

Department of Justice

U.S. Attorney's Office

Eastern District of Pennsylvania

FOR IMMEDIATE RELEASE

Tuesday, May 10, 2022

Montgomery County “Goody Bag” Pill Mill Doctor Sentenced to 20 Years in Prison

PHILADELPHIA – Acting United States Attorney Jennifer Arbittier Williams announced that Andrew Berkowitz, 62, of Huntington Valley, PA was sentenced to 20 years in prison, five years supervised release, and was ordered to pay a \$40,000 fine and almost \$4 million in restitution by United States District Judge Paul Diamond for running a prescription “pill mill” from his medical practice which he operated in Philadelphia under the name ‘A+ Pain Management.’ Judge Diamond also ordered that the defendant shall forfeit fraud proceeds of approximately \$3.4 million and four real properties.

In January 2020, Berkowitz pleaded guilty to 19 counts of health care fraud, and 23 counts of distributing oxycodone outside the course of professional practice and without a legitimate medical purpose, charges for which he was indicted in June 2019. The defendant fraudulently billed insurers for medically unnecessary physical therapy, acupuncture, chiropractic adjustments, and prescription drugs, and for treatments not provided at all. Regardless of their complaint, at every visit patients received a “goodie bag” which was a tote bag filled with prescription drugs for which Berkowitz submitted pharmacy claims through his company, Bucks Philadelphia Medical Care Group. The “goodie bags” typically included a combination of drugs including topical analgesics such as Relyyt and/or Lidocaine; muscle relaxers such as Chloroxazon and/or Cyclobenzaprine; anti-inflammatories such as Celecoxib and/or Nalfon; and Schedule IV controlled substances such as Tramadol for pain; and/or Eszopiclone and Quazepam for insomnia and anxiety. The defendant obtained payments from insurers of more than \$4,000 for each bag by falsely asserting that the drugs were for the benefit of the patient when, in reality, Berkowitz was the real beneficiary.

As part of the fraud scheme, Berkowitz also prescribed oxycodone to “pill-seeking” patients in exchange for their tacit approval that he would submit excessive claims to the patient’s insurer for the “goodie bag” and other medically unnecessary services. From 2015 through 2018, Berkowitz obtained more than an estimated \$4 million in fraudulent proceeds from his scheme.

The defendant is also subject to a civil judgement in which he is obligated to pay approximately \$1.8 million as a result of civil False Claims Act liability for false claims submitted to Medicare, and subject to a permanent prohibition on Berkowitz ever prescribing, distributing or dispensing controlled substances ever again.

“Doctors who dare engage in healthcare fraud and drug diversion, two drivers of the opioid epidemic ravaging our communities, should heed this sentence as a warning that they will be held responsible, criminally and financially,” said U.S. Attorney Williams. “Our office will continue to root out healthcare fraud and drug diversion in the Eastern District of Pennsylvania in all its forms.”

“Doctors are supposed to treat illness, not feed it,” said Jacqueline Maguire, Special Agent in Charge of the FBI’s Philadelphia Division. “Andrew Berkowitz prescribed patients unnecessary pills and handed out opioids to addicts. He then made millions by billing Medicare and other insurance

programs for these drugs and for treatments that never happened. Health care fraud is costly on many levels, whether it's the unlawful diversion of Medicare funds, medication, or both. That's why these cases are a priority for the FBI and our partners on the Health Care Fraud Task Force."

The case was investigated by the Federal Bureau of Investigation; the Philadelphia Police Department; the U.S. Department of Health and Human Services – Office of Inspector General; the U.S. Office of Personnel Management – Office of Inspector General; and the U.S. Department of Labor – Office of Inspector General. The criminal charges are being prosecuted by Assistant United States Attorney M. Beth Leahy. The related civil investigation, litigation, and resolution are being handled by Assistant United States Attorneys Anthony D. Scicchitano and Sarah Grieb.

Topic(s):

Health Care Fraud

Component(s):

USAO - Pennsylvania, Eastern

Contact:

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