

**Department of Justice**

U.S. Attorney's Office

Central District of California

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FOR IMMEDIATE RELEASE

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## **Chiropractor Sentenced to Nearly 4 Years in Federal Prison for Scheme that Fraudulently Billed Labor Union Health Plan \$4.8 Million**

*LOS ANGELES* – A chiropractor was sentenced today to 46 months in federal prison for conspiring to defraud a labor union's health care benefit plan by offering kickbacks to patients for attending the clinic and by submitting approximately \$4.8 million in sham billings.

Mahyar David Yadidi, 38, of West Los Angeles, was sentenced by United States District Judge R. Gary Klausner, who also ordered him to pay \$1,976,832 in restitution.

In November 2019, Yadidi pleaded guilty to one count of conspiracy to commit health care fraud.

Yadidi operated Philips San Pedro Chiropractic – formerly known as Synergy Healthcare and Wellness Center – in San Pedro. From July 2016 to October 2018, Yadidi operated a scheme to defraud the International Longshore and Warehouse Union – Pacific Maritime Association (ILWU-PMA) health care benefit plan. Yadidi worked with co-conspirators Ivan Semerdjiev, 41, of Irvine, a chiropractor who worked for Yadidi, and Julian Williams, 45, of San Pedro, a personal trainer who also worked for Yadidi.

ILWU-PMA health care plan members were induced by Yadidi to visit his clinic with offers of \$50 in cash for each visit, according to a one-count criminal information filed in this case. Yadidi also paid plan members to allow him to bill the plan when members did not visit his clinic.

Yadidi offered monetary incentives to Williams, Semerdjiev, and other employees, as well as to patients, to recruit additional plan members to visit his clinic. Williams induced plan members to visit the clinic by falsely informing them that they could receive personal athletic training services from him that the plan would pay for.

Once plan members either visited Yadidi's clinic or agreed to allow him to submit claims to the plan for non-existent visits, Yadidi billed and caused his employees to bill the plan for services that were not rendered, services that were not medically necessary, and chiropractic and physical therapy services that were performed by

Williams, who was neither licensed nor otherwise qualified to be performing those services.

At his instruction, Yadidi's employees falsified records, including sign-in sheets that listed the dates plan members purportedly received services from Philips Chiropractic. Yadidi instructed Semerdjiev to falsify patient files to support the clinic's fraudulent billing. Yadidi and his co-conspirators also created false entries in the name of plan members' relatives, knowing that the union's health care benefit plan allowed them an additional number of covered visits as well.

Yadidi continued to operate his scheme after he was terminated as an authorized provider by the ILWU-PMA plan in August 2017, six months after it conducted an audit of his clinic.

To continue the conspiracy, Yadidi changed the name of his clinic – which previously was called “Synergy” and falsely held out another person as the clinic’s primary owner and operator, when in fact, Yadidi continued to own, operate, and financially benefit from the clinic. Yadidi continued to submit claims to the plan in the sham owner’s name.

During the conspiracy’s duration, Yadidi’s clinic submitted \$4,756,284 in fraudulent claims to the ILWU-PMA plan, for which the plan paid \$1,976,832.

Williams and Semerdjiev each pleaded guilty to one count of conspiracy to commit health care fraud and were sentenced to six months and one year in federal prison, respectively.

This matter was investigated by the U.S. Department of Labor, Office of Inspector General, and the U.S. Department of Labor, Employee Benefits Security Administration.

This case was prosecuted by Assistant United States Attorney Alexander C.K. Wyman of the Major Frauds Section.