

The Office of the Inspector General (OIG), Department of Defense (DoD), announced today that on January 11, 2001, Columbia HCA, was sentenced to a criminal fine of \$30,116,592. Columbia pled guilty to a Criminal Information filed in the U.S. District Court, Western District of Texas, El Paso, TX. The one count information for Conspiracy involved the paying of kickbacks to physicians in exchange for patient referrals. The patients included beneficiaries of the Government programs including TRICARE

The information charged El Paso Healthcare Systems, LTD, also known as Columbia HCA, created a limited partnership for the purpose of paying kickbacks to physicians practicing in the El Paso, TX area. Shares of EPHS were "sold" to physicians risk free, often with the physician never paying for the shares. The physician then received payments based upon the number of shares owned. Additional schemes also included, "Sham Directorships" in one of the Columbia facilities. These Directorships were then used as a means to funnel money to the physicians. In exchange, the physician then placed his patients in Columbia facilities in El Paso.