

The Office of the Inspector General (OIG), Department of Defense (DoD), announced today that on December 3, 2001, Dr. Herbert Arnold Daniels was convicted in U.S. District Court, Kansas City, KS. The jury returned guilty verdicts on 43 of the 47 counts charged in the February 14, 2001 indictment. The jury acquitted Daniels on the remaining 4 counts. Daniels was convicted on 33 counts of healthcare fraud, 7 counts of mail fraud, and 3 counts of perjury.

The trial began September 25, 2001 and concluded November 28, 2001. The court set a sentencing date of March 4, 2002.

The indictment charged that Daniels defrauded Federal and private health care benefit programs and illegally enriched himself by submitting false claims for services. The scheme to defraud included subjecting Tricare patients, and others, to unnecessary surgery.

Daniels faces a maximum sentence of 5 years in custody for his conviction on each count of mail fraud and 10 years for his conviction on each count of health care fraud and perjury. Additionally, Daniels could be ordered to pay up to \$250,000 in fines for his conviction on each count.