

SUMMARY

Falsifications of Worker's Compensation Claim MTA/OIG Report #11-06

Doctors, LIRR Retirees, and Facilitators Allegedly Faked and Exaggerated Pre-Planned Disabilities to Fraudulently Obtain Benefits from the Railroad Retirement Board

In October 2011, PREET BHARARA, the United States Attorney for the Southern District of New York, MARTIN J. DICKMAN, Inspector General of the Railroad Retirement Board, JANICE K. FEDARCYK, the Assistant Director in-Charge of the New York Office of the Federal Bureau of Investigation, and BARRY L. KLUGER, Inspector General of the Metropolitan Transportation Authority, announced charges against 11 defendants for participating in a massive fraud scheme in which Long Island Railroad workers claimed to be disabled upon early retirement so that they could receive extra pension benefits to which they were not entitled. The investigation continues with dozens more employees charged. The fraudulent scheme could ultimately cause the RRB to pay in excess of \$1 billion in unwarranted occupational disability benefits if disbursed in full.