

NEWS

United States Department of Justice
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RONALD CHILLEMI
Assistant U.S. Attorney

FOR IMMEDIATE RELEASE
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Fake Branchburg Psychologist and Co-conspirator Plead Guilty to Health Care Fraud

(More)

Public Affairs Office
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NEWARK, N.J. – A Branchburg, New Jersey man and a Neshanic Station, New Jersey woman pleaded guilty today to a scheme in which he impersonated a licensed psychologist, treating over 20 patients and defrauding several health insurance companies, United States Attorney Paul J. Fishman announced.

Lawrence “Dr. Larry” Brotzen, 59, and Sally Wright, 56, an employee of the United States Department of Veterans Affairs, each pleaded guilty before United States District Judge William J. Martini to separate, one-count Informations charging them with health care fraud. Judge Martini set bail at \$150,000 for each defendant and permitted their release pending sentencing, which is scheduled for July 28, 2010.

Brotzen and Wright admitted that between June 2004 and June 2009, they devised a scheme in which they misrepresented the qualifications of Brotzen to prospective patients and to the health insurance companies of those patients. They falsely represented that Brotzen held two doctorate degrees in mental health disciplines, that he was a licensed psychoanalyst, and that he supervised other psychoanalysts. Brotzen and Wright also prepared invoices for their patients which inflated the price and amount of services provided. Through these misrepresentations, health insurance companies – including Aetna, Blue Cross/Blue Shield, and United Healthcare – were defrauded during the period in question for payments to more than 20 patients.

Brotzen and Wright each face a maximum sentence of 10 years in prison and a \$250,000 fine, as well as payment of restitution to their victims.

In determining an actual sentence, Judge Martini will consult the advisory United States Sentencing Guidelines, which provide appropriate sentencing ranges that take into account the severity and characteristics of the offense, the defendant’s criminal history, if any, and other factors. The judge, however, is not bound by those guidelines in determining the sentence. Parole has been abolished in the federal system. Defendants who are given custodial terms must serve nearly all that time.

Fishman credited special agents with the Federal Bureau of Investigation, under the direction of Special Agent in Charge Michael B. Ward, in Newark, the U.S. Department of Veterans Affairs Office of Inspector General, Criminal Investigations Division, under the direction of Special Agent In Charge Jeffrey Hughes, and the New Jersey Division of Consumer Affairs, under the direction of Acting Director Sharon M. Joyce.

The case is being prosecuted by Assistant U.S. Attorney Ronald Chillemi of the U.S. Attorney’s Health Care Fraud Unit.

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Defense Counsel:

Lawrence Brotzen – John H. Yauch, Esq., Federal Public Defender, Newark, New Jersey
Sally Wright – Rocco C. Cipparone, Esq., Haddon Heights, New Jersey