

NEWS

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Doctor Admits Health Care Fraud; Implicates Co-Defendants

(More)

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NEWARK – A medical doctor pleaded guilty today to engaging in a scheme to defraud insurance companies that provide no-fault medical benefits to motorists, Acting U.S. Attorney Ralph J. Marra, Jr. announced.

Valery Rimerman, 69, of Closter, a formerly licensed medical doctor, pleaded guilty before U.S. District Judge Susan D. Wigenton to a one-count Information charging him with conspiracy to commit health care fraud. He was released on a \$200,000 bond. Sentencing is scheduled for March 18.

(In November 2005, the New Jersey Board of Medical Examiners accepted the voluntary surrender of Rimerman's medical license after he admitted submitting false medical records and bills to two insurance companies.)

At the plea hearing today, Rimerman told the Court that between 1998 and February 2004, he operated a medical practice in Elizabeth that treated individuals reportedly involved in motor vehicle collisions. Rimerman told Judge Wigenton that Aleksandr Sirota, through his companies, TFS Management Services, Inc. and ADS Management Services, Inc., conducted all medical billing on behalf of his medical practice. Rimerman told Judge Wigenton that he and Sirota had agreed to split the gross profits obtained from the insurance companies, with Sirota receiving 75 percent of the profits.

Rimerman admitted that he, Sirota and others conspired to defraud no-fault insurance companies by falsely billing the companies for medical treatments that had not been rendered to patients, and treatments that had been provided by unlicensed and unqualified individuals. To carry out the scheme, Rimerman admitted that he signed medical bills and other documents, knowing them to be false. He further acknowledged that he falsified medical records. Furthermore, Rimerman stated that Sirota told him to lie at a federal bankruptcy deposition concerning their fee splitting arrangement.

On Aug. 7, 2008, a Second Superseding Indictment was handed up by a federal grand jury sitting in Newark, charging Sirota, a/k/a "Alexander Sirota," 38, of Freehold; Elizabeth DeGuzman, 48, of Elizabeth; and Grigory Sirota, a/k/a "Grisha Sirota," 63, of Brooklyn, N.Y. with conspiracy to commit health care fraud and health care fraud.

In addition, Aleksander Sirota, Grigory Sirota, and Jack Melman, a/k/a "Yaakov Melman," 47, of East Brunswick, were charged with conspiracy to commit money laundering and money laundering. The Second Superseding Indictment also charged Aleksander Sirota and Jack Melman with tax evasion. Aleksander Sirota was charged with one count of witness tampering for persuading a witness to lie at a federal bankruptcy deposition. This case is pending before Judge Wigenton.

The charge carries a maximum penalty of 10 years' imprisonment and a \$250,000 fine or twice the aggregate loss to any victims or gain to the defendant.

In determining an actual sentence, Judge Wigenton will consult the advisory U.S. Sentencing Guidelines that provide appropriate sentencing ranges that take into account the severity and characteristics of the offense, the 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. Defendants who are given custodial terms must serve nearly all that time.

Marra credited Special Agents of the FBI, under the direction of Special Agent in Charge Weysan Dun, Special Agents of the IRS, under the direction of Special Agent in Charge William P. Offord, the National Insurance Crime Bureau, and the Special Investigations Unit of Travelers Insurance with the investigation leading to today's plea.

The case is being prosecuted by Assistant U.S. Attorney Anthony Moscato of the U.S. Attorney Office's Strike Force unit, in Newark.

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Defense Attorney: Carl Herman, Esq.