



Department of Justice

Acting United States Attorney Andrew T. Baxter
Northern District of New York

FOR IMMEDIATE RELEASE

Thursday, March 19, 2009

<http://www.usdoj.gov/usao/nyn>

CONTACT: Andrew T. Baxter

(315) 448-0672

ON-LINE ORGAN TRANSPLANT BROKER CHARGED WITH WIRE FRAUD

Jerome Howard Feldman, aka "Michael Adams," "Dr. Mitch Michaelson," and "Alberto Gomez," Arrested in Philippines for Immigration Violation and Removed to Guam

Syracuse, NY— Jerome Howard Feldman appeared earlier today in United States District Court in Guam to address charges pending in the Northern District of New York, following his arrest on February 2, 2009 in Manila, Philippines for immigration violations. On February 11, 2009, Feldman was indicted by a federal grand jury in Syracuse, New York for carrying out a scheme to defraud desperately-ill victims who paid large sums of money and traveled to the Philippines based on false promises from Feldman that they would receive organ transplants there. Andrew T. Baxter, Acting U.S. Attorney for the Northern District of New York and Leonardo M. Rapadas, U.S. Attorney for the Districts of Guam and Northern Mariana Islands announced that Feldman admitted his identity before United Magistrate Judge Joaquin V.E. Manibusan, Jr. during today's court appearance in Guam and will be removed to Syracuse, New York to face the wire fraud charges.

The investigation of Jerome Feldman began on June 26, 2008, when the DeWitt Police Department in New York received a complaint from a woman concerning an organ transplant broker. Based on information on the web-site "www.liver4you.org," the woman communicated by e-mail with a "Dr. Mitch Michaelson," who induced her husband to travel to a Philippine hospital to receive a liver transplant. The victims were persuaded to transfer by wire, a total of \$70,000 into an account in the name of "Alberto Gomez" at a bank in DeWitt, which "Dr. Michaelson" promised would cover all medical bills for the transplant procedure. "Dr. Michaelson" also specifically identified

another doctor who would be performing the organ transplant in the Philippines. On July 11, 2008, the husband died of liver failure at a Philippines' hospital without receiving a transplant. Doctors treating the husband told the victim that nobody at the hospital had ever heard of "Dr. Mitch Michaelson" and that the doctor identified by "Dr. Michaelson" would not have performed the transplant surgery (as the victim had been promised). After her husband's death, "Dr. Michaelson" stopped all communication with the victim. Additionally, the widow was required to pay in excess of \$20,000 in hospital fees incurred from her husband's hospitalization in the Philippines, which "Dr. Michaelson" had falsely promised to cover with the funds wired at his direction.

Following a joint investigation by members of the DeWitt Police Department, the Albany Division of the Federal Bureau of Investigation, and the New York State Police, several other victims of the same organ transplant scheme were located. In total, approximately \$400,000 was wired into the "Gomez" account in the DeWitt bank account by victims of the scheme. The investigation also revealed that "Dr. Mitch Michaelson" and "Alberto Gomez" were aliases of Jerome Howard Feldman, a U.S. citizen living illegally in Manila, Philippines under the name "Michael Adams."

If convicted of the wire fraud charges from the Northern District of New York, Feldman faces imprisonment for up to 20 years and a fine of up to \$250,000. Also pending against Feldman are federal health care fraud charges in the Middle District of Florida from 1999 and racketeering, money laundering, and stolen property charges filed by the Florida Attorney General in 2001. All charges pending against Jerome Feldman are mere allegation and he is presumed innocent unless and until proven guilty.

Acting United States Attorney Andrew T. Baxter stated: “The DeWitt Police Department, the FBI, and the New York State Police should be recognized for their perseverance in investigating and tracking down the perpetrator of an unconscionable scheme directed at desperate and vulnerable victims.” Cooperating with the FBI, the DeWitt Police Department, and the New York State Police in the investigation and arrest of Feldman were Department of Justice, Office of International Affairs and Computer Crime and Intellectual Property Section; the United States Attorney’s Office for the District of Guam; the Philippine Bureau of Immigration; and the Philippine National Bureau of Investigation.

###