



Department of Justice

FOR IMMEDIATE RELEASE
TUESDAY, JULY 10, 2012
WWW.JUSTICE.GOV

AT
(202) 514-2007
TTY (866) 544-5309

TWO INDIVIDUALS SENTENCED TO PRISON FOR PARTICIPATING IN KICKBACK SCHEME AT NEW YORK PRESBYTERIAN HOSPITAL

A Pennsylvania Company and Two New York Companies Sentenced to Pay a Total of \$3 Million in Criminal Fines

WASHINGTON — Two individuals and three corporations were sentenced in the U.S. District Court in Manhattan by Judge George B. Daniels today to serve time in prison and to pay criminal fines for their participation in an eight-year conspiracy involving kickbacks in excess of \$2.3 million to defraud New York Presbyterian Hospital (NYPH), the Department of Justice announced. The individuals and the corporations were convicted after a four-week trial in February 2012.

Michael Yaron, the owner of two of the companies convicted for their roles in the conspiracy—Cambridge Environmental & Construction Corp, doing business as National Environmental Associates (Cambridge/NEA) and Oxford Construction & Development Corp.—was sentenced to serve 60 months in jail, and to pay a \$500,000 criminal fine. Cambridge/NEA and Oxford Construction were each sentenced to pay a \$1 million criminal fine.

Moshe Buchnik, the president of an asbestos abatement company that also did business at NYPH, was sentenced to serve 48 months in jail, and to pay a \$500,000 criminal fine for his role in the conspiracy.

Artech Corp., a company owned by a relative of Santo Saglimbeni, a former vice president of facilities operations at NYPH, was also sentenced to pay a \$1 million criminal fine.

Two additional charged co-conspirators, Saglimbeni and Emilio “Tony” Figueroa, a former director of facilities operations at NYPH, who were convicted along with Yaron, Buchnik, Cambridge/NEA, Oxford Construction and Artech, are scheduled to appear in court on July 31, 2012.

“The sentences imposed today are consistent with the seriousness of the crimes for which the individuals and companies were found guilty,” said Acting Assistant Attorney General Joseph Wayland in charge of the Department of Justice’s Antitrust Division. “Today’s sentences hold accountable the unlawful conduct of those involved in illegal kickback conspiracies.”

The department said the scheme to defraud NYPH centered on Saglimbeni, who with the assistance of Figueroa, awarded asbestos abatement, air monitoring and general construction contracts to Yaron, Buchnik and their companies in return for more than \$2.3 million in kickbacks. The kickbacks were funneled by Yaron to Saglimbeni through Artech Corp., a sham company Saglimbeni created in his mother's name in order to conceal the kickbacks.

Yaron, Buchnik, Saglimbeni, Figueroa, Cambridge/ NEA, Oxford Construction and Artech, were each convicted of conspiracy to defraud NYPH. Additionally, Yaron, his companies, Buchnik, Saglimbeni and Artech were also convicted of a substantive wire fraud violation.

The sentences announced today resulted from a federal antitrust investigation of bid rigging, fraud, bribery and tax-related offenses in the award of construction, maintenance and service contracts to the facilities operations department of NYPH. Including today's sentencings, 14 individuals and six companies have been convicted of or pleaded guilty to charges arising out of this investigation.

The investigation was conducted by the Antitrust Division's New York Field Office with the assistance of the FBI and the Internal Revenue Service - Criminal Investigation's New York Field Office. Anyone with information concerning bid rigging, bribery, tax offenses, or fraud at NYPH should contact the Antitrust Division's New York Field Office at 212-335-8000, visit www.justice.gov/atr/contact/newcase.htm, or the FBI's New York Division at 212-384-1000.

###

12-861