

Department of Justice

U.S. Attorney's Office

Eastern District of Pennsylvania

FOR IMMEDIATE RELEASE

Wednesday, September 30, 2020

U.S. Attorney McSwain Announces Charges Against Delaware County Doctor and Medical Office Manager as Part of Nationwide Health Care Fraud Takedown

PHILADELPHIA – United States Attorney William M. McSwain announced that three individuals have been charged in the Eastern District of Pennsylvania in connection with a nationwide health care fraud takedown that charged 345 defendants across 51 federal districts, including more than 100 doctors, nurses and other licensed medical professionals. These defendants have been charged with submitting more than \$6 billion in alleged fraudulent claims to federal health care programs and private insurers, connected to topics such as telemedicine, substance abuse treatment facilities, and illegal opioid distribution schemes. This is the largest health care fraud and opioid enforcement action in U.S. Department of Justice history.

The case charged in the Eastern District of Pennsylvania is summarized below:

Steven J. Valentino, 63, of Haverford, PA, Michele Miller, 51, of Swarthmore, PA, and Leah Afolabi, 46, of Missouri City, TX, a doctor, office manager and pharmacy owner, respectively, were charged with conspiracy to pay and receive health care kickbacks, and paying and receiving kickbacks. The charges stem from a multi-year scheme involving injured federal workers and Medicare beneficiaries wherein kickbacks were paid to induce the prescribing of medications that were filled by a Houston-based pharmacy. Specifically, Afolabi paid kickbacks to Valentino and Miller for the referral of prescriptions for medications written by Valentino to Department of Labor-Office Workers' Compensation Program (DOL-OWCP) claimants and Medicare beneficiaries. DOL-OWCP and Medicare were billed approximately \$2.5 million and paid out approximately \$1.1 million during the course of this scheme.

“Doctors and medical professionals are supposed to put their patients’ needs first. When they don’t, and instead try to rip off the system, my Office will take forceful action in order to punish and deter wrongdoers,” said U.S. Attorney McSwain. “Moreover, these prosecutions safeguard federal tax dollars and therefore benefit all American taxpayers. We will continue to do all in our power to stop fraud, waste, and abuse within our federal health care programs.”

“Investigating alleged health care fraud offenses against U.S. Department of Labor programs is an important mission of the Office of Inspector General. We will continue to work diligently with our law enforcement partners to hold accountable those who seek to defraud DOL programs and siphon taxpayer funds for personal gain,” said Derek Pickle, Acting Special Agent-in-Charge, Philadelphia Region, U.S. Department of Labor Office of Inspector General.

“The U.S. Postal Service spends billions of dollars per year in workers compensation-related costs, most of which are legitimate,” stated U.S. Postal Service Office of Inspector General Special Agent in Charge Kenneth Cleevly, Eastern Area Field Office. “However, when medical providers, pharmacies, and other organizations choose to flout the rules and profit illegally, special agents with the USPS OIG will work with our law enforcement partners to hold them responsible. To report fraud or other criminal activity involving the Postal Service, contact our special agents at www.uspsoidg.gov or 888-USPS-OIG.”

“Today’s arrests demonstrate our commitment to pursuing medical professionals who selfishly place their desire for profits above patients’ health care needs,” said Maureen Dixon, Special Agent in Charge, Office of the Inspector General U.S. Department of Health and Human Services. “We will continue to focus our efforts on fighting fraud, waste and abuse in vital federal health care programs and protecting their beneficiaries. To report Medicare or Medicaid fraud, please contact our hotline at 1-800-HHS-TIPS (1-800-447-8477).”

Today’s enforcement actions were led and coordinated by the Health Care Fraud Unit of the Criminal Division’s Fraud Section, in conjunction with its Medicare Fraud Strike Force, as well as the U.S. Attorney’s Office for the Eastern District of Pennsylvania and 50 other U.S. Attorney’s Offices across the country.

The EDPA case was investigated by the Department of Labor Office of Inspector General, United States Postal Service Office of Inspector General and Department of Health and Human Services Office of Inspector General. It is being prosecuted by DOJ Trial Attorney Debra Jaroslawicz.

An indictment, information, or criminal complaint is an accusation. A defendant is presumed innocent unless and until proven guilty.