



Department of Justice



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JURY CONVICTS LOS ANGELES PHYSICIAN ASSISTANT FOR STEALING DOCTOR'S IDENTITY AND DEFRAUDING MEDICARE IN \$7.7 MILLION SCHEME

WASHINGTON – A federal jury in Los Angeles convicted a physician assistant late yesterday for his role in a \$7.7 million Medicare fraud scheme, announced Assistant Attorney General Lanny A. Breuer of the Criminal Division, U.S. Attorney Thomas P. O'Brien of the Central District of California and Inspector General Daniel R. Levinson of the Department of Health & Human Services (HHS).

After a seven-day trial in federal court in Los Angeles, a jury found Ronald Luis Bradshaw, 59, guilty on all charged counts, including conspiracy to commit health care fraud, multiple counts of health fraud and aggravated identity theft for prescribing medically unnecessary durable medical equipment to hundreds of Medicare beneficiaries under the stolen identity of a doctor.

“At the core of Medicare fraud schemes, individuals place personal greed above providing legitimate medical care. In this case, the defendant not only defrauded the Medicare program, he also stole the identification of a doctor to do it” said Assistant Attorney General Lanny A. Breuer. “The jury’s conviction sends a message to health care providers committing Medicare fraud – American taxpayers will not tolerate abuse of a program intended to benefit the elderly and disabled.”

“Fraud against public health care programs not only robs taxpayers but also adversely affects millions of legitimate patients in need of the services and equipment to improve their lives,” said U.S. Attorney Thomas P. O'Brien. “For years we have pursued fraudsters who attempt to exploit the health care system for their own personal gain. Now, we have another example of an unscrupulous provider being brought to justice.”

“Today’s conviction is another milestone for our Medicare Fraud Strike Force here in Los Angeles,” said Glenn R. Ferry, Special Agent-in-Charge for the Los Angeles Region of the Office of Inspector General for the Department of Health of Human Services. “Our collaborative partnership under the HEAT initiative is getting concrete results as we continue our efforts to combat health care fraud on behalf of the American people.”

According to the evidence presented at trial, Bradshaw worked as a licensed physician assistant at a Los Angeles clinic, Glenmountain Medical Group (Glenmountain), allegedly under

the supervision of a doctor. Evidence at trial established that from approximately April 2005 to April 2008, Bradshaw prescribed hundreds of motorized wheelchairs and custom-fitted orthotics to Medicare beneficiaries under the apparent authority and supervision of a doctor. Bradshaw also ordered diagnostic tests for these beneficiaries under the same doctor's apparent authority.

The doctor, whose unique physician identification number had been used by the defendant to forge medically unnecessary prescriptions, testified that he never worked at Glenmountain and that he never authorized the defendant to use his number. The total amount billed under this doctor's name for medical equipment and tests prescribed by the defendant was \$7,708,069.

Several beneficiaries testified at trial that they were recruited by patient recruiters to be examined at Glenmountain. Some beneficiaries testified that they were enticed by the promise of a free exam, while others were promised free, expensive medical equipment. Juana Aranda, a professional patient recruiter who previously pleaded guilty in connection with this scheme, testified that she was paid cash for bringing Medicare beneficiaries to Glenmountain and that she was paid more if the beneficiary was prescribed a motorized wheelchair.

Each of the beneficiaries who testified at trial stated that they had no difficulties walking and that they did not complain about any difficulties during their respective examinations. After their examinations, however, each received a motorized wheelchair delivered to them by Star Medical Supply Inc., a durable medical equipment company owned and operated by Karen Arakelyan, who previously pleaded guilty in connection with this scheme. Arakelyan testified that he paid a Glenmountain representative \$1,200 per prescription. Arakelyan admitted he then delivered a motorized wheelchair to the beneficiary and filed a fraudulent claim with Medicare based on the bogus prescription that he purchased from Glenmountain.

At sentencing, scheduled for Nov. 12, 2009, Bradshaw faces a maximum penalty of 10 years in prison on each of the four health care fraud counts as well as the conspiracy to commit health care fraud count for which he was convicted. In addition, he faces a mandatory two-year prison sentence on the aggravated identity theft count, which must be served consecutive to the sentence on the fraud counts.

The case was prosecuted by Trial Attorney Steven Kim of the Criminal Division's Fraud Section and Assistant U.S. Attorney Christopher K. Lui, with the investigative assistance of the HHS Office of the Inspector General and the FBI. The case was brought as part of the Medicare Fraud Strike Force. Federal prosecutors have indicted 115 cases with 257 defendants in Miami, Los Angeles and Detroit since the inception of strike force operations in March 2007. Collectively, these defendants are alleged to have fraudulently billed the Medicare program for more than \$600 million.

The joint DOJ-HHS Medicare Fraud Strike Force is a multi-agency team of federal, state and local investigators designed to combat Medicare fraud through the use of Medicare data analysis techniques and an increased focus on community policing. In May 2009, the Department of Justice and HHS announced the Health Care Fraud Prevention & Enforcement Action Team (HEAT), a joint effort to prevent fraud and enforce current anti-fraud laws around the country. As part of the HEAT initiative, Medicare Fraud Strike Force operations were

expanded from South Florida and Los Angeles to Detroit and Houston. To learn more about the HEAT initiative, go to: www.hhs.gov/stopmedicarefraud .

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