



Department of Justice

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SALEM WOMAN CHARGED IN HEALTH CARE FRAUD SCHEME

PRESS RELEASE

Timothy M. Morrison, United States Attorney for the Southern District of Indiana, announced that TERESA JO HEDRICK, Salem, Indiana, was charged last Friday with a \$780,000 health care fraud, following an investigation by the Health and Human Services Inspector General, the FBI, and the Indiana Attorney General Medicaid Fraud Control Unit.

The information alleges that HEDRICK was responsible for the bookkeeping of HTS, a transportation services business, also providing medical transportation for Indiana Medicaid recipients, in and around the Salem, Indiana area. Among HEDRICK's duties for HTS was submitting claims for services to Medicaid. From January 2005 through February 2008, HEDRICK submitted claims to Indiana Medicaid for transportation of Medicaid recipients to and from medical appointments as if the recipients were in wheelchairs (non-ambulatory), when in fact they were able to walk (ambulatory), and also that she inflated the mileage the Medicaid recipients were being transported, all resulting in a loss to the Indiana Medicaid program of \$780,000.

According to Assistant U. S. Attorney Winfield D. Ong, who is prosecuting the case for the government, HEDRICK faces a maximum possible prison sentence of 10 years and a maximum possible fine of \$250,000. An initial hearing will be scheduled for a before a U.S. Magistrate Judge in New Albany, Indiana.

The information is an allegation only, and the defendant is presumed innocent unless and until proven guilty at trial or by guilty plea.

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