



Department of Justice

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MIAMI MAN SENTENCED TO PRISON FOR HIS ROLE IN HEALTH CARE FRAUD SCHEME

Jackson, Miss - Miguel Miranda, 44, of Miami, Florida, was sentenced in U.S. District Court today to serve 39 months in federal prison for his role in a health care fraud scheme, U.S. Attorney John M. Dowdy, Jr. announced. Miranda previously pled guilty to conspiracy to commit health care fraud and using a false passport.

Miranda and numerous co-conspirators executed a health care fraud scheme originating in the state of Florida, specifically targeting the Medicare Advantage Plan (MAP). MAP is a health care benefit program that allows Medicare beneficiaries to obtain their benefits through private insurance companies rather than through the traditional Medicare program. From Florida, Miranda and numerous co-conspirators, including Cuban nationals, went to various cities in Mississippi and across the southeastern United States, including Houston and McAllen, Texas; Atlanta, Ga.; Charlotte, N.C.; and Miami, to serve as “nominee” or “straw” owners for infusion therapy clinics that would purportedly operate in these cities. These individuals were referred to as nominee owners because their involvement was limited to signing paperwork to set up the clinics, while Miranda and other co-conspirators, in actuality, controlled them. These infusion therapy clinics would purportedly offer infusion therapy, injection therapy and other expensive medical treatment designed to treat patients suffering from cancer, HIV, and AIDS.

To set up the clinics, the nominee owners would incorporate the clinics in the states in which they purportedly operated. However, none of the clinics had actual business locations or any personnel; the clinics existed only on paper. The primary business locations of the clinics were UPS store mailboxes, which were rented by the nominee owners. For each clinic, using the address of the rented mailbox and the identity of the nominee owner among other information, Miranda would obtain a National Provider Identifier (NPI) through Medicare. The NPI was used by Medicare to identify medical providers and was needed by a provider to submit claims to the insurance companies providing MAP coverage for Medicare beneficiaries.

Over time, Miranda and his co-conspirators submitted approximately \$9,129,420 in false and fraudulent infusion therapy claims to seven insurance companies providing coverage under MAP, including Aetna, Cigna, WellPoint, Healthnet, Humana, United Healthcare, and Sterling Healthcare. To submit the claims, genuine Medicare beneficiary information was used—including names, Social Security numbers, and dates of birth—that were illegally

obtained from a number of sources. The claims were also falsified to include diagnoses that the Medicare beneficiaries did not have and listed expensive infusion therapy services that were never performed. The insurance companies would subsequently issue reimbursement checks to the clinics, which would be deposited into bank accounts that were opened by the nominee owners. The fraud proceeds would later be funneled back to Miranda and his co-conspirators in Florida through a variety of means.

For signing corporate records, renting mailboxes and opening bank accounts, the nominee owners were paid large sums of cash. As part of their agreement, however, the nominee owners were required to leave the United States after they completed their work in setting up the false clinics. Many of the nominee owners fled to Cuba to avoid extradition to the United States, as there is no extradition treaty between the two countries. However, Miranda's primary co-conspirator, Alberto Noriega, 49, of Miami, was apprehended by federal law enforcement agents in Miami on July 1, 2010. Noriega has since pleaded guilty to conspiracy to commit health care fraud in U.S. District Court for the Southern District of Texas in Houston. He was sentenced on March 4, 2011 to serve five years in prison.

This case was investigated by the United States Postal Inspector, Internal Revenue Service Criminal Investigation, and the Federal Bureau of Investigation.

James C. Lee, Special Agent in Charge of Internal Revenue Service Criminal Investigation stated "We are extremely pleased with today's sentence. This is a prime example of how Special Agents of IRS Criminal investigation work with their law enforcement partners and the United States Attorney's Office to bring individuals involved in crimes of greed to justice. We will continue to use our expertise in financial investigations to "follow the money" and bring down these types of organizations."

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