



## RANDOLPH COUNTY Department of Social Services

**Beth W. Duncan**  
Director

**Samuel R. Frazier**  
Board Chair

### PRESS RELEASE FACT SHEET

#### “Penalties for Public Assistance Fraud Can Be Severe”

Public assistance for Food and Nutrition Services (FNS), Medicaid, and Work First programs are intended to help low income individuals and families to meet basic needs. In North Carolina, the local county Department of Social Services (DSS) accepts applications, collects information, and determines eligibility for these programs.

DSS Income Maintenance Caseworkers vigorously work to collect accurate and truthful information from applicants when determining eligibility for benefits. However, with over \$3 million a month in FNS benefits in Randolph County alone, there is a risk of fraudulent activity. Randolph County DSS has a Program Integrity Unit that works diligently to ensure *individual* fraud is identified and prevented. The state investigates reports of fraud by vendors and providers.

Penalties for public assistance fraud can be severe. A person found guilty of public assistance fraud can be fined, placed in jail, or both. People guilty of Food and Nutrition Services fraud may get an even stiffer penalty. In addition to all of the above, one may not be allowed to get Food and Nutrition Services for:

- 1 year for 1st offense or 2 years for 1st time court finding of purchasing illegal drugs with FNS
- 2 years for 2nd offense.
- **Permanently** for 3rd offense.
- 10 years for misrepresenting identity or residence to get FNS in more than one place

In February 2015, DSS issued a press release that talked about a current investigation involving a FNS trafficking case. In this case, a local vendor had been determined, by the state, to have actively engaged in trafficking of FNS benefits. In June 2014, the state reported a list of Food and Nutrition Service (Food Stamp) recipient names that frequented the vendor to Randolph County DSS. Between June 2014 and June 2015 DSS Program Integrity staff investigated. Here are the results:

- 3 individuals were **permanently** disqualified from the FNS program for trafficking
- 281 individuals were disqualified from the FNS program for at least 12 months
- 21 individuals were referred to 6 different counties for investigation
- Randolph County is working to reclaim \$161,504 from the 281 individuals

Randolph County DSS takes public assistance fraud seriously. Please report instances of fraud to your local DSS. In Randolph County, call the Fraud Prevention Hotline at (336) 683-8198

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[www.co.randolph.nc.us/dss/](http://www.co.randolph.nc.us/dss/)

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