



DISTRICT ATTORNEY
QUEENS COUNTY
125-01 QUEENS BOULEVARD
KEW GARDENS, NEW YORK 11415-1568
718-286-6000

RICHARD A. BROWN
DISTRICT ATTORNEY

FOR IMMEDIATE RELEASE
TUESDAY, APRIL 1, 2008

CONTACT: KEVIN RYAN
HELEN PETERSON
(718) 286-6315

D.A. BROWN: QUEENS DOCTOR CHARGED WITH NO-FAULT INSURANCE FRAUD

Allegedly Billed Insurers for Costly Medical Tests Never Performed

Queens District Attorney Richard A. Brown announced today that a physician employed at a Forest Hills medical clinic has been charged with insurance fraud for allegedly falsely billing insurance carriers under New York's no-fault law for costly medical tests never provided to motor vehicle accident victims.

District Attorney Brown said, "This case is particularly disturbing as it is alleged that a doctor who took an oath to do no harm to his patients tried to take advantage of their injuries by falsely billing their insurance carriers. No-fault fraud and abuse is a billion dollar a year business in New York fueled by unethical health care professionals. Such rip-offs are costing the typical New York motorist \$300 to \$400 a year in higher insurance premiums and are the major reason why New York's automobile insurance coverage costs an average of nearly \$2,000 per driver, the second highest in the nation. These cases will continue to be vigorously prosecuted."

The District Attorney said that under New York's no-fault law, a person injured in a motor vehicle accident can receive up to \$50,000 coverage for medical expenses incurred as a result of an accident. Most health providers are reimbursed directly by the insurance carriers for services provided.

The District Attorney identified the defendant as German Laufer, 61, of 22 Knutsen Drive in West Orange, N.J., who practices at medical clinics located at 101-20 Queens Boulevard, in Forest Hills; 197-27 Hillside Avenue, in Hollis; and 139-81 35 Avenue, in Flushing. The defendant also has a business known as Milan Medical located at 401 76th Street, Suite H1, in Brooklyn. The defendant was released without bail following his arraignment today in Queens Criminal Court on two counts of fourth-degree grand larceny, nine counts of fourth-degree insurance fraud, nine counts of first-degree falsifying business records and seven counts of fourth-degree attempted grand larceny. The defendant faces up to 4 years in prison if convicted and the loss of his medical license. He was ordered to return to court on May 9, 2008.

District Attorney Brown said that, according to the criminal court complaint, between June 2003 and June 2006, the defendant submitted insurance claims for costly nerve conduction studies and needle electromyographs ("NCV/EMGs") that, in fact, were not performed on nine individuals. An NCV tests the flow of electrical currents across the nerves, and an EMG is a recording of the electrical activity in muscles and nerves. The defendant is alleged to have caused fraudulent claims for these unrendered and unnecessary medical tests to be submitted to three no-fault insurance companies in an amount totaling more than \$15,000.

Among the insurance companies allegedly victimized by the defendant's scheme were AutoOne Insurance, Progressive Insurance Company and Country Wide Insurance Company.

The District Attorney noted that the matter would be referred to the New York State Department of Health's Office of Professional Medical Conduct for a review of the defendant's license.

The investigation was conducted by Detectives Gerard Shanley and Al Rodriguez of the NYPD's Organized Crime Division Joint Health Care Fraud Task Force under the direct supervision of Sergeant John Moran and Lieutenant Paul Frawley and the overall supervision of Inspector Brian O'Neil, and by Detective Investigator Ronald George of the District Attorney's Detective Bureau, under the supervision of Lawrence J. Festa, Chief Investigator, and Albert D. Velardi, Deputy Chief Investigator, and Lieutenant Franco Russo, with assistance from the New York State Insurance Frauds Bureau, the National Insurance Crime Bureau, and Eileen Langer of the New York State Division of Criminal Justice Services.

District Attorney Brown also expressed his appreciation to the insurance industry for their assistance in the investigation with special thanks to Special Investigators Elizabeth Czelowalnick of AutoOne Insurance, William Green of Country Wide Insurance and Brian Cook of Progressive Insurance.

Assistant District Attorney Robert E. Miller, of the District Attorney's Organized Crime and Rackets Bureau is prosecuting the case under the supervision of Assistant District Attorneys Gerard A. Brave, Bureau Chief, Marc P. Resnick, Deputy Chief, Mary M. Lowenburg, Auto Crime and Insurance Fraud Unit Supervisor and the overall supervision of Executive Assistant District Attorney for Investigations Peter A. Crusco and Deputy Executive Assistant District Attorney for Investigation Linda M. Cantoni.

It should be noted that a criminal complaint is merely an accusation and that a defendant is presumed innocent until proven guilty.

#

Note to Editors: E-version of this press release posted at www.queensda.org