Department of Justice

Robert M. Duncan, Jr.
United States Attorney
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Owensboro Man Pleads Guilty to Health Care Fraud Conspiracy

LEXINGTON, Ky. – Today, an Owensboro man admitted in federal court that he participated in a conspiracy to defraud health insurance programs of more than $1.3 million.

Dinesh Goyal, 60, pleaded guilty to one count of conspiracy to commit an offense against the United States, before United States District Judge Joseph Hood. Goyal owned a toxicology laboratory in Owensboro, Kentucky called Tristate Medical Laboratory ("Tristate"). His co-conspirators, Mason Routt and Sam Ford, owned or were affiliated with a Nicholasville, Kentucky toxicology lab known as C.A.L. Laboratory Services ("CAL"). Among other things, CAL provided urine drug testing services for physician clients. Beginning in late 2015, health care organizations who administer the Kentucky Medicaid program placed payment restrictions on CAL's claims seeking reimbursement for urine drug tests, due to concerns about the legitimacy of those claims. In October 2016, Goyal, Routt, and Ford agreed that urine drug tests referred to and performed by CAL would be billed to the health insurance programs using Tristate's billing information, falsely representing that the tests were performed by Tristate. In this way, CAL evaded the payment restrictions placed upon it by the insurers, and received reimbursements to which it was not entitled. In exchange for the use of his lab's billing information, Goyal agreed to receive 40% of these fraudulent reimbursements. In the plea agreement filed today, Goyal admitted that these fraudulent claims caused Humana Caresource, Aetna Coventry Cares, and Anthem Blue Cross & Blue Shield Medicaid to suffer a combined loss of $1,378,449.

Goyal was charged by way of information in the Eastern District of Kentucky, waiving his right to indictment by a federal grand jury. Sam Ford, one of his co-conspirators, pled guilty to the same offense in March 2019 and is scheduled to be

sentenced on August 12, 2019. Mason Routt, the owner of CAL and the other co-conspirator, passed away unexpectedly in August 2017.

In addition to his guilty plea, Goyal entered into a separate settlement agreement resolving his civil liability under the federal False Claims Act for the same misconduct. Pursuant to the False Claims Act settlement agreement, Goyal is obligated to sell personal and commercial property and remit 75% of the net sale proceeds to the United States, in addition to certain cash payment obligations. Goyal also agreed to be excluded from the Medicare and Kentucky Medicaid programs for a period of 10 years, meaning that he cannot own or work for any company that submits claims to those federal health insurance program.

Robert M. Duncan, Jr., United States Attorney for the Eastern District of Kentucky; James Robert Brown, Jr., Special Agent in Charge, Federal Bureau of Investigation, Louisville Field Office; and Derrick L. Jackson, Special Agent in Charge, Department of Health and Human Services, Office of Inspector General (HHS-OIG), Atlanta Field Office, jointly announced the guilty plea.

The investigation was conducted by the FBI and HHS-OIG. The U.S. Attorney's Office for the Eastern District of Kentucky was represented by Assistant U.S. Attorney Paul McCaffrey in the criminal case, and by Assistant U.S. Attorney Christine Corndorf in the parallel civil case.

Goyal is scheduled to be sentenced on October 15, 2019, in federal court in Lexington. He faces up to 5 years in prison and a maximum fine of $250,000, or twice the amount of loss caused by his crime, whichever is greater. However, any sentence will be imposed by the Court after consideration of the U.S. Sentencing Guidelines and the applicable federal statutes.

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