



Department of Justice

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FOR IMMEDIATE RELEASE

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UTICA, NEW YORK PHYSICIAN INDICTED IN \$12,000,000 HEALTH CARE FRAUD SCHEME

Richard S. Hartunian, United States Attorney, Northern District of New York, Thomas O'Donnell, Special Agent in Charge of the New York Field Division of the U.S. Department of Health and Human Services Office of Inspector General, and Clifford C. Holly, Special Agent in Charge of the Albany Field Office of the Federal Bureau of Investigation, announced today that a Binghamton, New York grand jury returned an indictment on November 14, 2012, charging Utica physician DILIP D. KACHARE, 58, with three counts of Health Care Fraud and sixteen counts of Mail Fraud. If found guilty, KACHARE faces a statutory maximum sentence of 10 years imprisonment and a fine of up to \$250,000.00 on the Health Care Fraud counts, and a statutory maximum sentence of 20 years imprisonment and a fine of up to \$250,000.00 on the Mail Fraud counts.

KACHARE maintains an outpatient and inpatient practice in internal medicine. In addition to his office practice, he treats patients at St. Elizabeth Medical Center, Faxton St. Lukes Healthcare, and a number of nursing homes in the Utica, New York area.

The Health Care Fraud counts allege that between 2002 and the end of September 2012, KACHARE engaged in a scheme to fraudulently obtain payments from health care benefit programs, including Medicare, Medicaid, and numerous private insurers. The indictment alleges he did this by submitting claims for reimbursement representing that he had, on an ongoing and daily basis, provided a certain number of patients with the medical services designated by certain medical codes when, pursuant to the criteria in those codes, it would have been impossible for any physician to provide the medical treatment to that number of patients in a single day. The indictment also alleges

that certain medical services, which are described in medical codes, known as CPT codes, have “typical” time components associated with them, and that during the course of the fraud scheme, the aggregate of the “typical” time in the codes submitted for reimbursement by KACHARE consistently exceeded 24 hours per day.

The three Health Care Fraud counts are designated “executions” of the fraud scheme described above, and each sets forth a time frame during which KACHARE sought reimbursement for services purportedly provided to patients on November 29, 2007, February 20, 2008, and June 19, 2008. On those three dates KACHARE purports to have provided services to 82, 85, and 92 patients, and the aggregate “typical” time component associated with the codes submitted for payment were 30 hours, 35 hours, and 40 hours, respectively.

The Mail Fraud counts allege the same fraud scheme as alleged in the Health Care Fraud counts, with each Mail Fraud count listing a check mailed to KACHARE by the Medicare carrier containing payment for services purportedly provided on the three dates listed in the paragraph above, which services the indictment alleges were not, in fact, provided.

The approximate amount of the fraud alleged in the indictment is \$12,000,000. The indictment contains a forfeiture allegation which seeks a \$12,000,000 monetary judgment against KACHARE for proceeds derived by him from the commission of the fraud scheme.

KACHARE appeared in Binghamton, New York, on November 16, 2012, before U.S. Magistrate Judge Therese Wiley Dancks and entered a plea of not guilty to the indictment. He was released on his own recognizance but was directed to surrender his passport to the U.S. District Court Clerk’s Office, pending disposition of the matter. The charges contained in the indictment are merely accusations, and KACHARE is presumed innocent unless and until proven guilty.

The indictment resulted from an investigation conducted by the U.S. Department of Health and Human Services Office of Inspector General and the Federal Bureau of Investigation. The case is being prosecuted by Assistant United States Attorney Kevin P. Dooley of the Binghamton office. Inquiries can be directed to AUSA Dooley at (607) 773-2887.