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NEW JERSEY DEPARTMENT OF LAW & PUBLIC SAFETY

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**OWNER OF NORTH JERSEY HOME HEALTH CARE AGENCY PLEADS GUILTY
TO DEFRAUDING THE MEDICAID PROGRAM OUT OF \$800,000**

Defendant's Wife Pleads Guilty to Her Role in Scam

TRENTON - Attorney General Paula T. Dow and Criminal Justice Director Stephen J. Taylor announced that the owner of an Essex County home health care agency and his wife pleaded guilty yesterday (Aug. 4) for their roles in a scam to defraud the Medicaid program out of \$800,000.

According to Acting Insurance Fraud Prosecutor Riza Dagli, Olasehmdeme (also known as Isaac) Arowosaye, 53, of West Orange, the owner and operator of Be Kind Health Care Services, LLC, located in Orange, pleaded guilty before Superior Court Judge Sherry Hutchins-Henderson in Essex County to an accusation which charged him with second-degree health care claims fraud.

Arowosaye's wife, Emily Arowosaye, 43, also of West Orange, the vice president of Be Kind Health Care Services and also the nurse supervisor, pleaded guilty before Judge Hutchins-Henderson to an accusation charging her with third-degree Medicaid fraud.

The guilty pleas were a result of a cooperative investigation by the Medicaid Fraud Control Unit of the Office of the Insurance Fraud Prosecutor and the Office of the State Comptroller – Medicaid Fraud Division. Olasehmdeme Arowosaye was arrested on April 26 as a result of the investigation and is currently free on \$150,000 bail.

Judge Hutchins-Henderson scheduled sentencing for Sept. 13. Under the plea agreement, the state will recommend a sentence of three years in state prison for Olasehmdeme Arowosaye and a probationary sentence for Emily Arowosaye. The defendants also signed a consent agreement agreeing to pay \$800,000 in restitution to the Medicaid program. In addition, the defendants agreed to pay an \$800,000 civil penalty and to be debarred from the Medicaid program for five years.

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In pleading guilty, Isaac and Emily Arowosaye admitted that between July 2005 and April 2008, they submitted fraudulent claims to the Medicaid program for personal care assistance services purportedly provided to Medicaid beneficiaries when, in fact, the services were not provided.

An investigation by the Office of the Insurance Fraud Prosecutor's Medicaid Fraud Control Unit revealed that, as well as billing for services not rendered, the Arowosayes fraudulently billed the Medicaid program by falsely billing for services during weekend hours when services were not rendered on the weekend; submitting claims with forged doctors' signatures; billing for more hours of service than were actually rendered; billing for services for patients who were dead when the services were purportedly rendered; billing for services for patients who were in hospitals at the time the company claimed to have provided services; billing for services by unlicensed home health aides as if licensed home health aides had provided the services; and billing for medical services that were not medically necessary nor authorized by a physician.

On July 30, Louna Philemon, 28, of Orange, who was in charge of Be Kind Health Care Services' payroll, pleaded guilty to third-degree theft by deception. In pleading guilty, Philemon admitted that between March and September 2008, she stole more than \$13,200 in unemployment assistance payments from the New Jersey Department of Labor and Workforce Development by falsely representing that she was unemployed, while she was actually receiving wages from Be Kind Health Care Services.

On June 22, Christine Lamour, 27, of East Orange, who was the case manager employed by Be Kind Health Care Services, pleaded guilty to third-degree theft by deception. In pleading guilty, Lamour admitted that between March 2008 and March 2010, she stole more than \$23,700 in unemployment assistance payments from the New Jersey Department of Labor and Workforce Development by falsely representing that she was unemployed, while she was actually receiving wages from Be Kind Health Care Services.

Philemon and Lamour are pending sentencing.

Sergeant Warren Monroe and Deputy Attorney General Debra Conrad were assigned to the investigation. Additional assistance was provided by Matthew Bernal. Deputy Attorney General Conrad represented the Office of the Insurance Fraud Prosecutor at the guilty plea hearings. Deputy Attorney General Carol Stanton Meier, Detective Sgt. Scott Naismyth and Analyst Bethany Schussler are handling the asset forfeiture action for the Division of Criminal Justice. Acting Insurance Fraud Prosecutor Dagli thanked the Office of the State Comptroller - Medicaid Fraud Division for its assistance in the investigation, specifically Investigators Rita Smith and Glenn Geib.

"Abuse of the Medicaid program and insurance fraud by persons who hold professional licenses are particularly disturbing crimes," said Acting Insurance Fraud Prosecutor Dagli. "Not only do such Medicaid fraud schemes involve theft of tax dollars, they also represent a theft from a program designed to assist persons who cannot afford health insurance or health care services. Such cases are a priority for the Office of the Insurance Fraud Prosecutor."

The Office of the Insurance Fraud Prosecutor was established by the Automobile Insurance Cost Reduction Act of 1998. The office is the centralized state agency that investigates and prosecutes both civil and criminal insurance fraud, as well as Medicaid fraud.

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