

Horwitz was employed as a licensed pharmacist at the Medical Treatment Center located in Clifton. The fictitious claims were allegedly submitted based upon prescriptions that Horwitz admitted he forged. The eight Medicaid recipients were unaware of the fictitious prescriptions and fraudulent claims. The Medicaid recipients received no medicine, but the defendant billed Medicaid approximately \$35,012.

Horwitz pled guilty to an accusation that charged him with Medicaid fraud. The court sentenced him on April 28, 2005, to three years probation and ordered him to pay a \$35,012 civil fine.

State v. Michael Pacheco and Matthew Faenza

Michael Pacheco pled guilty to violating probation on January 10, 2005. The court sentenced him to 60 days in the Sheriff's Labor Assistance Program (SLAP). An investigation by OIFP's Medicaid Fraud Control Unit (MFCU) revealed that Pacheco continued to be employed by McDermott Pharmacy, located in Paterson, as a pharmacy technician after a Medicaid fraud conviction for submitting false claims to the Medicaid program. Such employment violated the terms of his probation.

Pacheco pled guilty to an accusation that charged him with Medicaid fraud. Pacheco admitted that with his assistance between January 1998 and July 1999, Matthew Faenza, a licensed pharmacist who owned and operated the pharmacy, falsely billed the Medicaid program for drugs never dispensed to Medicaid patients. The drug most commonly involved in the phony Medicaid transactions was Serostim, an expensive drug used to treat persons infected with HIV. Pacheco also admitted that he paid "runners" for prescriptions. Faenza then billed Medicaid for those prescriptions.

The court sentenced Pacheco to three years probation and it suspended him from participating in the Medicaid program for five years.

Based on the same scheme, Faenza pled guilty to an accusation that charged him with Health Care Claims Fraud. Faenza admitted falsely billing the Medicaid program for drugs to Medicaid patients. The court sentenced Faenza to three years state prison. He paid \$450,000 in restitution to the Medicaid program on the day of sentencing, and the court ordered him to pay a \$15,000 criminal fine. The court also ordered his pharmacy license suspended for one year, and it barred him from participating in the Medicaid program for five years.

State v. Genady Chulak

The court sentenced Genady Chulak on February 28, 2005, to seven years in state prison. The court also ordered him to pay \$944,629 in fines and restitution. Investigators from the Immigration and Naturalization Service arrested Chulak on December 30, 2004, when he attempted to enter the country from Canada. The court had issued a bench warrant after he failed to appear for his sentencing hearing in 2001.

A Middlesex County jury had found Chulak, an owner of GGE Impact Corporation t/a as Medical, guilty of theft by deception, corporate misconduct, and Medicaid fraud for defrauding the Medicaid program of approximately \$472,000. Following seven days of trial, the jury convicted Chulak of inflating the mileage charges for invalid coach transportation services provided to Medicaid patients. The Medicaid program pays transportation companies a set rate for mileage to transport patients to and from doctors' and other medical service providers' offices depending on the length of the trip, the number of people riding in the van, and other factors. The jury also convicted Chulak of paying kickbacks to Medicaid patients for choosing to utilize Medical's vans.

State v. Azam Khan, Shahid Khawaja, Milton Barasch, and Axat Jani

Azam Khan, Shahid Khawaja, Milton Barasch, and Axat Jani allegedly billed the Medicaid program approximately \$293,815 for medications either never dispensed or dispensed to persons using another person's Medicaid recipient number. Some bills were allegedly submitted to the Medicaid program for medications prescribed for Medicaid recipients who had died years before submission of the claims.

Jani pled guilty to Health Care Claims Fraud. The court sentenced him to four years in state prison and ordered him to pay a criminal fine of \$10,000. Jani's Medicaid program privileges were suspended for a period of five years and his medical license was suspended for one year.

Khawaja, the owner of S Brothers Pharmacy, pled guilty to money laundering. The court sentenced him on July 22, 2005, to five years in state prison and ordered him to pay \$235,984 in restitution.

Barasch, a licensed pharmacist, pled guilty to Health Care Claims Fraud. The court sen-

tenced him on December 23, 2005, to four years in state prison, suspended his Medicaid privileges for eight years, and suspended his pharmacist's license for one year.

Khan pled guilty to Health Care Claims Fraud. He is scheduled to be sentenced in 2006.

These matters will also be referred to the respective professional licensing boards for action as may be appropriate.

State v. Rammohan Pabbathi and Abdul Hameed Anayoor

The court sentenced Rammohan Pabbathi on July 8, 2005, to three years in state prison and ordered him to pay \$450,000 in restitution. Pabbathi pled guilty to an accusation that charged him with Health Care Claims Fraud. Pabbathi was the owner and operator of the GLV Parke Warner Pharmacy located in Neptune, New Jersey.

OIFP's MFCU received a tip that Pabbathi was paying kickbacks to Medicaid recipients. In order to investigate the allegation, MFCU investigators went undercover and posed as Medicaid recipients. They were paid cash by Pabbathi to refer other Medicaid patients to the pharmacy in violation of Medicaid anti-kickback laws. At the guilty plea hearing, Pabbathi admitted that he paid between \$20 and \$50 to Medicaid recipients in order to induce them to fill their prescriptions at the GLV Parke Warner Pharmacy.

Additionally, Pabbathi billed Medicaid for filling prescriptions that the pharmacy did not dispense. An undercover investigator from OIFP's MFCU posed as a Medicaid recipient and presented a prescription for an expensive HIV medicine. The undercover investigator was brought to the pharmacy after being solicited by another Medicaid recipient. The Medicaid recipient did not pick up her medication, but Pabbathi billed Medicaid as if he had properly dispensed the medication. The Medicaid program paid approximately \$1,130 for the medicine. The investigation developed evidence of other fraudulent Medicaid transactions.

As part of this investigation, the State also charged Abdul Hameed Anayoor, a registered pharmacist employed at GLV Parke Warner Pharmacy. Anayoor pled guilty to Medicaid fraud and the court sentenced him August 26, 2005, to two years probation, ordered him to pay a \$2,000 fine, and revoked his pharmacist's license. Anayoor admitted that on March 12, 2003, he offered to pay a kickback of \$50 to all new Medicaid recipi-

ents who had their prescription drugs filled at GLV Parke Warner Pharmacy. He also admitted that he offered to pay a \$20 kickback for all refilled prescriptions at GLV Parke Warner Pharmacy.

A Medicaid provider, such as a pharmacist or a doctor, who agrees to pay a Medicaid patient money or anything of value for medical services that the Medicaid provider can bill to the Medicaid program is in violation of the law. In this case, Anayoor offered the kickback money to an undercover OIFP investigator. The investigator posed as an HIV-positive Medicaid beneficiary who was seeking to have very expensive HIV drugs filled at GLV Parke Warner Pharmacy.

State v. Joanne Tricarico

The court sentenced Joanne Tricarico on July 7, 2005, to five years in state prison and ordered her to pay \$482,578 in restitution. Tricarico pled guilty to an accusation that charged her with official misconduct and theft by deception. Tricarico admitted that she was the Personnel Director for the Township of Bloomfield and was responsible for managing a publicly funded health insurance benefit account for Bloomfield Township employees. The benefit account was designed to reimburse Bloomfield Township employees for pharmacy costs to include prescription drugs.

Tricarico admitted that between January 17, 1997 and March 13, 2004, she wrongfully wrote numerous checks for her own benefit drawn on the Township of Bloomfield's pharmacy account. Tricarico admitted she attempted to cover up the theft by making fraudulent entries in the corresponding transaction journals used to record the withdrawals from the pharmacy reimbursement account.

Tricarico stole \$482,578 from the Township of Bloomfield's pharmacy reimbursement account. The investigation revealed that in 1997 Tricarico stole \$2,945; in 1998 she stole \$58,030; in 2000 she stole \$106,000; in 2001 she stole \$95,445; and between 2002 and 2004, she stole the balance of the \$482,578 theft.

At the time of her plea, Tricarico entered into a Consent Order for restitution and a Consent Order for permanent forfeiture of public office.

State v. Delphine Moore, Howard Beale, Kathryn McGlynn, and Jacob Cohen

Delphine Moore, the owner and operator of M and M Rest Home located Perrineville; Howard Beale, the owner and operator of the Chelsea Rest Homes located in Long Branch; and Kathryn McGlynn, the owner and operator of the Atlantic House, all located in Monmouth County, were admitted into the PTI Program in March 2005. Moore's admission into PTI was conditioned upon paying \$19,200 in restitution and paying a \$1,500 civil penalty. Beale's admission was conditioned upon his paying \$4,800 in restitution and paying a \$1,000 civil penalty. McGlynn's admission was conditioned upon her paying \$15,000 in restitution and paying a \$1,000 civil fine.

Moore, Beale, and McGlynn allegedly received kickbacks from the Belmar Home Town Pharmacy as an inducement to fill the medical prescriptions of the residents living in the residential health care facilities at that pharmacy. The prescriptions were billed to the Medicaid program. The alleged kickbacks took the form of cash and free-of-charge over-the-counter medications, which were also used by the residents of the facilities.

Jacob Cohen, owner of DeMonte Rest Home, pled guilty on December 5, 2005, to Medicaid fraud for receiving kickbacks. He is scheduled to be sentenced in 2006.

As part of OIFP's investigation into this matter, Michael Stavitski was previously indicted by a State Grand Jury. He pled guilty to Health Care Claims Fraud and was sentenced to seven years in state prison and ordered to pay approximately \$1.1 million in restitution and penalties.

Also, as part of the investigation, Stephen Poggioli pled guilty to Medicaid fraud and he was sentenced to three years probation.

State v. Mario Oliveira, Jr.

The court sentenced Mario Oliveira, Jr., on June 10, 2005, to four years probation, ordered him to pay \$19,902 in restitution, and debarred him from participating in the Medicaid program for a period of five years. Oliveira pled guilty on April 28, 2005, to an accusation that charged him with Medicaid fraud. Oliveira admitted that between January 2001 and January 2003, he falsely billed the Medicaid program in connection with eyeglasses. He admitted that he altered his expired optician's license to make it appear that it was valid and current. He used the altered

license to submit billings to the Medicaid program that would not have otherwise been paid. The State alleged that Oliveira billed the Medicaid program \$19,902 in connection with phony Medicaid claims for eyeglasses.

State v. Andrew Stoveken

The court sentenced Andrew Stoveken on July 15, 2005, to one year probation, and ordered him to pay \$3,000 in criminal restitution, \$126,000 civil restitution, and a \$7,000 criminal fine. Stoveken pled guilty to Health Care Claims Fraud. Stoveken admitted that between February 2001 and August 2003, he submitted false health care claims to the Medicaid program for 32 hearing aid batteries to Medicaid recipients in connection with hearing aids. Stoveken also admitted that he really provided only 16 batteries to Medicaid patients. Stoveken also admitted that he permitted a person who was not a Medicaid provider to bill the Medicaid program utilizing Stoveken's Medicaid provider number.

State v. Anthony Murphy

The court sentenced Anthony Murphy on September 9, 2005, to one year probation and ordered him to pay \$16,119 in restitution to the Medicaid program and \$9,474 to the Division of Taxation. Murphy pled guilty to an accusation charging him with Medicaid fraud and failure to pay income taxes. Murphy admitted that between May 30, 2001 and March 30, 2004, he wrongfully obtained health benefits from the Medicaid program. Murphy admitted that he applied for FamilyCare for himself, his wife, and his three children by falsely advising the Division of Medicaid Assistance and Health Services that he did not have health insurance by virtue of his employment and could otherwise not afford health coverage. He admitted that he falsely advised Medicaid that his income level qualified him to enroll in the FamilyCare program sponsored by Medicaid.

Murphy admitted that he is a self-employed contractor and the owner of A. Murphy Contracting and that income and profits he received from that business far exceeded the \$25,071 per year income limit necessary to qualify for FamilyCare.

State v. John Cardillo

John Cardillo pled guilty to Health Care Claims Fraud, and the court sentenced him on December 2, 2005, to three years probation and ordered him to pay a \$2,500 criminal fine. Cardillo admitted that between

May 1, 1999 and April 2003, he submitted false Medicaid cost reports to the Medicaid program. Cardillo was the Chief Financial Officer for Mt. Carmel Guild Hospital located at 1160 Raymond Boulevard, Newark. The Mt. Carmel Guild Hospital is associated with the Catholic Diocese of Newark.

The Medicaid program pays hospitals for health care services to Medicaid patients based on the number of Medicaid patients treated by the hospital. Typically, hospitals report the number of treated Medicaid patients over a given period of time to the Division of Medical Assistance and Health Services, which is the agency that administers the New Jersey Medicaid program. The Division of Medical Assistance and Health Services then reimburses the hospital for the health services from the Medicaid program. Cardillo, as Chief Financial Officer, submitted false cost reports to the Medicaid program in order to obtain more money from the Medicaid program for the Mt. Carmel Guild Hospital than the hospital was entitled to receive.

State v. Luz Senquiz

The court sentenced Luz Senquiz on May 27, 2005, to one year probation. Senquiz pled guilty to an accusation that charged her with Health Care Claims Fraud. Senquiz, who operated a psychological counseling center known as Latin American Community Services, admitted that between January 1, 2001 and June 1, 2001, she operated a psychological counseling practice for Medicaid and other patients. During the period of time charged, she admitted that even though she lacked the credentials to be a Medicaid provider, she provided psychological counseling to Medicaid patients for a variety of family, marital, and drug dependent psychological issues. Senquiz lacked the requisite Master's Degree in psychology or in a related discipline. She billed the Medicaid program approximately \$9,445 for psychological services.

Senquiz previously pled guilty for her role in a separate Medicaid psychotherapy scam at a different psychology practice known as Hispanic Counseling and Family Services in Camden. In that case, she pled guilty to Health Care Claims Fraud for her role in fraudulently billing the Medicaid program by claiming that patients were provided psychotherapy services for one hour when patients were provided psychotherapy services for less time.

State v. Roger H. Brown

The court sentenced Roger H. Brown on July 29, 2005, to three years in state prison and ordered him to pay a \$25,000 criminal fine. Brown's dental license was also suspended for a period of one year. Brown, a licensed dentist and the owner of Amwell Dental Associates, pled guilty to an accusation that charged him with Health Care Claims Fraud.

Brown admitted that between January 1993 and September 2004, he submitted false dental claims to the Medicaid program, Delta Dental, MetLife, Horizon Blue Cross Blue Shield, CIGNA Insurance, and Aetna Insurance. The false claims represented bills for dental services not rendered to patients. In other cases, Brown misrepresented the dates on which services were rendered; and he billed for providing Temporomandibular Joint Dysfunction (TMJ) Nightguards when he gave cosmetic teeth bleachings, which are cosmetic dental services generally not covered by private dental insurance.

The investigation revealed that he submitted approximately \$95,182 in false claims. Brown agreed to pay \$59,969 to the Medicaid program and \$35,213 to private insurance companies in restitution, and \$190,364 to the Medicaid program and the Department of Banking and Insurance in civil penalties.

State v. William J. Adamshick

William J. Adamshick pled guilty on November 28, 2005, to Health Care Claims Fraud. He is scheduled to be sentenced in early 2006. A State Grand Jury returned an indictment charging Adamshick with Health Care Claims Fraud and Medicaid fraud. The State alleged in the indictment that between May 15, 2000 and January 30, 2002, Adamshick, a pharmacist licensed in the State of New Jersey, submitted claims to the Medicaid program for a narcotic prescription drug known as Stadol.

Adamshick allegedly billed the Medicaid program for approximately 238 phony Stadol prescriptions. The State alleged that Adamshick wrongfully billed the Medicaid program in excess of \$20,000 for Stadol prescriptions that were never dispensed to patients.

State v. Anthony Panichella

The court sentenced Anthony Panichella on August 18, 2005, to five years probation and 90 days in the Camden County

Sheriff's Labor Assistance Program (SLAP). Panichella pled guilty to an accusation that charged him with the practice of medicine and surgery or podiatry by an unlicensed person. Panichella admitted that between January 1, 2004 and August 1, 2004, he prescribed medication for various patients for whom he was providing counseling services. As a licensed counselor, Panichella was able to counsel patients, but not prescribe medication. Panichella practiced as a licensed counselor and was owner/operator of Progressive Counseling Services in Audubon.

State v. Ojah Pharmacy, Alpha Bangoura, and Verona Boodram

A State Grand Jury returned an indictment against Ojah Pharmacy, its manager Verona Boodram, and the pharmacy technician Alpha Bangoura on July 14, 2005, charging them with Health Care Claims Fraud and Medicaid fraud. According to the indictment between June 1, 2002 and October 28, 2004, the defendants allegedly billed the Medicaid program for prescriptions that were not filled and dispensed to Medicaid patients. The State further alleges that certain Medicaid patients sold prescriptions for medicines, written by doctors for the patients, to the pharmacy so that the pharmacy could support the fraudulent Medicaid bills. The State also alleges that the Medicaid program was billed approximately \$57,000 for prescriptions not filled.

State v. Julio Anthony Munoz and TNT Medical Supply, Inc.

A State Grand Jury returned an indictment on October 5, 2005, that charged Julio Anthony Munoz and TNT Medical Supply, Inc., with Health Care Claims Fraud and Medicaid fraud. Munoz owned, operated, and controlled TNT. The State alleges that between January 2002 and August 2003, Munoz, a Medicaid provider, and his corporation falsely billed the Medicaid program for the most expensive surgical support stockings when the least expensive stocking was provided to the Medicaid patients. Surgical stockings are prescribed for patients for circulatory and related medical conditions. Surgical stockings may be billed in amounts ranging from \$24 to \$120.

The State alleges that Munoz falsely billed the Medicaid program approximately \$29,840.

State v. Dwayne Smith and Smith and Williams Transportation, Inc.

A State Grand Jury returned an indictment on October 28, 2005, that charged Dwayne Smith and his corporation, Smith and Williams Transportation, Inc., with Health Care Claims Fraud and Medicaid fraud. The State alleges that between March 21, 2003 and May 20, 2004, Smith, through Smith and Williams Transportation, Inc., fraudulently billed the Medicaid program for transportation services in connection with medical treatments of Medicaid patients. The Medicaid program provides transportation to and from doctors' offices, hospitals, and other medical providers. In total, The State alleges that Smith falsely billed the Medicaid program approximately \$12,600.

State v. Darryl Fisher

The court sentenced Darryl Fisher on December 23, 2005, to one year probation and ordered him to pay a \$500 criminal fine. Fisher pled guilty to an accusation that charged him with forgery. Fisher admitted that between October 1, 2003 and November 31, 2003, he practiced as a physician's assistant without being properly licensed. Fisher was on staff at Wound Healing Associates (WHA), a Medicaid provider, which contracted with nursing homes to treat nursing home residents and patients for wounds to include bed sores and similar wounds. WHA operated in Camden County and the surrounding area. Following an effort by WHA to verify that Fisher was properly licensed, it was discovered that his physician assistant's license had been forged. The matter was referred to OIFP's MFCU for follow up investigation.

PATIENT AND ELDER ABUSE

State v. Chanel McRae

The court sentenced Chanel McRae on October 28, 2005, to five years probation. McRae pled guilty to aggravated assault. An Atlantic County Grand Jury returned an indictment that charged McRae with aggravated assault. The State alleged that on April 10, 2004, McRae, a Certified Nurse Assistant, assaulted a patient at the Absecon Manor Long Term Care and Rehabilitation Center.

State v. Donald Beckett

A Sussex County Grand Jury returned an indictment on May 5, 2005, that charged Donald Beckett with aggravated assault. Ac-

ording to the indictment, on October 11, 2003, Becket was employed at the Andover Subacute and Rehabilitation Center, Inc., located in Andover, Sussex County. The Center employed Beckett as a Certified Nurse Assistant. The State alleges that Becket committed an assault on an elderly resident of the Andover Rehabilitation Center. Beckett is scheduled for trial in 2006.

State v. Russell P. Smith, III

A Mercer County Grand Jury returned an indictment on September 30, 2005, that charged Russell P. Smith, III, with aggravated assault and aggravated criminal sexual contact. According to the indictment, on July 1, 2004 and August 13, 2004, Smith, a Licensed Practical Nurse in New Jersey, allegedly assaulted various residents of the Royal Healthgate Nursing and Rehabilitation Center located in Trenton. The State alleges that Smith committed an aggravated assault on four patients. The State also alleges that Smith committed an aggravated sexual assault on one of those patients. The alleged victims were patients in residence at the Royal Healthgate Nursing and Rehabilitation Center and are between 73 and 87 years old.