

**PRESS RELEASE**

# Fourth Defendant Pleads Guilty in \$7 Million COVID-19 Testing Fraud

Thursday, September 14, 2023

## For Immediate Release

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

An Irving man pleaded guilty today to submitting fraudulent insurance claims for COVID-19 testing, resulting in a more than \$7 million loss to insurers, announced U.S. Attorney for the Northern District of Texas Leigha Simonton.

Terrance Barnard, 40, was [indicted](#) in December. He pleaded guilty today to Conspiracy to Commit Health Care Fraud and Aggravated Identity Theft and Aiding and Abetting Aggravated Identity Theft before U.S. Magistrate Judge Irma Carrillo Ramirez.

According to plea papers, Mr. Barnard admitted that he and his coconspirators accessed private patient information – including names, dates of birth, and insurance subscriber numbers – through various clinics where Barnard worked as a contract lab technician. Mr. Barnard admitted that on some occasions, he took photographs of patient information and stored the images on “burner” phones, and on other occasions, he and a coconspirator accessed the clinics’ confidential electronic medical records to obtain large amounts of patient information at once.

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.)

Mr. Barnard admitted that the “labs” at which the coconspirators 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.

Mr. Barnard now faces up to seven years in federal prison. According to the terms of his plea agreement, he 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 Connie Jo Clampitt, 52, William Paul Gray, 50, and Don Hogg, 37. Clampitt, Hogg and Gray have each pled guilty and are scheduled to be sentenced in November 2023.

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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*Updated September 14, 2023*

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