

EXCLUSIVE

MEDICARE FRAUD'S NEW FACE

Immigrants targeted in multimillion-dollar schemes

The owner of several physical therapy clinics in Southern California was convicted of Medicare fraud and sentenced to 10 years in prison in January. The crime: luring patients from predominantly Korean American communities to his clinics and submitting false claims to cheat Medicare out of almost \$3 million.

The case of Simon Hong illustrates what investigators say is a troubling trend that damages Medicare—immigrants being unwittingly used to steal federal health care dollars. Hong provided patients with acupuncture and massages, procedures not covered by Medicare, according to a federal indictment. He then referred patients to other clinics, which charged Medicare for services that were not provided. Much of the profits were then kicked back to Hong.

Hong's Medicare fraud scheme is one of many that are targeting ethnic minority communities. In several cases, authorities say, crooks enticed their victims with promises of money, food or medical equipment.

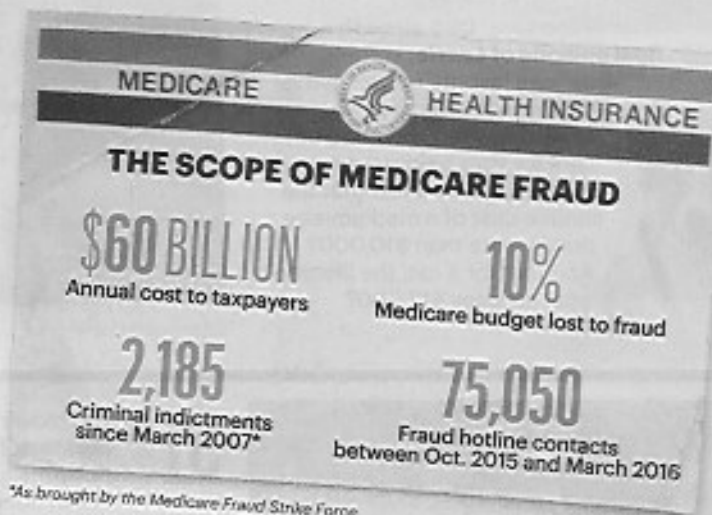
"The criminals prey on their own community," says Chris Schrank of the U.S. Department of Health and Human Services' Office of Inspector General in Los Angeles.

This type of fraud can be tough to investigate because beneficiaries may not know how Medicare works, says Scott Lampert,

an agent with the inspector general's office. "Anytime someone in your doctor's office offers you cash or any type of free goods, usually something is wrong," Lampert says. "Nobody pays you to go to the doctor."

In 2016, California physician Kenneth Johnson was sentenced to nine years in prison for his role in a fraud scam that billed \$20 million to Medicare and the California Medicaid plan Medi-Cal using the stolen identities of older immigrants from Vietnam and elsewhere.

Sandy Morales, with the California Senior Medicare Patrol, described a scheme that ensnared many last year. Spanish-speaking callers claimed to be with Medicare and offered to send medical braces in the mail. But after getting Medicare numbers, birth dates and addresses, the callers hung up, then billed Medicare for services in the beneficiaries' names.



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