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News Release

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Owner of personal care assistance company sentenced for paying a kickback for Medicaid referrals and making false statements

Patrick Daniel Osei, owner of a home health care agency called Advance Home Health, was sentenced earlier today in federal court in Minneapolis for defrauding Medicaid and for making false statements to federal investigators. United States District Court Judge Joan N. Ericksen sentenced Osei, age 51, of Brooklyn Park, to 63 months in prison on one count of illegal remuneration and two counts of making a false statement. He was indicted for defrauding Medicaid on October 20, 2009, and charged for making the false statements on May 20, 2010.

The 63-month sentence was higher than the sentencing range found in the sentencing guidelines, and in pronouncing sentence, the court emphasized the seriousness of health care fraud schemes, particularly those targeting programs like Medicaid. After sentencing, U.S. Attorney B. Todd Jones concurred, saying, "Criminals who defraud Medicaid and Medicare steal taxpayer dollars from health programs that serve some of our nation's most vulnerable citizens. The sentence handed down today in this case appropriately reflects the seriousness of using a home health care business to defraud Medicaid."

In entering his guilty pleas, Osei admitted that on November 8, 2007, he offered and paid a kickback in the form of cash to someone for referring others to his company, Advance Home Health, in Brooklyn Park. Those referrals were for Personal Care Assistance ("PCA") paid by Medicaid, which provides medical care and services to low-income people who meet certain income and eligibility requirements. Medicaid is a federal program administered in Minnesota by the State Department of Human Services.

In addition, Osei admitted that on April 29 and 30, 2010, he provided false information about assets to federal investigators during the government's attempted recovery of assets

connected to the fraud conduct. Osei also admittedly engaged in a conspiracy to defraud Medicaid by billing for services not actually provided. At the sentencing hearing, the court determined that the total restitution due and owing the Medicaid program because of Osei's criminal activity totaled more than \$520,000.

These cases are the result of investigations by the Federal Bureau of Investigation and the U.S. Department of Health and Human Services-Office of Inspector General. They were prosecuted by Assistant U.S. Attorney David M. Genrich.

According to the Justice Department, health care fraud investigations have been growing, and the Department has formed a senior-level task force to tackle the problem nationwide. The Health Care Fraud Prevention and Enforcement Action Team, represented by the Department of Justice and Health and Human Services, will look at how to share more effectively real-time intelligence data on health care fraud patterns as well as critical information about health care services, pharmaceuticals, and medical devices. In 2008, the Justice Department filed criminal charges in 502 health care fraud cases involving 797 defendants.

In Minnesota, the U.S. Attorney's Office is also participating in a task force with the Minnesota Attorney General Office's Medicaid Fraud Control Unit that focuses on home health care fraud. That task force includes the U.S. Department of Health and Human Services-Office of Inspector General, the Federal Bureau of Investigation, the Internal Revenue Service, and other federal, State and local law enforcement partners.

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