

The Office of Inspector General (OIG), Department of Defense (DoD), announced today that on April 27, 2000, Edward Carlton, waived indictment and pled guilty to a one-count criminal Information in the United States District Court, Eastern District of Virginia, Alexandria, Virginia. The Information charges Carlton with submitting a false claim to the U.S. Government.

Carlton operated chiropractic treatment facilities in Manassas, Virginia, within the Eastern District of Virginia, from which he submitted bills to health insurance companies, including Medicare. Carlton's associates and treatment facilities were alleged to have billed TRICARE. The Information charges that Carlton knew Medicare reimbursement regulations on chiropractic care charges. Specifically, he was aware that Medicare beneficiaries were entitled to a limited number of chiropractic treatments per diagnosed condition. In an attempt to circumvent this regulation, rather than charge the Medicare beneficiary directly, or seek to bill secondary insurance, Carlton fabricated a new diagnosis and condition, and continued to bill Medicare. Carlton was aware that he was treating the Medicare patient under the original diagnosis. From approximately September 1993 to June 1999, Carlton submitted approximately 778 claims to Medicare, knowing that they misrepresented the diagnosis for which he was providing the chiropractic services. Medicare paid Carlton approximately \$17,632.

Carlton's sentencing is scheduled for July 14, 2000. Carlton faces a maximum five-year prison term, and \$250,000 fine.