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Former Maine Chiropractor Sentenced to Prison for Health Care Fraud and Tax Fraud

Paula Silsby, United States Attorney for the District of Maine, announced that yesterday U.S. District Judge D. Brock Hornby sentenced Steven P. Amato, age 53, of Yorkville, California, and formerly of Bremen, Maine, to two years in prison for health care fraud and tax fraud. Amato pled guilty on June 27, 2008 to one count of health care fraud and three counts of federal income tax evasion for the years 2001, 2002 and 2003. Until 2005, Amato was a chiropractor practicing in Damariscotta, doing business as the Center for Alternative Healing. Amato was also sentenced to serve a three-year term of supervised release following his prison term, and ordered to pay a fine of \$10,000 and restitution to insurance companies totaling \$100,041. According to court documents, the defendant previously paid more than \$700,000 to the Internal Revenue Service for his back taxes, interest and penalties.

U.S. Attorney Silsby stated that, according to court records, Amato committed health care fraud during the years 2000 to 2004 by submitting fraudulent claims to insurance companies that billed for services he did not actually render to his patients. Many of these false claims exaggerated the amount of time that Amato spent with his patients performing therapeutic procedures or conducting physical performance tests or measurements. Amato also submitted false claims that billed insurance companies for patient visits that never occurred. The false claims caused losses to insurance companies that totaled approximately \$100,441.

Court records also stated that Amato committed tax evasion by hiding a substantial amount of business receipts in a bank account that he opened at the Chase Manhattan Bank in New York which he failed to disclose to his return preparers. He then filed income tax returns that underreported taxable income by \$193,096 for 2000, 165,362 for 2001, \$241,146 for 2002 and \$241,968 for 2003. His total tax loss for these years was approximately \$319,675.

U.S. Attorney Silsby stated, "this sentence sends a strong message to the medical community that defrauding insurance companies is a serious offense that has serious consequences." She also stated that a two-year sentence should also promote compliance with the tax laws and serve to deter those in the community who may be thinking about committing tax fraud.

The U.S. Attorney also praised the cooperative efforts of the case agents who investigated this matter, including special agents or investigators from the Federal Bureau of Investigation, the Internal Revenue Service, the U.S. Department of Labor, the U.S. Office of Personnel Management and the U.S. Attorney's Office.

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