

NEWS

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FOR IMMEDIATE RELEASE
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East Orange Medical Equipment Provider Charged With Fraudulently Billing for Wheelchairs

(More)

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NEWARK, N.J. – A manager of an East Orange, New Jersey durable medical equipment provider was arrested this morning by special agents with the U.S. Department of Health and Human Services Office of Inspector General (“HHS”) and charged with fraudulently billing tens of thousands of dollars worth of power mobility devices, U.S. Attorney Paul J. Fishman announced.

Roland Asemota, 48, is charged in a criminal complaint with one count of making false statements in connection with a federal healthcare benefit program – for allegedly defrauding Medicare for nearly four years while serving as the manager in charge of Medicare billings for Rose’s Medical Supply of East Orange, New Jersey (“RMS”). Following his arrest, Asemota appeared before United States Magistrate Judge Michael A. Shipp in Newark federal court, and was released on a \$100,000 bond, secured by property.

In addition to the criminal complaint, a civil complaint for a permanent injunction and a temporary restraining order was unsealed today against Asemota and RMS. The temporary restraining order, which was signed yesterday by United States District Judge Dennis M. Cavanaugh, freezes RMS’s bank accounts to protect Medicare from further fraud perpetrated by RMS and to prevent RMS from disposing of money owed to the Government.

According to the complaints unsealed today and statements made in court:

From 2006 through 2009, RMS consistently made false and fraudulent billings to Medicare in connection with RMS’s provision of motorized wheelchairs to Medicare beneficiaries. In order to be in compliance with Medicare requirements regarding billing for power mobility devices (“PMDs”) provided to beneficiaries and for submitting a claim, a supplier is required to obtain both a copy of a “face-to-face” physical evaluation of the beneficiary and a Valid Order for the device.

In June 2009, a Medicare fraud agency conducted an on-site audit and random sampling of RMS’s Medicare billings for January 2006 through April 2009. The random sampling uncovered that 95% of RMS’s motorized wheelchair billings during that time period were deficient and fraudulent as they were not backed up by the required documentation. After learning of this deficiency, Medicare placed RMS on “pre-pay” review, which required the supporting documentation to be submitted to Medicare, as opposed to simply being kept on file.

While on “pre-pay” review, RMS continued to submit fraudulent billings for motorized wheelchairs. In one instance, RMS ordered a motorized wheelchair for a beneficiary who only needed to have a wheel on a walker replaced, and did not want or need a power mobility device.

If convicted on the felony false statements charge, Asemota faces a maximum potential penalty of five years in prison and a maximum fine of \$250,000, or twice the gross gain or loss from the offense.

Fishman credited HHS agents, under the direction of Special Agent in Charge Tom F. ODonnell for their investigation leading to the criminal and civil Complaints. The investigation is

continuing.

Special Agent in Charge ODonnell stated: “Today’s enforcement action reflects the commitment of the OIG and our Special Agents in New Jersey to work closely with the US Attorney’s Office in prosecuting unscrupulous health care providers,” said Tom ODonnell, OIG’s Special Agent in Charge for the region covering New Jersey. “Arresting those who refuse to play by the rules, freezing their assets and prosecuting them to the fullest extent possible, are just some of the tools the federal government will use to safeguard both taxpayers and the Medicare program.”

The case is being prosecuted by Assistant U.S. Attorney Joseph Mack of the U.S. Attorney’s Criminal Division, and Alex Kriegsman of the U.S. Attorney’s Civil Division.

The charge and allegations contained in the Complaint are merely accusations, and the defendant is considered innocent unless and until proven guilty.

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Defense Counsel: John Yauch Esq., Public Defender’s Office, Newark, N.J.