

Fort Defiance couple sentenced to prison for health billing fraud

Written by Staff Reports

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PHOENIX – In late November, Sylvia Begay, 50, of Fort Defiance, Ariz., was sentenced by U.S. District Judge G. Murray Snow to 28 months in federal prison, followed by a three-year term of supervised release, and ordered to pay more than \$2.1 million in restitution. Additionally, Virgil Begay, 53, of Fort Defiance, Ariz., was sentenced by U.S. District Judge G. Murray Snow to 21 months in federal prison, followed by a three-year term of supervised release, and ordered to pay more than \$1.3 million in restitution. The Begays had previously pleaded guilty to health care fraud.

The Begays generated millions of dollars in fraudulent payments to themselves by falsely billing Arizona's Health Care Cost Containment System for tens of thousands of medical transports that never occurred. AHCCCS is Arizona's Medicaid agency that offers health care programs to Arizona residents who meet certain income and other requirements. The Begays owned and operated companies that provided non-emergency medical transportation for AHCCCS recipients on the Navajo reservation.

From December 2010 through May 2013, Begay's company, Hozho Nahasdlíi Health Care at Home, submitted more than 24,000 false claims to AHCCCS for medical transports that never occurred, generating approximately \$2,174,207 in fraudulent payments from AHCCCS to Begay. From May 2012 through May 2013, Mr. Begay's company, Beauty Way Transport, submitted more than 16,000 false claims to AHCCCS for medical transports that never occurred, generating approximately \$1,367,588 in fraudulent payments from AHCCCS to Mr. Begay.

The investigation in this case was conducted by the Federal Bureau of Investigation. The prosecution was handled by Bridget Minder and Peter Sexton, Assistant U.S. Attorneys, District of Arizona, Phoenix.