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**EMERGENCY ROOM SERVICE PROVIDER AGREES TO PAY \$700,000
TO SETTLE FEDERAL MEDICARE, MEDICAID FALSE BILLING CLAIMS**

CHICAGO – An area physician who provided emergency room staffing and billing services at various Chicago area hospitals has agreed to pay \$700,000 to settle a federal “whistleblower” lawsuit alleging that he, together with his ex-wife and the companies that took over the business, over-billed Medicare and Medicaid by falsely claiming a higher level of services provided to patients. The settlement was recently approved by a federal magistrate judge, Patrick J. Fitzgerald, United States Attorney for the Northern District of Illinois, announced today.

The defendant, **Dr. Robert D. Tetik**, who founded and owned **EMSCO Billing Services, Inc.**, which had offices in suburban Hinsdale, agreed to make specified payments to the United States, the State of Illinois, the State of Maine, two former employees who brought the allegations to the government’s attention and their attorneys. In June 2004, the two corporate defendants, **National Emergency Services, Inc.** and **NES Holdings, Inc.**, of Raleigh, N. Carolina, which purchased EMSCO in 1994, agreed to pay \$1.1 million to settle these same claims. Portions of the federal lawsuit remain pending against Dr. Tetik’s ex-wife, **Bonnie L. Tetik**, of Burr Ridge, who was also a co-founder and owner of EMSCO.

The case began in 1996 when the original plaintiff, Linda Trombetta, a former EMSCO billing supervisor, filed a lawsuit under seal, alleging the over-billing practices. Three years later, a similar lawsuit was filed by another former billing supervisor, Linda Freeman, and the cases were consolidated. The United States joined portions of both cases in late 2001 and early 2002. Under the False Claims Act, lawsuits are filed under seal to allow the government an opportunity to investigate the allegations and decide whether to take an active role in the litigation. The law allows the original plaintiffs to be awarded a portion of any damages ultimately obtained by the government. *United States, ex rel. Linda Trombetta, Linda Freeman and James Freeman v. Emsco Billing Services, Inc.*, Nos. 96 C 226 and 99 C 151 (N.D. Ill.).

Under the terms of the settlement agreement, the defendants agreed to pay a total of \$700,000, with that amount proportioned as follows: \$415,610 to the United States; \$153,463 to the State of Illinois; \$1,427 to the State of Maine; and \$129,500 to relators Trombetta and Freeman. In addition, the defendant agreed to pay \$25,000 in attorney fees to relators' attorneys, Steven H. Cohen, Randy Berlin, Norman Hafron, and Barry Rosen.

Under the settlement, Dr. Tetik does not admit any liability, and he settled to avoid the expense, delay and uncertainty of litigation.

According to the government's complaint, EMSCO billed and collected payments from medical payers, including Medicare and Medicaid, for emergency room physician services rendered at client hospitals, which included more than a half-dozen community hospitals in the Chicago area. After EMSCO was acquired by NES in 1994, Dr. Tetik remained its chief executive through 1997. In July 1989, the suit alleged, the Tetiks instructed their employees to bill the Illinois Department of Public Aid, which administers the Medicaid program in the state, at one of the two highest

reimbursement codes to Medicaid patient files, regardless of the actual level of services rendered to those patients. After Medicaid codes were revised in 1992, the Tetiks instructed their employees to routinely upcode patient files, regardless of the treatment provided.

In 1995 and 1996, the corporate defendants also allegedly over-billed Maine Medicaid for emergency room physician services rendered at a hospital in Lewiston, Me. When the medical payer was a health maintenance organization, a private insurance company, or the actual patient, the billing service did not upcode the level of treatment.

The United States is and was represented by Assistant U.S. Attorneys Patrick W. Johnson and Carole J. Ryczek. The investigation was conducted by the U.S. Department of Health and Human Services Office of Inspector General and the Federal Bureau of Investigation.

In a civil case, the defendants are entitled to a fair trial at which the government has the burden of proof by a preponderance of the evidence.

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