



NEWS RELEASE

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

FOR IMMEDIATE RELEASE: Nov. 15, 2017
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THE OWNERS OF A SOUTHERN TIER MEDICAL TRANSPORT COMPANY SENTENCED FOR FALSIFYING WORKERS COMP CERTIFICATIONS AND STEALING HUNDREDS OF THOUSANDS FROM MEDICAID

BINGHAMTON – New York State Inspector General Catherine Leahy Scott and Attorney General Eric T. Schneiderman today announced that the husband and wife owners of Binghamton's Yellow Medi-Van and Taxi, Inc., have been sentenced for failing to provide Workers' Compensation coverage for their employees, misleading regulators about their business's qualifications, and receiving Medicaid funds to which they were not entitled.

As part of a plea agreement last July, Kenneth Cohn, 70, and Yellow Medi-Van and Taxi, Inc., of Binghamton, pleaded guilty to Grand Larceny in the Second Degree and the Workers' Compensation crime of Effect of Failure to Secure Compensation, both felonies. Cohn was sentenced today under that agreement to five years of probation. His wife, Sharon Cohn, 66, previously pleaded guilty to Offering a False Instrument for Filing in the Second Degree, a misdemeanor, and was sentenced today to a conditional discharge. As part of their plea, the Cohns agreed to forfeit and release, to the New York State Medicaid Fraud Control Unit, \$455,604.39 of the funds received from Medicaid. They also entered into a settlement agreement for an additional \$50,000.00.

“This husband and wife business team misled regulators and left their employees vulnerable without Workers' Compensation coverage so they could undercut other businesses and corruptly increase their own profits,” said Inspector General Leahy Scott. “I will relentlessly pursue any individual or business that defrauds taxpayers and the Workers' Compensation system.”

“These defendants defrauded Medicaid at the expense of their employees' safety and New York taxpayers. We'll continue to hold accountable those that seek to game the system and defraud New Yorkers,” said Attorney General Schneiderman.

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.

A subsequent investigation found the Cohns, while operating without requisite insurance coverage, improperly filed numerous Medicaid claims for reimbursement for its medical transporting services, thereby acquiring large sums of Medicaid payments to which it was not entitled.

The Cohns were sentenced in Broome County 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.

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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