

Los Angeles Daily News

Three agents added to county fraud unit

By Troy Anderson
Staff Writer

Monday, April 05, 2004 - In Los Angeles County's expanding crackdown on waste, fraud and abuse, three investigators are being added to the auditor's special investigations unit, officials said Monday.

The number of investigations opened as a result of tips to the county's fraud hotline jumped from 279 in 2000 to 512 last year, an 84 percent increase. The number is expected to rise 37 percent this year to 700.

"The number has been going up every year," Auditor-Controller Tyler McCauley said. "It's an estimate, but it's been increasing at a fairly rapid rate."

The announcement follows a Daily News report last month that fraud and waste by county employees and contractors had resulted in a record number of convictions and firings in 2003, involving \$1.5 million.

Chief Administrative Officer David Janssen subsequently recommended adding three investigators to the 11-member unit to help handle the backlog of 60 cases.

Since the inception of the fraud hotline in 1988, created at Supervisor Michael D. Antonovich's request, it has helped investigators uncover more than \$12 million in fraud. McCauley is projecting that his investigators will uncover \$2 million to \$4 million in fraud this year.

Since 1998, McCauley's auditors also found that more than \$9 million was misspent by private foster care agencies on exotic vacations, luxury vehicles and other unallowable expenses.

County welfare fraud investigators detect between \$10 million and \$20 million in welfare fraud each year.

The county's 24-hour fraud hotline can be reached at (800) 544-6861.

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