



U.S. Department of Justice

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For Immediate Release

November 2, 2011

CALIFORNIA MAN CHARGED WITH RUNNING FRAUDULENT CLINIC IN PHILADELPHIA

PHILADELPHIA – George Baginyan was charged in an indictment¹, unsealed today, with running a scheme to defraud Medicare of more than \$200,000 in connection with the operation of a fraudulent clinic, announced United States Attorney Zane David Memeger. The charges allege that Baginyan was the owner of New Era Health Center Inc. (“New Era”), a purported clinic that was located in Philadelphia PA. Baginyan was arrested yesterday in Glendale, California.

Between December 2008 and December 2009, it is alleged that Baginyan used the National Provider Identification number (NPI) of a physician to fraudulently bill Medicare for medical services and tests, purportedly provided by that physician, when no such tests or services were provided. In total, it is alleged that the defendant caused the submission of fraudulent bills to Medicare totaling approximately \$248,000, resulting in payments from Medicare totaling approximately \$132,848.81.

INFORMATION REGARDING THE DEFENDANT

| NAME | ADDRESS | AGE OR YEAR OF BIRTH |
|-----------------|--------------|----------------------|
| George Baginyan | Glendale, CA | 31 |

If convicted of all counts, Baginyan faces a mandatory minimum sentence of two years in prison up to several years, a fine of up to \$44.25 million, \$17,700 in special assessments, along with restitution of \$132,848.81.

The case was investigated by the United States Department of Health and Human Services Office of Inspector General and is being prosecuted by Assistant United States Attorney Mary E. Crawley.

¹An Indictment is an accusation. A defendant is presumed innocent unless and until proven guilty.

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