

Department of Justice
U.S. Attorney's Office
District of New Hampshire

FOR IMMEDIATE RELEASE

February 7, 2019

Nashua Resident Sentenced to Three Years of Probation for Defrauding Federal Employee Disability Benefit Program

CONCORD – Kenneth Dunn, 60, of Nashua, was sentenced to 36 months of probation and 6 months of home confinement for making false statements to obtain federal employee disability benefits, announced United States Attorney Scott W. Murray.

The United States Department of Labor, Office of Workers' Compensation Program ("OWCP") provides workers' compensation benefits to employees of the federal government, including the United States Postal Service (USPS), who are totally or partially disabled due to injuries sustained during the course of their employment. While receiving the benefits, a disabled employee is required to report all employment for which he or she received a salary, wage, or payment of any kind in annual reports submitted to the OWCP. A disabled employee is also required to provide documentation from a medical doctor to demonstrate his or her continued eligibility for the benefits and report any improvements to his or her physical condition.

According to documents and statements made in court, Dunn was hired as a Rural Letter Carrier in April 1985. In November 2010, Dunn began to receive OWCP disability benefits due to employment-related injuries to his neck, back, and arm. While receiving the disability benefits, Dunn repeatedly reported to the OWCP that was not able to work in any capacity and he was not engaged in any employment activity.

However, from 2010 through 2017, Dunn conducted thousands of transactions related to the purchase and sale of comic books on the internet, and failed to report the business activity to the OWCP. In addition, on several occasions from October of 2016 to February of 2018, a Special Agent from the Office of Inspector General for the USPS observed Dunn engaged in physical activities inconsistent with his reported symptoms and alleged total disability. The activities included: entering and exiting his car; clearing substantial amounts of snow off, and from around, his car; driving; walking up and down a flight of 30 stairs; conducting personal and business-related errands

for several hours; and lifting and carrying items of various size, shape, and weight. Dunn was able to perform these tasks without any apparent physical limitation, pain, or discomfort and in conflict with medical documentation from Dunn's treating physician.

At a Comicon event in Manchester on September 17 and 18, 2016, Dunn set up a vendor booth and repeatedly bent over to place or pick up large boxes filled with comic books. He set up and dismantled a comic book display, sold comic books for cash, and stood and sat for long periods without any apparent physical limitation or discomfort. Dunn repeated the same activities at the Comicon event in Manchester on September 16 and 17, 2017.

The court documents also reveal that Dunn provided false information about his physical condition to a doctor in February 2017 and March 2018, and false information about his physical condition and work-history to the OWCP in February 2017 and 2018 in order to receive the disability benefits. Because of this fraudulent conduct, Dunn received disability benefits totaling \$87,736 from September of 2016 through July of 2018.

Dunn pleaded guilty on September 20, 2018.

"Workers' compensation benefits are an important source of financial support for people who are truly unable to work due to their disabilities," said U.S. Attorney Murray. "Those who seek to defraud the workers' compensation system undermine the integrity of the program in an effort to obtain benefits they do not deserve. Federal law enforcement agencies will remain vigilant to detect and prosecute fraudsters, ensuring that benefits only go to those who deserve to receive them."

"The federal Workers' Compensation program was created to help those who are recovering from injuries obtained on-the-job," stated USPS-OIG Special Agent-in-Charge Matthew Modafferi. "When a former Postal Service employee defrauds the Workers' Compensation program, the Special Agents of the U.S. Postal Service Office of Inspector General will work tirelessly with the U.S. Attorney's Office to protect the integrity of this federal benefit program."

The case was investigated by the United States Postal Service, Office of Inspector General. The case is being prosecuted by Assistant U.S. Attorney Robert M. Kinsella.

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