



# Department of Justice

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FOR IMMEDIATE RELEASE  
Wednesday, April 22, 2009  
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## **INDIANA MAN SENTENCED FOR MEDICAID FRAUD**

### PRESS RELEASE

Timothy M. Morrison, United States Attorney for the Southern District of Indiana, and Greg Zoeller, Indiana Attorney General, announced that DENNIS LENNARTZ, 55, Anderson, Indiana, was sentenced to 43 months imprisonment today by U.S. District Judge William T. Lawrence following his guilty plea to medicaid fraud. This case was the result of a six month investigation by the Health and Human Services Administration, Office of Inspector General, and the Federal Bureau of Investigation.

From August of 2006 through December of 2008, LENNARTZ, submitted false and misleading representations regarding transportation services he or his agents had purportedly provided to Medicaid patients of approximately \$964,852.59. The investigation of LENNARTZ revealed a variety of schemes to defraud Medicaid. For example LENNARTZ was billing Medicaid for transporting patients receiving radiation treatments claiming that the distance was 300 miles per trip when, in fact, the trip was 31 miles. LENNARTZ also billed Medicaid for transporting a patient for rehabilitation claiming the distance was 220 miles when, in fact, it was only 33 miles. Another medicaid recipient LENNARTZ transported to Riley Hospital once a month resulted in Medicaid being billed for mileage claims 42 times in a period of three months.

"As this sentencing demonstrates yet again, those who would defraud taxpayers by preying on government health care programs can expect the scales of justice to weigh heavily against them," said Lamont Pugh III, Special Agent in Charge for the Chicago region of the U.S. Department of Health and Human Services Office of Inspector General which oversees the State of Indiana.

"This case was a joint effort by our state investigators and attorneys of the Indiana Medicaid Fraud Control Unit of the Office of the Attorney General and by the federal government. I want to commend all involved for their hard work in unraveling this scheme to drain funds away from legitimate Medicaid purposes," Indiana Attorney General Greg Zoeller

said. "At a time when every public dollar is precious, we are sending a strong message that overbilling is an affront to the taxpayers and will be dealt with seriously."

Indiana Medicaid pays for the transportation services of its beneficiaries to and from Medicaid covered services. Transportation providers who bill for services to Indiana Medicaid must first undergo an enrollment process, agree to abide by the program's rules and regulations, and then become approved providers. These approved providers receive provider manuals which detail the Indiana Medicaid Program's rules and regulations as well as provide instruction on how to appropriately bill for services. These providers also receive periodic regulation "bulletins" from the Indiana Medicaid Program which are designed to remind providers of existing regulations or inform them of any changes.

Non-emergency transportation services are generally billed as either a Commercial / Common Ambulatory Service (CAS) or as a Non-Ambulatory Service (NAS). Indiana Medicaid regulations state that CAS services are to be billed when beneficiaries are ambulatory. That is, they are able to walk. This service is billed under a particular procedure code and providers are paid \$10.00 for each one-way transport. However, in addition to billing this code, CAS providers can bill separately for mileage, as well as waiting time, and receive additional reimbursement. Mileage is reimbursed based on the amount of "loaded miles" which are the miles driven when the patient is in the transportation vehicle.

FBI Indianapolis Special Agent in Charge Michael S. Welch said, "The FBI is addressing Health Care Fraud through investigations just like this one. We will continue to work with partnering law enforcement agencies to ensure that we are safeguarding taxpayers' money."

According to Assistant U.S. Attorney Bradley P. Shepard who prosecuted the case for the government, Judge Lawrence also imposed three years supervised release following LENNARTZ's release from imprisonment.

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