



NEWS RELEASE

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

FOR IMMEDIATE RELEASE: Oct. 5, 2015
Contact [John Milgrim](#): 518-474-1010

THE OWNERS OF A SOUTHERN TIER MEDICAL TRANSPORT COMPANY FALSIFIED WORKERS COMP CERTIFICATIONS AND STOLE MORE THAN \$1.3 MILLION FROM MEDICAID

BINGHAMTON – New York State Inspector General Catherine Leahy Scott and Attorney General Eric T. Schneiderman today announced the arrest of the owners of Binghamton's Yellow Medi-Van and Taxi, Inc., for failing to provide workers' compensation coverage for their employees, misleading regulators about their business's qualifications and for receiving more than \$1.3 million in Medicaid funds they were not entitled to.

Kenneth Cohn, 68, and Sharon Cohn, 64, of Binghamton, and Yellow Medi-Van and Taxi, Inc., were charged with Grand Larceny in the First Degree, Offering a False Instrument for Filing in the First Degree, and Effect of Failure to Secure Compensation, felonies.

“This husband and wife's alleged million-dollar theft from taxpayers was enabled through a trail of fraud and deceit that purposefully misled regulators and left their own employees exposed and vulnerable,” said Inspector General Leahy Scott. “I will continue to vigorously pursue and hold accountable any individual or business that violates the Workers' Compensation Law and defrauds government.”

“Our state's Workers' Compensation laws exist for a reason – to protect employees in the event of an accident,” Attorney General Schneiderman said. “Those who knowingly disregard these regulations and simultaneously defraud Medicaid will be held accountable.”

Inspector General Leahy Scott's investigation found the Cohns' Workers' Compensation Insurance coverage for Yellow Medi-Van and Taxi lapsed in 2012. They were denied coverage due to previous nonpayment of premiums. Since then, the Cohns repeatedly certified to Broome County taxi license regulators that they in fact had the required Workers' Compensation coverage. On the certifications, they listed insurance carriers that do not provide Workers' Compensation coverage.

Under State law, employers are required to obtain and maintain Workers' Compensation coverage for their employees.

Subsequent investigation found the Cohns, while operating without requisite insurance coverage, improperly filed numerous Medicaid claims for reimbursement for its medical transporting services. Between June 2012 and January 2014, Yellow Medi-Van received \$1.33 million in Medicaid payments it was not entitled to.

The Cohns were arraigned by the Hon. Judge William Pellela of Binghamton City Court.

Inspector General Leahy Scott thanked the Broome County Government Security Division and the New York State Workers Compensation Board Enforcement Unit for their assistance in this investigation, and Attorney General Eric T. Schneiderman and his staff for prosecuting the case.

###