4 the Board.

5 CLARISSA RODRIGUEZ: Thank you. May I
6 please have a motion to accept the recommendations of
7 the Office of General Counsel?

8 MARK STASKO: Yes, Madam Chair. This is
9 Board Member Mark Stasko, and I move that the
10 recommendations of the Office of General Counsel
11 regarding the Appeals be adopted by the Full Board.

12 CLARISSA RODRIGUEZ: Thank you, Board Member
13 Stasko. Is there a second?

14 LOREN LOBBAN: Yes, Madam Chair. This is
15 Board Member Loren Lobban, and I second the motion.

16 CLARISSA RODRIGUEZ: Thank you, Board Member
17 Lobban. Is there any opposition? Hearing none, Board
18 Members all in favor, please say aye.

19 ALL: Aye.

20 CLARISSA RODRIGUEZ: All opposed? Okay.
21 Hearing none, I am also a yes. That motion is passed.
22 Thank you, Board Members. Agenda Item 5, cases for
23 Mandatory Full Board Review. We only have one this
24 month, and that's 5A, W&W Steel Erectors, LLC Case

1 Number G2732874. Is there a motion with respect to 5A
2 on the agenda?

3 FREDRICK AUSILI: Yes, Madam Chair. This is
4 Board Mem -- Board Member Fredrick Ausili, and I move
5 that the majority opinion be adopted as the opinion of
6 the Full Board.

7 CLARISSA RODRIGUEZ: Thank you, Board Member
8 Ausili. Is there a second?

9 PAMELA CAGGIANELLI: Yes, Madam Chair. This
10 is Board Member Pamela Caggianelli, and I second that
11 motion.

12 CLARISSA RODRIGUEZ: Thank you, Board Member
13 Caggianelli. Does anyone need to be recused from this
14 matter? Okay. Is there any opposition to the motion?

15 MARK HIGGINS: Yes.

16 LOREN LOBBAN: Yes.

17 SAMUEL WILLIAMS: Yes.

18 ARELIS TAVARES: Yes.

19 CLARISSA RODRIGUEZ: Okay. Thank you. In
20 light of the opposition, I call upon the Secretary for
21 a roll call vote.

22 LAURA INGLIS: Board Member Ausili.

23 FREDRICK AUSILI: Yes.

24 LAURA INGLIS: Board Member Caggianelli.

1 PAMELA CAGGIANELLI: Yes.
2 LAURA INGLIS: Board Member Crain.
3 STEVEN CRAIN: Yes.
4 LAURA INGLIS: Board Member Delgado.
5 RENEE DELGADO: Yes.
6 LAURA INGLIS: Board Member Dilan.
7 MARTIN DILAN: Yes.
8 LAURA INGLIS: Board Member Higgins.
9 MARK HIGGINS: No.
10 LAURA INGLIS: Board Member Hull.
11 LINDA HULL: Yes.
12 LAURA INGLIS: Board Member Lobban.
13 LOREN LOBBAN: No.
14 LAURA INGLIS: Board Member Stasko.
15 MARK STASKO: Yes.
16 LAURA INGLIS: Board Member Tavares.
17 ARELIS TAVARES: No.
18 LAURA INGLIS: Board Member Williams.
19 SAMUEL WILLIAMS: No.
20 LAURA INGLIS: Vice Chair Foster.
21 FREIDA FOSTER: Yes.
22 LAURA INGLIS: And, Chair Rod -- Rodriguez.
23 CLARISSA RODRIGUEZ: Yes.
24 LAURA INGLIS: We have nine in the

1 affirmative, four in the negative.

2 CLARISSA RODRIGUEZ: Okay. Thank you. So
3 that motion passes 9/4. Thank you, Board Members.
4 Agenda Item 6, Discretionary Full Board Review. I now
5 turn this portion of the agenda over to Vice Chair
6 Foster.

7 FREIDA FOSTER: Thank you, Madam Chair. For
8 the cases listed in Item 6 on your agenda, the
9 recommendation -- it's been recommended that Full
10 Board Review be granted. Those cases are 6A, Matter
11 of New York Marriott Marquis and 6B, New York -- NY --
12 New York State ARC MSO Inc. I move to refer the cases
13 back to their respective Panels for further
14 consideration.

15 CLARISSA RODRIGUEZ: Thank you, Vice Chair.
16 Is there a second?

17 LOREN LOBBAN: Yes, Madam Chair. This the
18 Board Member Loren Lobban, and I second the motion.

19 CLARISSA RODRIGUEZ: Thank you. Thank you,
20 Board Member Lobban. Are there any recusals from
21 either of these matters? Okay. Hearing none, is
22 there any opposition to the motion? Okay. Hearing no
23 opposition, Board Members all in favor, please say
24 aye.

1 ALL: Aye.

2 CLARISSA RODRIGUEZ: Thank you. All
3 opposed? Hearing none, I am also a yes. That motion
4 is passed. Thank you. Agenda Item 7. Board Members,
5 is there any other business? Okay. Hearing none,
6 we'll move on to our guest speakers today. Lucy Lang,
7 New York State Inspector General, and Bryan Richmond,
8 Attorney-In-Charge. Before we start, I'm going to
9 read -- briefly tell you a little bit about them.

10 Starting with Inspector General Lucy Lang. She
11 is a lifelong New Yorker, attorney and educator.
12 Prior to her appointment to New York State's 11th
13 Inspector General in October of 2021, Lang served as
14 director for the Institute of -- for Innovation in
15 Prosecution and National Criminal Justice Reform Think
16 Tech -- Think Tank. She also served as an assistant
17 district attorney in Manhattan where she investigated
18 and prosecuted violent crimes, including homicides,
19 gun violence and domestic abuse, as well as special
20 counsel for policy and projects.

21 Lang brings her long-standing commitment to
22 justice to bear in the office's investigations into
23 corruption, waste, fraud, abuse and misconduct in
24 state government, as well as deep experience designing

1 and implementing practices that promote institutional
2 integrity, transparency and accountability.

3 While at the Manhattan District Attorney's Office
4 and in collaboration with Columbia University's Center
5 for Justice, Inspector General Lang created Inside
6 Criminal Justice, a first-of-its-kind college class
7 for incarcerated students and prosecutors to study
8 criminal justice together and develop policy proposals
9 to better the system for all involved. This is a
10 national model being replicated by other district
11 attorney's office -- offices and correctional
12 facilities across the country.

13 Lang has been widely recognized for her work,
14 including receiving the Elizabeth Hurlock Beckman
15 Award from the American Psychological Association in
16 2020 as an educator who inspires her students in
17 prison to make a difference in their communities.
18 Inspector General Lang is currently Vice Chair of the
19 American Bar Association Criminal Justice section, a
20 member of the Council on Criminal Justice and a term
21 member of the Council on Foreign Relations. She has
22 been published in the New York Times, The Atlantic,
23 the New York Daily News and many others.

24 Lang is the author of March On!, a children's

1 book about the 1915 women's march for suffrage in
2 New York City, which encourages the next generation of
3 courageous and thoughtful leaders. Inspector General
4 Lang is a graduate of Swarth -- Swarthmore College and
5 Columbia Law School where she was the editor-in-chief
6 of the Journal of Gender and Law and has served as a
7 lecturer in law.

8 She was appointed to and served on the New York
9 State Bar Association's task forces on racial
10 injustice and police reform in 2020 and '21, and on
11 racism, social equity and the law in '21 and '22.
12 Thank you for being here, Inspector -- General --
13 Inspector General Lang.

14 Now, on to Attorney-In-Charge, Bryan Richmond,
15 who has been before us in the past. Bryan Richmond
16 serves as the Attorney-In-Charge for workers'
17 compensation fraud at the Offices of the New York
18 State Inspector General under Inspector General
19 Lucy Lang. In his role he is dedicated to ensuring
20 that the Inspector General's Office is the leader in
21 the fight against prevention and corruption, fraud and
22 abuse on the New York State Workers' Compensation
23 system and state government.

24 Mr. Richmond directs and supervises all workers'

1 compensation fraud investigations conducted by the
2 Inspector General throughout New York State and
3 assists in the criminal prosecution of all aspects of
4 suses -- suspected fraud in the New York State's
5 Workers' Compensation system. Mr. Richmond also
6 participates in numerous other cooperate --
7 cooperative interagency anti-fraud initiatives
8 throughout the state coordinating efforts with
9 multiple agencies and prosecutors on matters
10 investigated both independently and cooperatively.

11 Mr. Richmond has nearly twenty years of legal
12 experience, including more than a decade in private
13 practice prior to joining the Offices of the Inspector
14 General representing employers, municipalities,
15 insurers and other insureds in the Workers'
16 Compensation -- in workers' compensation matters and
17 other areas of civil defense litigation.

18 Prior to practicing law, Mr. Richmond was a tax
19 accountant with Big Four accounting firm.

20 Mr. Richmond has presented numerous specialized
21 training courses to both public and private
22 organizations throughout the State of New York in the
23 areas of identifying, investigating and prosecuting
24 workers' compensation fraud and other revenue crimes.

1 Mr. Richmond has a history of service with his
2 local library serving for eleven years on the Board of
3 Trustees, including two years as -- as its president.
4 A devoted father, Mr. Richmond is raising twin boys
5 with his wife in Upstate New York. Welcome,
6 Mr. Richmond. Welcome you both. Thank you. Thank
7 you for being here.

8 LUCY LANG: Thank you so much, Madam Chair
9 and esteemed Board Members. It really is a privilege
10 to be here with you, especially in person, and to see
11 the efficiency and the transparency with which this
12 Board operates which, as Madam Chair said, are values
13 that we seek to implement and integrate into our
14 practices at the Offices of the Inspector General as
15 well.

16 It's a privilege too to be joined by my
17 remarkable colleagues. Many of you are familiar with
18 Attorney-In-Charge Richmond from whom you'll hear
19 shortly. But I'm also thrilled that joining us today
20 are Managing Investigator for workers' compensation
21 fraud, Jane Seely; Investigator Jackie Desautels; and
22 our Director of Communication, David Howard King. As
23 you all know, none -- nothing that any of us in state
24 government do is possible without an outstanding team.

1 And I am incredibly lucky as a Workers' Compensation
2 Fraud Inspector General to have just that in my
3 offices.

4 We, like you, really do embrace the values of
5 integrity, transparency and innovation. And in the
6 sixteen or so months since I had the privilege of
7 assuming this office, I have sought to expand the ways
8 in which we engage the public in all of those areas.

9 Since there are some new members here present,
10 what we'd like to do is set forth a little bit about
11 the powers of the Offices of the Inspector General,
12 including as Workers' Compensation Fraud IG, and then
13 ask Attorney-In-Charge Richmond to present our 2022
14 annual report, which we're proud to share with you
15 today. We'll share some details about our work over
16 the course of the past year.

17 So as you can see, I serve as the Inspector
18 General, in which capacity I have jurisdiction over
19 the state executive agencies and authorities. I also
20 serve as the Welfare Inspector General, and for our
21 purposes, of course, as Workers' Compensation fraud
22 Inspector General.

23 Our office across the state is comprised of
24 investigators, auditors, attorneys, forensic

1 accountants, information technology specialists, which
2 is an area that we have really invested in in -- in
3 supplementing our investigations over the course of
4 the past year and a half, and investigative aides and,
5 of course, operations staff without whom we all know
6 none of us would be able to accomplish anything.

7 We have a statewide presence. We have offices
8 throughout the state. Our largest office is nearby in
9 Albany. We have an office in Buffalo, Long Island, in
10 New York City, in Suffern and in Syracuse, and all of
11 these offices have workers' compensation matters
12 before them and have expertise in investigating
13 workers' compensation fraud.

14 Our -- our authority is to investigate violations
15 of the laws and the regulations that pertain to the
16 Workers' Compensation system. And I am proud of the
17 way in which we have built out an infrastructure and
18 capacity to bring, really, an interdisciplinary
19 approach to these cases so that all of the cases,
20 which are all vetted through Attorney-In-Charge
21 Richmond, have attorneys, people with -- with
22 accounting expertise, auditors and investigators, many
23 of whom have deep law enforcement training in their
24 background so that we bring a -- really a -- a

1 360-degree approach to every matter that comes before
2 us for investigation.

3 So you'll see in front of you a copy of our 2022
4 annual report. And I'm pleased to invite
5 Attorney-In-Charge Richmond to share a little bit
6 about the details of how we operate, the changes that
7 we have implemented in the office over the past -- the
8 course of the past sixteen months and what we are
9 hoping to continue doing and scaling in our work with
10 all of you in the coming years. Bryan.

11 BRYAN RICHMOND: Good morning. Thank you
12 for having us.

13 CLARISSA RODRIGUEZ: Morning.

14 ALL: Good morning.

15 BRYAN RICHMOND: So as you can see, the
16 number's a little bit of an overview, if you will.
17 Our numbers vastly increased in 2022 with respect to
18 complaints received, with respect to arrests, and
19 really with respect to fraud and ... There was a --
20 there was a downturn with respect -- during the COVID
21 years, but these numbers actually are -- are slightly
22 above, at least with respect to complaints received
23 above the 2019 numbers. So we're back -- we're back
24 and we're back up beyond where we were at or before.

1 In addition to those numbers, WCFIG, Workers'
2 Compensation Fraud Inspector General, investigations
3 led to charges against sixteen people this year, nine
4 of which have resulted in convictions this year, seven
5 are still pending. It's actually a -- a -- quite a
6 high number. That tells you that the district
7 attorneys and our prosecutorial partners are -- are
8 working through the cases, frankly, at a quicker pace
9 than the pre COVID even.

10 Several criminal prosecutions initiated in prior
11 years to 2022 also concluded in '22 resulting in an
12 additional convictions of six people, including two
13 medical and healthcare providers. In all during 2022
14 WCFIG investigations and the corresponding criminal
15 prosecutions, including from prior year arrests that
16 concluded in 2022 resulted in just under five million
17 dollars in orders of restitution and recovery for the
18 State, for individual insurers and for other key
19 players in -- in the Workers' Compensation system.

20 So as the IG -- as the Inspector General
21 mentioned, our authority is broad. It can touch upon
22 the investigation of -- of fraud, waste and abuse with
23 respect to anything involved and administered by the
24 Workers' Compensation Board. That -- that authority

1 enables us under Workers' Compensation Law Section 136
2 to conduct supervised investigations both within and
3 outside of New York. We certainly have matters where
4 we've had folks that are arrested outside of the state
5 for committing workers' compensation fraud within
6 New York State. And it involved extradition of those
7 folks from other states. We subpoena witnesses,
8 administer oaths, we take testimony, we compel the
9 production of documents.

10 We are an investigative body. We are not a
11 prosecutorial body, so we do partner with the attorney
12 general's office's of the state, the U.S. Attorney
13 General's Office, county district attorneys throughout
14 the state and other appropriate states and federal law
15 enforcement agencies to provide prosecution for the
16 violations.

17 We also have the authority and often do recognize
18 the legislative and regulatory changes to aid and
19 combat fraud and (audio cuts out). So our service --
20 sources of referral, as you can imagine, are varied
21 and extensive. We certainly have interagency
22 referrals, referrals regarding state employees that --
23 that coincides with the Inspector General's other hats
24 that she wears with respect to the Office of the

1 Inspector General and the Welfare Inspector General.

2 We get complaints from members of the public,
3 from other law enforcement agencies. We get -- we
4 have partnered throughout the years with so many
5 prosecutorial partners that prosecutors look to us as
6 the experts often, and they come to us with cases that
7 they suspect fraud. They ask us to investigate it
8 and, frankly, give it back to them for prosecution.
9 So we've built some extensive relationships with
10 district attorneys and other prosecutorial partners
11 over the years.

12 We get referrals from insurance carriers, from
13 their SIE units, and third-party administrators,
14 special investigations units. Certainly, the
15 Inspector General has a number of proactive
16 initiatives which generates cases and investigatory
17 necessity.

18 Municipalities, we do get referrals from the
19 Workers' Compensation Board. We've partnered with --
20 with Heather and -- and her predecessor throughout the
21 years, as well as the Office of -- of Compliance and
22 the Offices of Health Care Provider System. We assess
23 and review all Section 114-a decisions by the Board on
24 a monthly basis. So we review those for potential

1 criminality and prosecution. And we have recently
2 started looking at Section 50 decisions as well, which
3 are the -- the employer -- the -- the findings against
4 an employer that there's a compensable claim that the
5 employer is uninsured.

6 So we formed in 2018 a specialized triage unit,
7 and it -- it's something unique to workers'
8 compensation fraud within the Inspector General's
9 Office. It's a specialized group of individuals that
10 have either a background or an expertise in both
11 investigating or -- or dealing with workers'
12 compensation matters. That group is headed by me and
13 invest -- Managing Investigator Jane Seely, who's with
14 us today.

15 We review every complaint that comes in. We
16 perform a preliminary investigation as a specialized
17 team before we assess that matter for potentially
18 criminality and assigning a full team. Our full team
19 generally consists of and are headed by attorneys and
20 include investigators, potentially nurses, auditors
21 and forensics. Our triage unit has all of those
22 people within it. And this -- in this past year the
23 Inspector General increased and put additional
24 resources towards the triage unit, so we've grown

1 to -- to eight members, eight -- eight very strong
2 members.

3 So our 2022 annual report, as I said, we had
4 sixteen arrests in 2022, nine of which have resulted
5 in convictions, seven are still pending. None of them
6 have been dismissed. Ten of those were employer
7 cases, six of them were claimant cases. And the
8 arrests from prior year there were six completed
9 prosecutions in 2022. Of those six completed arrests,
10 two of them were healthcare provider or -- or other
11 professionals. Three of them were employer cases
12 and -- excuse me, three of them were claimant cases
13 and one of them was a -- a claimant case. And as I
14 noted, the 4.9 million in restitution and fines are
15 generated from those cases.

16 So the types of cases that we work on, they
17 really kind of fall into three buckets. The first
18 what I call provider/professional fraud. We really
19 used to just call these our -- our, you know, our --
20 our problem doctors, if you will, but that -- that
21 category has expanded over the years. We've had
22 stenographers who pad their bills by adding zeros to
23 their bills, home healthcare aides who are billing for
24 services that aren't provided. Certainly, we -- we

1 have conducted investigations of attorneys, and we
2 have a strong investigation right now with the
3 Attorney General with respect to a -- a -- a biller, a
4 medical biller diverting resources, excuse me,
5 diverting bills. Our jurisdiction goes to law judges
6 and -- and insurance professionals as well. We don't
7 have any of those cases currently, but certainly, if
8 there was a law judge that we received a complaint
9 about, that would fall under our jurisdiction as well.

10 Employer fraud. Employers have really -- can run
11 the gamut, but it falls, generally speaking, into two
12 larger categories, and that's those who fail to
13 provide insurance in its entirety under Workers'
14 Compensation 52, and those who maintain insurance
15 coverage but there's some kind of a premium fraud or
16 premium evasion based upon the numbers that they're
17 reporting.

18 And then there's claimant fraud, which can run
19 the gamut from cashing a dead relative's checks to
20 working while collecting and lying about it, to what I
21 call degree of disability cases, to, you know,
22 presenting a claim that's for an injury that occurred
23 outside of the work environment. They can really run
24 the gamut, those cases.

1 So an example of a couple of cases that I'd --
2 I'd like to highlight. This is an employer case.
3 There was a construction firm involved in a project at
4 U Albany, so it was a state project. He was charged
5 with fraud in March of 2022. What makes this case
6 unique is that we had a previous investigation in 2019
7 against this same firm that wound up with a plea of
8 guilty under Workers' Compensation 52. So Workers'
9 Compensation 52 renders it an A Misdemeanor if you
10 fail to provide comp for five or less employees during
11 a twelve-month period. An E Felony if you fail to
12 provide comp for six or more employees during a
13 twelve-month period. But it has a special provision
14 which allows you to charge a D Felony if you have a
15 previous conviction under Workers' Compensation 52.
16 So this individual actually had a previous conviction
17 under Workers' Compensation 52. So he was charged
18 with a D Felony by our office and he -- he pled guilty
19 this year, so.

20 Claimant fraud. We've had, as you can imagine,
21 there were a number of COVID case that occurred
22 throughout the pandemic. One case that I had with
23 Investigator Jackie Desautels of Staten Island, who's
24 here today, involved a COVID case. An employee of a

1 nursing home who filed a report of COVID -- excuse me,
2 a positive COVID test, which was legitimate, and then
3 over the course of the following six months
4 followed -- filed, excuse me, numerous false COVID
5 tests that were manufactured and some false medical
6 notes. He was charged with 23 felony offenses, those
7 false -- false-positive results, if you will, and the
8 forged doctor's notes. One of the things that made it
9 most visible or at least the initial visibility of it
10 was that they sent in the same sample number with
11 respect to each of those. So it was one load sample,
12 apparently, over the course of six months that was
13 used. But the -- the notes were fabricated. He was
14 arrested in Staten Island and ultimately pled guilty
15 and had an order of restitution involved.

16 Medical providers and professional cases. There
17 was not a -- a completed prosecution. Excuse me,
18 there were two completed prosecutions but there was
19 not an arrest with respect to a medical provider in
20 2022. But one notable case that did not involve
21 arrest involved a collaboration with the Board. And
22 that is a case concerning a medical provider who
23 orchestrated a scheme to defraud. It was largely in
24 the State of New York, although there was others as

1 well, and -- by falsifying medical prognosis, records
2 of patients. A lot of these were correctional
3 officers, and they kept them out of work for extended
4 periods of time on false or exaggerated workers'
5 compensation benefits. The physician also billed for
6 services that weren't provided or services that were
7 provided by a subordinate, frankly untrained staff,
8 while he was out of the country or out of the state.

9 We conducted a -- a lengthy investigation. We
10 presented it for prosecution. It was ultimately
11 declined for prosecution, which did not mark an end to
12 the case with respect to us because we collaborated
13 with the Board's Health Provider Discipline Unit. We
14 had a few meetings given the results of our
15 investigation. And the Health Provider Discipline
16 Unit after, I think, several conversations with both
17 the -- the counsel and the individual doctor was able
18 to have that doctor voluntarily resign his
19 certification. So he's no longer treating workers'
20 compensation cases. This particular doctor has also
21 been referred for discipline with respect to his
22 license.

23 Training and outreach. This year certainly marks
24 a -- a robust social media presence, one that --

1 that's really heretofore not occurred at the Inspector
2 General's Office. This includes a series of workers'
3 compensation specifically related videos featuring
4 Inspector General herself.

5 The year marks also a return, thankfully, to
6 in-person presentations and trainings. We have found,
7 I have found certainly, that in-person trainings and
8 presentations are -- are much more profitable, if you
9 will, with respect to referrals and making a
10 connection and really engaging in -- in our mission.

11 So this year we continued to present at the
12 New York State Department of Corrections Albany
13 Training Academy that reaches every single new
14 training recruit for the Department of Corrections to
15 the Nassau County District Attorney's Office Fifth
16 Annual Statewide Labor Conference. We presented
17 several hours with respect to a -- a wide ranging
18 group of -- of labor participants and prosecutors.

19 The New York Anti-Car Theft, NYACT, and the
20 National Insurance Crime Bureau, they have a workers'
21 compensation fraud training, which we have for several
22 years presented at. We returned to in-person
23 presentation there and the Inspector General gave a
24 keynote address at that presentation. The Inspector

1 General also gave the keynote address at NYACT's
2 annual education conference this year. And we were
3 very privileged this year to conduct outreach
4 presentation at the law judge training that was held
5 by the Board in let's see -- in Rochester, New York
6 and Schenectady.

7 So also in addition to our outreach, we continued
8 or reinitiated a number of task forces and initiatives
9 this year. We certainly collaborated with all of
10 our -- our district attorneys and prosecutorial
11 partners. We have a continued and renewed
12 collaboration with the New York State Insurance Fund
13 on a number of matters and their division of -- of
14 criminal investigations.

15 We have partnered with multiple offices within
16 the -- within the Board, including certainly with --
17 with Heather and with her predecessor. We continue to
18 have a number of matters, including one we were just
19 speaking most recently about, which is ongoing and
20 active with the Board's Health Provider Discipline
21 Unit and with the Board's Compliance Unit. So we have
22 referrals back and forth and multiple collaborative
23 efforts going on at any given time, and they've
24 yielded considerable results last year and -- and will

1 continue to.

2 Our task forces include the Workers' Compensation
3 Task Force. It's a little bit of a misnomer, but
4 it's -- it's not really a misnomer. It's just kind of
5 vague. It's a task force involving reduction of
6 frauds and abuse within the state agencies by state
7 employees that our office has been a part of for a
8 number of years. The Northern District of New York
9 Health Care Fraud Task Force, and then the Joint Task
10 Force on Employee Misclassification and Employer
11 Exploitation. That is the task force that was started
12 years ago with multiple offices within the Department
13 of Labor, with the Board's Compliance Unit and with
14 our office. That took a pause during COVID and was
15 reinitiated this year. So there's been -- with
16 renewed vigor and certainly we are extensively
17 involved in that organization and receive a number of
18 cases in which we work both independently and
19 collaboratively with those other groups. That's all.

20 LUCY LANG: Thank you, Attorney-In-Charge
21 Richmond. So what I learned in my career as a
22 prosecutor is that you really don't uncover or solve
23 crime without talking to people on the street. And to
24 that end, over the past sixteen months, I have been to

1 dozens of counties across the state. I have visited
2 all forty-four of the state's prisons. I visited the
3 major infrastructure projects over which we had
4 jurisdiction and have really come to see the extent to
5 which these cases can be very challenging to make,
6 because of course compared to the sort of matters that
7 I handled as a violent crime prosecutor where the
8 question was who committed this crime. Here so often
9 the question is, was a crime committed. And it can be
10 very difficult to parse because of the subjectivity of
11 some of these issues.

12 But what I have found over the course of -- of
13 these months of traveling the state is I have met so
14 many New Yorkers who have been hurt, who rely on
15 workers' compensation during their and their family's
16 most vulnerable times, and I have learned about people
17 who would abuse the system costing all of us,
18 undermining the integrity of the system and, of
19 course, ultimately compromising legitimately hurt
20 workers and uninjured workers who have to pick up the
21 slack.

22 So I am deeply committed to working with you, to
23 collaborating and protecting the integrity of the
24 system. And I really thank you for your partnership

1 up till now and, of course, going forward. So thank
2 you for your service to New York's workers, for your
3 partnership and for inviting us to be here with you
4 today. Madam Chair.

5 CLARISSA RODRIGUEZ: Thank you so much,
6 Inspector General. Thank you again for being here and
7 for presenting your annual report and for all the --
8 the work that you do on behalf of New York State.
9 Board Members, may I please have a motion to adjourn
10 today's meeting?

11 MARK STASKO: Yes, Madam Chair. This is
12 Board Member Mark Stasko, and I move that we adjourn
13 the meeting.

14 CLARISSA RODRIGUEZ: Thank you, Board Member
15 Stasko. Is there a second?

16 LOREN LOBBAN: Board Member Loren Lobban,
17 and I second the motion.

18 CLARISSA RODRIGUEZ: Thank you, Board Member
19 Lobban. Is there any opposition to the motion? Okay.
20 Hearing no opposition, Board Members all in favor,
21 please say aye.

22 ALL: Aye.

23 CLARISSA RODRIGUEZ: All opposed? No
24 opposition. I am also a yes. That motion passes.

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Meeting adjourned. Thank you, everyone. Have a good
afternoon.

WHEREUPON, THE MEETING WAS ADJOURNED.