

The Office of the Inspector General (OIG), Department of Defense (DoD), announced that on April 26, 2001, Samiha Mitwally, President, Medi-Peth Medical Laboratory (Medi-Peth), Lake Hopatcong, New Jersey, was sentenced to 15 months in prison, with 3 years supervised release, and ordered to pay restitution of \$61,704, and a \$2,400 special assessment, by U.S. District Judge Nicholas H. Politan, Newark, NJ. Additionally, Medi-Peth was ordered dissolved, and will immediately cease to do business.

On September 19, 2000, Mitwally entered a guilty plea, both for herself and her company, to all charges of a 24-count indictment. The indictment charged Mitwally and Medi-Peth with various fraudulent activities on their Government contracts. The charges included nine counts of mail fraud, nine counts of impersonation of a Government official, three counts of wire fraud, one count of criminal false claims against the U.S., and two counts of bankruptcy fraud.

The investigation determined that Mitwally devised a scheme, starting in 1997, where Medi-Peth would receive purchase order contracts from various Department of Defense (DoD) medical centers and hospitals. She would then impersonate a DoD contracting officer to telephonically order the goods directly from a legitimate medical supply vendor, normally the manufacturer. This vendor, believing it had been awarded a Government contract, would supply the items directly to the DoD, but payment would go to Mitwally.

Mitwally also falsified a shipping invoice to make it appear that she had paid for the shipping costs on a Government contract, when her vendor had paid for them.

After some of the defrauded vendors attempted to recover money from Medi-Peth, Mitwally took steps to protect assets held in her name by assuming the alias of Mrs. Elaine Adams. Under this alias, she filed petitions for bankruptcy for Medi-Peth with the U.S. Bankruptcy Court, Newark, NJ, in 1998 and 1999. Mitwally pled guilty to bankruptcy fraud in connection with these two petitions.