



U.S. Department of Justice

United States Attorney
Northern District of Texas

*1100 Commerce St., 3rd Fl.
Dallas, Texas 75242-1699*

*Telephone (214)659-8600
Fax (214)767-2898*

FOR IMMEDIATE RELEASE
CONTACT: 214/659-8600

DALLAS, TEXAS
AUGUST 8, 2005

**LOCAL HEALTH CARE PROVIDER
ALPHA TREATMENT CENTERS, INC.,
D/B/A TEXAS DURABLE MEDICAL EQUIPMENT
AND TWO FORMER EMPLOYEES CHARGED IN
27-COUNT FEDERAL INDICTMENT**

United States Attorney Richard B. Roper announced that a federal grand jury in Dallas returned a 27-count indictment charging a Dallas area medical business named Alpha Treatment Centers, Inc., d/b/a Texas Durable Medical Equipment (Alpha) and two of its employees, Andrew Hillman and Jason White, each with one count of Conspiracy to Commit Mail Fraud and Health Care Fraud and 26 counts of Health Care Fraud. If convicted on all counts, each defendant faces a maximum statutory sentence of 265 years imprisonment, millions of dollars in fines and restitution. Counsel for defendants Andrew Hillman, age 29, and Jason White, age 28, have advised federal authorities that they will surrender within the week.

According to the indictment, Hillman, White and Alpha conspired with each other and others to defraud health care benefit programs by submitting false and fraudulent reimbursement claims to state and federal workers' compensation insurance carriers. The indictment alleges that, as part of the conspiracy, many of the claims Alpha and its related companies submitted to workers' compensation insurance carriers were fraudulent in that (1) the durable medical equipment/supplies had not been ordered/prescribed by the injured worker's physician; (2) the durable medical equipment was not medically necessary/beneficial to the injured worker; and (3) the durable medical equipment was not actually furnished in many cases to the injured worker.

The indictment further alleges that Alpha employees, including Hillman and White, were aware that many of the claims Alpha submitted contained these false and fraudulent representations and gave the materially false and misleading impression that a treating

physician had approved and prescribed the supplies and equipment for which reimbursement was sought when that was not in fact the case.

In a related case, defendant Brenda S. Saldana, also a former employee of Alpha, has already pled guilty to one count of Health Care Fraud and is scheduled to be sentenced September 15, 2005. As part of her guilty plea, Saldana admitted she worked as a field marketing representative for Alpha, calling on doctors and attempting to interest them in prescribing durable medical equipment offered by Alpha/Texas DME for their patients. Saldana admitted that from January 2000 through May 2003, she and others submitted claims to workers' compensation insurance carriers that were false and fraudulent in the same manner as alleged in the indictment against Alpha, Hillman and White.

Saldana admitted that in the summer of 2000, she made several visits to Dr. Jonathan Blau, a personal injury doctor in Tyler, Texas, and during those visits, she and others obtained information from Dr. Blau's files regarding his patients, their medical conditions, and their insurance carriers. Saldana admitted that she either stamped, or convinced an employee of Dr. Blau to stamp, his signature on blank order forms for durable medical equipment. She then took these blank forms back to the Alpha office in Irving, Texas, where she and other Alpha employees photocopied the forms, wrote in the names of patients and circled various items of durable medical equipment on the photocopied forms, thus giving the false impression that Dr. Blau had approved and authorized the equipment orders for these patients. Alpha employees then submitted these forged prescriptions to the workers' compensation insurance carriers along with a claim for reimbursement, falsely claiming that the durable medical equipment had been ordered and approved by Dr. Blau.

The indictment charging Andrew Hillman also alleges that in December 1999, Hillman visited Dr. Blau's office and gave money to one of Dr. Blau's employees in exchange for that employee having provided information to Alpha employees about Dr. Blau's patients.

An indictment is an accusation by a grand jury and a defendant is entitled to the presumption of innocence unless proven guilty.

United States Attorney Roper praised the efforts of the lead investigative agency, the U.S. Postal Service/Office of the Inspector General as well as the U.S. Department of Labor/Office of the Inspector General, the Texas Workers' Compensation Commission, the Texas Mutual Insurance Company and the U.S. Postal Inspection Service. The case is being prosecuted by Assistant United States Attorney Phillip C. Umphres.