



**NEWS FROM:  
THE JOINT COMMISSION ON PUBLIC ETHICS**

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**FOR IMMEDIATE RELEASE**

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**FORMER STATE OFFICIAL ACCEPTED GIFTS AND SOUGHT JOB  
OFFER WITH SIGNING BONUS FROM VENDOR WITH MULTI-  
MILLION DOLLAR STATE CONTRACT**

**Will Pay \$14,000 to Settle Multiple Public Officers Law Violations**

ALBANY – (November 23, 2015) – The New York State Joint Commission on Public Ethics (Commission) today announced that it has reached a settlement agreement with a former State official who sought a job offer with a signing bonus and accepted other gifts from a company that was contracting with his employer, the New York State Office of the Medicaid Inspector General (OMIG), to recover improper Medicaid payments on the state’s behalf.

Joseph Flora has agreed to pay a \$14,000 fine, and admitted to violating the Public Officers Law during his oversight of a multi-million dollar contract between Health Management Systems, Inc. (HMS) and OMIG, which began in 2009. In 2013, Flora initially accepted a job offer with HMS that would have included an \$18,000 signing bonus, though the arrangement was later cancelled. Flora also acknowledged that between 2010 and 2013, he accepted multiple gifts of meals and beverages from representatives of HMS.

“Mr. Flora was charged with protecting the state’s interest in a contract involving millions of dollars. Instead he abrogated that responsibility in order to benefit HMS and himself, said Commission spokesperson Walter McClure.

HMS entered into a separate agreement with the Commission in June 2015, paying \$75,000 to settle allegations that it violated the gift prohibitions in the Lobbying Act for its part in the incidents. It also agreed to cooperate with the Commission’s investigation of Flora.

Flora admitted to violating the Public Officers Law prohibition on State employees receiving gifts that could, or appear to, influence those public officials. Flora also admitted to violating the prohibition on using one’s official position to gain unwarranted privileges.

Both the Flora and HMS investigations resulted from a referral by the Office of the New York State Inspector General.

A copy of the settlement agreement can be found [here](#). A copy of the HMS settlement can be viewed at that link as well.