

## Prosecuting Social Security Fraud Conspiracies

Social Security fraud is a crime against all American workers who contribute to Social Security in order to ensure economic security for themselves and their families. Under the Social Security Act, knowingly making or causing to be made false statements in order to obtain benefits is a felony, punishable by fines and up to five years in prison. Social Security is also authorized to levy civil monetary penalties of up to \$5,000 per misstatement or improper benefit receipt.

Recent Social Security Office of the Inspector General (OIG) investigations have uncovered criminal conspiracies to defraud Social Security. Existing criminal statutes (both state and federal) can and are being used to prosecute those who mastermind conspiracies to steal from Social Security. However, on-point criminal statutes directed specifically at Social Security conspiracies would both help deter these crimes and ensure that when we catch masterminds, we can make the penalty fit the crime.

***The Fraud and Error Prevention Act of 2014*** would:

- Amends the Social Security Act to provide a specific felony for conspiracy to defraud Social Security. The charge, which is consistent with other criminal conspiracy statutes, would apply whether benefits were paid or Social Security stopped the fraud at the front door.
- Increase legal penalties for conspiracy leaders and for those with specialized knowledge who abuse their position of trust (for example, doctors, beneficiary representatives, translators, or SSA employees) to commit fraud. Higher penalties would include:
  - A maximum sentence of 10 years for outside facilitators and Social Security employees who violate a position of trust to defraud Social Security.
  - Increased Civil Monetary Penalties (CMPs) of up to \$7,500 per false statement for outside facilitators ([OIG Recommendation](#)) who commit fraud.

[As recommended by Social Security's Inspector General](#), the bill would also index the amount of Social Security CMPs for inflation.