

JUSTICE NEWS

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Oakland County Doctor and Owner of Michigan Hematology and Oncology Centers Charged in \$35 Million Medicare Fraud Scheme

Dr. Farid Fata, 48, of Oakland Township, Michigan, was arrested this morning and charged in a criminal complaint for his role in a health care fraud scheme which involved submitting false claims to Medicare for services that were medically unnecessary, including chemotherapy treatments.

Acting Assistant Attorney General Mythili Raman of the Justice Department's Criminal Division, U.S. Attorney Barbara L. McQuade of the Eastern District of Michigan, FBI Special Agent in Charge Robert D. Foley III and Special Agent in Charge Lamont Pugh of the Health and Human Services Office of Inspector General (HHS-OIG) made the announcement.

"Dr. Fata allegedly perpetrated a brazen and dangerous fraud that time and again jeopardized his patients' wellbeing," said Acting Assistant Attorney General Raman. "The conduct alleged today is chilling, with the defendant endangering patient safety through misdiagnoses, over- or mis-prescription of chemotherapy and other treatments, and delay of hospital care for patients with serious injuries. Through the work of our dedicated prosecutors and agents, today we have taken swift action to safeguard patient safety and hold the defendant to account."

"Our first priority is patient care," said U.S. Attorney McQuade. "The agents and attorneys acted with great attention to detail to stop these allegedly dangerous practices as quickly as possible, and we have set up a victim hotline so that patients can access their files and get questions answered."

"Violating a patient's trust and placing them at risk through fraudulent abuse of our nation's health care system is deplorable and a crime which the FBI takes most seriously," said FBI Special Agent in Charge Foley. "The FBI remains committed to the arrest and prosecution of those who commit health care fraud."

"The conduct alleged in this complaint is serious, not only in terms of potential Medicare dollars improperly obtained, but patient safety as well," said HHS-OIG Special Agent in Charge Pugh. "The OIG will aggressively investigate allegations of this nature in order to ensure the safety of Medicare patients and to protect vital taxpayer dollars."

According to the complaint, Dr. Fata owns and operates Michigan Hematology Oncology Centers (MHO), which has offices in Clarkston, Bloomfield Hills, Lapeer, Sterling Heights, Troy and Oak Park. It was through MHO that Dr. Fata allegedly submitted fraudulent claims to Medicare for medically unnecessary services, including chemotherapy treatments, Positron Emission Tomograph (PET) scans and a variety of cancer and hematology treatments for patients who did not need them. In the course of the scheme, Dr. Fata falsified and directed others to falsify documents to justify cancer treatments for billing purposes. MHO billed Medicare for approximately \$35 million dollars over a two-year period, approximately \$25 million of which is attributable to Dr. Fata.

The complaint further alleges that Dr. Fata directed the administration of unnecessary chemotherapy to patients in remission; deliberate misdiagnoses of patients as having cancer to justify unnecessary cancer treatment; administration of chemotherapy to end-of-life patients who would not have benefitted from the treatment; deliberate misdiagnoses of patients without cancer to justify expensive testing; fabrication of other diagnoses such as anemia and fatigue to justify unnecessary hematology treatments, and distribution of controlled substances to patients without medical necessity or through administering the drugs at dangerous levels.

Dr. Fata will be making his initial appearance in federal court this afternoon at 1 p.m. in Detroit.

Patients who have questions concerning their medical records and/or information regarding this investigation and prosecution can call the United States Attorney's Office Information Line at 888-702-0553.

The case is being prosecuted by Assistant Chief Catherine Dick, supervisor of the Detroit Medicare Fraud Strike Force and Trial Attorney Matthew Thuesen of the Department of Justice as well as Sarah Resnick Cohen, Deputy Chief of the Health Care Fraud Unit at the U.S. Attorney's Office, and Justin Bidwell, Special Assistant United States Attorney. The investigations were conducted jointly by the FBI and HHS-OIG, along with the assistance of the Michigan Attorney General's Office.

Since its inception in March 2007, the Medicare Fraud Strike Force, now operating in nine cities across the country, has charged more than 1,500 defendants who have collectively billed the Medicare program for more than \$5 billion. In addition, HHS's Centers for Medicare & Medicaid Services, working in conjunction with HHS-OIG, is taking steps to increase accountability and decrease the presence of fraudulent providers.

To learn more about the Health Care Fraud Prevention and Enforcement Action Team, go to:

www.stopmedicarefraud.gov.

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Criminal Division