



Department of Justice



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FOR IMMEDIATE RELEASE
THURSDAY, JUNE 18, 2015
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SIXTEEN CHARGED IN DETROIT AREA AS PART OF LARGEST NATIONAL MEDICARE FRAUD TAKEDOWN IN HISTORY

DETROIT, MI – Attorney General Loretta E. Lynch and Department of Health and Human Services (HHS) Secretary Sylvia Mathews Burwell announced today a nationwide sweep led by the Medicare Fraud Strike Force in 17 districts, resulting in charges against 243 individuals, including 46 doctors, nurses and other licensed medical professionals, for their alleged participation in Medicare fraud schemes involving approximately \$712 million in false billings. In addition, the Centers for Medicare & Medicaid Services (CMS) also suspended a number of providers using its suspension authority as provided in the Affordable Care Act. This coordinated takedown is the largest in Strike Force history, both in terms of the number of defendants charged and loss amount.

“This action represents the largest criminal health care fraud takedown in the history of the Department of Justice, and it adds to an already remarkable record of enforcement,” said Attorney General Lynch. “The defendants charged include doctors, patient recruiters, home health care providers, pharmacy owners, and others. They billed for equipment that wasn’t provided, for care that wasn’t needed, and for services that weren’t rendered. In the days ahead, the Department of Justice will continue our focus on preventing wrongdoing and prosecuting those whose criminal activity drives up medical costs and jeopardizes a system that our citizens trust with their lives. We are prepared – and I am personally determined – to continue working with our federal, state, and local partners to bring about the vital progress that all Americans deserve.”

“Health care fraud has been pervasive throughout metro-Detroit in recent years, at great cost to the American taxpayer. We hope that cases like these will alert doctors, pharmacists and other providers that criminal investigators are now scrutinizing billing records so that we can detect fraud and hold wrongdoers accountable,” said Barbara L. McQuade U.S. Attorney for the Eastern District of Michigan.

“The abuse of our health care system through the submission of fraudulent claims and payment of illegal kickbacks is criminal and negatively impacts each and every law abiding, taxpaying citizen,” stated Paul M. Abbate, Special Agent in Charge of the FBI Detroit Field Office. “Through the collective efforts of the Medicare Fraud Strike Force and law enforcement nationwide, the doctors, physical therapists and other licensed medical professionals charged and arrested in Michigan and around the country have been brought forward to face justice for their egregious criminal practices. The FBI, working in lockstep with its partners, remains committed

to rooting out those within the medical profession who violate their patients' trust, endanger their health, and defraud the health care system.”

“Today’s announcement illustrates that the Medicare Fraud Strike Force remains very active in Eastern Michigan,” said Lamont Pugh III, Special Agent in Charge, U.S. Department of Health & Human Services, Office of Inspector General – Chicago Region. “Individuals who attack federally funded health care programs should know that the Strike Force will detect and dismantle fraud operations and will ensure that perpetrators of these crimes are held accountable.”

“Health care fraud is all about the money,” said Jarod Koopman, Special Agent in Charge, Internal Revenue Service Criminal Investigation. “Our special agents bring their financial expertise to the table, teaming up with our law enforcement partners in order to help identify, investigate and dismantle these corrupt and costly schemes.”

In the Detroit area, sixteen individuals, including six doctors, a social worker, a pharmacist and two physical therapists were charged with a variety of health care fraud and kickback schemes totaling over \$122 million. The schemes involved services that were medically unnecessary or never rendered, including physician visits, hospice care, home health care, and the billing but not dispensing of pharmaceuticals. In addition, law enforcement agents executed search warrants at eight locations and seizure warrants of 24 bank accounts related to the alleged schemes. The Centers for Medicare and Medicaid Services has moved to suspend 14 providers associated with the schemes.

The following charges were filed or unsealed:

United States v. Tahir, et al.

Five individuals, two physicians and three owners of hospice and home health care companies, were charged in an indictment with conspiring to commit health care fraud for their roles in a \$58.3 million scheme to defraud Medicare by submitting fraudulent claims for home health care and hospice services that were medically unnecessary or not provided. The owners of the home health care and hospice companies, two of whom are also physical therapists, paid physicians and recruiters kickbacks for referring patients, then billed Medicare for medically unnecessary services, which were often never provided. The companies, located in Livonia, Michigan, are A Plus Hospice and Palliative Care, At Home Hospice, and At Home Network Inc., a home health care agency. The physicians who solicited and received kickbacks also submitted claims to Medicare for medically unnecessary physician services through their companies, Waseem Alam, M.D., P.C., Woodward Urgent Care, and Hatem Ataya, M.D., P.C. Those physicians prescribed beneficiaries medically unnecessary prescriptions, including controlled substances, for which Medicare also paid.

The defendants charged in the indictment are Shahid Tahir, 45, of Bloomfield, Michigan, Waseem Alam, 59, of Troy, Michigan, Hatem Ataya, 47, of Flushing, Michigan, Muhammad Tariq, 60, of West Bloomfield, Manawar Javed, 40, of West Bloomfield, Michigan.

United States v. Goldfein, M.D., et al.

Four individuals, a physician and three owners of home health care companies, were charged in a superseding indictment with conspiracy to commit health care and wire fraud, health care fraud, wire fraud and conspiracy to pay or receive health care kickbacks. The indictment alleges that the fraudulent claims were submitted by physicians who took kickbacks to refer home health care, then billed medically unnecessary services and prescribed unnecessary medications billed to Medicare.

The defendants charged in the indictment are William Binder, M.D., 58, Muhammad Zafar, 43, of Brownstown, Michigan, Tariq Khan, 47, of Woodhaven, Michigan, and Ghulam Shakir, 43.

United States v. Daneshvar, M.D.

Gerald Daneshvar, M.D., 39, of West Bloomfield, Michigan, was charged by indictment with his role in an over \$5 million conspiracy to commit health care fraud by referring non-homebound patients for home health care services as well as billing for upcoded physician visits through Lake MI Mobile Doctors, PC (“Mobile Doctors”). The owner of Mobile Doctors and another physician employee were indicted in the Northern District of Illinois in 2013 for their roles in the same scheme.

United States v. Lerner, M.D., et al.

Laran Lerner, M.D., 59, of Northville, Michigan, a physician, and Mohamad Bazzi, 42, of Dearborn, Michigan, a licensed pharmacist and pharmacy owner, were charged by complaint with an over \$24 million health care fraud scheme. Dr. Lerner provided medically unnecessary prescriptions for expensive pharmaceuticals for which Bazzi’s pharmacy, Advanced Pharmacy Services (APS) would bill Medicare, but not dispense. In addition, Dr. Lerner billed for unnecessary physician visits and referred beneficiaries for medically unnecessary home health care services through his clinic Greater Detroit Physical Therapy & Rehabilitation, located in Westland, Michigan.

United States v. Qadir, M.D.

Rizwan Qadir, M.D., 52, of Bloomfield Hills, Michigan, a physician, was charged by complaint with conspiracy to commit health care fraud and to pay or received kickbacks in a \$19 million Medicare fraud scheme. Qadir paid patient recruiter Johnny Younan to bring him patients, for whom he would bill medically unnecessary tests and visits. Qadir also referred the beneficiaries for medically unnecessary home health care services.

United States v. Younan

Johnny Younan, 52, of Centerline, Michigan, was charged by complaint with conspiracy to pay or receive health care kickbacks to a physician, who would also prescribe Medicare beneficiaries controlled substances as an inducement to provide their Medicare information for billing.

United States v. Celestine Brown

Celestine Brown, 50, of Ypsilanti, Michigan, a licensed social worker, was charged by information with one count of health care fraud and one count of structuring in connection with her role in a \$3.8 million scheme to defraud Medicare through the submission of false claims for psychotherapy services that were never rendered. Brown submitted the false claims through her company CBC Services, LLC located in Ypsilanti, Michigan. Brown is also alleged to have then structured cash withdrawals from her bank accounts in amounts of less than \$10,000 to avoid reporting requirements.

United States v. Tamara Brown

Tamara Brown, 42, of Southfield, Michigan, was charged by complaint with her part in a \$1.3 million kickback conspiracy. The complaint alleges that Brown solicited and received kickbacks from two Detroit area home health care agencies, Cherish Home Health Services, LLC, and Empirical Home Health Care, Inc., in return for providing patient referrals from a physician.

The Medicare Fraud Strike Force operations are part of the Health Care Fraud Prevention & Enforcement Action Team (HEAT), a joint initiative announced in May 2009 between the Department of Justice and HHS to focus their efforts to prevent and deter fraud and enforce current anti-fraud laws around the country. Since their inception in March 2007, Strike Force operations in nine locations have charged over 2,300 defendants who collectively have falsely billed the Medicare program for over \$7 billion.

Including today's enforcement actions, nearly 900 individuals have been charged in national takedown operations, which have involved more than \$2.5 billion in fraudulent billings. Today's announcement marks the first time that districts outside of Strike Force locations have participated in a national takedown and accounted for 82 defendants charged in the takedown.

These cases were investigated by the FBI, HHS-OIG and IRS-CI and were brought as part of the Medicare Fraud Strike Force, under the supervision of the Criminal Division's Fraud Section and the U.S. Attorney's Office for the Eastern District of Michigan. These cases are being prosecuted by Trial Attorneys Matthew C. Thuesen, Elizabeth Young, Amy Markopoulos and Drew Bradylyons.

A complaint, indictment or information is merely a charge, and defendants are presumed innocent until proven guilty.

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