

Eli's Hospice Insider

Hospice News: Hospice Owner Draws 2 Decade Prison Term

The owner of a chain of Texas hospices has been sentenced to 20 years in prison and \$120 million in restitution for Medicare fraud and kickbacks, after being convicted in a high-profile trial in November 2019.

Rodney Mesquias "funded his lavish lifestyle by exploiting patients with long-term, incurable diseases by enrolling them in expensive but unnecessary hospice services," Acting Assistant Attorney General **Brian C. Rabbitt** of the Justice Department's Criminal Division says in a release. The case involved physician and former Rio Bravo mayor **Francisco Pena**, who died in November 2020.

Merida Group owner Mesquias and a co-conspirator ran a \$150 million scheme in which they "aggressively" enrolled patients with long-term diseases who had limited mental capacity and/or resided in group homes and other facilities; falsely told patients they had six months to live and helped them prepare for death; fired employees who didn't go along with the scheme; falsified records; and more.



Not only were patients not terminally ill, "they were walking, driving, working and even coaching athletic sporting events in some instances," the DOJ says in the release. "However, Mesquias and others kept patients on services for multiple years in order to increase revenue."

Mesquias laundered the fraud proceeds by buying expensive cars and jewelry, luxury clothing, real estate, premium sports tickets, and "a security detail and bottle service at high-end Las Vegas nightclubs," the DOJ says. "Mesquias also treated physicians to lavish parties at these elite nightclubs, providing them with tens of thousands of dollars in alcohol and other perks in exchange for ... referrals."

Three co-conspirators await sentencing in the case.