

Eli's Rehab Report

Industry Notes: Feds Ready To Prosecute Repeat Rehab Fraudster

Authorities have long memory when it comes to Medicare scammers.

Just because a Medicare fraudster has gotten away with bilking the system doesn't mean the feds won't catch on -- and catch their guy.

That's the story behind the recent arrest and pending trial of **Ernesto Angel Montaner**, who was extradited from Costa Rica to face charges that he conspired with two others to defraud Medicare by submitting false claims for millions of dollars, the Miami Herald reported.

The three rehab clinic owners are accused of bribing assistedliving facilities, home health agencies, patients, and patient recruiters for referrals in a scheme that netted \$6.2 million from 2006 through 2008 in services that were either unnecessary or never provided.

For instance, Montaner would seek patients who needed little to no therapy services. He'd then bill for therapy and give the facility or recruiter who sent the person a percentage of his profit.

The trap: Montaner brought the feds down on himself when he bragged about his crimes in front of several witnesses in 2006. The Federal Bureau of Investigation then began sending in informants to catch him in the act, the Miami Herald reported.

Though Montaner incriminated himself in front of the FBI plants, an official warrant wasn't issued until an undercover agent posing as a patient received cash kickback payments for bringing in Medicare patients. Montaner fled to Costa Rica.

Sentencing: Montaner's son was sentenced to four years in prison for manipulating billing codes and a second business partner was sentenced to three years for acting as a patient broker. Montaner will be held in detention until his trial and sentencing.

This is not Montaner's first run-in with Medicare officials, the Miami Herald noted. He was the only defendant acquitted in a 1990s Medicare scam that resulted in \$15 million in false Medicare claims.