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CYRUS R. VANCE, JR.
DISTRICT ATTORNEY

February 25, 2014

Beatrice M. Disman
Regional Commissioner, New York Region
Social Security Administration
26 Federal Plaza, Room 40-120
New York, New York, 10278

Dear Commissioner Disman,

I write to thank you for your continued assistance in my office's Social Security disability insurance ("SSDI") fraud investigation and to refer to you a group of SSDI recipients uncovered in this investigation. These individuals, along with others who have been and will be indicted by my Office, retained attorney representative Raymond Lavallee. These individuals also fit other patterns characteristic of Mr. Lavallee and his co-conspirators' fraudulent scheme, including boilerplate benefit claims applications, identical alleged psychiatric disabilities and symptoms, the use of the same doctors, and common "treatment" patterns.

As you are aware, our ongoing investigation, in coordination with your office, has revealed that Raymond Lavallee, working together with Thomas Hale, Joseph Esposito and John Minerva, referred SSDI applicants to psychiatrists Dr. Edward Sodaro and Dr. Raymond Pierre-Paul, among other doctors, in order to fabricate a psychiatric disability prior to their applying for SSDI. Lavallee and his co-conspirators further assisted applicants with completing paperwork that contained false statements regarding their activities of daily living, and coached applicants about how to behave during Consultative Examinations, ALJ hearings, and treatment sessions with pre-designated doctors. The medical reports prepared by these doctors reached the same diagnostic conclusions. Invariably, these doctors began treating their "patients" approximately one year before the claimants submitted their SSDI applications—the minimum time necessary to establish a disability. Even after the claimants left the New York area, they continued to receive treatment from the same psychiatrists, sometimes receiving treatment by telephone.

The investigation further revealed that after obtaining SSDI benefits, applicants paid cash kick-backs to Lavallee and his co-conspirators over and above the authorized representative fee, which was paid directly to Lavallee by SSA. Additionally, in order to

retain the fraudulently obtained benefits, Lavallee and his co-conspirators instructed the applicants to report falsely about the progress of their conditions in a way that would result in the indefinite continuation of benefits. Furthermore, applicants whose eligibility for SSDI automatically converted into retirement benefits consistently stopped psychiatric treatment upon conversion, further undermining the legitimacy of their claimed mental disabilities.

We believe that the applicants listed in this letter's enclosure follow some of the patterns described and consequently may have obtained SSDI benefits under fraudulent pretenses. I am referring the list to your office for further inquiry and possible administrative action on their SSDI benefits because we do not believe that there is a substantial risk that redetermining the entitlement of these individuals would jeopardize the criminal prosecution of any person involved in the fraud. See 42 U.S.C. § 405(u)(1)(A). Also, please do not hesitate to refer to my office any of these applicants for possible New York state criminal and/or civil action where appropriate. Those referrals can be directed to Principal Deputy Chief Jodie Kane at (212) 335-9398.

Thank you for your attention to this matter and for your continued and indispensable partnership on the issue of SSDI fraud.

David M. Szuchman
Executive Assistant District Attorney
Chief of Investigation Division

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