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HOUSTON•TEXAS•2009

FACT SHEET: PHASE FOUR MEDICARE FRAUD STRIKE FORCE HOUSTON METRO AREA

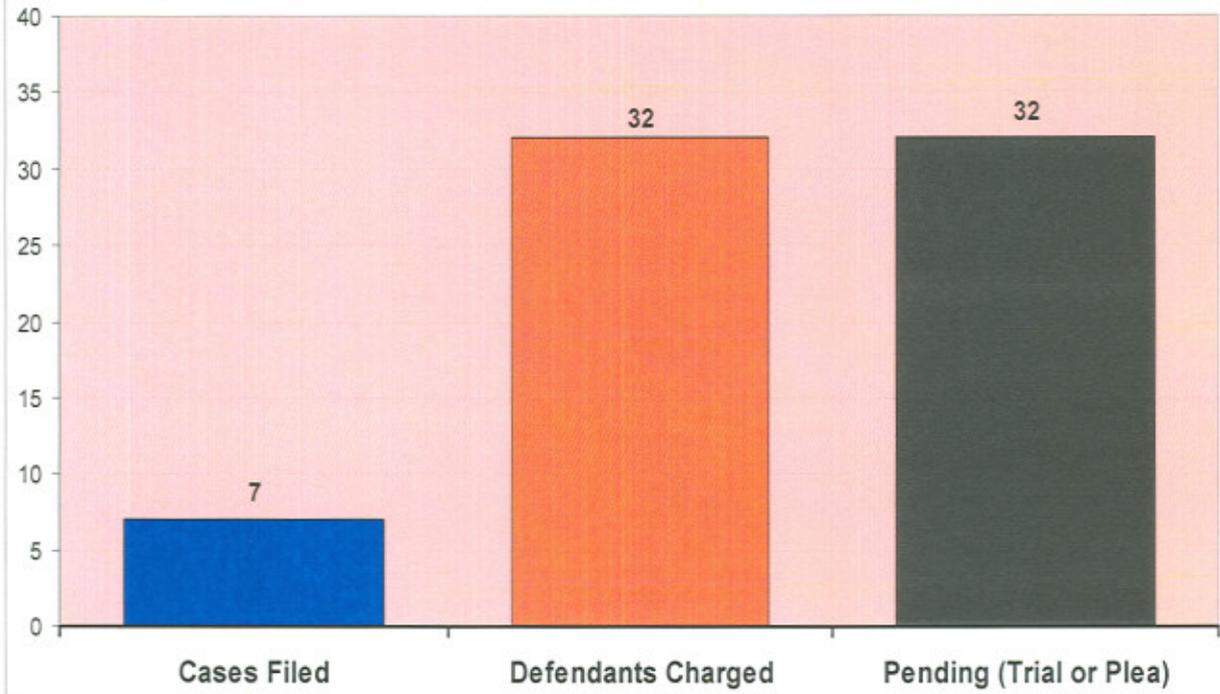
The Medicare Fraud Strike Force's fourth phase in Houston operated covertly for several months until it was announced in May 2009. Each of the three Houston Strike Force teams is led by a federal prosecutor from the U.S. Attorney's Office in Houston or the Criminal Division's Fraud Section. Each team has an agent from the FBI, the Department of Health and Human Services, Office of Inspector General (HHS-OIG); and the Texas Attorney General's Medicaid Fraud Control Unit (MFCU). Agencies that also have agents on the teams include the U.S. Drug Enforcement Administration (DEA); Office of Personnel Management, Office of Inspector General (OPM-OIG); and Railroad Retirement Board, Office of Inspector General (RRB-OIG).

- On July 29, 2009, the Justice Department and HHS announced the unsealing of seven indictments charging 32 defendants with submitting nearly \$16 million in fraudulent claims to the Medicare program.
- Charges brought against the defendants included conspiracy to commit health care fraud and criminal false claims. All indictments also seek forfeiture of the criminal proceeds.
- Targeted providers conspired with physicians and beneficiaries to submit more than \$16 million in fraudulent claims to Medicare for durable medical equipment (DME) supplies, such as power wheelchairs and scooters, "arthritis kits" which were comprised of orthotic braces and heat pads, enteral nutrition products and feeding supply kits that allegedly were medically unnecessary or were never delivered to patients.
- In some cases, the indictments allege that beneficiaries were deceased at the time they received the items.

Key Phase Four Accomplishments: (to date)

- Seven cases filed involving 32 defendants charged with criminal health care fraud offenses.
- Indictments seek more than \$6.4 million in court-ordered restitution to the federal Medicare program.

**Graph 1: Medicare Fraud Strike Force Prosecutions
Phase 4 - Houston, Texas, July 2009**



**Graph 2: Medicare Fraud Strike Force (Houston, Texas)
Cases Filed and Defendants Charged by DME Scheme, July 2009**

