



NEWS RELEASE

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THREE NEW DEFENDANTS INDICTED FOR HEALTH CARE FRAUD AT MEDCLINIC

KANSAS CITY, Mo. – Todd P. Graves, United States Attorney for the Western District of Missouri, announced that three new defendants were indicted by a federal grand jury today for defrauding the Medicare program of money.

Mark Allbert Tighe, 38, of St. Joseph, **Raghavendra B. Adiga**, 44, of St. Joseph, **Juanito L. Villahermosa**, 72, of Savannah, Mo., and **Joseph H. Nadeau**, 41, of Davenport, Wash., were charged in a second superseding indictment returned by a federal grand jury meeting today in Kansas City.

Today's second superseding indictment replaces a superseding indictment filed on Nov. 7, 2002, which replaced an original indictment filed on Oct. 1, 2002. **Tighe** was the only defendant named in the original and superseding indictments.

"The federal indictment alleges that the co-defendants, all former or current employees of MedClinic, a health clinic with offices in and around St. Joseph, knowingly devised a scheme to defraud the Medicare program of money," Graves said.

Tighe worked as MedClinic's administrator and vice president from at least January 1997 through June 2001. **Adiga** and **Villahermosa** both worked as medical doctors at MedClinic in Savannah, Mo., and **Nadeau** was employed as a physician's assistant at MedClinic in Savannah.

The new indictment alleges that beginning no later than January 1998, and continuing until at least January 2001, the defendants devised a scheme to defraud Medicare.

As part of the scheme, the new indictment alleges, one or more of the defendants caused the submission of false claims and false billings to Medicare with respect to x-ray examinations and medically unnecessary office visits to MedClinic's office in Savannah.

It was further part of the scheme, according to the new indictment, that one or more of the defendants allegedly caused the submission of false and misleading information to Medicare for the purpose of concealing and preventing detection of the scheme.

"The indictment alleges that the defendants were reporting various patient visits as medically necessary office visits in order to receive reimbursement from Medicare, when, in fact, the patients' visits were not medically necessary and therefore did not fall under Medicare's coverage," Graves said.

According to the indictment, an on-site audit of MedClinic's rural health clinic in Savannah in September 2000, revealed that of 100 randomly selected patients with Medicare medical claims, 10 did not have records on file at MedClinic and two claims were determined to be duplicate submissions. Upon review of the remaining 88 claims, the indictment says, almost none contained documentation to support the patients' office visits, which were billed to Medicare. The on-site visit concluded that for these 100 office visits claims in the year 1998 alone, MedClinic had been overpaid by Medicare in an amount exceeding \$37,000. In August 2002, MedClinic agreed to pay \$445,853 in a civil settlement related to the fraud scheme charged in the new indictment.

The federal indictment also alleges that MedClinic submitted false and fraudulent x-ray claims on several occasions to Medicare. Co-defendant **Tighe** was informed of the improper manner in which MedClinic was billing Medicare for x-rays, but it was not until January 2001 that **Tighe** finally directed a change in the manner in which MedClinic billed Medicare for x-ray services, the indictment states.

The indictment also alleges that MedClinic acted with fraudulent intent when it improperly submitted quarterly Medicare Credit Balance Report Certifications to Medicare. The reports allow health care providers like MedClinic opportunities to voluntarily report any instances they received money from Medicare which the provider was not entitled to receive. **Tighe** was the person at Medclinic responsible for submitting Medicare Credit Balance Reports.

Graves cautioned that the charges contained in the indictment are simply accusations, and not evidence of guilt. Evidence supporting the charges must be presented to a federal trial jury, whose duty is to determine guilt or innocence.

The case is being prosecuted by Assistant U.S. Attorney Gene Porter. It was investigated by the U.S. Department of Health and Human Services' Office of the Inspector General.

This news release, as well as additional information about the office of the United States

Attorney for the Western District of Missouri, is available on-line at
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