

PRESS RELEASE

Houston doctor agrees to pay over \$2 million to settle allegations of fraudulent billing of federal programs

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For Immediate Release

U.S. Attorney's Office, Southern District of Texas

HOUSTON – A 63-year-old Houston man has agreed to pay \$2,053,515 to resolve allegations he submitted false claims to federally funded health care programs for the surgical implantation of neurostimulator electrodes, announced U.S. Attorney Nicholas J. Ganjei.

Dr. Ajay Aggarwal is an anesthesiologist and pain medicine doctor who practices in Bellaire and Lake Jackson as well as Van Vleck. Ajay Aggarwal, a sole proprietorship, and PRWCSWTX LLC are entities Aggarwal used to conduct his medical practice known as The Pain Relief & Wellness Center.

From Nov. 16, 2021, to March 28, 2023, Aggarwal billed federally funded health care programs, such as Medicare and the Department of Labor's Workers' Compensation Programs, for the surgical implantation of neurostimulator electrodes. These are invasive procedures usually requiring use of an operating room. As a result, Medicare and other federally funded health care programs pay thousands of dollars per procedure.

However, neither Aggarwal nor his staff performed these surgical procedures, according to the allegations.

Instead, patients allegedly received devices used for electro-acupuncture, which only involved inserting monofilament wire a few millimeters into patients' ears and taping the neurostimulator behind the ear with an adhesive. All device placements took place in Aggarwal's clinic, not a hospital or surgical center, and no incision was made on a patient, according to the allegations.

“A doctor who uses simple medical devices on his patients, yet bills Medicare for a sophisticated spinal surgery, is bilking the American

taxpayer, plain and simple,” said Ganjei. “The Southern District of Texas will ensure that losses to federally funded healthcare programs from fraudulent billing, like what happened here, are recouped and that wrongdoers are held accountable.”

“The civil penalties imposed today strongly serve as a clear deterrent to those engaging in fraud against federal benefit programs,” said Special Agent in Charge Jonathan Ulrich of the U.S. Postal Service - Office of Inspector General (USPS-OIG). “USPS-OIG, along with our law enforcement partners, will continue to aggressively pursue these investigations and exhaust all efforts to protect the Postal Service from fraud, waste and abuse.”

“Investigating alleged false claims involving the programs administered by the Department of Labor’s (DOL) Office of Workers’ Compensation Programs (OWCP) is an important part of our mission. That is particularly true when a medical provider is involved,” said Special Agent in Charge Casey Howard, DOL-OIG, Central Region. “We will continue to work with our law enforcement partners and OWCP to protect the integrity of DOL’s worker compensation programs.”

“This settlement underscores our agency’s steadfast commitment to enforcing the False Claims Act,” said Special Agent in Charge Jason E. Meadows of the Department of Health and Human Services (DHHS)-OIG. “Working with our law enforcement partners, DHHS-OIG remains dedicated to safeguarding the integrity of federal health care programs and protecting the individuals who depend on them by investigating schemes that compromise the proper use of medical devices.”

The U.S. Attorney’s Office conducted the investigation with significant assistance from OIG offices of USPS, DOL and DHHS. OIG offices of Office of Personnel Management and Department of Veterans Affairs also contributed to the investigation. Assistant U.S. Attorney Laura E. Collins handled the matter.

The claims resolved by the settlement are allegations only and there has been no determination of liability.

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Topic

HEALTH CARE FRAUD

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