Department of Justice

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PRESIDENT OF DME COMPANY SENTENCED TO 12 ½ YEARS FOR MEDICARE AND MEDICAID FRAUD

Tampa, FL - U.S. Attorney Robert E. O'Neill announces that U.S. District Judge Virginia Hernandez Covington today sentenced Ben Bane (64, Plant City) to 12 ½ years in federal prison for conspiracy to commit health care fraud, health care fraud and submitting false claims. His prison sentence is to be followed by three years of supervised release. Bane was also ordered to pay $7 million in restitution, a $3 million fine, a $1,000 special assessment. The court also entered a money judgment in the amount of $5,800,000, representing the proceeds of the health care fraud.

Bane was found guilty by a federal jury on December 15, 2010. According to the testimony and evidence presented over the course of the six-week trial, he was the President of Bane Medical Services, which was a Durable Medical Equipment (DME) company that provided oxygen and oxygen-related services to Medicare beneficiaries. Bane knowingly broke a core rule of Medicare prohibiting DME companies from performing the qualification testing for oxygen, that is, the company that sells the service cannot be the one to determine if a patient is in need of that service. In violation of this rule and over the course of four years, Bane Medical performed the wrong kinds of tests and lied to doctors about them; falsified test results to make it appear that patients qualified for Medicare-

reimbursed oxygen when they did not; and forged doctors' signatures on Certificates of Medical Necessity.

In the end, Ben Bane sold Bane Medical Services to another DME company. Shortly before the sale, and to cover up the crime, hundreds of test results were fabricated in order to make it appear that an independent lab had done the necessary tests. At Ben Bane's house, bags full of records were burned. In total, Bane Medical fraudulently obtained more than $6.8 million from Medicare. Ben Bane sold the company for $21 million.

Medicare is a federal health benefits program that generally covers individuals who are 65 years old or older. The costs are borne by the American taxpayers and by individuals who elect to participate in certain parts of Medicare, e.g., Part B (Medical Insurance). Medicaid provides medical coverage to certain qualifying low income individuals and families. The state and federal government share the costs of the Medicaid program.

"These crimes represent a deliberate attempt to defraud the government and citizens in need of legitimate services," said U.S. Attorney O'Neill. " We will continue to work with our respective partners to pursue and prosecute these types of crimes."

Christopher B. Dennis, Special Agent in Charge of the Department of Health and Human Services Office of the Inspector General (HHS-OIG) stated that "Today's sentence sends a clear message to those who corruptly take advantage of the Medicare and Medicaid programs: greed will be punished, and the Office of Inspector General will continue to aggressively investigate those who defraud the nation's health care programs and protect our most vulnerable citizens." HHS is the department of the federal government that administers Medicare and, under the Health Care Fraud Strike Force, continues to

aggressively pursue health care fraud cases.

"This case should serve a staunch reminder to anyone who has ever considered committing health care fraud," said Special Agent-in-Charge Steven Ibison of the Federal Bureau of Investigation (FBI). "No matter how the illicit activity is personally justified or covered up - lying, stealing, and cheating will never be tolerated.“

This case was investigated by the HHS-OIG and the FBI. It was prosecuted by Assistant United States Attorneys Thomas N. Palermo, Christopher P. Tuite, Robert A. Mosakowski, and Josie Thomas.