

THE UNITED STATES ATTORNEY'S OFFICE
WESTERN DISTRICT *of* MICHIGAN

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Department of Justice

U.S. Attorney's Office

Western District of Michigan

FOR IMMEDIATE RELEASE

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U.S. Attorney Announces Criminal And Civil Enforcement Actions Against Medical Practitioners For Roles In Telemedicine Fraud Schemes

GRAND RAPIDS – U.S. Attorney Andrew B. Birge announced a series of criminal and civil enforcement actions taken as part of a joint-agency healthcare fraud operation in the Western District of Michigan investigating medical practitioners who signed off on illegitimate orders for medical braces and cancer genetic testing promoted by telemarketers. The ongoing investigation—dubbed Operation “Happy Clickers” to reflect many of the practitioners’ habits of approving these orders with little to no review—resolves alleged fraud losses to date to the Medicare Program of over \$7.3 million.

These actions follow nationwide takedowns of so-called marketers and owners of durable medical equipment (“DME”) supply companies and cancer genetic testing laboratories who conducted large-scale fraud schemes designed to defraud the Medicare Program (see press releases for takedowns on [April 9, 2019](#), [September 27, 2019](#), and [September 30, 2020](#)). The marketers called Medicare beneficiaries, often through overseas call centers, soliciting them for medically unnecessary braces and cancer genetic testing for screening purposes. The marketers, typically working through locum tenens companies, paid medical practitioners to purportedly review and sign these orders under the guise of telemedicine and then sold those signed orders to the owners of the DME supply companies and laboratories in violation of the federal anti-kickback statute.

The resolutions U.S. Attorney Birge announced involved four of the Michigan practitioners who approved and signed these orders on behalf of the marketers:

Richard Laksonen, N.P., a nurse practitioner from Ishpeming, MI, pleaded guilty on August 6, 2021, to one count of making a false statement relating to health care matters. As part of his guilty plea, Mr. Laksonen admitted that he signed orders for medical braces and cancer genetic testing, attesting that he had performed the assessments and verifying that the orders were reasonably and medically necessary, when, in fact, he typically executed the orders without reviewing the records. For example, Mr. Laksonen admitted that, in a one-week period, he signed approximately 335 separate single-patient files, many containing multiple types of braces, spending on average 18 seconds from the time he opened the record to the time he executed it. Mr. Laksonen continued to approve these orders, even after an investigator for a health insurer warned him that the patient referrals were the result of aggressive telemarketing. The investigation further established that many of these braces and tests were not medically necessary. As part of his plea agreement, Mr. Laksonen admitted that

Medicare paid over \$5.7 million for the orders he approved and signed. The Court will sentence Mr. Laksonen on November 15, 2021.

Hugh G. Deery II, M.D., of Petoskey, MI, **Colleen Browne, D.O.**, formerly of Portland, MI, and **Mosab Deen, D.O.**, of Royal Oak, MI, resolved civil liability for alleged violations of the False Claims Act by entering into civil settlements with the United States. These physicians approved orders for medically unnecessary braces and cancer genetic testing despite many red flags that these items and services were illegitimate. For example, there were often discrepancies between the brace orders and “examination” notes that the physicians signed and the recorded phone calls between the overseas call centers and the Medicare beneficiaries. Additionally, the marketer often suggested the physicians sign multiple brace orders for each beneficiary, and the physicians were pressured not to deny claims.

Medicare beneficiaries targeted by this fraud scheme complained of being “bombarded” by overseas telemarketing calls offering “free” braces. If the doctors took the time to listen to these recorded phone calls, they would have known that the calls were run by telemarketers and not medical professionals. The orders the physicians signed resulted in hundreds of thousands of dollars paid by Medicare for medically unnecessary braces, which beneficiaries often did not want or use.

To resolve their individual liability, Dr. Deery has agreed to pay \$301,140, Dr. Browne has agreed to pay \$42,000, and Dr. Deen has agreed to pay \$28,545. Dr. Browne’s settlement agreement also resolved allegations that she ordered medically unnecessary cancer genetic testing for Medicare beneficiaries for cancer screening purposes. Generally, Medicare does not cover genetic testing solely for the purpose of screening for cancer.

“Given that their approval and signatures are necessary for Medicare to pay for these braces and testing, medical practitioners are the professional backstop against these fraud schemes,” said U.S. Attorney Birge. “And when medical practitioners ignore their professional responsibilities, facilitating these fraud schemes in our district, they will be held accountable.”

“The ordering of medically unnecessary services resulting from purported telemedicine visits to Medicare is blatant fraud,” said Lamont Pugh III, Special Agent in Charge, U.S. Department of Health & Human Services, Office of Inspector General – Chicago Region. “The OIG will continue to work with our law enforcement partners and federal prosecutors to identify and hold accountable those individuals who choose to execute healthcare fraud schemes, and the practitioners who legitimize these schemes, and waste vital taxpayer dollars.”

“As medical professionals, these defendants had an obligation to conduct a good faith review of the devices and medical tests being ordered on behalf of Medicare patients,” said Timothy Waters, Special Agent in Charge of the FBI’s Detroit Field Office. “Their failure to do so contributes to the billions of dollars of fraud losses Medicare suffers annually. Collaborative efforts like this one, demonstrate the FBI and our partners resolve to hold accountable those seeking to defraud the Medicare system.”

Operation “Happy Clickers” is an ongoing initiative by HHS-OIG, the FBI, and the U.S. Attorney’s Office for the Western District of Michigan. Assistant U.S. Attorney Raymond E. Beckering III is overseeing and prosecuting the criminal investigation, and Assistant U.S. Attorney Andrew J. Hull is representing the United States in the parallel civil investigations.

Individuals, including medical professionals, who are aware of past or ongoing conduct involving solicitation and fraudulent approval of medical braces and cancer genetic testing through purported telemedicine services can call the U.S. Attorney’s Office Healthcare Fraud Investigator at 616-808-7572 or submit an online complaint to the HHS-OIG Hotline: <https://oig.hhs.gov/fraud/report-fraud/>

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Topic(s):

Health Care Fraud

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