



**U.S. Department of Justice
U.S. Attorney's Office
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FOR IMMEDIATE RELEASE

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THREE INDICTED IN \$400,000 HEALTH CARE FRAUD INVESTIGATION

John E. Murphy, Acting United States Attorney and Texas Attorney General Greg Abbott announced that in San Antonio this morning, federal and state authorities arrested a mother and son charged in connection with a \$400,000 healthcare fraud scheme.

Yesterday, a federal grand jury seated in San Antonio, returned a 15-count indictment against, 40-year-old Alicia Narvaez, her son, 22-year-old Edward Gonzalez, and her ex-husband, 31-year-old Edgar Narvaez, charging them with conspiracy to commit health care fraud and ten substantive counts of health care fraud. Edgar and Alicia Narvaez each face an additional health care fraud conspiracy charge; Alicia Narvaez also faces two counts of misuse of a Social Security Number and one count of aggravated identity theft. Finally, the indictment seeks a monetary judgement against the defendants in the amount of \$400,000—the amount of proceeds derived from the alleged fraudulent scheme.

According to the indictment, from January 2004 until August 2006, the defendants, doing business as Narvaez Family Provider Services (NFPS), conspired to defraud the Texas Medicaid and Title XX Block Grants to States for Social Services programs administered by the Texas Department of Aging and Disability Services (DADS). The indictment alleges that the defendants, after fraudulently obtaining a DADS provider license and a contract to provide services to program recipients, engaged in a corrupt and systematic practice of falsifying client records, forging physician certifications and billing DADS for unauthorized services and services not rendered.

Prior to today, Edgar Narvaez has remained in custody pending sentencing on a federal forgery conviction. Narvaez, who faces up to five years on the forgery charge, was convicted by a jury in March of forging the signature of U.S. Bankruptcy Court Judge Leif M. Clark on a federal bankruptcy court document.

Upon conviction, defendants face up to ten years imprisonment on each health care fraud-related charge. Upon conviction, Alicia Narvaez faces up to five years imprisonment for each misuse of a Social Security Number charge and a mandatory two years imprisonment on the Identity Theft charge.

This case was investigated by agents from the Texas Attorney General's Medicaid Fraud Control Unit, U.S. Department of Health and Human Services-Office of Inspector General, Federal Bureau of Investigation and the Social Security Administration. Assistant United States Attorney Tom McHugh and Special Assistant United States Attorney Kimberly M. Johnson are prosecuting this case on behalf of the government.

An indictment is a formal accusation of criminal conduct, not evidence of guilt. The defendants are presumed innocent unless and until convicted through due process of law.

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