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MAN PLEADS GUILTY TO DEFRAUDING THE GOVERNMENT OF
\$114,000 INTENDED FOR THE DISABLED

MICHAEL J. GARCIA, the United States Attorney for the Southern District of New York, MARK J. MERSHON, the Assistant Director-in-Charge of the New York Office of the Federal Bureau of Investigation ("FBI"), and ROSE GILL HEARN, the Commissioner of the New York City Department of Investigation ("DOI"), announced that SCOTT FREDRICKS pleaded guilty today in Manhattan federal court to health care fraud. According to statements made in court during his guilty plea and documents filed in this case:

FREDRICKS engaged in a scheme to defraud the Government of approximately \$114,000 from September 2000 to September 2003. FREDRICKS fraudulently represented that he was receiving daily, live-in home care by a personal assistant in order to obtain approximately \$114,000 in government funds intended for the disabled. As a part of this scheme, FREDRICKS submitted false enrollment documents and forged time sheets for a personal assistant who did not actually work for him. He submitted the false forms to a company called Concepts of Independence, which contracts with the New York City Human Resources Administration, to administer parts of the Medicaid-funded Consumer Directed Personal Assistance Program ("CDPAP"). CDPAP provides benefits, such as payment for personal assistants, to eligible individuals who have serious disabilities.

FREDRICKS, 46, of Neponsit, New York, faces a maximum sentence of ten years' imprisonment. Sentencing is scheduled for June 28, 2007 before United States District Judge PAUL CROTTY.

Mr. GARCIA praised the collaborative investigative efforts of the Federal Bureau of Investigation and the New York City Department of Investigation.

"By engaging in healthcare fraud, particularly fraud of the live-in home care system, Scott Fredricks stole money away from those residents of this City who are most in need," added Mr. GARCIA.

FBI Assistant director MERSHON stated: "This was not only a case of outright theft, it was theft at the expense of the public. Medicaid fraud is a drain on funds intended to defray legitimate health care costs. Those who try to pervert the program for personal gain will be caught and dealt with."

Commissioner GILL HEARN said, "Mr. Fredricks siphoned over a hundred thousand dollars from a program that was designed to help those in need. But the hard work of DOI and federal investigators thwarted his scheme. His conviction should caution others thinking about defrauding a Medicaid-funded program and ripping off the public -- the consequences of such criminal activity may be severe."

Assistant United States Attorney STEVE C. LEE is in charge of the prosecution.

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