



THE UNITED STATES
DEPARTMENT of JUSTICE

United States Attorney
Eastern District of Washington

FOR IMMEDIATE RELEASE
Wednesday, May 7, 2026
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**DEFENDANT SENTENCED TO THIRTY MONTHS IN FEDERAL PRISON FOR
DECADES-LONG IDENTITY THEFT AND FRAUD SCHEME**

Spokane, Washington — First Assistant United States Attorney Pete Serrano announced that on May 7, 2026, United States District Court Judge Rebecca Pennell sentenced Raymond Kenneth Musgrove, age 78, to 30 months in federal prison, to be followed by three years of supervised release, and ordered him to pay \$1,025,544.69 in restitution to the United States. The Court also imposed a \$1,100 special assessment.

Musgrove pled guilty to two counts of false representation of a Social Security number, five counts of wire fraud, and one count of theft of government funds. He was also found guilty at bench trial of three counts of aggravated identity theft stemming from a decades-long scheme in which he impersonated a real Vietnam veteran to unlawfully obtain government benefits and services.

According to court records and evidence presented, Musgrove engaged in a fraudulent scheme spanning more than 25 years. Beginning as early as 1997, he assumed the identity of a real individual, identified in court documents as J.M.C., a United States Marine Corps veteran who served in Vietnam. While posing as J.M.C., Musgrove obtained Veterans Affairs compensation benefits, received healthcare services through the Department of Veterans Affairs, opened financial accounts using the victim's identity, and submitted false statements and documentation to maintain and reinstate benefits.

Even after the real J.M.C. died in 2018, Musgrove continued the scheme by falsely claiming the death had been reported in error and successfully persuaded agencies to resume benefit payments. The fraud continued until 2023, when his attempts to obtain additional benefits led to the discovery of the scheme.

In total, Musgrove fraudulently obtained more than \$860,000 in federal benefits, contributing to the total restitution amount ordered in this matter.

Federal prosecutors emphasized that the sentence reflects the gravity of Musgrove's conduct, which involved a highly calculated and sustained fraud scheme, the exploitation of a deceased veteran's identity, significant financial losses to the government, and repeated efforts to deceive federal agencies over decades.

District Court Judge Rebecca Pennell, before imposing sentence, told Musgrove, "Your offense conduct was lengthy and very troubling. I don't think it can be fairly characterized as just a mistake . . . You had been living a lie for decades." Judge Pennell went on to note Musgrove seemingly had no concern for how his actions would impact the victim or his family, and that his pattern of putting himself before others "stops today."

First Assistant Pete Serrano noted, "Mr. Musgrove carried out a calculated and deeply troubling fraud for decades, exploiting the identity of a military veteran to steal over a million dollars in benefits intended for those who have honorably served our country. This sentence reflects the seriousness of his conduct and underscores our commitment to protecting public resources and holding accountable those who abuse positions of trust for personal gain."

"Today's sentencing underscores the VA OIG's commitment to investigating and holding accountable those involved in fraudulent activities targeting veterans," said Special Agent in Charge Dimitriana Nikolov with the Department of Veterans Affairs Office of Inspector General's Northwest Field Office. "The VA OIG thanks the U.S. Attorney's Office and our law enforcement partners for their efforts in this investigation."

"Raymond Musgrove falsely represented the identity of a veteran as his own to deceptively receive benefits from the U.S. Department of Veterans Affairs, diverting critical benefits meant for veterans who earned them through service and sacrifice," said Michelle L. Anderson, Assistant Inspector General for Audit as First Assistant, Social Security Administration, Office of the Inspector General. "His actions represent a theft from our veterans and the systems designed to support them."

The case was investigated by the U.S. Social Security Administration Office of Inspector General and the U.S. Department of Veterans Affairs Office of Inspector General. It was prosecuted by Assistant United States Attorney Frieda K. Zimmerman of the Eastern District of Washington. For additional information, please contact the United States Attorney's Office for the Eastern District of Washington

2:24-cr-00016-RLP