

ATLANTA CHIROPRACTORS INDICTED FOR HEALTH CARE FRAUD

WellnessOne Allegedly Billed Insurers Over \$11 Million for Fraudulent Services

Atlanta, GA - ANDREW L. SOKOL, 41, and JULIE B. WEISBERG, 35, both of Marietta, Georgia, were arraigned today on felony charges of fraudulently submitting millions of dollars of insurance claims to Blue Cross Blue Shield and other private insurers for physical therapy services that were not actually provided.

Acting United States Attorney Sally Quillian Yates said, "These defendants allegedly billed Blue Cross Blue Shield and other private insurers over \$11 million for physical therapy services they did not provide, when in fact they were providing massages, personal training, and chiropractic adjustments to their patients. Health care fraud ultimately affects everyone, in higher premiums and higher service costs, and we will vigorously prosecute those who abuse the system."

Atlanta FBI Special Agent in Charge Gregory Jones said of the case, "Health care providers who abuse their positions by filing fraudulent insurance claims for personal financial gain are a very real problem to the health care industry itself. Loss amounts in these criminal fraud cases often demonstrate a level of greed that is hard to comprehend. The FBI will continue to work with its law enforcement partners as well as industry experts in combating health care fraud."

"IRS Criminal Investigation continues to be actively involved in deterring Health Care Fraud, in conjunction with the Law Enforcement," said Reginael D. McDaniel, Special Agent in Charge. "CIs role is to follow the money trail from the initial criminal act to the perpetrator who received the financial benefit."

According to Acting United States Attorney Yates, the charges and other information presented in court, SOKOL is a licensed chiropractor who owned and operated "WellnessOne" chiropractic clinics in Marietta, Buckhead, Duluth, Vinings, and other locations in metro Atlanta. WEISBERG is also a licensed chiropractor, married to SOKOL, and was a partner in WellnessOne of Marietta, the most profitable of the clinics.

WellnessOne allegedly offered massage, personal training, and chiropractic services to its patients, but the indictment alleges these services were fraudulently billed to insurance companies as physical therapy. SOKOL and WEISBERG allegedly targeted MBNA and Bank of America employees because the Blue Cross Blue Shield policies covering those employees provided generous chiropractic and physical therapy insurance benefits. To attract these "patients" to WellnessOne clinics, SOKOL and WEISBERG designed and implemented frequent promotions, giving bank employees who came in for a massage or chiropractic adjustment gifts cards in the amount of \$50, \$25, or \$10, and restaurant and free gasoline cards; raffle tickets offering the chance to win BMW and Hummer leases or \$5,000; frozen turkeys and pies at Thanksgiving and Christmas; gift bags containing supplements, vitamins, lumbar and cervical pillows, and

weight loss patches; and free catered lunches in the clinics. SOKOL and WEISBERG also waived these patient' co-payments and deductibles, resulting in the patients being compensated with gift cards and other items of value while paying nothing for the massages and chiropractic adjustments they received at WellnessOne.

From January 2005 through September 2007, SOKOL and WEISBERG allegedly employed licensed medical doctors and physical therapists in order to bill massage as physical therapy, even though these licensed providers never saw the majority of patients and massage therapists were actually giving the massages. Several medical providers quit when they realized WellnessOne was billing insurers under their names for services they did not perform. In addition to using false provider names and billing codes, SOKOL allegedly directed that services be billed on different days and under different tax identification numbers to conceal the fraud from insurers.

Beginning in 2006, SOKOL and WEISBERG allegedly permitted patients to visit a local gym in the Atlanta area and then fraudulently billed those gym visits to insurers as physical therapy. When that arrangement ended, SOKOL allegedly had small gyms built in the WellnessOne clinics and fraudulently billed personal training sessions to insurers as physical therapy.

The indictment also alleges SOKOL and WEISBERG set quotas for employees and pressured the medical doctors on staff to order unnecessary tests and procedures, so that insurers could be billed more. SOKOL and WEISBERG allegedly had receptionists ask patients to sit in "wobble chairs" and lay on "hydro beds" for a few minutes before their massages and chiropractic adjustments, so that insurers could also be billed for these "therapies," and had them automatically fit patients for two sets of shoe orthotics that were billed to insurers. The indictment alleges that as a result of the conspiracy and scheme to defraud, the defendants caused the submission of over \$11 million in fraudulent insurance claims for physical therapy procedures to Blue Cross Blue Shield and other private insurers.

SOKOL and WEISBERG were indicted by a federal grand jury on October 6, 2009. The indictment charges SOKOL with one count of conspiracy, 53 counts of health care fraud, 3 counts of mail fraud, and 5 counts of money laundering. The indictment charges WEISBERG with one count of conspiracy, 24 counts of health care fraud, and 3 counts of mail fraud. The indictment also includes a forfeiture provision.

The conspiracy charge carries a maximum sentence of 10 years in prison, the health care fraud counts each carry a maximum of 10 years in prison, the mail fraud counts each carry a maximum of 20 years in prison, and the money laundering counts each carry a maximum of 10 years in prison. Each conspiracy, health care fraud, and mail fraud count carries a maximum fine of up to \$250,000. Each money laundering count carries a maximum fine of up to \$250,000 or, in the alternative, a fine of up to twice the amount of criminally derived property involved in the transaction. A forfeiture provision in the indictment seeks any and all ill-gotten gains from the alleged scheme, including a personal property at 3306 Hadleigh Court, in Marietta, Georgia.

Members of the public are reminded that the indictment only contains charges. The defendants are presumed innocent of the charges and it will be the government's burden to prove the defendants' guilt beyond a reasonable doubt at trial.

This case is being investigated by Special Agents of the Federal Bureau of Investigation and the Internal Revenue Service, Criminal Investigation Division, and Postal Inspectors with the United States Postal Inspection Service.

Assistant United States Attorneys Glenn D. Baker, Stephen H. McClain, and Michael J. Brown are prosecuting the case.

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ATLANTA, GA. [6-28-2011] ANDREW L. SOKOL, 43, of Marietta, Georgia, was sentenced today by Chief United States District Judge Julie E. Carnes to federal prison on charges of conspiracy to commit health care fraud by fraudulently submitting millions of dollars of insurance claims to Blue Cross Blue Shield and other private insurers for physical therapy services that were not actually provided.

United States Attorney Sally Quillian Yates said, We are all painfully aware of skyrocketing health costs, and when pain is left untreated, the public should not have to cover a phony bill. This defendant received over \$6.5 million in payments from Blue Cross Blue Shield and other private insurers after billing them for physical therapy services he did not provide. Frauds like these ultimately affect everyone - individuals, families, and communities - in higher premiums and higher service costs. The prison sentence imposed today shows that health care fraud is a serious crime.

Brian D. Lamkin, Special Agent in Charge, FBI Atlanta, said, "The FBI continues to dedicate vast investigative resources to its health care and medicare fraud programs primarily because of the high loss amounts to the U.S. Government that these cases can bring. Individuals such as Mr. Sokol, that were otherwise trusted individuals within the medical community, abandon that trust for a level of personal greed that cannot be understood and will not be tolerated."

IRS-Criminal Investigation Special Agent in Charge Reginael McDaniel said, "Our system of health care is founded on the trust in our health care professionals and the outstanding services they provide. The system was not designed for a few rogue individuals who choose to place personal profit ahead of that trust."

"This defendant's criminal activity will eventually be felt by all of the American public. He not only took advantage of the health care system, but the honest people that do right by the system. Today's sentence will give the defendant plenty of time to think about the consequences of his actions." said Martin D. Phanco, U.S. Postal Inspector in Charge

of the Atlanta Division.

SOKOL was sentenced to four years, 9 months in prison to be followed by three years of supervised release, and was ordered to pay restitution in the amount of \$6,599,456. SOKOL was convicted of these charges on October 21, 2010, after his plea of guilty.

According to United States Attorney Yates, the charges and other information presented in court: SOKOL was a licensed chiropractor who owned and operated "WellnessOne" chiropractic clinics in Marietta, Buckhead, Duluth, Vinings, and other locations throughout metro Atlanta.

WellnessOne offered massage, personal training, and chiropractic services to its patients, but fraudulently billed these services to insurance companies as physical therapy. SOKOL targeted MBNA and Bank of America employees because the Blue Cross Blue Shield policies covering those employees provided generous chiropractic and physical therapy insurance benefits. To attract these "patients" to WellnessOne clinics, SOKOL designed frequent promotions, giving bank employees who came in for a massage or chiropractic adjustment gift cards in the amount of \$50, \$25, or \$10, and restaurant and free gasoline cards; raffle tickets offering the chance to win BMW and Hummer leases or \$5,000; frozen turkeys and pies at Thanksgiving and Christmas; gift bags containing supplements, vitamins, lumbar and cervical pillows, and weight loss patches; and free catered lunches in the clinics.

SOKOL implemented other mass-marketing techniques to further his scheme, such as a billboard on I-75, a major interstate, that advertised his clinics, and direct mailings to the public indicating that patients could receive massages and have their insurance pay for it. SOKOL also routinely waived patients' co-payments and deductibles, resulting in the patients being compensated-with gift cards and other items of value-while paying nothing for the massages and chiropractic adjustments they received at WellnessOne.

The evidence showed that from January 2005 through September 2007, SOKOL employed licensed medical doctors and physical therapists in order to bill a massage as physical therapy, even though these licensed providers never saw the majority of patients. Instead, massage therapists actually gave the massages. Several medical providers quit when they realized WellnessOne was billing insurers under their names for services they did not perform. In addition to using false provider names and billing codes, SOKOL directed that services be billed on different days and under different tax identification numbers to conceal the fraud from insurers.

Beginning in 2006, SOKOL permitted patients to visit a local gym in the Atlanta area and then fraudulently billed those gym visits to insurers as physical therapy. When that arrangement ended, SOKOL had small gyms built in the WellnessOne clinics and fraudulently billed personal training sessions to insurers as physical therapy.