

THE UNITED STATES ATTORNEY'S OFFICE
DISTRICT of MARYLAND

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Prince Frederick Physician Admits To Illegal Drug Distribution And Health Care Fraud Scheme

Prescribed Drugs Without a Medical Exam and Knowing That His Patients Were Selling or Abusing the Drugs; Filed Fraudulent Insurance Claims for Services That Were Not Rendered or Medically Necessary

Greenbelt, Maryland - Physician George Mathews, age 76, of Prince Frederick, Maryland, pleaded guilty today to the illegal distribution of drugs and health care fraud.

The guilty plea was announced by United States Attorney for the District of Maryland Rod J. Rosenstein; Special Agent in Charge Karl C. Colder of the Drug Enforcement Administration - Washington Field Division; Special Agent in Charge Thomas Frost of the U.S. Postal Service Office of Inspector General, Major Fraud Investigations Division; Special Agent in Charge William R. Jones, U.S. Department of Labor - Office of Inspector General, Office of Labor Racketeering and Fraud Investigations; Calvert County Sheriff Mike Evans; St. Mary's County Sheriff Tim Cameron; Charles County Sheriff Rex Coffey; Special Agent in Charge Robert Craig of the Defense Criminal Investigative Service - Mid-Atlantic Field Office; Special Agent in Charge Drew Grimm, Office of Personnel Management, Office of Inspector General; and Special Agent in Charge Nicholas DiGiulio, Office of Investigations, Office of Inspector General of the Department of Health and Human Services.

"Today's guilty plea serves as a warning to those who would defraud the Department of Labor's Office of Workers' Compensation Programs by charging for medical services that were not rendered or not medically necessary," said Bill Jones, Special Agent-in-Charge of the Washington Regional Office of the U.S. Department of Labor's Office of Inspector General, Office of Labor Racketeering and Fraud Investigations. "The OIG will continue to work with the U.S. Attorney's Office and our law enforcement partners to investigate crimes of this nature."

"The workers' compensation program benefits thousands of Postal Service employees who have received legitimate on-the-job injuries," said Thomas Frost, Special Agent in Charge, U.S. Postal Service Office of Inspector General, Major Fraud Investigations Division. "By submitting false claims to this program, Dr. Mathews undermined the system and contributed to the growing epidemic of health care fraud. This resolution marks a significant effort in the on-going battle against workers' compensation fraud. We appreciate the partnership of the DEA, the U. S. Department of Labor- OIG, and the U.S. Attorney's Office, District of Maryland on this case."

According to his plea agreement, Mathews had medical offices in Prince Frederick and in Waldorf, Maryland. From January 2007 to July 2011, Mathews repeatedly wrote prescriptions for drugs that he knew were without any legitimate medical purpose. On a number of occasions, Mathews prescribed drugs after being made aware that his patients were either selling or abusing the prescribed drugs. In addition, numerous patients stated that Mathews performed little or no examination before writing the prescriptions.

In April 2011, a DEA undercover law enforcement officer walked in to Mathews' Prince Frederick medical office without an appointment. After paying the receptionist an office visit fee of \$120, Mathews saw the undercover officer and gave him a prescription for 60 pills of oxycodone. Mathews explained that he had a problem with his DEA registration and told the undercover officer that he could only get his prescription filled at a particular pharmacy. Mathews never performed any type of routine medical testing of the undercover officer before filling out the prescription.

During the time that Mathews filled prescriptions without any legitimate medical purpose, Mathews billed the Department of Labor Office of Workers' Compensation Programs (OWCP) and other health care benefit programs for services that were not rendered or were not medically necessary. Mathews billed all of his "repeat" patients to a particular medical code 99214, regardless of the actual content of the medical visit or examination. Most of Mathews' patients' repeat visits lasted no more than five minutes and involved no physical examination. OWCP provides guidance to physicians that a patient visit which can be properly billed at a code 99214 will typically involve approximately 25 minutes face to face with the patient.

As a result of the criminal conduct, Mathews received at least \$615,000 from either patients who received drugs without there being a medical necessity, or from OWCP and other health care benefit programs for services that were not rendered or were not medically necessary.

Mathews and the government have agreed that if the Court accepts the plea agreement, Mathews will be sentenced to two years of probation with a condition requiring home detention for all two years. Mathews has also agreed to forfeit \$615,000. Chief U.S. District Judge Deborah K. Chasanow scheduled sentencing for April 21, 2014, at 9:30 a.m.

United States Attorney Rod J. Rosenstein praised the DEA – Washington Division Office, Tactical Diversion Squad; U.S. Postal Service - OIG; Department of Labor - OIG; Charles, St. Mary=s and Calvert County Sheriff's Offices, Defense Criminal Investigative Service, OPM-OIG and HHS-OIG for their workin the investigation. Mr. Rosenstein thanked Assistant United States Attorneys Arun G. Rao, Mushtaq Z. Gunja and Sujit Raman, who are prosecuting this Organized Crime Drug Enforcement Task Force case.