



NEWS RELEASE

From New York State Inspector General

Catherine Leahy Scott

FOR IMMEDIATE RELEASE: Dec. 21, 2018
Contact [John Milgrim](#): 518-474-1010

MEDICAL SUPPLY COMPANY AND DISGRACED FORMER SURGEON WHO FOUNDED IT CHARGED WITH A MULTI-MILLION DOLLAR FRAUD ON THE STATE EMPLOYEES' HEALTH INSURANCE PLAN

ALBANY – New York State Inspector General Catherine Leahy Scott today announced the arrest and charges against a capital region medical supply company and its founder alleging they took part in a multi-million dollar fraud against the primary health insurance plan covering State employees known as the Empire Plan. The charges allege the fraud was accomplished through a scheme involving inappropriate charges, forged prescriptions and falsified insurance claims for orthotics and compression stockings provided to government employees throughout the State.

Union Foot Solutions, LLC, of Niskayuna (also known as Union Orthotics and Pedorthics) and its founder, Steven A. St. Lucia, 62, of Valencia Road, Niskayuna, were each charged with Grand Larceny in the First Degree, six counts of Health Care Fraud in the Second Degree, Criminal Possession of a Forged Instrument in the Second Degree, Scheme to Defraud in the First Degree and Offering a False Instrument for Filing in the First Degree, all felonies.

The investigation is continuing.

“Defendant St. Lucia is a disgraced former surgeon who was once described as a danger to the community and morally bankrupt by the State medical licensing board and is now charged with perpetrating an elaborate health insurance fraud for his own personal greed,” said **Inspector General Leahy Scott**. “I will continue to vigorously investigate and pursue anyone who uses State resources or programs in furtherance of a criminal scheme.”

“I applaud the work done by Inspector General Leahy Scott and our New York State Police Special Investigations Unit on this case,” said **New York State Police Superintendent George P. Beach II**. “Because of the strong collaboration among law enforcement, together, we were able to uncover this devious scheme and expose this fraud. Individuals like this surgeon, who use their position to take advantage of others and defraud the health insurance system, will be held accountable and brought to justice.”

An investigation by Inspector General Leahy Scott with the assistance of the New York State Police found that since at least 2012, Union Foot Solutions has been operating under fraudulent pretenses, including concealing that its founder was prohibited from billing any federal health plans by the United States Department of Health and Human Services’ Office of the Inspector General (HHSOIG) and for using forged prescriptions to bill for

orthotics and compression stockings. As part of the ongoing fraud, the company would arrange to establish promotional booths within State facilities to solicit employees with the promise of free compression stockings and custom-fit orthotics at no out-of-pocket expense. As part of the alleged fraud, the company repeatedly used prescriptions with forged physician signatures to justify medical necessity in claims billed to the Empire Plan.

St. Lucia, a former practicing surgeon, lost his license to practice medicine in early 2000 amidst charges of gross incompetence, negligence and inappropriate sexual relations with three of his own surgical patients. The New York State Department of Health's Board of Professional Medical Conduct, at the time, found St. Lucia to be a "danger to the community" and that through his conduct he "has shown himself to be morally bankrupt and wanting in fundamental clinical skills." His application to have his license reinstated was denied in 2008.

Pursuant to permanently losing his license to practice medicine, St. Lucia was placed on the HHSOIG list of individuals and entities prohibited from billing Medicare and Medicaid or any other federal health care program, a fact the defendants concealed in order to be able to bill the Empire Plan.

St. Lucia was arraigned today on the charges in Niskayuna Town Court and released upon posting \$1,000 cash bail pending his reappearance in court on Jan. 2, 2019. Union Foot Solutions is scheduled for arraignment in the same court on Jan. 2, 2019.

The Inspector General thanked the New York State Police for their assistance with the investigation and arrests, the Schenectady County District Attorney's office for their assistance with the investigation and for prosecuting this case, and HHSOIG for their assistance with the investigation.

The defendants are presumed innocent until and unless proven guilty in a court of law.

###