



**OFFICE OF INSPECTOR GENERAL**  
Department of Homeland Security

Washington, DC 20528 / [www.oig.dhs.gov](http://www.oig.dhs.gov)

**FOR IMMEDIATE RELEASE**

Friday, October 23, 2015

**For Information Contact:**

Public Affairs (202) 254-4100

**OIG Uses Data Analytics to Find FEMA Paid \$250 Million in Duplicate Benefits After Hurricane Sandy**

The Department of Homeland Security's Office of Inspector General used innovative data matching tools to determine that the Federal Emergency Management Agency (FEMA) paid approximately \$250 million in disaster assistance to more than 29,000 Hurricane Sandy applicants who may have received duplicate benefits from their private insurers, according to a new audit report.

The information in this report, "FEMA Faces Challenges in Verifying Applicants' Insurance Policies for the Individuals and Households Program," was compiled by OIG auditors who conducted a large-scale data comparison of FEMA's records to a private insurance claims database. They sought to determine the validity of FEMA's process for validating insurance coverage – or lack thereof – for applicants seeking assistance from the Individuals and Households Program. While Federal statutes require FEMA to develop a verification process for the program, the agency has so far been unable to develop or identify a nationwide database for private insurance coverage. It instead solely relies on applicants' self-certification and legal warnings on application forms.

As a result of its work, the OIG referred 51 cases of possible fraud for further investigation. Many abuses involved losses of automobiles, for which both FEMA and the owners' insurers paid large claims.

"FEMA needs to solve this insurance verification problem as soon as possible. Until it does, Federal funds invested in disaster relief will continue to be at risk of widespread fraud, waste and abuse," said Inspector General John Roth. "Moreover, just as we did in this audit, FEMA should use an insurance database to review applications for possible duplication of benefits."

###

For more information visit our website, [www.oig.dhs.gov](http://www.oig.dhs.gov)