

NEWS

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FOR IMMEDIATE RELEASE
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Owners of Newark Medical Business Admit Defrauding Medicare

(More)

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NEWARK – The owners of a Newark-based medical business which provided medical services to the elderly pleaded guilty today to conspiracy to defraud the Medicare program of more than \$100,000, U.S. Attorney Christopher J. Christie announced.

Aaron Robinson, 29, of Plainfield., who served as Director of Operations of Premium Medical Care, LLC., and Darnell Tolliver, 44, of Piscataway, who served as its Director of Marketing, pleaded guilty before U.S. District Judge Dennis M. Cavanaugh to separate criminal Informations which outlined the fraudulent conduct, according to Robert Kirsch, the Assistant U.S. Attorney who handled the prosecutions.

Robinson and Tolliver created and co-owned Premium Medical, which began operating in late 2004. Premium Medical provided medical services to low-income individuals who resided in apartment buildings at various locations including Newark, Montclair, East Orange, Jersey City, Plainfield, Neptune and Red Bank, according to the Informations. The defendants recruited medical personnel, such as physicians, physical therapists, ultrasound technicians, and medical assistants, who traveled to the apartment buildings to perform routine medical examinations, which included blood pressure screenings and balance testing.

These medical services were generally provided in the community room of the residential apartment buildings. Patients were solicited through fliers posted at the facilities and lured through advertised free refreshments.

Premium Medical, an approved Medicare carrier, submitted claims for reimbursement from the federal Medicare Program, overseen by the U.S. Department of Health and Human Services (HHS). Medicare is a federal health insurance program which provides payment for certain medical benefits to individuals who are 65 or older or otherwise disabled.

As part of the fraud, Robinson and Tolliver admitted that they recruited a physician identified as C.S., whose medical practice was based in Jersey City. C.S. provided them with a series of signed prescription forms, authorizing the administration of a variety of medical services and tests, such as bone density tests, ultrasound tests, and physical therapy, even though C.S. never examined or treated the patients in whose names the medical scripts were issued. Robinson and Tolliver, through Premium Medical, then submitted false claims for reimbursement from the Medicare program, by falsely certifying that C.S. determined that the services were medically necessary even though physician never saw or treated the patient.

The charge of conspiracy to commit health care fraud, to which both defendants pleaded guilty, carries a maximum statutory prison sentence of 10 years, as well as a statutory maximum fine of \$250,000. Both defendants, as part of their plea agreements, agreed to

pay restitution to the federal government in the amount of \$103,140, which constitutes the amount of money HHS reimbursed Premium Medical for services performed as a result of the prescriptions signed by C.S..

In determining the actual sentence, Judge Cavanaugh will consult the advisory U.S. Sentencing Guidelines, which provide appropriate sentencing ranges that take into account the severity and characteristics of the offense, a defendant's criminal history, if any, and other factors. The judge, however, is not bound by those guidelines in determining a sentence. Parole has been abolished in the federal system and thus defendants who are given custodial terms must serve nearly all the time imposed by the court.

Judge Cavanaugh set sentencings for each defendant for Jan. 13, 2009. Pending sentencing, both Robinson and Tolliver were released on \$100,000 unsecured bonds.

Christie credited Special Agents of HHS, under the direction of Special Agent in Charge Gary Heuer.

The government is represented by Assistant U.S. Attorney Kirsch

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Defense Counsel:

For Robinson: Steven D. Altman, Esq., of New Brunswick

For Tolliver: Steven Brounstein, Esq., of Bayside, N.Y.