

PRESS RELEASE

Pittsburgh Resident Pleads Guilty to Violating Federal Fraud Laws

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For Immediate Release

U.S. Attorney's Office, Western District of Pennsylvania

PITTSBURGH, PA - A resident of Pittsburgh, Pennsylvania, pleaded guilty in federal court to charges of violating federal fraud laws, United States Attorney Eric G. Olshan announced today.

Corey Mizell, age 51, formerly of Pittsburgh, Pennsylvania, pleaded guilty to four-counts of embezzlement by an officer or employee of the United States and one-count of mail fraud before United States District Judge Nora Barry Fischer.

In connection with the guilty plea, the court was advised that in April 2020, Corey Mizell began working as an agent cashier at the H. John Heinz III Department of Veterans Affairs Medical Center. In that capacity, patients would bring him veteran benefit checks to be deposited into their patient accounts. When the veterans wanted to withdraw cash from their patient accounts, they would physically appear before Mizell at his teller window to request a withdrawal. To effectuate the transaction, Mizell would call a disbursing officer, who would confirm for Mizell that the veteran had an account and provide him a transaction number. Mizell would then complete a Patient Funds Form to document the withdrawal and hand the patient the requested cash.

In January 2021, the sister of a deceased veteran called the VA Police after reviewing the balance in her brother's patient account. According to the sister, her brother was essentially bedridden due to his disability and the COVID-19 pandemic. As a result, he could not spend the amount of cash withdrawn from his account. Subsequently, the VA Police opened an investigation into the account activity and questioned the teller who conducted each withdrawal – Mizell.

Mizell initially informed the VA Police that someone must have misrepresented their identity to him in order to fraudulently obtain the funds. Mizell also opined that he was an easy target for such a scheme since he recently became an agent cashier. The investigation revealed that Mizell would call for authorization to withdraw funds from

patients who were either on COVID lockdown or who could not leave their room without an escort due to their disabilities. The U.S. Department of Veterans Affairs, Office of Inspector General (VA-OIG), confronted Mizell after driving by his residence to find a remodel of the backyard and exterior of his home.

Subsequently, Mizell participated in an interview with the VA-OIG. He provided a written confession in which he admitted to “fraudulently taking money . . . from accounts of veterans.” He attributed his conduct to losing income during the pandemic and unpaid bills. Mizell identified taking money from three veterans. He estimated the total amount embezzled as \$17,660. Mizell resigned from the VA on April 20, 2021.

Following Mizell’s resignation, one veteran reported that he noticed over \$1,000 missing from his patient account. Law enforcement determined that \$1,175 in cash withdrawals occurred from that veteran’s account between November 2020 and January 2021. While Mizell did not identify this person in his written statement, the evidence supports that Mizell embezzled from that account as well. For each withdrawal, Mizell was the cashier, and he withdrew money from that account on four occasions when he embezzled money from other patients accounts. In addition, the VA-OIG determined that the amount of cash deposited by Mizell into his bank account was consistent with the total amount embezzled.

As part of the VA’s investigation, a digital forensic examination was completed on Mizell’s VA computer. The examination revealed that Mizell, on numerous occasions, visited an unemployment compensation website maintained by the Commonwealth of Pennsylvania. As a result, the United States Department of Labor, Office of Inspector General, conducted a separate investigation into Mizell related to filing for Pandemic Unemployment Assistance (PUA) and Federal Pandemic Unemployment Compensation (FPUC).

Individuals are only eligible for these pandemic benefits if they are unemployed for reasons related to the COVID-19 pandemic and are available to work. Therefore, individuals must certify on an electronic application that they are unemployed due to the pandemic and are available to accept work. After submission, the application is transmitted to the Pennsylvania Department of Labor for review. If approved for pandemic benefits, individuals are notified of the amount they will receive. In addition to the initial application, and in order to continue receiving pandemic benefits, individuals must certify on a weekly basis that they are still eligible to receive benefits. Of note, individuals are able to certify that they were unemployed for prior weeks in the pandemic and receive benefits for those weeks. The government transported the resulting payment of benefits in the form of checks and debit cards via the mail.

The Department of Labor’s investigation into Mizell revealed that he filed an electronic application for pandemic benefits on April 24, 2020. Despite working for the VA since 2016, Mizell falsified that he was not a federal employee on a VA computer using the VA medical center’s IP address. Beginning in May 2020, Mizell falsified that he was not working fulltime. During that time, he was working fulltime as an agent cashier. In April 2021, Mizell resigned from the VA. Nevertheless, in his weekly unemployment certifications, he represented that he was unemployed due to the pandemic. These falsifications allowed Mizell to collect pandemic benefits.

Mizell collected a total of \$38,400 in unemployment pandemic benefits from April 2020 until September 2021. He initially received checks, but pandemic benefits were then disbursed via a debit card, which was reloaded with additional money by the government following Mizell’s weekly certifications. On June 5, 2020, the United States Postal Service transported the debit card in Mizell’s name to an address associated with him in Pittsburgh, Pennsylvania.

Judge Fischer scheduled sentencing for March 18, 2024, at 9:30 a.m. The law provides for a maximum total sentence of 20 years in prison, a fine of \$250,000, or both. Under the Federal Sentencing Guidelines, the actual sentence imposed is based upon the seriousness of the offenses and the prior criminal history, if any, of the defendant.

Pending sentencing, the court continued Mizell on bond.

Assistant United States Attorney Brendan J. McKenna is prosecuting this case on behalf of the government.

The Department of Labor – Office of Inspector General and Department of Veterans Affairs – Office of Inspector General conducted the investigation that led to the prosecution of Mizell.

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