

JUSTICE NEWS

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Operators of Louisiana Home Health Company Convicted in \$17.1 Million Health Care Fraud Scheme

The owner and the director of nursing of a Louisiana home health agency were each convicted late Friday for conspiring to defraud Medicare of \$17.1 million announced Acting Assistant Attorney General Mythili Raman of the Justice Department's Criminal Division; U.S. Attorney Donald J. Cazayoux Jr. of the Middle District of Louisiana; Mike Fields, Special Agent in Charge of the U.S. Department of Health and Human Services Office of Inspector General (HHS-OIG) Dallas regional office; Michael Anderson, Special Agent in Charge of the FBI's New Orleans Division; and Louisiana State Attorney General James Buddy Caldwell.

After a six-day trial, Louis T. Age, Jr., 64, and Verna S. Age, 60, both of Slidell, La., were each convicted by a federal jury in the Middle District of Louisiana of one count of conspiracy to commit health care fraud. Louis Age was also convicted of one count of conspiracy to defraud the United States and to pay and receive illegal health care kickbacks. Verna Age was previously convicted in this case of one count of conspiracy to defraud the United States and to pay and receive illegal health care kickbacks.

Louis Age owned South Louisiana Home Health Care Inc. and operated this company along with his former wife, Verna Age, who served as the company's director of nursing. According to evidence presented at trial, Louis and Verna Age paid recruiters, including Mary L. Johnson, to obtain Medicare beneficiary information. The evidence showed that Louis Age hired and paid medical doctors, including Michael S. Hunter, to sign referrals and certifications for home health services that were not medically necessary. As a registered nurse and director of nursing for South Louisiana Home Health Care, Verna Age falsified and directed others to falsify certification evaluations and other forms to make it appear that the home health services were medically necessary.

Evidence at trial showed that South Louisiana Home Health Care fraudulently billed Medicare for home health care claims and was paid \$17.1 million between 2005 and 2011.

At trial, Ayanna Age Alvarez, who previously pleaded guilty in this case, testified that she was trained by her father, Louis Age, and her stepmother, Verna Age, to pay recruiters kickbacks to recruit beneficiaries, to falsify patient files and to pay doctors kickbacks for their signatures on home health certifications. Medicare beneficiaries testified that they did not need the services that South Louisiana Home Health Care billed to Medicare.

Age Alvarez, Johnson and Hunter have pleaded guilty in this case and await sentencing. Co-defendant Milton L. Womack, who was also charged in the August 2011 indictment, died in July 2012.

Sentencing dates for Louis and Verna Age have not yet been scheduled. The conspiracy to commit health care fraud count carries a maximum potential penalty of 10 years in prison and a \$250,000 fine, and the conspiracy to pay health care kickbacks carries a maximum penalty of five years in prison and a \$250,000 fine.

The case was prosecuted by Trial Attorneys David Maria and Abigail Taylor of the Criminal Division's Fraud Section, with assistance from Trial Attorney Arunabha Bhounik of the Criminal Division's Fraud Section. The case was investigated by the FBI, HHS-OIG and the Medicaid Fraud Control Unit of the Louisiana State Attorney General's Office. 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 Middle District of Louisiana.

Since its inception in March 2007, the Medicare Fraud Strike Force, now operating in nine cities across the country, has charged more than 1,480 defendants who have collectively billed the Medicare program for more than \$4.8 billion. In addition, HHS's Centers for Medicare and Medicaid Services, working in conjunction with 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.

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Criminal Division