

The Office of the Inspector General (OIG), Department of Defense (DoD), announced today that on September 26, 2001, Eileen B. Aird, Ridgewood, NJ, former President of LifeChem Laboratories, Inc., was sentenced in U.S. District Court to 1 year probation.

Aird pled guilty on June 11, 2001 to misprision of a felony with regard to double billing the Medicare program for approximately \$4.9 million.

From 1990 through 1996, Aird was the General Manager and then President of LifeChem Inc, a subsidiary of National Medicare Care, Inc (NMC) of Waltham, Massachusetts. NMC was the largest provider of services to patients with end stage renal disease in the United States. LifeChem was an independent clinical blood laboratory that was owned by NMC and specialized in the performance of laboratory tests for patients with end stage renal disease. LifeChem previously agreed to a global criminal and civil settlement totaling \$148,840,000. Single damages returned to TRICARE were \$13,796.

In pleadings filed in U.S. District Court, the Government charged Aird with concealing and failing to report a crime by LifeChem from July 1992 through August 1995. The crime she concealed involved the submission of duplicate claims for payment for laboratory blood tests to Medicare between February 1991 and June 1992. The claims were accompanied by the false representation that the tests were lawfully payable as non-routine blood tests when, to the contrary, Medicare had already paid for the tests as routine blood tests for dialysis patients. The Government charged that Aird knew about the false representations but did not disclose the false representation, did not pay back the monies improperly obtained from Medicare for the double billed tests, and concealed the false representations by continuing to tell Medicare that LifeChem only submitted claims for payment for lawfully reimbursable non-routine tests when she knew that tests had been double billed.