

Healthcare Fraud News Bites

September 2010

1. Indiana Family Practitioner Pleads Guilty to Prescription Fraud, Agrees to Testify Against Lab Owner He Accepted Kickbacks From - USA

15/09/2010

A family practitioner in Merrillville, Ind., pleaded guilty for fraudulently prescribing pain medications. Dr Yaniz sold prescription drugs to two patients who did not have a medical need for the pills between Oct. 2008 and Feb. 2009. In addition he will testify against the owner of a laboratory, who has been charged with healthcare fraud; Mr Chaudry allegedly paid Dr Yaniz' monthly rent for his medical office in exchange to have the physician send his lab work to him. The owner is also accused of adding tests that were unnecessary and telling Dr. Yaniz' employees to take additional samples. Other evidence waiting to be admitted for prosecution shows Mr Chaudry allegedly lied to the U.S. Department of Health & Human Services, claiming his criminal charges for the kickback scheme had been dropped after he paid the government \$50,000.

<http://www.beckersasc.com/stark-act-and-fraud-abuse-issues/indiana-family-practitioner-pleads-guilty-to-prescription-fraud-agrees-to-testify-against-lab-owner-he-accepted-kickbacks-from.html>

2- Supervision at the National Central for Epidemic Disease - Georgia

16/09/2010

The Georgian supervision committee which monitored the National Centre for Epidemic Disease reported some law breaking and corruption cases in the Georgian healthcare system, particularly in the national immunisation programme. Investigations indicate that corruption schemes were increased by the chief of the national Center, Paata Imnadse and by his deputy. Both are suspected of corruption of up to 1 Million lari (almost 400,000€) that got lost from the nation's budget. Mr. Imnadse didn't comment on the report, which he said he hadn't read at all.

http://www.georgiennachrichten.de/index.php?rubrik=panorama&cmd=n_einzeln&nach_id=17896

3- Clinics, pharmacies and hospitals involved in fraud cases in Hessen - Germany

18/09/2010

Hundreds of new investigations were opened in Hessen alone this year according to the investigation team of the State Prosecution Frankfurt specialised in fraud and corruption in healthcare. Prosecutor Alexander Badle estimates that at least 400 new investigations will be opened for the whole year 2010. The Physicians' association (KV) referred about 250 cases of suspicious doctors to prosecution. In addition to this, statutory and private health insurance companies regularly issue criminal charges against doctors, pharmacists and other healthcare providers. The case of a physician in Neu-Isenburg who is claiming back the record fee of over 111,000€ is currently retaining attention. He is suspected not to have respected time guidelines when treating patients and could face a procedure for fraud.

<http://www.op-online.de/politik-lokal/hunderte-hessische-aerzte-visier-staatsanwaelte-922832.html>

4- Multiple reimbursement of healthcare costs – France

18/09/2010

A man suspected of defrauding 454,000 euros to the detriment of health insurance and social security funds has been arrested and brought before the Paris prosecutor's office. He was indicted and placed under judicial supervision.

The fifty year old man living in the Seine-Saint-Denis district had been subject of several complaints. Upon investigation, the Brigade for fighting crime (BRDA) discovered that he was affiliated with a dozen sickness or pension funds, to whom he provided the same records of care simultaneously. Thus, he was reimbursed up to twelve times his healthcare costs. Because his health expenditure was real, no fraud was detected by the national health insurance. It is estimated that the suspect may have embezzled up to 454,105 euros in recent years.

<http://www.afp.com/afpcom/en/>

5- Bala Cynwyd man sentenced in healthcare fraud case – USA

20/09/2010

A Bala Cynwyd (Pennsylvania) resident was sentenced to six months in prison and ordered to perform 100 hours of community service each year over the next three years for participating in a scheme to defraud Independence Blue Cross, federal prosecutors announced. Authorities say his actions involving two other people caused the submission of \$1.9 million in fraudulent billing, which resulted in the payment of nearly \$400,000 from Independence Blue Cross. All three defendants pleaded guilty to one count of healthcare fraud. The other defendants have not yet been sentenced. Karp was also ordered to pay restitution and he was fined \$10,000.

http://www.mainlinemedianews.com/articles/2010/09/16/main_line_times/news/doc4c8ed8b0efecf755677563.txt

6- Brooklyn proctologist accused of ripping off US\$ 3.5 million through bills – Brighton Beach, USA

23/09/2010

Dr Sachakov, a practitioner in colon and rectal care often billed for working more than 24 hours a day, officials said. He was supposedly so busy he claimed to have performed 6,593 haemorrhoidectomies and other procedures between February 2009 and January 2010. The next busiest proctology clinic in the country billed Medicare for a mere 381 procedures in the same time period, a criminal complaint said. Investigators from the Medicare Fraud Strike Force began examining Sachakov's practice after receiving complaints from patients who said he submitted claims for medical services they did not receive. Sachakov billed f.i. for a 40-minute examination and surgical procedures when the patient was examined by a nurse who had prescribed suppositories and ointment. Sachakov, 41, was released on \$500,000 bond. He faces up to 10 years in prison and a \$250,000 fine if convicted. "He vehemently denies the charges," said defense attorney Arthur Aidala, "He maintains he did nothing wrong."

http://www.nydailynews.com/ny_local/2010/09/23/2010-09-23_backside_doc_is_slapped_by_feds_hes_nabbed_in_medicare_fraud.html

7.'Pointless' MS treatment doctor struck off - UK

29/09/2010

A doctor who charged multiple sclerosis patients thousands of pounds for "pointless" and "unjustifiable" stem cell treatments has been struck off by the General Medical Council. Robert Trossel, 56, was told his actions had done "lasting harm" after a long-running GMC disciplinary hearing into his involvement with nine MS patients who sought his help in "desperation" to find a cure for the disease. Dr Trossel, who admitted he was "too enthusiastic" about the use of stem cell therapy, was found by the panel to have exploited vulnerable patients by offering them "unjustifiable" and "inappropriate" treatments. Five were injected between August 2004 and August 2006 at his Rotterdam clinic with a substance said to contain stem cells, in a move described as medically unjustifiable, inappropriate and exploitative of vulnerable patients.

<http://www.independent.co.uk/life-style/health-and-families/health-news/doctor-struck-off-over-pointless-ms-treatment-2092927.html>

8- Defective breast implants: an outsized scale of fraud – France

29/09/2010

The case of breast implants, which was revealed six months ago in France, has emerged as a fraud issue of outsized scale and bears heavy consequences for 30,000 women who were implanted with prosthetic PIP in France since 2001. Since the discovery of the fraud at the Var Poly Implant Prostehsis site, it has been established that the silicone used was not intended for medical use, but for industry, and that this type of silicone favors leakage through the implant shell and can weaken it to tear. The French Health Minister, Roselyne Bachelot, announced on 29/09 an increase in support in the case of interventions to remove the defective implants. The case goes far beyond French borders, since 80 to 90% of the production of PIP have been exported. 15,000 to 20,000 women are involved for example in Britain, 10,000 in Spain.

<http://www.ap.org/>

9- Dearborn doctor sentenced for healthcare fraud, immigration and tax offenses -USA

30/09/2010

Dr. Makki knowingly submitted false claims to Medicare concerning the number and quality of x-rays provided to his Medicare patients, thereby obtaining \$113,777 to which he was not entitled. In addition, Dr. Makki admitted that he falsified an immigration form for a patient applying for naturalization in an effort to exempt his patient from certain requirements necessary for naturalization, and under-reported his income by not reporting certain cash receipts on his 2002 and 2003 federal income tax returns. Special Agent Arena said, "This doctor was sentenced today for health care fraud, immigration fraud, and tax fraud. (...) The combination of prison time, forfeited properties/monies, fines, and restitution payments should be a deterrent to other medical professionals who are or might become involved such fraud. The FBI, along with our law enforcement partners, are committed to aggressively investigating allegations of healthcare fraud as well as other violations of federal laws."

<http://pressandguide.com/articles/2010/09/30/news/doc4ca4f4eb5792d661973710.txt>

10- Denver executives indicted in false-billing case - USA

30/09/2010

Three officials of Denver-based Unified Business Supply have been indicted by a federal grand jury for allegedly bilking companies out of \$2.6 million through false billing for medical products.

David Ferre, 44, Cludia Luevano Rangel 31, and Judith Martinez, 69, all of Denver, are accused in the indictment of conspiracy to commit mail fraud. One of the officials also faces charges of restructuring financial transactions in order to avoid bank reporting requirements.

According to the indictment, the defendants schemed to bill companies throughout the United States for medical products never received or ordered, or to over-bill companies for product.

<http://www.bizjournals.com/denver/stories/2010/09/27/daily49.html>