

PRESS RELEASE

# Dallas Woman Pleads Guilty in \$7 Million COVID-19 Testing Fraud

Tuesday, May 2, 2023

**For Immediate Release**

U.S. Attorney's Office, Northern District of Texas

A Dallas woman pleaded guilty today to scamming insurers out of more than \$7 million for COVID-19 testing that was never actually performed, announced U.S. Attorney for the Northern District of Texas Leigha Simonton.

Connie Jo Clampitt, 52, was [indicted](#) in December. She pleaded guilty Tuesday to conspiracy to commit healthcare fraud before U.S. Magistrate Judge Irma Carrillo Ramirez.

"As the country struggled to cope with a devastating pandemic, this defendant conspired to swindle insurance providers out of millions of dollars. She exploited the healthcare system when it was at its most vulnerable, indirectly raising healthcare costs for everyday Americans. We are proud to hold her accountable for her role in this conspiracy, and look forward to proving our case against her co-conspirators in court," said U.S. Attorney Leigha Simonton.

According to plea papers, Ms. Clampitt admitted that she and her co-conspirators accessed private patient information – including names, dates of birth, and insurance subscriber numbers – through various clinics where one defendant worked as a contract lab technician.

They then used the patient information to submit claims to insurance providers – including Blue Cross Blue Shield, Cigna, United Healthcare, Aetna, Humana, and Molina Health Care – for COVID-19 testing that was never performed. (The patients had not requested COVID-19 testing, nor were they aware their information was being used to submit claims.)

Ms. Clampitt admitted that the "labs" at which the co-conspirators claimed the testing occurred, including TC Diagnostics, ME Diagnostics, and PHR Diagnostics, were, in fact, shell entities that never operated as labs. Collectively, these three entities submitted

approximately \$30 million in claims and were paid more than \$7 million in reimbursements for fake testing.

Ms. Clampitt now faces up to five years in federal prison. According to the terms of her plea agreement, she has agreed to a \$7.29 million forfeiture money judgment and will forfeit a number of items seized during the investigation, including \$2.5 million in funds from numerous bank accounts, two residences, six vehicles, and six luxury watches.

Also charged in the scheme are Terrance Barnard, 39, William Paul Gray, 49, and Donn Hogg, 37. Mr. Barnard, Mr. Gray, and Mr. Hogg are presumed innocent until proven guilty in a court of law.

The Dallas Regional Office of the United States Department of Labor – Employee Benefits Security Administration, the Dallas Office of the Department of Labor – Office of Inspector General, the Texas Department of Insurance Fraud Unit's Fort Worth Field Office, and the Federal Bureau of Investigation's Dallas Field Office conducted the investigation. Assistant U.S. Attorney Renee Hunter is prosecuting the case; Assistant U.S. Attorney Dimitri Rocha is handling the forfeiture.

For more information about the Justice Department's response to wrongdoing connected to the COVID-19 pandemic, visit <https://www.justice.gov/coronavirus>.

## **Contact**

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