

# NEWS

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United States Department of Justice  
U.S. Attorney, District of New Jersey  
970 Broad Street, Seventh Floor  
Newark, New Jersey 07102

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***Ralph J. Marra, Jr., Acting U.S. Attorney***

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## Three More Cardiologists Settle With Government Over Kickback Allegations Related to UMDNJ Cardiology Program

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(More)

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NEWARK – The U.S. Attorney’s Office has entered into settlements totaling approximately \$960,000 with three cardiologists to settle allegations they accepted kickbacks in the form of salaries from the University of Medicine and Dentistry of New Jersey (UMDNJ), and caused the submission of false claims to Medicare, Acting U.S. Attorney Ralph J. Marra, Jr., announced.

A settlement was signed today with Dr. Ravindra Patel of Scotch Plains for approximately \$300,000. Earlier this month a settlement was signed with Dr. Jasjit Walia of Edison for \$300,000. In August, a settlement was signed with Dr. Rakesh Sahni of Rumson for approximately \$360,000. Each settlement represents double damages for salaries received by the cardiologists as kickbacks for making prohibited referrals to UMDNJ’s University Hospital.

Federal law prohibits a doctor from accepting a salary or other remuneration in exchange for referring patients. University Hospital is a state-licensed Level 1 Trauma Center. To maintain funding and accreditation from the state, University Hospital was dependent on the annual performance of a certain number of cardiac procedures, including cardiac catheterizations and cardiothoracic surgery.

The government alleges that beginning in 1995, University Hospital was failing in this regard, and to remedy the problem, embarked on a program to bring in more cardio surgery patients through part-time employment contracts with a number of community cardiologists. Those doctors had their own private practices and significant numbers of patients whom they could refer to University Hospital. The government alleges that those employment contracts served as vehicles to pay kickbacks to the cardiologists for their referrals to University Hospital.

In the past year and a half, the U.S. Attorney’s Office has reached settlements with six other cardiologists who are alleged to have exploited this same program at University Hospital. Two other cardiologists also pleaded guilty to criminal embezzlement charges, and the Office has filed civil suits against two others. The U.S. Attorney’s Office is continuing its investigation and pursuing those who received payment under fraudulent contracts.

“We will continue to pursue those physicians who abuse and defraud federal health care programs by making referrals based on financial considerations rather than the best interests of patients,” Marra said.

The settlement forgoes the need to file suit against the three cardiologists. The three current settlements involve cardiologists who were alleged to have received salaries in exchange for improperly referring patients. Medicare was then billed for services performed as a result of these improper referrals.

In 2008, the US Attorney's Office entered into civil settlement agreements with six other cardiologists involved in the program: Trevor Atherley of Watchung; Joven Dungo of Caldwell; Abdul Ameen of Bayonne; Michael Benz of Nutley; Bakul Desai of Livingston; and Laxmipathi Garipalli of Colts Neck. The Office also filed lawsuits against Dr. Joseph Campbell of Orange, and Dr. Atul Prakash of Cedar Grove, based on the same alleged conduct. These two actions are currently being litigated.

In February of 2008, Desai and Garipalli, pleaded guilty in federal court to criminal embezzlement charges for engaging in the same fraudulent conduct and taking salaries totaling \$840,000 between them.

Marra credited Special Agents of the U.S. Department of Health and Human Services Office of Inspector General, under the direction of Special Agent in Charge Thomas O'Donnell of the New York Regional Office; and Special Agents of the FBI, under the direction of Special Agent in Charge Weysan Dun in Newark, for the investigation leading to today's settlements.

The cases were handled by Assistant U.S. Attorney Alex Kriegsman of the U.S. Attorney's Office Civil Division.

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Defense Counsel:

For Patel – Robert A. Mintz, Esq., Newark

For Walia – Bruce A. Levy, Esq., Newark

For Sahni – Peter W. Till, Esq., Springfield