



# Department of Justice

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FOR IMMEDIATE RELEASE  
Friday, April 3, 2015  
<http://www.justice.gov/usao/ias>

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## **Des Moines Woman Convicted on Numerous Counts of Defrauding Federal and State Welfare Programs**

DES MOINES, IA – On April 2, 2015, Des Moines resident Julia Nguyen, age 48, also known as Loan Nguyen, was convicted on 22 federal felony counts by a jury in the Southern District of Iowa, announced United States Attorney Nicholas A. Klinefeldt.

Nguyen was convicted of attempted immigration fraud, theft of federal government funds, social security fraud, false use of a social security number belonging to another person, aggravated identity theft, making material false statements to the U.S. Department of Housing and Urban Development (HUD), committing health care fraud in relation to the Iowa Consumer Directed Attendant Care (CDAC) program, and mail fraud in connection with the Iowa food assistance program.

“The defendant defrauded the Supplemental Security Income (SSI) program, the federal subsidized housing program, the state rental rebate, food assistance, and consumer directed attendant care programs, and tried to deceive federal immigration officials,” explained U.S. Attorney Nick Klinefeldt. “The integrity of these programs is bolstered by the success of federal and state investigators to put an end to Ms. Nguyen’s pervasive effort to illegally reap welfare benefits from them.”

The two immigration fraud charges relate to events in 2007. Nguyen tricked a local doctor into completing false immigration documentation for two Vietnamese nationals who were seeking to become U.S. citizens, but had had difficulty passing the language and civics portion of the naturalization process. Although federal officials rejected the paperwork after it was

submitted, Nguyen nevertheless tried to convince federal authorities that the applicants were medically unable to pass the exams, and should be granted exemptions.

The theft of government funds and social security fraud convictions stem from Nguyen's abuse of the SSI program, which provides financial assistance to handicapped and elderly people. Over several years, Nguyen fraudulently obtained over \$59,000 of SSI of numerous persons who had left the country and were no longer eligible to receive program benefits. This undisclosed income made her ineligible for the \$33,600 of SSI she received from 2010 through 2013.

Nguyen was also convicted of using the name and social security number of a man who years earlier had returned to Vietnam to fraudulently obtain funds from the State of Iowa. Nguyen submitted claims to the state rental reimbursement program asserting he was renting an apartment in Des Moines, and received over \$3,600.

The jury also convicted Nguyen of making false statements to HUD in connection with receiving subsidized housing by concealing from the government her true income and assets.

The health care fraud conviction related to a Medicaid-based program designed to keep elderly or physically disadvantaged people out of nursing homes, called consumer directed attendant care. After Nguyen's doctor certified Nguyen was ineligible for the program, Nguyen altered the doctor's form to make it appear she needed such care, and submitted it to the State. Nguyen's application was approved, and one of Nguyen's daughters was paid by the State to provide such unnecessary care.

The mail fraud conviction covered Nguyen's abuse of the food assistance program, which is jointly funded by the U.S. Department of Agriculture and the State of Iowa. After an elderly food assistance recipient left Iowa to return to his home country of Vietnam, Nguyen had his food assistance electronic benefits (EBT) card sent to Nguyen's post office box, and used it for

Nguyen's own benefit for several years. Nguyen had replacement EBT cards and various notices sent by the State in the original recipient's name to Nguyen's post office box. Trial evidence showed Nguyen using the original recipient's EBT card to conduct a \$199 transaction at a local Wal-Mart. The program was defrauded of over \$10,000.

The sentencing hearing has been scheduled for July 7, 2015.

The case was investigated by the Social Security Administration-Office of Inspector General; Homeland Security Investigations; U.S. Citizenship and Immigration Services; Iowa Department of Inspections and Appeals; the U.S. Department of Housing and Urban Development-Office of Inspector General, and U.S. Postal Inspection Service. The case was prosecuted by the United States Attorney's Office for the Southern District of Iowa.

Any persons aware of any similar fraud can report it to the Homeland Security Investigations hotline, 1-866-347-2423.

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