



U.S. Department of Justice

United States Attorney Eastern District of Arkansas

FOR IMMEDIATE RELEASE
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SEARCY NEUROSURGEON SENTENCED TODAY

Little Rock – Patrick C. Harris, Acting United States Attorney for the Eastern District of Arkansas, along with William C. Temple, Special Agent in Charge of the Little Rock Field Office of the Federal Bureau of Investigation and Mike Fields, Special Agent in Charge of the Dallas Regional Office of the United States Department of Health and Human Services (HHS), Office of Inspector General, announced that Dr. Patrick Chan, age 43, of Searcy, Arkansas was sentenced today by Honorable Susan Webber Wright, United States District Judge for the Eastern District of Arkansas.

In October 2006, Chan, a neurosurgeon, was indicted on four counts of violating Title 42, United States Code, Section 1320a - 7b, soliciting and receiving kickbacks. On January 3, 2008, Chan pleaded guilty to Count 4 of the Indictment which charged him with soliciting and receiving kickbacks in exchange for recommending purchasing of surgical equipment and medical devices. Upon acceptance of his guilty plea, the remaining counts against him were dismissed. Chan relinquished his medical license in 2006 and is no longer able to practice medicine in the State of Arkansas.

Today Chan was sentenced to three years probation and a \$25,000 fine due and payable immediately. He was also ordered to immediately pay \$23,000 to the FBI for the cost of the investigation. Included in his sentence was the requirement that he pay the cost of his supervision at a rate \$3,535.18/year, due and payable on a quarterly basis. The Court ordered Dr. Chan to immediately return to Canada, where he is a citizen, and to apply for a visa which would allow him to return to the United States to assist in any and all law suits with which Chan is involved. His cooperation in these lawsuits was required by the Court. Chan is to report to the United States Probation Office as directed but is to appear personally no less than once every

three months. Chan was also ordered to pay a special penalty assessment of \$100. Two million dollars of the bond he surrendered to the United States District Court in September of 2006 and the liens currently pending against Chan's home and medical equipment are to remain in the registry of the court to ensure he abides by the conditions of today's sentence.

"We are pleased with the outcome of this case," stated Bill Temple, Special Agent in Charge of the FBI's Little Rock Field Office. "This will serve as deterrent to other healthcare providers and cause them to think twice before soliciting or receiving kickbacks from medical suppliers. Health Care Fraud is one of the FBI's highest national priorities and this office will continue to devote significant investigative resources to combat this insidious crime. We appreciate the assistance provided by our partners: the HHS-OIG office in Dallas, TX; the United States Attorney's Office for the Eastern District of Arkansas; as well as the private citizens who are willing to come forward and help us prosecute these cases."

"Whenever medical providers are motivated by greed, the entire healthcare arena is at risk," said Special Agent in Charge Mike Fields of the HHS Office of Inspector General's (OIG) Dallas Regional Office. "Our HHS OIG agents will continue to work closely with our law enforcement partners to investigate these types of violations."

This case was investigated by the Little Rock Field Office of the Federal Bureau of Investigation and the United States Department of Health and Human Services, Office of Inspector General.

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