

Department of Justice

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LICENCED CLINICAL SOCIAL WORKER SENTENCED TO JAIL FOR FRAUDULENT BILLING SCHEME

BUFFALO, N.Y., Rhonn Gilchrist, 59, of Tonawanda, New York, who was convicted of health care fraud on February 20, 2008, was sentenced to 12 months in jail by U.S. District Judge William M. Skretny, U.S. Attorney Terrance P. Flynn of the Western District of New York announced today.

Assistant U.S. Attorney John E. Rogowski, who handled the case, stated that the defendant had been convicted of defrauding health care insurance companies resulting from his submission of fraudulent claim forms seeking payments for treatment he never provided to patients. In addition, the defendant, whose patients included individuals covered under the New York Workers' Compensation Program and/or the New York State No-fault automobile insurance law, engaged in a practice known as double billing, that is, billing two insurance companies for the full amount of a treatment provided to the individual. While a health care provider may bill two insurance companies for the same treatment, the provider must disclose that fact and re-pay any amount received over 100% of the cost of the service. The defendant did not disclose the double billing and kept the over-payments. The defendant, who had an office on Niagara Falls Boulevard, Tonawanda, New York, carried out his scheme to defraud from 2002 through 2007, and as a result, received \$102,000 in payments which he had not earned.

In addition to the sentence of imprisonment, Judge Skretny fined the defendant \$3,000, and ordered him to make restitution to the various insurance companies. As part of the criminal case, the defendant agreed to a criminal forfeiture of \$90,000 in cash and a condominium in Sarasota, Florida, valued at approximately \$400,000, which he purchased, in part, using the proceeds from his criminal activity.

The conviction was the culmination of an investigation on the part of the Western New York Health Care Fraud Task Force consisting of agents from the Federal Bureau of Investigation, United States Department of Health and Human Services - Office of Inspector General, United States Postal Service - Office of Inspector General, United States Department of Defense - Criminal Investigation Service, the United States Food and Drug Administration - Office of Criminal Investigation, the United States Department of Labor - Office of Inspector General, and the New York State Insurance Fraud Bureau.