

PRESS RELEASE

New York Man Sentenced to Eight Months in Prison for Kickback Scheme

Wednesday, February 18, 2026

For Immediate Release

U.S. Attorney's Office, District of Massachusetts

BOSTON – A former New York based sales director for the Northeast region of a mobile medical diagnostics company was sentenced on Feb. 13, 2026 in federal court in Boston for conspiring to offer and pay kickbacks to doctors in exchange for ordering medically unnecessary brain scans.

James Rausch, 57, of Point Jefferson Station, N.Y., was sentenced by U.S. District Court Judge Nathaniel M. Gorton to eight months in prison, to be followed by one year of supervised release. The defendant was also ordered to pay \$17,573,642 in restitution, forfeiture in the amount of \$408,437 and a \$20,000 fine. [In June 2025](#), Rausch pleaded guilty to one count of conspiracy to violate the anti-kickback statute.

From March 2015 through at least September 2020, Rausch conspired with others, including two managers for a mobile medical diagnostics company that performed transcranial doppler (TCD) scans, to enter into kickback agreements with various doctors. TCD scans are brain scans that measure blood flow in parts of the brain. Rausch and his co-conspirators agreed to offer and pay doctors kickbacks, some in cash and others by check, based on the number of TCD ultrasounds the doctors ordered. The co-conspirators created purported rental and administrative service agreements, which on paper made it appear as if doctors were compensated for the TCD company's use of space and administrative resources of the ordering doctor's practice based on fair market value and not based on the volume or value of referrals. These were sham agreements that hid the true nature of the arrangement of paying per test.

The scheme resulted in fraudulent bills of approximately \$70.6 million to Medicare. Medicare paid approximately \$27.2 million to the TCD company for the fraudulent claims.

United States Attorney Leah B. Foley; Roberto Coviello, Special Agent in Charge of the U.S. Department of Health and Human Services, Office of Inspector General; Ted E.

Docks, Special Agent in Charge of the Federal Bureau of Investigation, Boston Division; Thomas Demeo, Special Agent in Charge of the Internal Revenue Service Criminal Investigation, Boston Field Office; Anthony D'Esposito, Inspector General of the Department of Labor, Office of Inspector General; Nicholas Bucciarelli, Acting Inspector in Charge of the U.S. Postal Inspection Service, Boston Division; and Christopher Algieri, Special Agent in Charge of the U.S. Department of Veterans Affairs Office of Inspector General, Northeast Field Office made the announcement. Assistant U.S. Attorney Mackenzie Queenin, Chief of the Health Care Fraud Unit prosecuted the case.

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