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United States Attorney  
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**UNITED STATES ATTORNEY'S OFFICE IN CHICAGO CREATES NEW UNIT  
TO PROSECUTE CRIMINAL HEALTH CARE FRAUD VIOLATIONS**

CHICAGO — Joel R. Levin, Acting United States Attorney for the Northern District of Illinois, today announced the creation of a new unit dedicated to the prosecution of criminal health care fraud violations.

The newly created Health Care Fraud Unit will operate within the office's Criminal Division. The unit will be tasked with prosecuting defendants in all types of health care fraud, from providers who engage in fraudulent billing schemes to doctors who falsify patients' diagnoses to justify expensive tests or procedures that aren't medically necessary.

"Every year, health care fraud causes millions of dollars in losses to Medicare and private insurers," said Acting U.S. Attorney Levin. "Health care fraud also often exploits patients through unnecessary or unsafe medical procedures. Health care providers who cheat the system must be held accountable. Our office has successfully prosecuted numerous health care fraud cases in recent years. The new Health Care Fraud Unit will build on that success and bring even greater focus, efficiency and impact to our efforts in this important area."

The unit will include five prosecutors, led by Assistant U.S. Attorney Heather McShain. Assistant U.S. Attorney Stephen Chahn Lee will serve as the unit's Senior Counsel.

The office has a long history of prosecuting significant health care fraud cases, and the new unit is expected to expand on those efforts. Last week the office participated in the largest health

care fraud enforcement action in Department of Justice history. The national takedown involved more than 400 defendants, including 15 individuals charged in the Northern District of Illinois.

Other significant health care fraud prosecutions include a north suburban chiropractor and his brother and father, each of whom was sentenced to prison in connection with a phony billing scheme that bilked insurance carriers out of more than \$10.8 million. DR. VLADIMIR GORDIN JR., VLADIMIR GORDIN SR. and ALEXSANDER GORDIN used their chiropractic clinic, Gordin Medical Center S.C., to falsely bill for medical services that were either not provided or weren't medically necessary. The Gordins were sentenced to prison terms earlier this year. Vladimir Gordin Jr. was sentenced to seven years; Vladimir Gordin Sr. was sentenced to two and a half years; and Aleksander Gordin was sentenced to two years.

The office also recently secured ten criminal convictions as part of a multi-year investigation into Sacred Heart Hospital in Chicago. For more than a decade, Sacred Heart executives conspired to pay kickbacks and bribes to physicians to induce them to refer patients for services that would be reimbursed by Medicare and Medicaid. The fraud scheme earned Sacred Heart millions of dollars from Medicare and Medicaid. The convictions include EDWARD NOVAK, the hospital's owner and chief executive officer; ROY PAYAWAL, the chief financial officer; CLARENCE NAGELVOORT and ANTHONY J. PUORRO, chief operating officers; DR. VENKATESWARA R. "V.R." KUCHIPUDI, a physician; as well as four other physicians. Sacred Heart closed in 2013.

Fraud in the home health care and hospice industries have also been the subject of prosecutions, and the Health Care Fraud Unit will continue those efforts. The office's investigation of home health care fraud has resulted in convictions of doctors, nurses, marketers, and executives at multiple companies, including DIKE AJIRI, the former owner of Chicago-based Mobile Doctors; BANIO KOROMA, a physician at Mobile Doctors; and DIANA JOCELYN GUMILA, the former clinical head of Schaumburg-based Doctor at Home. An investigation of PASSAGES HOSPICE in Lisle recently resulted in prison sentences for multiple defendants, including owner SETH GILLMAN, who was sentenced earlier this year to six and a half years in prison; and ANGELA

ARMENTA, Passages' former director of certified nursing assistants, who was sentenced last month to 20 months in prison.

The Health Care Fraud Unit will also focus on prosecutions related to the diversion of controlled substances, which is an area of emphasis for the office as it continues to battle the opioid crisis. The office has previously prosecuted significant diversion cases, including procuring the guilty plea of DR. SATHISH NARAYANAPPA BABU, who formerly owned Anik Life Sciences Medical Corp. in southwest suburban Darien. Dr. Babu prescribed controlled substances, including OxyContin and Hydrocodone, to certain patients without having examined them. Dr. Babu was sentenced in 2015 to 18 months in prison.

In announcing the new unit, Acting U.S. Attorney Levin acknowledged the cooperation and determination of the office's investigative partners, including, among others, the Chicago offices of the Federal Bureau of Investigation, U.S. Department of Health and Human Services Office of Inspector General, U.S. Department of Labor's Office of Inspector General, U.S. Food and Drug Administration, and U.S. Postal Inspection Service.

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