



U.S. Department of Justice

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PRESS RELEASE

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**Maryland Woman Sentenced to 75 Months in Prison
For Defrauding D.C. Medicaid Program
By Submitting Over \$7 Million in Phony Claims
- Defendant Billed Some Patients For More Than 24 Hours of Therapy In A Single Day -**

WASHINGTON - Jacqueline Wheeler, 55, the chief executive officer and owner of two health care companies, was sentenced today to six years and three months in prison for health care fraud and other federal offenses stemming from the submission of more than \$7 million in fraudulent claims to the District of Columbia Medicaid program.

The sentencing was announced by U.S. Attorney Ronald C. Machen Jr., James W. McJunkin, Assistant Director in Charge of the FBI's Washington Field Office, Nicholas DiGiulio, Special Agent in Charge of the U.S. Department of Health and Human Services Office of Inspector General region including the District of Columbia, and Charles J. Willoughby, Inspector General for the District of Columbia.

Wheeler, of Chevy Chase, Md., was found guilty by a jury in July 2012, following a trial in the U.S. District Court for the District of Columbia. She has been incarcerated ever since. Today, she was sentenced by the Honorable Ellen S. Huvelle.

In addition to the prison term, the judge ordered Wheeler to pay about \$3.17 million in restitution and ordered the forfeiture of a money judgment of the same amount. Upon completion of her prison term, Wheeler will be placed on three years of supervised release. During that time, she must perform 115 hours a year of community service. In addition, Judge Huvelle ordered Wheeler not to work in the medical field, including billing, and not to open new credit lines or make major purchases without the authorization of probation authorities.

According to the government's evidence at trial, Wheeler was the chief executive officer of the Health Advocacy Center, Inc., which was located in the 900 block of Sheridan Street, NW. She also was the owner of Sheridan Rehabilitative and Wellness Centers, Inc., a private company located at the same Sheridan Street NW address. Beginning in January 2006 and continuing through April 2008, Wheeler, through the Health Advocacy Center, submitted false claims for services that were not provided. She collected at least \$2.6 million before the activities were detected. Evidence showed that she used the proceeds of her fraud to support the purchase of four luxury vehicles, two beachfront properties in Florida, and her home.

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"This CEO exploited a health care program for our most vulnerable citizens in order to steal tax dollars," said U.S. Attorney Machen. "Her greed drove her to submit hundreds of phony claims for millions of dollars. As a result of today's sentence, she will be spending the next 75 months in a federal prison instead of the Florida beach houses she financed through fraud. Her fate should make clear to other health care providers our seriousness about protecting the integrity of federal health care programs."

"Ms. Wheeler stole from Medicaid by submitting more than 600 false claims for services that she knew had never been provided to patients," said Assistant Director in Charge McJunkin. "As today's sentence demonstrates, such fraudulent exploitation of our health care system will be vigorously pursued by the FBI and our partners at HHS-OIG, the D.C. OIG and the U.S. Attorney's Office."

"Individuals such as Jacqueline Wheeler, insistent on stealing from government health programs like Medicaid, can expect zealous pursuit by law enforcement and to ultimately pay a heavy price for their actions," said Special Agent in Charge DiGiulio. "We will not allow these criminals to defraud patients, or fund their personal piggy banks with taxpayer dollars."

"This matter reflects how state and federal entities, represented by the District of Columbia Office of the Inspector General, the United States Attorneys' Office, the Federal Bureau of Investigation and the Office of the Inspector General of the United States Department of Health and Human Services, respectively, can collaborate to safeguard individuals and the public fisc, a collaboration involving the investigatory and prosecutorial resources of the District of Columbia Office of the Inspector General for which the District and its residents should take great pride", said Inspector General Willoughby.

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The Health Advocacy Center was purportedly engaged in serving as an advocate for improved health care delivery to the community. It also provided management support, as well as financial advice and assistance to other health care providers. It was a registered District of Columbia Medicaid provider.

Sheridan Rehabilitative and Wellness Centers was purportedly engaged in providing rehabilitative services to the mentally and physically disabled community. It also purportedly provided housing to mentally and physically challenged individuals. The company was not an authorized D.C. Medicaid provider.

Wheeler was a registered naturopath with the District of Columbia Department of Health, Health Professional Licensing Administration. However, she was not a licensed medical doctor. Wheeler did work with a licensed medical doctor, who was a part-owner of the Health Advocacy Center. This doctor's specialty was physical medicine and rehabilitation.

Because Sheridan Rehabilitative and Wellness Centers was not authorized as a D.C. Medicaid provider, it was unable to submit bills to D.C. Medicaid. From January 2006 through April 2008, Wheeler prepared and submitted all of the billing for the Health Advocacy Center, and handled all financial matters for both the Health Advocacy Center and Sheridan.

During that time period, Wheeler submitted over 600 claims to D.C. Medicaid for manual therapy services that the Health Advocacy Center purportedly provided to approximately 22 District of Columbia Medicaid beneficiaries. In these claims, she maintained that the Health Advocacy Center provided in excess of 20 continuous hours of manual therapy for each patient in a single 24-hour period, and sought over \$7.7 million from D.C. Medicaid for manual therapy services.

In performing therapeutic procedures such as manual therapy, the health care provider is required to bill in 15-minute intervals or units. There are only 1,440 minutes in a day. However, Wheeler routinely billed D.C. Medicaid from 1,440 continuous minutes of manual therapy for a single patient in a 24-hour period to as many as 2,910 continuous minutes (or 48.5 hours) of manual therapy for a single patient in a 24-hour period.

D.C. Medicaid paid the Health Advocacy Center in excess of \$3.17 million for manual therapy services that were not provided to the patients. The payments were deposited in bank accounts controlled by Wheeler.

In announcing the sentence, U.S. Attorney Machen, Assistant Director in Charge McJunkin, Special Agent in Charge DiGiulio, and Inspector General Willoughby commended the outstanding investigative work of agents of the Health Care Fraud Squad of the FBI's Washington Field Office, the Office of the Inspector General of the U.S. Department of Health and Human Services, and the D.C. Office of the Inspector General's Medicaid Fraud Control Unit. They also praised the efforts of members of the U.S. Attorney's Office, including Paralegals Tasha Harris, Krishawn Graham, and Diane Hayes; and Legal Assistants Nicole Wattelet and Lenisse Edloe.

Finally, they acknowledged the efforts of Assistant U.S. Attorney Diane Lucas, who handled asset forfeiture issues in the case, and Assistant U.S. Attorney Lionel Andre and Special Assistant U.S. Attorney Dangkhua Nguyen, who prosecuted the case.