

JUSTICE NEWS

Department of Justice

Office of Public Affairs

FOR IMMEDIATE RELEASE

Monday, July 7, 2014

Southern California Man Sentenced to 121 Months in Prison for Medicare Fraud and Identity Theft

A Southern California man who was convicted at trial of conspiracy to commit health care fraud, six counts of health care fraud and six counts of aggravated identity theft was sentenced to serve 121 months in prison today in federal court in Los Angeles.

Assistant Attorney General Leslie R. Caldwell of the Justice Department's Criminal Division, U.S. Attorney André Birotte Jr. of the Central District of California, Special Agent in Charge Glenn R. Ferry of the U.S. Department of Health and Human Services Office of Inspector General (HHS-OIG) Los Angeles Region and Assistant Director in Charge Bill Lewis of the FBI's Los Angeles Field Office made the announcement.

Vahe Tahmasian, 36, of Glendale, California, was found guilty by a federal jury on March 21, 2014, for his role in a \$1.5 million Medicare fraud and identity theft scheme. In addition to his prison term of 121 months, he was sentenced to serve three years of supervised release and ordered to pay \$994,036 in restitution to the Medicare program.

The evidence at trial showed that between April 2009 and February 2011, Tahmasian operated a Medicare fraud scheme at Orthomed Appliance Inc. (Orthomed), a DME supply company in West Hollywood, California. Tahmasian and his co-conspirator, Eric Mkhitarian, purchased Orthomed from the previous owners and put the company in the name of a "straw" owner. The defendant and his co-conspirator then stole the personal identifying information of Medicare beneficiaries and doctors in the company's patient files, and used that information to submit a large volume of fraudulent claims to Medicare. The evidence showed that during a three-month period in late 2010, Tahmasian submitted more than \$1.2 million in fraudulent claims to Medicare for services that were never prescribed by a physician and never provided to the Medicare beneficiaries. Tahmasian and his co-conspirator then took out more than \$622,000 in cash from the company over a six-week period in early 2011. The evidence also showed that Tahmasian used a fake California driver's license to further the fraud scheme. Tahmasian submitted a total of \$1,584,640 in claims to Medicare and received approximately \$994,036 on those claims.

The case was investigated by the FBI and the Los Angeles Region of HHS-OIG. The case was prosecuted by Assistant Chief Benton Curtis and Trial Attorney Alexander Porter of the Criminal Division's Fraud Section.

The case was brought as part of the Medicare Fraud Strike Force, supervised by the Criminal Division's Fraud Section and the U.S. Attorney's Office for the Central District of California. Since its inception in March 2007, the Medicare Fraud Strike Force, now operating in nine cities across the country, has charged more than 1,900 defendants who have collectively billed the Medicare program for more than \$6 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 (HEAT), go to:
www.stopmedicarefraud.gov .

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Criminal Division