



**U.S. Department of Justice  
U.S. Attorney's Office  
Western District of Texas**

**John E. Murphy, U.S. Attorney**

---

**FOR IMMEDIATE RELEASE**

On the web: [www.usdoj.gov/usao/twx/index.html](http://www.usdoj.gov/usao/twx/index.html)

Daryl Fields, Public Information Officer  
(210) 384-7440

July 26, 2011

**SEVEN FORMER TEXAS MEDICAID MEDICAL TRANSPORTATION PROGRAM CALL CENTER EMPLOYEES ARRESTED ON FEDERAL HEALTH CARE FRAUD CHARGES**

**United States Attorney John E. Murphy, Special Agent in Charge Cory B. Nelson, Federal Bureau of Investigation –San Antonio Division, Special Agent in Charge George M. Fields, Department of Health and Human Services Office of Inspector General–Dallas Field Division and Texas Attorney General Greg Abbott** announced that federal, state and local authorities arrested 18 individuals this morning, including seven former Texas Medicaid Medical Transportation Program (TMMTP) San Antonio call center employees, in connection with a health care fraud investigation focusing on more than 1,000 fraudulent transportation claims totaling approximately \$200,000.

Five federal grand jury indictments, returned last week and today, allege separate schemes to defraud the Texas Medicaid Program. They are:

- **U.S. v. Caroline Hernandez and Angela Grado (SA-11-CR-0603)** – The seven count indictment charges the defendants with five counts of health care fraud, one count of theft or embezzlement and one count of making false statements regarding health care matters. The indictment alleges that from November 2006 until July 2007, Hernandez, a 34-year-old former public health technician assigned to the TMMTP call center in San Antonio, created more than 100 fictitious claim forms for medical transportation expenses while designating Grado, age 30, as the recipient's authorized representative to collect Medicaid reimbursements. According to the indictment, the defendants fraudulently obtained in excess of \$31,000 from the TMMTP.
- **U.S. v. Eugenia Maria Barnes (SA-11-CR-604)** – The two-count indictment charges the 27-year-old former public health technician assigned to the TMMTP call center in San Antonio with one count of theft or embezzlement and one count of making false statements regarding health care matters. The indictment alleges that from May 2010 until June 3, 2010, Barnes embezzled more than \$100 from a health care benefits program.
- **U.S. v. Loretta Cortez, et al. (SA-11-CR-0600)** – The 13-count indictment charges all seven defendants with one count of conspiracy, nine counts of health care fraud, one count of theft or embezzlement, one count of making false statements regarding health care matters and one count of theft of federal program funds. It alleges that from September 2006 until May 2011, 36-year-old Loretta Cortez, 41-year-old Patricia Cortez and 35-year-old Arlene Rodriguez, all of whom were former public health technicians assigned to the TMMTP call center in San Antonio, created more than 470 fictitious claim forms for medical transportation expenses while designating co-defendants 48-year-old Juanita Leyva, 40-year-old Leticia Orosco, 30-year-old Michelle Aguilar or 35-year-old Michelle Garcia as the recipient's authorized representative to collect Medicaid reimbursements. According to the indictment, the defendants fraudulently obtained in excess of \$93,000 from the TMMTP.

**SA Medicare Fraud Scheme release**

**July 26, 2011**

**Page 2**

- **U.S. v. Olivia Z. Cardenas, et al. (SA-11-CR-0601)** – The seven-count indictment charges all five defendants with five counts of health care fraud, one count of theft or embezzlement and one count of making false statements regarding health care matters. The indictment alleges that from February 2006 until June 4, 2009, Cardenas, a 47-year-old former public health technician assigned to the TMMTP call center in San Antonio, created more than 280 fictitious claim forms for medical transportation expenses while designating co-defendants 26-year-old Priscilla Rojas, 28-year-old Erika Rojas, 36-year-old Michael Zamora or 31-year-old Veronica Vega as the recipient's authorized representative to collect Medicaid reimbursements. According to the indictment, the defendants fraudulently obtained in excess of \$53,000 from the TMMTP.
- **U.S. v. Bernabe Hernandez, et al. (SA-11-CR-0602)** – The six-count indictment charges all three defendants with four counts of health care fraud, one count of theft or embezzlement and one count of making false statements regarding health care matters. The indictment alleges that from December 2009 until April 2010, Hernandez, a 28-year-old former public health technician assigned to the TMMTP call center in San Antonio, created more than 250 fictitious claim forms for medical transportation expenses while designating co-defendants 35-year-old Tecily Ward or 27-year-old Jonathan Reyes as the recipient's authorized representative to collect Medicaid reimbursements. According to the indictment, the defendants fraudulently obtained in excess of \$16,000 from the TMMTP.

As for today's arrests, defendant Michelle Aguilar was arrested in Austin; defendant Angela Grado, in Odessa. The remaining defendants were arrested in San Antonio.

Upon conviction, the defendants face up to five years in federal prison on the conspiracy charge; up to five years in federal prison per false statements charge; and, up to ten years in federal prison per health care fraud charge and embezzlement charge.

**An indictment is merely a charge and should not be considered as evidence of guilt. The defendant is presumed innocent until proven guilty in a court of law.**

This case was investigated by special agents with the Federal Bureau of Investigation, Health and Human Services-Office of Inspector General together with the Texas Attorney General Greg Abbott's Medicaid Fraud Control Unit and the Texas Health and Human Services Commission-Office of Inspector General. The San Antonio Police Department assisted with today's arrests.

#####