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Former Owner of Medical Billing Companies Sentenced to 37 Months in Prison for Defrauding Insurance Companies, Money Laundering and Tax Evasion

(More)

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NEWARK – The former owner of two medical billing companies was sentenced to 37 months in federal prison today for engaging in a scheme to defraud insurance companies that provided no-fault medical benefits to motorists, U.S. Attorney Paul J. Fishman announced.

U.S. District Judge Susan D. Wigenton also ordered Aleksander Sirota, a/k/a “Alexander Sirota,” 39, of Freehold, to pay \$200,680 in restitution and forfeiture. As part of his plea agreement, Sirota will also be required to pay approximately \$1 million in back taxes, penalties, and interest to the United States.

On June 24, 2009, Sirota pleaded guilty before Judge Wigenton to a Counts One through Four of a six-count Superseding Information that charged him with defrauding various insurance companies, money laundering, and conspiracy to conceal approximately \$1 million in income from the Internal Revenue Service, and tax evasion.

At his plea hearing, Sirota admitted that between April 2001 and June 2005, he conspired with medical doctors Valery Rimerman, 69, of Closter, and Irina Zelikson, 48, of Old Bridge, to defraud numerous no-fault insurance companies that provided medical benefits to motorists involved in collisions. Sirota admitted that he, through his companies, TFS Management Services, Inc., and later ADS Management Services, Inc., the two doctors, and others, submitted false bills to insurance companies for medical treatments that had not been rendered to patients. Sirota also admitted that he and his co-conspirators billed insurance companies for medical treatments and services rendered by unlicensed and unqualified individuals.

Sirota also admitted that he and his co-conspirators laundered approximately \$200,000 to conceal the health care fraud scheme. He further admitted that he conspired with his accountant, Sophie Uber, 63 White Plains, N.Y., and others, to defraud the IRS by concealing approximately \$1 million in taxable income.

Zelikson, Rimerman and Uber have pleaded guilty before Judge Wigenton for their roles in the schemes, and they await sentencing.

In addition, on Sept. 17, 2009, co-defendant Jack Melman, 48, a.k.a. “Yaakov Melman,” of East Brunswick, pleaded guilty before Judge Wigenton to a charge of tax evasion. He is currently awaiting sentencing, which is scheduled for Feb. 2. During his plea, Melman admitted that he concealed approximately \$205,947 in income, which he had diverted to himself from his companies that primarily bought and sold medical supplies and equipment, when filing his individual federal income tax return for tax year 2001. In total, Melman admitted that he evaded the payment of approximately \$81,813 in taxes through his scheme.

Fishman 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 sentencing.

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: Kenneth J. Kaplan, Esq. New York.