



NEWS RELEASE

From New York State Workers' Compensation Fraud Inspector General
Catherine Leahy Scott

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DISGRACED FORMER SURGEON FACING FEDERAL CHARGES OF \$860,000 HEALTH CARE FRAUD COMMITTED AS HE PLEADED GUILTY TO AND WAS SERVING HIS SENTENCE FOR ANOTHER FRAUD

WHITE PLAINS – New York State Inspector General Catherine Leahy Scott and Geoffrey S. Berman, the United States Attorney for the Southern District of New York, today announced the arrest and federal charges against a former orthopedic surgeon accused of stealing another physician's identity to bill for more than \$860,000 for Workers' Compensation case reviews that he was not licensed to perform, all committed after being arrested and while serving a federal prison sentence for another multi-million dollar health care fraud.

Spyros Panos, 49, of Hopewell Junction, was charged in federal district court in White Plains today with Wire Fraud, Health Care Fraud, and Aggravated Identity Theft; accused in a criminal complaint of using another physician's identity to perform peer reviews of Workers' Compensation examination reports while unlicensed to practice medicine and while under federal custody for a separate health care fraud.

“With jaw-dropping hubris, this disgraced former physician engaged in a health care fraud scheme while serving a federal sentence for yet another health care fraud. The alleged actions behind these new charges demonstrate his apparent lack of remorse and a clear disdain for making an honest living,” said **Inspector General Leahy Scott**. “I will continue working with my federal and state law enforcement partners to help ensure the integrity of the Workers' Compensation system while pursuing practitioners hoping to build their own wealth without regard to the law or fair play.”

The new charges filed today relate to activities that allegedly took place in late 2013, and between November 2016 and October 2017, both before and after Panos was released from federal prison after serving three years of a four-and-a-half-year prison sentence for an unrelated health care fraud. Panos pleaded guilty and surrendered his medical license in late 2013, admitting to having operated a multi-year scheme in which he defrauded Medicare, the New York State Insurance Fund, and numerous private health insurance providers by systematically lying about the nature and scope of the surgical procedures that he performed. He was also ordered to pay a \$250,000 fine and \$5 million in restitution for those previous crimes.

An investigation by Inspector General Leahy Scott, the United States Postal Inspection Service and the office of the United States Attorney for the Southern District of New York more recently found that Panos, using the identity of another physician and bank accounts under his own control, began performing peer reviews of Workers' Compensation medical examination reports for six companies that provide physicians to conduct reviews of patient medical files in connection with Workers' Compensation claims. Such reviews of examination reports require no actual examination of a patient but do require a license to practice medicine.

Using the identity and credentials of another physician, Panos allegedly billed the six medical records review companies more than \$860,000 for the reviews. A portion of those fraudulent examinations were conducted after Panos pleaded guilty in 2013 and surrendered his medical license, but before beginning his federal prison sentence for the previous health care frauds. In late 2016, while still serving the last few months of his prison sentence but living confined to his own home, Panos again started using another physician's credentials and billing for the examination reviews.

According to the investigation and court records, a month before Panos pleaded guilty in 2013, an email address was created in the name of the physician whose identity Panos is accused of stealing. Many emails sent and received using that email account allegedly originated from a computer at Panos's residence in Dutchess County.

Also based on the investigation, a company called Excel O LLC was formed in late 2013 shortly after Panos pleaded guilty to the prior health care fraud charges but before he surrendered for his prison sentence. The company was formed by a relative of Panos. That company's address corresponded to a building in Brooklyn owned by another relative of Panos. The six medical peer review companies sent checks for payment of services to that company which were then deposited into Excel O LLC's Dutchess County bank account.

Subsequent to his arrest this morning, Panos's home office in Hopewell Junction was searched pursuant to a court issued warrant. Panos is expected to be arraigned in United States Court for the Southern District of New York in White Plains this afternoon.

Inspector General Leahy Scott thanked the United States Office of Health and Human Services Office of the Inspector General and the United States Postal Inspection Service for their assistance with the investigation, and United States Attorney for the Southern District of New York Geoffrey S. Berman and his office for their work on the investigation and for prosecuting this matter.

The defendant is presumed innocent until and unless proven guilty in a court of law.

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The New York State Office of the Workers' Compensation Fraud Inspector General investigates fraud, abuse and/or illegal acts against the New York State Workers' Compensation system, including fraud by medical service providers, employers seeking to evade appropriate Workers' Compensation charges, and employees who fabricate injuries to fraudulently receive system benefits. Complaints and referrals are kept confidential. We can be reached by calling toll free: 1-800-367-4448, utilizing our online complaint form at <http://www.ig.ny.gov> or sending an email to: inspector.general@ig.ny.gov. You also can write to our office at: Office of the Workers' Compensation Fraud Inspector General, Empire State Plaza, Agency Building 2, 16th Floor, Albany, New York 12223