



U.S. Department of Justice

*United States Attorney
District of Maryland*

Rod J. Rosenstein
United States Attorney

Vickie E. LeDuc
Public Information Officer

36 South Charles Street
4th Floor
Baltimore, Maryland 21201

410-209-4800
TTY/TDD: 410-962-4462
410-209-4885
FAX 410-962-3091
Vickie.LeDuc@usdoj.gov

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**Contact AUSA VICKIE E. LEDUC or
MARCIA MURPHY at (410) 209-4885**

POSTAL EMPLOYEE CONVICTED OF SEVEN-YEAR DISABILITY SCAM

*Investigation Exposed Woman Who Fraudulently Collected \$250,000 in Federal Benefits;
Received Food Stamps While Taking Postal Disability Payments*

Baltimore, Maryland – Colette Lee, age 49, of Baltimore, pleaded guilty today to making false statements to obtain federal employee compensation benefits.

The guilty plea was announced by United States Attorney for the District of Maryland Rod J. Rosenstein; Special Agent in Charge Paul Bowman of the U.S. Postal Service, Office of Inspector General; John L. Phillips, Assistant Inspector General for Investigations, U.S. Department of the Treasury - Office of Inspector General; and Inspector General William E. Johnson, Jr. of the Maryland Department of Human Resources.

“Taxpayers foot the bill for phony disability claims by government workers,” said U.S. Attorney Rod J. Rosenstein. “Postal employee Colette Lee filed a fraudulent disability claim in 2007 and kept the scam going for seven years until she was caught. This case is an insult to taxpayers and honest government employees.”

According to her plea agreement, from 2003 to 2014, Lee worked for the U.S. Postal Service as a letter carrier and then became a mail handler.

In May 2007, February 2008, August 2009 and October 2009, Lee submitted claims for disability for a work-related injury under the Federal Employees’ Compensation Act (FECA). Lee failed to disclose relevant parts of her medical history on her medical history questionnaire submitted on June 19, 2003 at the start of her Postal Service employment, including that: she had an active injury claim; had been previously treated in the emergency room; had been in physical therapy programs; and had CT scans. Lee also failed to disclose to medical professionals who evaluated her injury and potential treatment and assessed her possible return to work that Lee had a prior medical history that included injuries from at least four motor vehicle accidents that pre-dated her claims for FECA benefits. Lee was also involved in a motor vehicle accident not related to her Postal Service employment in September 2009, after she submitted claims for FECA benefits.

From May 17, 2007 through January 24, 2014, Lee received wage payments and FECA benefits for her alleged work-related injuries.

On August 23, 2012, Lee was interviewed regarding her claimed physical limitations and capability to return to work. Lee denied that she had any injuries prior to working for the Postal Service; stated that she had only been in one vehicle accident; stated she could not open her car door with her right hand; claimed that she drove her vehicle with her left hand while keeping her right hand down, needed to take breaks every 20 to 25 minutes, and could not use both hands to turn the steering wheel; advised that she could not grasp items with her right hand and had to ask people for assistance when shopping; and stated that she could not play with her son.

Surveillance conducted from December 2010 to February 4, 2014 showed Lee engaging in activities inconsistent with what she reported during the August interview. Agents observed Lee opening and unlocking her car door with her right hand, driving her vehicle at times with only her right hand, driving long periods without breaks, using her right hand to lift herself into a van, using both hands to maneuver the steering wheel, grasping items with her right hand, talking on her cell phone with her right hand, shopping by herself while grabbing items and unloading items without any assistance, and playing with children while running, walking, lifting, bending, and riding a bike. Insurance records also showed that Lee had prior injuries from motor vehicle accidents that she did not report during the August 23, 2012 interview.

Additionally, Lee admitted that she applied for food stamp benefits, which are funded by the Department of Agriculture, in 2010, 2011 and 2012, without disclosing that she was receiving FECA benefits.

Lee has agreed to pay restitution of \$244,912.65, the loss suffered by the Postal Service and the Department of Agriculture from May 2007 through January 2014 by Lee's false statements. Lee faces a maximum sentence of five years in prison. U.S. District Judge Marvin J. Garbis scheduled sentencing for February 2, 2015 at 10:00 a.m.

United States Attorney Rod J. Rosenstein praised the U.S. Postal Service Inspector General's Office, U.S. Department of the Treasury Inspector General's Office; and Maryland Department of Human Resources Inspector General's Office for their work in the investigation. Mr. Rosenstein commended the National Insurance Crime Bureau for their assistance in the investigation, and thanked Assistant U.S. Attorney Ayn B. Ducao, who is prosecuting the case.