

SUMMARY

LIRR Disability Pension Fraud Update

Since 2009, the OIG worked jointly with the Office of the United States Attorney for the Southern District of New York, the New York State Attorney General, the Federal Bureau of Investigations, and the Railroad Retirement Board Inspector General in a criminal investigation of occupational disability fraud allegedly committed by Long Island Rail Road retirees.

In October 2011, this joint effort culminated in federal criminal charges against 11 defendants for allegedly participating in a massive fraud scheme from 1998 to the present in which LIRR workers claimed to be disabled upon early retirement so that they could receive extra pension benefits to which they were not entitled. Those initially charged included two doctors, an office manager, two facilitators, and seven LIRR retirees (including one of the charged facilitators). In May 2012, 10 more LIRR retirees were charged in the occupational disability fraud scheme followed by an eleventh in July and another 10 in September 2012.

Press

[Newsday 8/7/13 - LIRR Disability Fraud Guilty](#)

[U.S. Attorney's Office Southern District of New York Press Release 8/6/13 - Doctor and Two Consultants Found Guilty in Manhattan Federal Court in LIRR Disability Fraud Scheme](#)

[Newsday 7/23/13 - Retirees' Timely Departures](#)

[New York Daily News 7/3/13 - Ex-LIRR inspector pleads guilty to conspiracy, fraud charges in disability scam](#)

[U.S. Attorney's Office Southern District of New York Press Release 7/3/13 - Twenty-Fifth Defendant Pleads Guilty in Manhattan Federal Court in Connection with LIRR Disability Fraud Scheme](#)

[U.S. Attorney's Office Southern District of New York Press Release 6/24/13 - Twenty Fourth Defendant Pleads Guilty in Manhattan Federal Court in Connection with LIRR Disability Fraud Scheme](#)

[Newsday 6/24/13 - Steven Gagliano admits LIRR disability fraud](#)

[NY Post 5/25/13 - Crooked Doc Gets 8 Years 'Drove train' in \\$1B LIRR pension scam](#)

[Newsday 5/22/13 - Feds: 830 linked to MD in LIRR disability fraud](#)

[U.S. Attorney's Office Southern District of New York Press Release, 3/28/13 - Twenty-Third Defendant Pleads Guilty In LIRR Disability Fraud Scheme](#)

[U.S. Attorney's Office Southern District of New York Press Release, 3/08/13 - LIRR Retiree Sentenced In Manhattan Federal Court To 20 Months In Prison For Role In Massive Disability Fraud Scheme](#)

[U.S. Attorney's Office Southern District of New York Press Release, 1/18/13 - Disability Doctor Peter J. Ajemian Pleads Guilty in Manhattan Federal Court for his Role in LIRR Fraud Scheme](#)

[New York Law Journal article 1/04/13 - LIRR Disability Insurance Fraud Scheme: an Update](#)

[U.S. Attorney's Office Southern District of New York Press Release, 9/12/12](#)

[Newsday.com article 9/12/12 - FBI arrests more in LIRR disability fraud](#)

[The New York Times 9/12/12 - More L.I.R.R. Retirees Are Arrested on Fraud Charges](#)

[U.S. Attorney's Office Southern District of New York Press Release, 7/06/12](#)

[NY Post article 10/28/11 - \\$1 billion LIRR scam derailed](#)

[Statement from Governor Andrew M. Cuomo on Arrests Regarding LIRR Pensions, 10/27/11](#)

[Statement of Barry L. Kluger, MTA Inspector General, 10/27/11](#)

[Associated Press 10/27/11 - FBI: Hundreds of NY rail workers part of \\$1B fraud](#)

[The New York Times 10/27/11 - 10 Arrested in \\$1 Billion L.I.R.R. Disability Scheme](#)

[Newday.com article 10/27/11 - Feds: 11 charged in LIRR disability scheme](#)

[NY Daily News article 10/27/11 - Feds arrest 11 people connected to multimillion dollar LIRR pension scam](#)

[NY Daily News Editorial 10/28/11 - LIRR disability pension busts by Preet Bharara expose a breathtakingly bold scam on the public](#)