



U.S. Department of Justice

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FOR IMMEDIATE RELEASE

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NORTH SUBURBAN CHIROPRACTOR SENTENCED TO 20 MONTHS IN PRISON FOR BILLING INSURANCE CARRIER FOR MEDICALLY UNNECESSARY TREATMENT

CHICAGO — A chiropractor who owned several clinics in the north suburbs of Chicago has been sentenced to 20 months in federal prison for billing an insurance carrier for medically unnecessary or nonexistent services.

As a licensed chiropractor and owner of the facilities, STEVEN PAUL required the clinics' chiropractors and medical doctors to order x-rays, MRI scans and neurological diagnostic testing, without regard to medical necessity. Paul billed Blue Cross Blue Shield of Illinois for the unnecessary services, and he also billed the carrier for physical therapy services that were never provided.

Paul, 46, of Northbrook, previously pleaded guilty to one count of health care fraud. U.S. District Judge Ronald A. Guzman on Tuesday imposed the prison sentence in federal court in Chicago. Judge Guzman cited Paul's "extraordinary cooperation" in the government's investigation as a basis for imposing what the Judge said was the lowest possible term of imprisonment he would consider for Paul's fraud scheme.

The sentence was announced by John R. Lausch, Jr., United States Attorney for the Northern District of Illinois; Jeffrey S. Sallet, Special Agent-in-Charge of the Chicago office of the Federal Bureau of Investigation; and James Vanderberg, Special Agent-in-Charge of the Chicago Regional Office of the U.S. Department of Labor, Office of Inspector General.

Paul and a co-defendant, chiropractor BRADLEY MATTSON, jointly owned six chiropractic clinics in the north suburbs of Chicago: Hawthorn Physical Medicine, Woodfield Physical Medicine,

Stratford Physical Medicine, Algonquin Physical Medicine, Northshore Physical Medicine, and Cumberland Physical Medicine.

Paul and Mattson admitted in plea agreements that they required patients to receive an initial x-ray and a pre-set schedule of clinic visits for a period of six months, without regard to the medical necessity of the visits. Paul admitted that from 1999 to 2008, he directed billings to Blue Cross Blue Shield totaling \$3.65 million for medically unnecessary tests or physical therapy services that were not provided, and his clinics collected \$1.33 million in fraudulent reimbursements from the insurance company.

During the investigation, an undercover FBI agent visited the Hawthorn clinic for treatment of a purported back strain. Mattson diagnosed the agent with a pinched nerve and ordered a pre-set treatment plan that began with daily visits for two weeks. Mattson rendered his diagnosis despite the opinion of the clinic's medical doctor and a physical therapist that the agent did not have a pinched nerve but rather a pulled muscle.

Mattson, of Lake Forest, pleaded guilty to health care fraud and was sentenced in 2012 to six and a half years in prison.

The government is represented by Assistant U.S. Attorney Renai S. Rodney.

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