



U. S. Department of Justice

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United States Attorney

Eastern District of North Carolina

NEWS RELEASE

FOR IMMEDIATE RELEASE:
FRIDAY - September 10, 2010

LINDEN WOMAN SENTENCED FOR
HEALTH CARE FRAUD

RALEIGH - United States Attorney George E.B. Holding announced that in federal court today United States District Judge Terrence W. Boyle sentenced **SANDRA ELLIOTT**, 47, of Linden, North Carolina, to 120 months' imprisonment followed by three years' supervised release. The Court also ordered restitution of \$1,885,196.40.

A Criminal Information was filed on December 30, 2009. On January 15, 2010, **ELLIOTT** pled guilty to aiding and abetting health care fraud.

In 2006, **ELLIOTT** opened Learning Links Educational Network Services Center, Inc. ("Learning Links") in Fayetteville, North Carolina. Learning Links purported to provide early intervention treatment for children with developmental delays, anger management problems, or other special needs. When a physician ordered that a child receive mental health services or early intervention treatment, Learning Links purported to provide the services through its employees or contractors. Learning Links also purported to provide tutoring.

Learning Links primarily billed and received payments from

Medicaid and Tricare, both of which are health care benefit programs. Tricare is a benefit program for military members and their dependents. Medicaid is a federally subsidized program administered by North Carolina for economically disadvantaged or disabled individuals. Through its routine billing to these programs, **Elliott** expanded the Learning Links operation to four locations in Fayetteville and Dunn, and was planning to open other facilities.

In 2009, law enforcement executed search warrants at all four Learning Links locations and seized all medical records and email correspondence. Through seized documents and interviews, law enforcement confirmed that Learning Links was billing for services that were not rendered and employing unlicensed personnel to provide various billed services to children, including psychotherapy. Investigators learned that the Medicaid and TRICARE identification numbers associated with some 623 special needs children were abused as part of the scheme. Investigators also learned that in some instances, the children who allegedly received services at Learning Links were not even in the state on the billed date of service. In other instances, Learning Links billed for services to children several months after they had stopped treatment at Learning Links. It was also discovered that practitioners who were no longer working for Learning Links were still being listed on Learning Links' billing submissions as the provider of services. Moreover, some of the individuals providing

services to children at Learning Links did not possess the requisite licenses for the billed services. Unlicensed services included speech and language therapy, and psychological services.

The total loss to the government arising from the health care fraud was calculated to be \$1,885,196.40, with \$1,172,647.62 attributed to the TRICARE program and \$712,548.78 attributed to Medicaid. Law enforcement seized in excess of \$345,000 in assets which have now been forfeited to the United States, including a 2008 Fleetwood Terra RV, a 2009 Lexus GX470, a 2008 Chrysler 300, and cash from various bank accounts.

Investigation of this case was conducted by the Defense Criminal Investigative Service, the North Carolina Department of Justice Medicaid Fraud Investigations Unit, the TRICARE Program Integrity Office, and the Health Net Federal Services Office of Program Integrity. This case is being handled by the Office's Economic Crimes Section, with Assistant United States Attorney William M. Gilmore assigned as prosecutor.

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