

JUSTICE NEWS

Department of Justice

Office of Public Affairs

FOR IMMEDIATE RELEASE

Friday, November 8, 2019

Insurance Broker Found Guilty of 22 Counts in \$2 Million Scheme to Defraud Carefirst Bluecross Blueshield

A federal jury found a District of Columbia insurance broker guilty today for his role in a scheme to defraud CareFirst BlueCross BlueShield of more than \$2 million.

Assistant Attorney General Brian A. Benczkowski of the Justice Department's Criminal Division, U.S. Attorney Jessie K. Liu of the District of Columbia, Acting Assistant Director in Charge Timothy R. Slater of the FBI's Washington Field Office and Special Agent in Charge Maureen Dixon of the U.S. Department of Health and Human Services Office of Inspector General's (HHS-OIG) Philadelphia Regional Office made the announcement.

Following a two-week trial, Tarek Abou-Katwa, aka Dean Addem, 59, of the District of Columbia, a licensed insurance broker and the owner of Benefits Consulting Associates LLC, was found guilty of one count of health care fraud, three counts of making false statements related to health care matters, seven counts of mail fraud, six counts of wire fraud and five counts of identity theft charged in a March 2018 indictment. Abou-Khatwa is expected to be sentenced on March 3, 2020, by U.S. District Judge Tanya S. Chutkan of the District of Columbia, who presided over the trial.

According to the evidence presented at trial, Abou-Khatwa was involved in a scheme to defraud CareFirst BlueCross Blue Shield by creating fictitious employees and altering years of birth of actual employees to fraudulently obtain lower insurance premiums, inflate the rates charged to clients and pocket the difference, which was in excess of \$2 million.

The FBI and HHS-OIG investigated the case with the help of the D.C. Department of Insurance, Securities and Banking. Trial Attorney Alexander Kramer of the Criminal Division's Fraud Section and Assistant U.S. Attorney Derrick Williams of the District of Columbia are prosecuting the case. Assistant U.S. Attorney Virginia Cheatham of the District of Columbia previously handled the prosecution.

The Fraud Section leads the Medicare Fraud Strike Force. Since its inception in March 2007, the Medicare Fraud Strike Force, which maintains 15 strike forces operating in 24 districts, has charged more than 4,200 defendants who have collectively billed the Medicare program for nearly \$19 billion. In addition, the HHS Centers for Medicare & Medicaid Services, working in conjunction with the HHS-OIG, are taking steps to increase accountability and decrease the presence of fraudulent providers.

Topic(s):

Health Care Fraud

Component(s):

Criminal Division

Criminal - Criminal Fraud Section

USAO - District of Columbia

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