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# Healthcare fraud news briefing

(4) December 2009

## 1. 10.12.09 – FAKE DOCTOR ALLEGEDLY GAVE EPIDURALS AND BOTOX SHOTS

The Staten Island Advance reported that patients who went to a Doctor's office for treatment consisting of painful epidurals and botox shots thought that they were being seen by a real doctor. However, it is alleged that Edward Belfer, 42, only pretended to be a licensed physician. He has been charged with 52 counts of fraud and related offences. "Insurance companies were bilked of thousands of dollars and people were treated without seeing a doctor.", charged Assistant District Attorney Jeffrey Curiale.

## 2. 15.11.09 – MORE THAN 100 PUERTO RICANS INDICTED IN HEALTH INSURANCE FRAUD SCHEME

Associated Press reported that police have arrested two doctors and at least 42 patients accused of defrauding a major health insurance company, according to the U.S. Attorney for Puerto Rico. More than 100 people are accused of defrauding health insurer Aflac Inc. of nearly \$1 million by paying two doctors to file false claims. Two doctors, identified as Jose Fontanillas Pino and Edwin Perez Loran, are accused of receiving \$10 each for every falsified form they filed, allowing policy holders to collect more than \$800,000 from Aflac.

## 3. 16.12.09 – MAN SENTENCED FOR SELLING ADDICTIVE DRUGS

Plus News reported that a man has been sentenced by a U.S. court to 12 years in jail and ordered to pay \$68 million for his involvement in an elaborate Internet scam that obtained a whopping \$200 million by illegally selling addictive medicines to cyber customers and drug users. Rakesh Saran, 47, of Arlington in Texas was sentenced to 144 months in federal prison. He was also asked to pay \$68 million in restitution. Saran was arrested in 2005 on charges outlined in a 201 count federal indictment. He operated 23 pharmacies through two firms he owned.

## 4. 23.12.09 – ORDAINED FOOT DOCTOR FACES 28 COUNTS OF HEALTH CARE FRAUD

The Buffalo News reported that a Buffalo foot doctor has been accused of numerous counts of health care fraud – twenty eight counts of fraud are alleged. Between January 2001 and May 2008 it is alleged that Dr William Holley submitted numerous fraudulent bills to Medicare, the federal health program for people 65 and older, and to Univera Health private insurance company. Holley is described as an ordained minister.

**5. 29.12.09 – GENESYS HEALTH SYSTEM SETTLES FRAUD SUIT FOR \$670K**

Associated Press Newswires reported that the U.S. Justice Department has stated that Genesys health System will pay \$669,413 to settle a lawsuit alleging that it submitted fraudulent claims to Medicare. It was alleged that the health care provider illegally billed Medicare for higher evaluation and management services than were actually given to cardiology patients. Federal prosecutors say the settlement stems from a whistleblower's lawsuit, under which private citizens can sue for fraud on behalf of the U.S. and share in any recovery.

**6. 30.12.09 – SENIOR CITIZEN VOLUNTEERS FERRET OUT MEDICARE FRAUD**

Deseret Morning News reported that 4,700 senior citizen volunteers who serve as the government's eyes and ears have been credited with saving taxpayers more than \$100 million since 1997. The Senior Medicare Patrol is one of the least-known forces in the government's effort to eliminate such fraud, which drains billions of dollars a year.

**7. 30.12.09 – DOCTORS' LICENCES REVOKED IN \$80 MILLION TAIWAN INSURANCE FRAUD**

The China Post reported that three doctors who admitted to conspiring with patients to defraud insurance companies of almost NT\$80 million have had their licenses revoked for the first time in Taiwan's medical history. The scandal has rocked the medical community after the Department of Health revealed that a syndicate of medical personnel has been falsely diagnosing patients with cancer – going as far as performing breast removal surgeries and chemotherapy in disease-free bodies – since 2003 to file multiple insurance claims. The DoH estimated that more than 10 hospitals are involved. The doctors have been formally charged and seven suspects are being investigated in their role as fake patients.

**About Jim Gee**

Jim Gee is Director of Counter Fraud services at MacIntyre Hudson LLP and one of the leading counter fraud specialists in the UK and globally. His accomplishments include leading the team which cleaned up London Borough of Lambeth in the 1990s and advising Right Honourable Frank Field M.P.; being Director-General of the European Healthcare Fraud and Corruption Network; advising on the UK Government's Fraud Review and delivering counter fraud services to public bodies and private companies around the world. Jim can be contacted on 020 7429 4100 or [jim.gee@mhllp.co.uk](mailto:jim.gee@mhllp.co.uk). Visit [www.macintyreHUDSON.co.uk/counterfraud](http://www.macintyreHUDSON.co.uk/counterfraud) for more information.

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