

38 arrested in Medicare fraud probe

by UPI

WASHINGTON - Officials at the U.S. Justice and Health and Human Services departments said they have arrested 38 people suspected of defrauding Medicare.

The 38 people are accused of operating phony companies in southern Florida and billing Medicare \$142 million for services that never took place, The Washington Post reported Thursday.

Law enforcement officials said one of the accused purchased a \$200,000 Rolls Royce Phantom using Medicare funds.

Health and Human Services Secretary Michael Leavitt said he personally visited some of the phony companies and found some were no more than nearly empty strip mall offices or even barren storage closets. He said the fraud in many cases was "blatant."

"These fraudsters, they move quick," Attorney General Alberto Gonzales said in describing the computer systems used to track the alleged fraudsters. "They operate quickly, and so we have to change our strategy, as well."

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