

The United States Attorney's Office

Southern District of Florida

Press Release

HEALTH CARE FRAUD MONEY LAUNDERER FOUND GUILTY BY JURY ALL OTHER DEFENDANTS IN LARGE CONSPIRACY HAVE PLEAD GUILTY

September 26, 2007

FOR IMMEDIATE RELEASE

R. Alexander Acosta, United States Attorney for the Southern District of Florida, and Jonathan I. Solomon, Special Agent in Charge, Federal Bureau of Investigation, Miami Field Office, announced today that on September 25, 2007, defendant, **Leonel Galdos, Jr.**, 28, was found guilty by a Miami jury after a four day jury trial of money laundering and perjury, violations of Title 18 U.S.C. Sections 1956(h), 1956(A)(1)(B)(I) and 1623(a). After the verdict was rendered, United States District Court Judge Jose E. Martinez remanded Galdos to the custody of the United States Marshal and set a sentencing date of December 7, 2007. The defendant faces a possible maximum term of imprisonment of twenty years.

Galdos is the last of twelve defendants to be convicted in connection with huge \$6.4 million dollar health care fraud and money laundering operation that centered around several durable medical equipment companies and HIV infusion clinics operated by co-defendant and ringleader, **Raul Rodriguez**, 34, during 2004 and 2005.

In the fraud scheme, Rodriguez laundered large sums of the health care fraud proceeds through a series of shell corporations set up for the sole purpose of concealing his illicit fraud. Galdos was the owner of one of the shell companies and also recruited other individuals to act as the fake owners of another shell company and a fraudulent medical clinic. Back in December 2005, a Miami Federal grand jury subpoenaed Galdos to testify about his involvement with the money laundering scheme. The jury found Galdos testified falsely that he had never even heard of the shell company when. The government produced evidence at trial that he had actually incorporated the very company he had testified he was unfamiliar with, with the State of Florida.

On August 31, 2007, Rodriguez pled guilty to four separate counts of an April 2007 indictment that included charges of health care fraud, money laundering and a conspiracy to obstruct the investigations being conducted by the Miami Field Office of the Federal Bureau of Investigation and a Miami Federal Grand Jury. Rodriguez now faces a maximum statutory sentence of up to twenty years of imprisonment and more than \$12,800,000 in potential fines. Rodriguez agreed to a \$5,700,000 money judgement and to forfeit a bank account, cash and a \$100,000 Land Rover and is scheduled to be sentenced by Judge Martinez on November 30, 2007.

Co-defendants **Armando Arias, Carlos Enrique Monteagudo, Alain Rhaf Vega, Marisol Gonzalez-Torres, William Balladares, Edith Balog, Yulen Arderi** and **Jannette Morales**, also pled guilty to related health care fraud and money laundering charges in August of this year.

The defendants were all charged in connection with a systematic scheme to defraud the Medicare program. **Rodriguez, Arias, Monteagudo, Vega, Gonzalez-Torres** and **Balog** admitted participating in the underlying health care fraud conspiracy in violation of 18 U.S.C. §§ 1349, 1347. Rodriguez and his co-conspirators submitted more than \$12.5 million in false and fraudulent claims for medical equipment, expensive HIV treatments, and related medications.

In 2005, the group operated an HIV clinic known as Coral Way Professional Health Services, Inc. and recruited and then paid the patients to attend the clinic. In furtherance of the scheme and in an effort to maximize their profits, Rodriguez and Gonzalez-Torres conspired to inject patients with saline solution from recycled medication bottles instead of prescribed HIV medications.

Rodriguez and Arias also pled guilty to a conspiracy charge involving the obstruction of investigations by the Federal Bureau of Investigation and a Federal Grand Jury into the health care fraud schemes. Rodriguez and Arias, with other defendants, conspired to obstruct the investigation of the