

JUSTICE NEWS

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Miami Doctor Convicted in \$23 Million Medicare Fraud Scheme

WASHINGTON – Miami-area physician Rene De Los Rios was convicted of five felony counts today by a federal jury for his role in a \$23 million dollar HIV injection and infusion Medicare fraud scheme, the Departments of Justice and Health and Human Services (HHS) announced.

After a three-week trial, the jury convicted De Los Rios of one count of conspiracy to commit health care fraud and four counts of submission of false claims to the Medicare program. The conspiracy charge carries a maximum penalty of 10 years in prison and a \$250,000 fine; each false claims count carries a maximum penalty of five years in prison . Sentencing has been scheduled for June 27, 2011.

Evidence at trial established that Damaris Oliva was the owner and operator of Metro Med of Hialeah Corp. In 2003, Metro Med began operating as an HIV infusion clinic that purportedly provided injection and infusion therapies to HIV positive Medicare beneficiaries. In fact, the injection and infusion therapies were medically unnecessary and not provided. Metro Med paid cash kickback payments to patients at the Metro Med clinic in exchange for those patients allowing Metro Med to use their Medicare numbers to bill the Medicare program.

Evidence at trial established that as part of the scheme, Oliva hired the De Los Rios to order unnecessary tests, sign medical analysis and diagnosis forms, and authorize treatments to make it appear that legitimate medical services, including injection and infusion therapies, were being provided to patients who were Medicare beneficiaries. The defendant also signed patient charts, often without seeing the patient, indicating that injection and infusion treatments were medically necessary, when, in fact, he knew they were not. Evidence at trial also established that the defendant diagnosed almost all of the patients at Metro Med with the same rare blood disorders, which the patients did not in fact have, in order to ensure maximum reimbursement from Medicare. Moreover, the evidence at trial showed that the defendant prescribed expensive medications, including Winrho, Procrit and Neupogen, to patients for the sole purpose of receiving reimbursement from the Medicare program. The evidence showed that Oliva paid the defendant \$3,000 per week for his involvement in the HIV infusion scheme.

From approximately April 2003 through October 2005, Metro Med submitted approximately \$23 million in claims to the Medicare program for injection and infusion treatments for Medicare beneficiaries that were not medically necessary, and were not provided. The Medicare program paid approximately \$11.7 million in claims. Damaris Oliva and three other individuals have each previously pleaded guilty to conspiracy to commit health care fraud in connection with the scheme.

Today's verdict was announced by Assistant Attorney General Lanny A. Breuer of the Criminal Division; U.S. Attorney Wifredo A. Ferrer of the Southern District of Florida; John V. Gillies, Special Agent-in-Charge of the FBI's Miami field office; and Special Agent-in-Charge Christopher Dennis of the HHS Office of Inspector General (HHS-OIG), Office of Investigations Miami office.

The case was prosecuted by Trial Attorney Joseph S. Beemsterboer of the Criminal Division's Fraud Section and Robert J. Luck, Assistant U.S. Attorney for the Southern District of Florida. The case was investigated by the FBI and HHS-OIG, and 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 Southern District of Florida.

Since its inception in March 2007, the Medicare Fraud Strike Force operations in nine locations have charged more than 1,000 defendants and organizations that collectively have billed the Medicare program for more than \$2.3 billion. In addition, HHS's Centers for Medicare and Medicaid Services, working in conjunction with the HHS-OIG, are 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 .