

Healthcare fraud news briefing

January 2011

01. **Doctor jailed for fraud - USA**

03.01.2011

Dayton Daily News on December 29, 2010 reported that a federal judge sentenced a central Ohio doctor to a year and a day in prison after he allowed his office manager to stand in for him while he was out of the country. A U.S. District Court judge on Wednesday ordered 60-year-old Charles Njoku of Powell to repay the government more than \$131,000 for health care services that were not provided as billed.

<http://medicallicenseverification.com/tag/health-care-fraud>

02. **Man charged in Ga. Healthcare Fraud - USA**

06.01.2011

A former Brunswick businessman, Samuel Curtis (37), faces federal charges for attempting to steal more than \$500,000 from Medicare in a fraud scheme carried out through medical equipment supply companies he operated in Georgia and Texas. In the scheme, Curtis and others stole identity information from Medicare patients and doctors and used it to submit phony claims to Medicare, according to the indictment. The indictment states that Curtis and others routinely billed Medicare for ankle, knee and back braces including other medical devices that were never provided to patients, either not medically necessary or were never prescribed by a doctor. Curtis faces harsher penalties if convicted. He could get up to 10 years in prison on each conspiracy to commit health care fraud and health care fraud charge.

<http://chronicle.augusta.com/latest-news/2011-01-06/man-charged-ga-health-care-fraud>

03. **Doctor to serve 41 months in jail - USA**

06.01.2011

Media Newswire on January 04, 2011 reported that Houston-area residents Dr. Howard Grant, Obisike Nwankwo and John Lachman were sentenced today to 41 months, 21 months and 26 months in prison respectively for their roles in a multi-million dollar durable medical equipment (DME) Medicare fraud scheme. This is announced by the Departments of Justice and Health and Human Services (HHS). Evidence at trial established that the DME company billed Medicare for fraudulent DME, including power wheelchairs and orthotic devices, beginning in 2003 and continuing until late 2009.

<http://medicallicenseverification.com/tag/health-care-fraud/>

04. **Medicare fraud lands a doctor and company owner in trouble – USA**

08.01.2011

The Christian Science Monitor reported that a Louisiana doctor and the owner of a medical equipment company have been sentenced to prison terms for their roles in a scheme to submit around \$775,000 in fraudulent Medicare claims. Federal prosecutors said most of the bogus claims submitted by Dr. Dahlia Kirkpatrick and Emmanuel Komandu, owner of Alpha Medical Solutions Inc. in Baker, involved unnecessary prescriptions for medical equipment, including power wheelchairs and feeding nutrients.

<http://medicallicenseverification.com/tag/health-care-fraud/>

05. **Hungary to Push Healthcare 'tourism' at EU Helm - Hungary**

11.01.2011

The incoming Hungarian EU Presidency will try to encourage healthcare "tourism" in Europe as the EU pushes through new legislation to facilitate cross-border treatment after the European Parliament adopted the long debated directive on cross-border healthcare at its plenary session on 18 January. The directive doesn't just represent a step forward for EU patients; it's also a huge opportunity for member states who want to encourage health tourism. Hungary, which assumes the rotating six-month EU Presidency on 1 January, is a leader in this field. Hungarians are keen to see patients head to Budapest, where they could get quick and cheap treatment and at the same time take the opportunity to visit the country's stunning capital.

http://www.globalhealthurope.org/index.php?option=com_content&view=article&id=390:hungary-to-push-healthcare-tourism-at-eu-helm&catid=37:current&Itemid=103

06. **Ex-pharmacist from Ulldemolins is charged for falsifying hundreds of prescriptions - Spain**

14.01.2011

According to the investigation of the public prosecutor the pharmacist would have falsified 200 medicine prescriptions. The pharmacist followed two procedures whereby either the name of the medicine was changed or the pharmacist recorded the dispensation of two packs of medicine although there was only one given. The aim of the pharmacist was to increase the amount invoiced to the Catalan Health Service (CatSalut) obtaining a profit of € 7.498.98. The public prosecutor is asking for the pharmacist to pay a compensation of €8.500 to the Catalan Ministry of Health and an additional € 728.54 to Catsalut for doubling the number of packs dispensed.

<http://www.elpunt.cat/noticia/article/24-puntdivers/4-divers/356613-acusen-lexfarmaceutic-dulldemolins-de-falsificar-centenars-de-receptes.html>

07. **4 Million Euro stolen from a healthcare company - Italy**

17.01.2011

Loredana Bolzan, a former employee of the Treviso healthcare company ULSS 9, was accused together with other accomplices to have implemented a system through internal computers to steal resources from the company and transfer them to private accounts. The woman, according to the prosecution, had stolen through this system almost 4 million Euro from public funds over a period of several years. Bolzan was sentenced to 11 years in prison and also to the immediate return of the 4 million euro to the Veneto region.

<http://www.ulss.tv.it/magnoliaPublic/azienda/sala-stampa/notizie/notizia-547.html>

08. **A Bologna AUSL Employee Indicted for Fraud - Italy**

20.01.2011

An employee of the Bologna AUSL, who is suspected of cheating the health authority with the theft of about € 300.000 in contributions intended for disabled patients, has been indicted for fraud. This had been noticed during business monitoring and control on the provision of financial assistance for people with disabilities. In particular, the cheques made out by the AUSL for the economic benefit contributions for disabled people. In this respect no practical application had been found. The economic contributions, with the amount of € 300.000, were regularly collected by an administrative employee of the healthcare company. The investigation will be handed to the magistrates together with the charges of crimes against public administration.

<http://rischioblog.blogspot.com/search/label/Ambito%3A%20assistenza%20sanitaria%20Fhealthcare>

09. **Two Owners of Houston Health Care Company Plead Guilty to Alleged \$5.2 Million Medicare Fraud Scheme - USA**

20.01.2011

Two owners of a Houston health care company pled guilty today in connection with an alleged \$5.2 million Medicare fraud scheme, announced the Departments of Justice and Health and Human Services (HHS). Clifford Ubani, 52, and Princwill Njoku, 51, each pled guilty to one count of conspiracy to commit health care fraud, one count of conspiracy to pay kickbacks and 16 counts of payment of kickbacks to Medicare beneficiary recruiters. According to court documents, Ubani and Njoku, both owners and operators of Family Healthcare Group, a home healthcare company, hired co-conspirators to recruit Medicare beneficiaries for the purpose of filing claims with Medicare for skilled nursing that was medically unnecessary and/or not provided. Ubani and Njoku admitted that they paid kickbacks to the recruiters for their referrals. At sentencing, scheduled for July 2011, Ubani and Njoku each face a maximum sentence of 10 years in prison for each healthcare fraud conspiracy count, five years in prison for each kickback conspiracy count and five years in prison for each kickback count.

<http://houston.fbi.gov/dojpressrel/pressrel11/ho012011a.htm>

10. **NHS fraud cases 'rise by 37% in the last three years'**

22.01.2011

Official figures show that the number of fraud cases investigated in the NHS has risen by 37% in the last three years. NHS Counter Fraud Service figures showed the number of cases of potential fraud detected and investigated, being increased from 351 in 2007/8 to 415 in 2008/9 and 482 in 2009/10. According to the figures, the value of fraud and unlawful action identified was £4.1m in 2007/8, £16.2 in 2008/9 and £10.9 in 2009/10. The organisation said recurrent kinds of fraud related to staff and professionals claiming money for shifts not worked, which is known as "timesheet fraud", and employees working in unauthorised jobs while on sick leave.

http://europe.mynucleus.org/story/2011/01/22/_go_rss_int_news_news_health_1225

11. **Cross-border travel speeds up health cooperation – Norway / Russia**

24.01.2011

The number of Russian patients treated at hospitals in Northern Norway is expected to increase. Regional health authorities want an agreement with Russia to secure financial settlement for Russian patients receiving treatment at hospitals in Northern Norway. The agreement on visa free travel for inhabitants in Norway and Russia speeds up the need for more detailed health cooperation between the two countries. An agreement for financial settlement of hospital bills has to be bilateral, as treatment of Norwegian patients at hospitals in Russia will probably become a relevant topic, the health authorities say.

<http://www.barentsobserver.com/cross-border-travel-speeds-up-health-cooperation.4875683-16334.html>

12. **Clearer rules on seeking healthcare abroad**

27.01.2011

MEPs have approved a new EU law setting out patients' rights to seek medical care in another EU country. The rules for reimbursement are clarified now, including when advanced authorization may be required. Instead of authorities requiring 'prior authorization' for patients, MEPs now insisted that any refusal will need to be justified according to a restricted list of possible reasons. Additionally, MEPs have strengthened provisions for cooperation on rare diseases, which can benefit patients from long waiting lists by seeking healthcare abroad. The new rule only concerns those who choose to seek treatment abroad. The European Health Insurance Card scheme will continue to apply for citizens who require urgent treatment when visiting another EU country. Once the rule is signed into law, Member States have 30 months to make changes to their national legislation.

<http://www.europarl.europa.eu/en/pressroom/content/20110119IPR11941/html/Clearer-rules-on-seeking-healthcare-abroad>

13. **UK reinforces its reputation as one of world's least corrupt countries, when Bribery Act comes into force in April 2011**

27.01.2011

The Bribery Act will ensure the UK is at the forefront of the battle against bribery and pave the way for fairer practice by encouraging businesses to adopt anti-bribery safeguards. The UK government will launch a short consultation exercise about procedures in September, which commercial organisations can put in place to prevent bribery on their behalf, to be published early in the New Year. In addition, the consultation will include a series of awareness-raising events to ensure everyone is aware of the changes the Bribery Act makes to the current law.

<http://www.justice.gov.uk/news/newsrelease200710a.htm>