

**Department of Justice**

U.S. Attorney's Office

Northern District of California

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FOR IMMEDIATE RELEASE

Friday, March 8, 2019

## **San Francisco Acupuncturist Indicted On Health Care Fraud Charges For False Billing Scheme**

SAN FRANCISCO— A federal grand jury has indicted Haichao Huang, charging him with health care fraud and making false statements relating to health care matters, announced United States Attorney David L. Anderson, Office of Personnel Management Office of the Inspector General Deputy Assistant Inspector General for Investigations Thomas W. South, and U.S. Department of Labor Office of Inspector General Special Agent in Charge Abel Salinas.

According to the indictment, filed March 7, 2019, and unsealed today, from February 2013 through June 2018, Huang, 46, of San Francisco, was a health care provider who offered acupuncture, physical therapy, massage, and other services at his office in San Francisco. The indictment alleges that Huang submitted claims for reimbursement to his patients' health insurance plans, claiming that he provided reimbursable services and treatments when, in fact, he knew that the billings were false and not properly reimbursable. The indictment gives three examples of the ways in which Huang allegedly submitted billings for reimbursement. First, Huang submitted requests for reimbursement for acupuncture and other treatments when, in fact, the patient had received either much shorter periods of treatment or no treatment at all. Second, after a patient reached the limit of acupuncture sessions allowed by the relevant insurance plan, Huang billed the plan for other types of treatments and services that were not provided in order to continue receiving improper reimbursements. Third, Huang submitted claims for services rendered on days when the patient beneficiaries were not seen and received no services at all—including days when Huang was not in California.

Huang is charged with six counts of health care fraud, in violation of 18 U.S.C. § 1347, and one count of false statement relating to health care matters, in violation of 18 U.S.C. § 1035(a)(2).

An indictment merely alleges that crimes have been committed, and Huang, like all defendants, is presumed innocent until proven guilty beyond a reasonable doubt. If convicted, the defendant faces a maximum sentence of 10 years in prison and \$250,000 for each violation of 18 U.S.C. § 371. The defendant faces five years in prison and a fine of \$250,000 if convicted of the violation of 18 U.S.C. § 1035(a)(2). The court may also order additional fines, restitution, and additional periods of supervised release at sentencing. However, any sentence following conviction would be imposed by the court only after consideration of the U.S. Sentencing Guidelines and the federal statute governing the imposition of a sentence, 18 U.S.C. § 3553.

Huang made an initial appearance today before U.S. Magistrate Judge Joseph C. Spero. Huang pleaded not guilty and was released on bond. Judge Spero scheduled Huang's next court appearance for March 12, 2019, for a further bond hearing. Huang's first appearance before a district court judge is scheduled for March 22, 2019, before the Hon. Susan Illston, U.S. District Judge.

Assistant U.S. Attorney Ross Weingarten is prosecuting the case with the assistance of Marina Ponomarchuk. This prosecution is the result of investigations by the Office of Personnel Management Office of Inspector General and the Department of Labor Office of Inspector General, with assistance from the San Mateo County District Attorney's Office.