

NEWS

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FOR IMMEDIATE RELEASE
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Owner of Physical Therapy Clinics Sentenced to 54 Months In Prison for Multi-million Dollar Medicare Fraud

(More)

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TRENTON – The owner of two physical therapy clinics, one each in Ewing and Cherry Hill, was sentenced today to 54 months in federal prison for defrauding Medicare of approximately \$3.79 million, U.S. Attorney Christopher J. Christie announced.

U.S. District Judge Garrett E. Brown, Jr., also ordered Chidi Ikeh, 44, of Houston, Texas, to pay approximately \$3.79 million in restitution and to serve three years of supervised release upon the completion of his prison term. Ikeh has been held in detention without bail since his arrest on Sept. 15, 2006, as he returned home from his native country of Nigeria.

On March 5, 2007, Ikeh, who owned and operated Vital Health Care Services (Vital), in Ewing, and U.S. Vital Health Care Services, Inc. (U.S. Vital), in Cherry Hill, entered a guilty plea just before his trial was to begin in U.S. District Court in Trenton before Judge Brown. At his plea hearing, Ikeh admitted that from February 2002 until August 2005, he billed Medicare for claims worth approximately \$6.7 million, and received approximately \$3.79 million, for physical therapy services, evaluations, and re-evaluations allegedly provided to patients, which were false in one or more ways.

Ikeh admitted that his scheme was to submit false and fraudulent claims to Medicare which represented that physical therapy services were provided by and/or under the supervision of a licensed physician, when in fact, such services were either never performed, were not supervised by a licensed physician or were performed by unqualified individuals. In fact, Ikeh admitted that he had van drivers, receptionists and others who had no qualifications, licensing or certification in physical therapy – as required by law – perform physical therapy on Medicare patients.

Ikeh admitted that he fraudulently obtained the money from Medicare by failing to have a licensed physician on site at all times that physical therapy was being performed at Vital; instructing the individuals who performed the physical therapy to indicate in the medical records that they performed certain physical therapy procedures on patients when, in fact, no such procedure was performed; by providing patients with money, food, and raffle prizes in an effort to induce them to either continue with or return for therapy at Vital; and by failing to have licensed physical therapists perform the physical therapy on the patients.

Ikeh pleaded guilty to one count each of health care fraud and wire fraud.

In determining the actual sentence, Judge Brown consulted the advisory U.S. Sentencing Guidelines, which provide appropriate sentencing ranges that take into account the severity and characteristics of the offense, the defendant's criminal history, if any, and other factors. The judge, however, is not bound by those guidelines in determining a sentence.

Parole has been abolished in the federal system. Defendants who are given custodial terms must serve nearly all that time.

Christie credited Special Agents with the Department of Health and Human Services - Office of Inspector General, under the direction of Special Agent in Charge Gary Heuer, and the Federal Bureau of Investigation's South Jersey Resident Agency, under the direction of Special Agent in Charge J.P. Weis, Philadelphia Division, with the investigation leading to the Indictment.

The Government is represented by Assistant U.S. Attorney Peter Katz of the Criminal Division in Trenton.

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Defense Attorney: Christopher Choate, Esq. Houston, Texas