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For Immediate Release

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National Award for Prosecution that Shut Down Massive Patient Referral Scam

‘Operation Backlash’ Exposed Millions of Dollars of Fraudulent Insurance Claims

The San Diego County District Attorney’s Office announced today that Deputy District Attorneys John Philpott and Genaro Ramirez and District Attorney Investigators Darrell Williams and Ron Burleson received a national award for *Investigation of the Year* for one of the largest workers’ compensation health care insurance bribery schemes ever uncovered in San Diego County. DDA Philpott accepted the award on behalf of the DA’s Operation Backlash team at the National Health Care Anti-Fraud Association Conference in Atlanta.

Operation Backlash was an extensive, four-year multi-agency undercover operation, in which the DA’s Insurance Fraud Division worked in tandem with *co-awardees* the FBI, U.S. Attorney’s Office (Southern District of CA), and the California Department of Insurance. The investigation uncovered entrenched corruption in the California Workers’ Compensation System (CWCS) insurance program. Operation Backlash revealed a vast web of conspiracies involving widespread kickback schemes including attorneys, doctors, chiropractors, marketers, and medical providers who referred patients for health services in exchange for money. The defendants spread millions of dollars in claims among at least 35 different insurers.

“The collaboration between various state and federal agencies and private insurers was essential to the success of Operation Backlash and it’s great to see the team honored at the national level for their hard work,” said District Attorney Bonnie Dumanis. **“Getting paid kickbacks to refer patients for medical services is illegal because it creates an underground market where patients are bought and sold, undermining their medical needs or well-being.”**

At the center of all the schemes were the bribes paid to doctors and chiropractors to refer patients for services including non-invasive compounded topical creams, prescription medication, urine drug testing, autonomic nervous system testing, psychological evaluations, sleep studies, MRI testing, DNA testing, DME (Durable Medical Equipment) supplies, and shockwave therapy services.

To date, a total of 22 individuals and 10 corporations have been indicted and plea agreements have been secured with nine individuals and five corporations tallying over \$3.1 million in forfeitures. As a result of these actions, 13 criminal organizations have been disrupted and three criminal organizations have been dismantled.

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