



# Office of the Attorney General ★ ★ ★ **ERIC T. SCHNEIDERMAN**

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**THIS WEEK IN THE NEWS**

**November 14th Edition**

## TOP HEADLINES

### **Settlement with Fraudulent Vietnam Veteran's Charity**

Attorney General Schneiderman this week announced settlements resolving investigations into the National Vietnam Veterans Foundation (NVVF) and its leadership. NVVF has operated nationwide since 1992 and began soliciting in New York in approximately 2008. By 2014, NVVF was collecting nearly \$9 million nationwide from its fundraising campaigns, soliciting small dollar donations from the public through direct mail and phone calls -- purportedly to help Vietnam Veterans. Nearly all of the money raised through its direct mail campaigns was instead used to pay its fundraisers.

As part of the settlement, Burch paid \$100,000 to the Attorney General, most of which will be re-directed to charities actually helping veterans. Burch also repaid his severance pay received from NVVF and will cooperate with ongoing investigations into others associated with NVVF and its fundraisers.

### **Settlement in Fraudulent Mortgage Scheme**

Attorney General Schneiderman announced that his office has obtained a temporary restraining order against Pastor Edward Smart and his wife, Marion Smart. The order prohibits them from transferring or obtaining any funds of Israel Community Service Program, Inc., a charitable organization formed to provide child care and other programs to the Albany community. The order, signed by Supreme Court Justice Hon. Christina L. Ryba, was issued based on evidence suggesting that Pastor Smart wrote checks totaling more than \$100,000 from ICSP's accounts to himself and his wife.

## In Other News...

\*In honor of Veteran's Day last Friday, Attorney General Schneiderman released the below statement and an updated resourced guide and website for veterans and active duty personnel:

*Today we express our gratitude for the sacrifices made by our men and women in uniform to keep our country safe. We must honor their sacrifices by ensuring that our service members, veterans and their families are protected here at home. I encourage military families to learn about the educational, housing and legal resources available to them, and to take full advantage of the benefits and protections they have earned through their service.*

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**TOP HEADLINES CONTINUED**

**Arrest of Long Island Attorney and Operators on Charges of Medicaid Fraud**

Attorney General Schneiderman announced the arrest of attorney Anthony Cornachio, 74, of Garden City and charges against NRI Group, LLC (NRI) and Canarsie A.W.A.R.E., Inc. (Canarsie), which are Medicaid-enrolled drug treatment programs controlled by Cornachio. The Attorney General’s Medicaid Fraud Control Unit also charged three-quarter housing operators Yury Baumblit and Rimma Baumblit, of Brooklyn, and their company Back on Track Group, Inc. In papers filed in New York City Criminal Court, Kings County and New York State Supreme Court, Kings County prosecutors allege that Yury and Rimma Baumblit, in exchange for payments from Cornachio’s companies, forced residents of their “three-quarter” homes to either face eviction or attend NRI and Canarsie regardless of the residents’ actual need for drug treatment services.

**Arraignment of Niagra Falls City Councilman**

Attorney General Schneiderman and Chief Enforcement Counsel Risa Sugarman announced the arraignment of Niagara Falls City Councilman Charles Walker on charges that he allegedly failed to file campaign finance disclosure reports with the New York State Board of Elections. He was charged after an investigation revealed Mr. Walker’s failure to disclose his campaign’s financial activity as required by New York State Election Law during 2014 and 2015.

Under New York State Election Law, candidates are required to file periodic financial disclosure reports in order to maintain transparency in the election process by accurately disclosing their expenditures and contributions.

**Lawsuit Filed Against Rochester Travel Agent**

Attorney General Schneiderman announced a lawsuit against Constance Catanise and her travel agency, Escapes, Inc., alleging that she has engaged in deceptive business practices and violated an agreement she entered into with the Attorney General’s Office earlier this year barring her from operating as a travel consultant.

**Other News Continued**

\*The Attorney General issued an updated brochure offering tips to New Yorkers buying health insurance coverage for 2017. The pamphlet, titled “Shopping For Health Insurance Coverage,” is being released in advance of the open enrollment period starting on November 1, and can be found at [www.ag.ny.gov](http://www.ag.ny.gov).

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- Internet Bureau Complaint
- Loan Modification Scam
- Medicaid Fraud or Nursing Home Patient Abuse & Neglect

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