



New York Doctor pleads guilty to defrauding Amtrak's health care plan, drug distribution, and unlawful possession of a firearm

For Immediate Release

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NEWARK, N.J. — A New York doctor on June 29, 2022, admitted to participating in a health care fraud scheme to defraud Amtrak, distribution of a controlled substance in furtherance of that scheme, and the unlawful possession of a firearm, according to an announcement from the U.S. Attorney's Office, District of New Jersey.

According to documents filed in this case and statements made in court, Michael DeNicola, 59, and his co-conspirators agreed to engage in a scheme to bill the Amtrak health care plan for fraudulent claims for services that either were never provided or were medically unnecessary. They would recruit Amtrak employees to participate in the scheme by paying them kickbacks for the use of their patient and insurance information to submit false and fraudulent claims. DeNicola and his co-conspirators submitted false and fraudulent claims that caused Amtrak losses of more than \$1.6 million.

DeNicola also provided oxycodone prescriptions to an individual in return for the individual's agreement to allow his patient and insurance information to be used for the submission of fraudulent insurance claims. DeNicola provided oxycodone prescriptions to others at the direction of this individual and did so outside of the usual course of professional treatment and without legitimate medical purpose. From April 2017 through February 2018, DeNicola issued 64 oxycodone prescriptions in this manner.

DeNicola also unlawfully possessed a firearm on Sept. 1, 2019, after previously having been convicted in a court of a crime punishable by a term of imprisonment exceeding one year.

The conspiracy to commit health care fraud and unlawful possession of a firearm charges each carry a maximum potential penalty of 10 years in prison and a \$250,000 fine, or twice the gross gain or loss from the offense, whichever is greatest. The distribution of a controlled substance charge carries a maximum potential penalty of 20 years in prison and a \$1million fine, or twice the gross gain or loss from the offense, whichever is greatest. Sentencing is scheduled for Nov. 22, 2022.

U.S. Attorney Philip R. Sellinger credited special agents of the Amtrak Office of Inspector General, under the direction of Special Agent in Charge Michael J. Waters; special agents of the Drug Enforcement Administration, under the direction of Special Agent in Charge Frank A. Tarentino, III, in New York; special agents of the FBI, under the direction of Assistant Director in Charge Michael J. Driscoll in New York; the U.S. Food and Drug Administration Office of Criminal Investigations, under the direction of Acting Special Agent in Charge Bradley Greenberg; postal inspectors of the U.S. Postal Inspection Service in Newark, under the direction of Postal Inspector in Charge Damon Wood, Philadelphia Division; and the Amtrak

Police Department, under the direction of Chief of Police Samuel Dotson, with the investigation, leading to today's guilty plea.

Reports of fraud, waste, or abuse; criminal or unethical acts affecting Amtrak's property or operations; or mismanagement in Amtrak programs or operations can be made 24 hours a day via the Amtrak OIG Hotline at 1-800-468-5469 or online at <https://direc.to/hPAu>.

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