United States Department of Justice

## THE UNITED STATES ATTORNEY'S OFFICE NORTHERN DISTRICT of ILLINOIS

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## **Department of Justice**

U.S. Attorney's Office

Northern District of Illinois

FOR IMMEDIATE RELEASE

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## West Suburban Dermatologist Sentenced To 7 Years In Federal Prison For Defrauding Medicare And Private Insurers Of \$3.7 Million

CHICAGO — A Lombard dermatologist was sentenced today to 7 years in federal prison for submitting hundreds of false insurance claims for alleged skin cancer treatment that was unnecessary or never performed.

From 2003 to 2010, DR. ROBERT KOLBUSZ submitted thousands of false claims to Medicare and private insurers, causing them to pay out more than \$3.7 million for what Kolbusz said were treatments to destroy pre-cancerous lesions. In reality, his patients did not have pre-cancerous lesions, and many of the treatments billed by Kolbusz were cosmetic procedures, such as Erbium "lunchtime laser peels," performed by non-medical professionals from his office.

A jury convicted Kolbusz last year of three counts of wire fraud and three counts of mail fraud. In addition to the 84-month prison sentence, U.S. District Judge John Z. Lee ordered restitution in the amount of \$3,764,381.69. During today's sentencing hearing, Judge Lee said the offense was "serious for a number of reasons," and that it "warranted a significant term of imprisonment."

Kolbusz, 58, was ordered to begin serving his sentence on Nov. 6, 2015.

Evidence at the four-week trial revealed that Kolbusz had aestheticians in his office perform cosmetic laser treatments on benign skin conditions that normally would not have qualified for insurance coverage. In bills submitted to Medicare and private carriers, however, Kolbusz fraudulently diagnosed the conditions as being large numbers of pre-cancerous actinic keratosis lesions, and claimed the procedures were needed to destroy them – at a cost of up to \$352.40 per treatment.

Eight patients and several of Kolbusz's employees testified during the trial. One patient, who was a teenager at the time, testified that Kolbusz's staff performed routine laser procedures that she was told were to lighten her freckles. In the patient's medical records, however, Kolbusz stated

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that he had destroyed approximately 491 pre-cancerous lesions on her skin – causing Blue Cross Blue Shield of Illinois to pay \$4,597 for the treatments.

Kolbusz continued his fraud scheme even after a representative of the American Academy of Dermatology told him in 2007 that he was likely committing fraud, according to evidence at trial.

The sentence was announced by Zachary T. Fardon, United States Attorney for the Northern District of Illinois; John A. Brown, Acting Special Agent-in-Charge of the Chicago Office of the Federal Bureau of Investigation; Lamont Pugh III, Special Agent-in-Charge of the U.S. Department of Health and Human Services Office of Inspector General in Chicago; and James Vanderberg, Special Agent-in-Charge of the U.S. Department of Labor Office of Inspector General in Chicago.

The government was represented by Assistant U.S. Attorneys Stephen Chahn Lee, Abigail Peluso, and Jessica Romero.

Healthcare Fraud

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