



# NEWS RELEASE

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

FOR IMMEDIATE RELEASE: Feb. 13, 2018  
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## **CENTRAL NEW YORK ORTHOPEDIC SURGEON INDICTED ON CHARGES OF OPERATING AN ONGOING SCHEME STEALING MORE THAN \$50,000 FROM THE WORKERS' COMPENSATION SYSTEM**

ALBANY – New York State Inspector General Catherine Leahy Scott and Oneida County District Attorney Scott D. McNamara today announced the indictment of a central New York orthopedic surgeon on charges he ran an ongoing scheme defrauding the Workers' Compensation system by more than \$50,000.

Dr. Gregory B. Shankman, 70, of Clinton, was arraigned today on an indictment charging Grand Larceny in the Second Degree, Grand Larceny in the Fourth Degree and 21 counts of Offering a False Instrument for Filing in the First Degree, all felonies. The indictment supersedes his arrest last year as investigators from the Offices of the New York Inspector General and the Office of the Oneida County District Attorney executed a search warrant at Shankman's Utica offices on Genesee Street.

An investigation by Inspector General Leahy Scott found Shankman defrauded the Workers' Compensation system of more than \$50,000, by certifying he was at claimant medical exams at his Utica office when he was traveling in western New York, out of state, and even out of the country. On multiple occasions, based on the investigation, Shankman was performing medical examinations related to Workers' Compensation medical examinations in offices across upstate and western New York regions while also billing for medical services conducted simultaneously at his Utica office, where he was required to be under State law. Patients at Shankman's office were often instead only seen by a physician's assistant who was not authorized to examine and treat Workers' Compensation patients without Shankman's direct supervision.

"The indictment alleges that this physician blatantly and greedily ignored standard procedures to operate an illicit medical billing mill while vacationing abroad," said Inspector General Leahy Scott. "He profited personally from his conduct while putting honest medical practitioners at a severe disadvantage. I remain committed to using all the resources at my disposal to pursue anyone who defrauds the Workers' Compensation system."

The investigation found that Shankman was not in his Utica offices on more than 150 separate days between January 2015 and August 2017 while certifying he was at the office each of those days overseeing multiple Workers' Compensation exams. On many of the days when he indicated he was performing exams at his offices in Utica, he was in fact performing other exams in offices near Buffalo, was out of State, and even traveling in Iceland in the spring of 2016. As such, Shankman systematically submitted false bills for medical services allegedly rendered by a Workers' Compensation medical provider to the State Insurance Fund, the County of Oneida and other insurance carriers, third party administrators, and self-insured entities.

Shankman was arraigned on the indictment today in Oneida County Court and released pending further court action.

Inspector General Leahy Scott thanked Oneida County District Attorney McNamara and his office for assisting with 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](mailto: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*