



Department of Justice



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VICE PRESIDENT OF FRAUDULENT PHYSICAL THERAPY COMPANY PLEADS GUILTY TO MEDICARE FRAUD

WASHINGTON – A Miami-area resident who was an owner and vice-president of a fraudulent physical therapy company in Lakeland, Fla., pleaded guilty today for his role in a scheme to defraud Medicare, the Departments of Justice and Health and Human Services (HHS) announced.

Andres Cespedes, 44, pleaded guilty before U.S. Magistrate Judge Mark A. Pizzo in Tampa to one count of conspiracy to commit health care fraud.

According to court documents, Cespedes was the vice-president of Dynamic Therapy Inc. Cespedes and his co-conspirators purchased Dynamic from its prior owners, and transformed it into a fraudulent enterprise. Dynamic purported to provide physical therapy services to Medicare beneficiaries, but in reality obtained patient information through kickbacks and bribes, and billed Medicare for physical therapy that never occurred.

According to court documents, from fall 2009 to summer 2010, Cespedes submitted and caused the submission of \$757,654 in fraudulent claims to the Medicare program by Dynamic. Cespedes admitted that he and his co-conspirators paid and caused the payment of kickbacks and bribes to Medicare beneficiaries in order to obtain their Medicare billing information, and used it to submit claims to Medicare for physical therapy services that were never provided. According to court documents, the owners and operators of Dynamic also stole the identities of a physical therapist and Medicare beneficiaries in order to submit additional false claims to Medicare. Cespedes admitted that he knew the Medicare beneficiaries, on whose behalf claims were submitted to Medicare by Dynamic, never received the services billed to Medicare.

At sentencing, Cespedes faces a maximum penalty of 10 years in prison and a \$250,000 fine. A sentencing date has not been set.

Today's guilty plea was announced by Assistant Attorney General Lanny A. Breuer of the Justice Department's Criminal Division; U.S. Attorney Robert E. O'Neill of the Middle District of Florida; Steven E. Ibison, Special Agent-in-Charge of the FBI's Tampa Division; and Special Agent-in-Charge Christopher Dennis of the HHS Office of Inspector General (HHS-OIG), Office of Investigations' Miami office.

This case was prosecuted by Acting Assistant Chief Benjamin D. Singer of the Criminal Division's Fraud Section and Special Assistant U.S. Attorney Christina M. Burden of the U.S. Attorney's Office for the Middle District of Florida. The case was investigated by the HHS-OIG, Defense Criminal Investigative Service and FBI, and was brought as part of the Medicare Fraud Strike Force, supervised by the Criminal Division's Fraud Section and the U.S. Attorney's Office for the Middle District of Florida.

Since their inception in March 2007, Medicare Fraud Strike Force operations in nine locations have charged more than 1,000 defendants who collectively have falsely billed the Medicare program for more than \$2.3 billion. In addition, the HHS Centers for Medicare and Medicaid Services, working in conjunction with the HHS-OIG, are taking steps to increase accountability and decrease the presence of fraudulent providers.

To learn more about the Health Care Fraud Prevention and Enforcement Action Team (HEAT), go to www.stopmedicarefraud.gov.

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