

## **South Texas Health Care Providers Remain Under Considerable Scrutiny by HEAT Prosecutors and Investigators – Compliance Isn't Optional – It's Essential in 2011.**



**(January 6, 2011):** Three Houston-area residents, one of whom is a physician, were sentenced to prison on January 4<sup>th</sup> for their roles in a multi-million dollar durable medical equipment (DME) Medicare fraud scheme. Each of the three defendants were also ordered to pay restitution to the Federal government, in amounts ranging from \$29,052 to \$1.4 million.

### **I. Background of DME Fraud Case:**

According to DOJ, a Houston-area DME company improperly billed Medicare for power wheelchairs and orthotic devices, beginning in 2003 and continuing until late 2009. In addition to the three co-conspirators sentenced today, a total of eight other individuals were convicted for their participation in the fraudulent scheme. One of the eight included the owner of the DME company.

At trial, Federal prosecutors were able to show that a variety of fraudulent actions had been taken by members of the group, ranging from the payment of illegal kickbacks to the prescription of medically unnecessary devices.

### **II. Medicare Strike Force Efforts to Combat DME Fraud in Texas are Expanding:**

Notably, this was just the latest case investigated by members of the DOJ / HHS-OIG / MFCU *Health Care Fraud Prevention and Enforcement Action Team* (HEAT). This strike force is responsible for investigating and prosecuting cases throughout South Texas. As DOJ noted:

***“Since their inception in March 2007, Strike Force operations in seven districts have obtained indictments of more than 850 individuals who collectively have falsely billed the Medicare program for more than \$2.1 billion. In addition, HHS’s Centers for Medicare and Medicaid Services, working in conjunction with the HHS-OIG, are***

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***taking steps to increase accountability and decrease the presence of fraudulent providers.”***

Both Federal and State investigators are aggressively targeting non-compliant providers. South Texas providers who take the time to review and update their current Compliance Plan should also conduct a gap analysis to better ensure that their operational and billing practices fully comply with applicable statutory and regulatory requirements.

**Robert W. Liles is Managing Partner at Liles Parker. Robert and other firm attorneys have extensive experience representing health care providers in alleged Medicare overpayment and fraud cases. Should you have questions about our services, give us a call for a free consultation. We can be reached at 1 (800) 475-1906.**