



# Department of Justice

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## **FEDERAL JURY FINDS CHIROPRACTOR GUILTY OF \$3 MILLION HEALTH CARE FRAUD SCAM**

### ***Dr. William Stearns and Two Partners Fraudulently Billed Insurers For Back Pain Treatments***

Atlanta, GA - A jury in federal district court has returned a guilty verdict against DR. WILLIAM STEARNS, DC, 47, of Marietta, Georgia, on 18 charges of health care fraud and five charges of money laundering.

United States Attorney David E. Nahmias said, "Today's verdict sends the message that health care providers who fraudulently bill for their services will be held accountable for their crimes. The Defendant and his partners received millions of dollars to which they were not entitled, by lying to insurers about the services they were providing patients. These lies contribute to the problem of soaring health costs for all, and will be vigorously prosecuted."

According to United States Attorney Nahmias and the information presented in court:

In 2004, STEARNS and two partners, fellow chiropractors STEVEN LEVINE and CHRISTOPHER TOPEL, operated three clinics around the Atlanta area under the name Comprehensive Care Medical Group ("CCMG"). CCMG, under the Defendant's direction, fraudulently billed Blue Cross/Blue Shield of Georgia for two separate back pain procedures, costing that insurer alone approximately \$3 million. Both LEVINE and TOPEL previously pleaded guilty to the charges.

First, the Defendant and his partners fraudulently billed for a procedure known as Vertebral Axial Decompression ("VAX-D") – a non-invasive back pain procedure that uses a mechanical table to stretch a patient's spine. Blue Cross/Blue Shield of Georgia considers VAX-D to be investigational and not medically necessary, and made clear to health care providers that it did not cover the procedure. Thus, the Defendant, along with LEVINE and TOPEL, were convicted of having lied to Blue Cross about what procedures they were performing in order to get paid for this non-covered procedure. Specifically,

instead of using the specific billing code assigned to VAX-D, CCMG used a different code that pertained to surgical nerve decompression procedures. The Indictment charged that the Defendant used that code because he and the others knew Blue Cross would pay for it, and would not pay for VAX-D. The proof at trial included testimony from the Defendant's former employees, several of whom were explicitly instructed to not refer to the procedure as "VAX-D" in patient files.

Second, the Defendant also fraudulently billed for an electrical stimulation procedure using a device known as "Hako-Med." Instead of billing for a relatively low-paying electrical stimulation procedure, the Defendant instead claimed to be performing surgical procedures known as nerve block injections. This was false, but allowed the Defendant to bill for rates 5-10 times as high as if he had correctly billed for electrical stimulation.

STEARNS could receive a maximum sentence of 230 years in prison and a fine of up to \$5,750,000. Sentencing is scheduled for February 12, 2009 at 4:00 pm before United States District Judge Clarence Cooper.

This case was investigated by Special Agents of the Federal Bureau of Investigation along with the U.S. Office of Personnel Management.

Assistant United States Attorneys Teresa D. Hoyt and Justin S. Anand are prosecuting the case.

For further information please contact David E. Nahmias (pronounced NAH-me-us), United States Attorney, or Charysse L. Alexander, Executive Assistant United States Attorney, through Patrick Crosby, Public Affairs Officer, U.S. Attorney's Office, at (404) 581-6016. The Internet address for the HomePage for the U.S. Attorney's Office for the Northern District of Georgia is [www.usdoj.gov/usao/gan](http://www.usdoj.gov/usao/gan).