



THE UNITED STATES ATTORNEY'S OFFICE
SOUTHERN DISTRICT *of* FLORIDA

[U.S. Attorneys](#) » [Southern District of Florida](#) » [News](#)

Department of Justice

U.S. Attorney's Office

Southern District of Florida

FOR IMMEDIATE RELEASE

Wednesday, March 7, 2018

Florida Dermatologist Agrees to Pay \$2.5 Million to Resolve Allegations of Billing Fraud

Tim Ioannides, M.D., a dermatologist and owner of Treasure Coast Dermatology in Vero Beach and Port St. Lucie, Florida has agreed to pay \$2.5 million to resolve allegations that he violated the False Claims Act by billing Medicare and TRICARE for procedures he did not perform, the United States Attorney's Office announced today. Dr. Ioannides also agreed to operate under an integrity agreement with the Department of Health & Human Services, Office of Inspector General for 3 years.

"Physicians who bill for procedures they do not perform put personal monetary gain over their duty to their patients, and they raise the cost of health care for all of us as patients and taxpayers," said Benjamin G. Greenberg, United States Attorney for the Southern District of Florida. "We will relentlessly pursue this type of fraud and abuse that plagues federal health care programs and threatens their financial stability."

As set forth in the settlement agreement between the parties, the United States alleged that from 2010 to 2016, Dr. Ioannides billed for muscle flaps, complex surgeries involving the dissection and transposition of muscle to reconstruct extensive defects, even though he had not, in fact, performed them. This practice made Dr. Ioannides the highest paid physician in the nation for the muscle flap procedure in 2011, 2012, and 2013. In addition, the United States alleged that during this time period, Dr. Ioannides would upcode claims for cryotherapy, which involves removing skin growths through the use of liquid nitrogen, by claiming to treat more areas than had actually been treated.

"Physicians who prioritize their personal greed over patient care violate their Hippocratic oath in a particularly deplorable manner," said Special Agent in Charge Shimon R. Richmond of the U.S. Department of Health and Human Services, Office of Inspector General. "The OIG and our partners will not rest in our fight to ensure accountability in every corner of the health care industry as we work to protect the American public."

“This settlement highlights the commitment of the Defense Criminal Investigative Service (DCIS) and its law enforcement partners to protect the integrity of TRICARE, the Department of Defense health care program that serves our war fighters, their family members, and military retirees,” said Special Agent in Charge John F. Khin, Southeast Field Office. “With DoD’s limited resources and budgets, DCIS must continue to aggressively investigate fraud, waste, and abuse to preserve and recover precious taxpayer dollars for our most vulnerable programs.”

The lawsuit was filed by Patricia Cleary, a former patient of Dr. Ioannides. She filed under the qui tam, or whistleblower, provisions of the False Claims Act, which permit private parties to sue on behalf of the government and receive a share of any recovery. The act also authorizes the government to intervene in and assume primary responsibility for litigating the lawsuit, as the government has done in this case. Cleary will receive \$475,000.

The investigation of this case was the result of a coordinated effort by the United States Attorney’s Office for the Southern District of Florida, HHS-OIG, and the DCIS. The case was investigated and the settlement negotiated by Assistant U.S. Attorney Susan Torres. The integrity agreement was negotiated by OIG Senior Counsel Kenneth D. Kraft.

The case is captioned Patricia Cleary v. Tim Ioannides, MD & Tim Ioannides, MD, LLC d/b/a Treasure Coast Dermatology, No. 15-14306-Civ-Rosenberg (S.D. Fla.). The claims asserted against Dr. Ioannides and Treasure Coast Dermatology are allegations only, and there has been no determination of liability.

Related court documents and information may be found on the website of the District Court for the Southern District of Florida at www.flsd.uscourts.gov or on <http://pacer.flsd.uscourts.gov>.

Component(s):

USAO - Florida, Southern

Updated March 7, 2018