

Citizen Of Dominican Republic Sentenced To 79 Months In Prison For \$16 Million COVID-19 Unemployment Benefits Fraud Scheme

Tuesday, January 30, 2024

For Immediate Release

U.S. Attorney's Office, Southern District of New York

Damian Williams, the United States Attorney for the Southern District of New York, announced that YOHAURIS RODRIGUEZ HERNANDEZ was sentenced to 79 months in prison in connection with her participation in a fraudulent scheme to obtain over \$16 million in Government benefits intended to provide relief to individuals without employment during the COVID-19 pandemic. RODRIGUEZ HERNANDEZ previously pled guilty to conspiracy to commit wire fraud, theft of government funds, and aggravated identity theft before U.S. District Judge Philip M. Halpern, who imposed today's sentence.

U.S. Attorney Damian Williams said: "Yohauris Rodriguez Hernandez participated in a scheme that systematically targeted Government funds established as a safety net for millions of people across the United States struggling to make ends meet during the COVID-19 pandemic. Today's sentence demonstrates that this Office and our law enforcement partners continue to work tirelessly to prosecute those who sought to commit pandemic relief fraud."

According to court documents and statements made during court proceedings:

The Coronavirus Aid, Relief, and Economic Security (“CARES”) Act is a federal law enacted on March 29, 2020, designed to provide emergency financial assistance to the millions of Americans suffering the economic effects caused by the COVID-19 pandemic. One source of relief provided by the CARES Act was the authorization of hundreds of billions of dollars in unemployment insurance benefits payable to eligible, lawful workers and administered through state agencies, such as the New York State Department of Labor (“NYS DOL”) in New York, in accordance with federal laws and regulations.

From February 2020 through December 2020, RODRIGUEZ HERNANDEZ and her co-defendant, Henry Fermin, along with others, participated in a scheme to obtain COVID-19 unemployment benefits through the fraudulent filing and verification of hundreds of benefit applications using the names and social security numbers of numerous other individuals. Law enforcement agencies were first alerted to the scheme after RODRIGUEZ HERNANDEZ and Fermin fled a Yonkers hotel in December 2020, leaving behind in their previously occupied room approximately 747 pieces of mail from the NYS DOL. Those pieces of mail contained, among other unemployment benefit-related materials, NYS DOL-issued prepaid debit cards for numerous other individuals linked to approximately 568 New York State unemployment insurance benefit accounts. Over the course of the relevant time period, RODRIGUEZ HERNANDEZ and Fermin exchanged numerous text messages, images, and other communications that included personal identifying information — such as names, social security numbers, and dates of birth — that were used in connection with the filing and verification of numerous fraudulent applications for unemployment benefits primarily in New York as well as other states. RODRIGUEZ HERNANDEZ also recruited and bribed a letter carrier of the U.S. Postal Service, who in turn enlisted two other postal workers, to collectively intercept NYS DOL mail that RODRIGUEZ and her co-conspirators directed to addresses on each of the postal workers’ respective postal routes.

Overall, the fraudulent scheme resulted in at least approximately \$16.1 million in unemployment insurance benefit payments authorized across hundreds of accounts and at least approximately \$3.2 million in actual benefit payments disbursed.

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In addition to the prison term, RODRIGUEZ HERNANDEZ, 42, of the Dominican Republic, was sentenced to three years of supervised release and ordered to forfeit \$3,294,368.50 and to pay \$3,294,368.50 in restitution.

Mr. Williams praised the outstanding investigative work of the Department of Labor Office of Inspector General, the U.S. Postal Inspection Service, the Social Security Administration Office of Inspector General, and the U.S. Postal Service Office of Inspector General. Mr.

Williams also thanked the City of Yonkers Police Department, the NYS DOL, Homeland Security Investigations, Immigrations and Customs Enforcement, and the New York City Police Department for their assistance with the investigation.

This case is being handled by the Office's White Plains Division. Assistant U.S. Attorney Kevin Sullivan is in charge of the prosecution.

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