

Massachusetts man allegedly used identities of prisoners in unemployment insurance scam

Massachusetts Man Charged with Unemployment Insurance Scam

BOSTON – A Melrose man was arrested today and charged in connection with his role in an unemployment insurance fraud scheme.

Alan Neal Scott, 68, was charged by criminal complaint with one count of mail fraud. Following an initial appearance today, Scott was detained pending a probable cause and detention hearing set for July 30, 2020.

According to charging documents, Scott allegedly submitted numerous fraudulent unemployment insurance claims with the Massachusetts Department of Unemployment Assistance (DUA). Scott submitted these claims using his own identity as well as the identities of various individuals – including individuals who were not eligible for unemployment benefits as they were incarcerated at the time of the claims and could not have been employed as reported. Moreover, the fraudulent claims all reported prior employment at a non-operational Massachusetts-based business also associated with Scott. The complaint alleges that as a result of these fraudulent claims, the DUA sent unemployment benefits funds to several addresses connected to Scott and that the funds were deposited into accounts controlled by Scott.

The charging statute provides for a sentence of up to 20 years in prison, three years of supervised release, a fine of not more than \$250,000 or twice the gross gain or loss, whichever is greater, forfeiture and restitution. Sentences are imposed

by a federal district court judge based upon the U.S. Sentencing Guidelines and other statutory factors.

United States Attorney Andrew E. Lelling; Michael Mikulka, Special Agent in Charge of the U.S. Department of Labor, Office of Inspector General, Labor Racketeering and Fraud Investigation, New York Regional Office; Michael Shea, Acting Special Agent in Charge of the Homeland Security Investigations in Boston; Joseph Cronin, Inspector in Charge of the United States Postal Inspection Service; and Scott Antolik, Special Agent in Charge of the Social Security Administration, Office of the Inspector General, Office of Investigations, Boston Field Division made the announcement today. The Commonwealth of Massachusetts, Department of Unemployment Assistance, Program Integrity Unit also provided assistance with the investigation. Assistant U.S. Attorney Sara Miron Bloom of Lelling's Securities, Financial and Cyber Fraud Unit is prosecuting the case.

The details contained in the criminal complaint are allegations. The defendant is presumed innocent unless and until proven guilty beyond a reasonable doubt in a court of law.