

Office of School Board Attorney  
Walter J. Harvey, School Board Attorney

**SUBJECT: AUTHORIZATION TO FILE LAWSUIT AGAINST ABC THERAPY CENTER CORP., UNIVERSAL MEDICAL & THERAPY GROUP, INC., OSVALDO A. GARCIA, AND OSMANI GONZALEZ TO SEEK RECOVERY OF DISTRICT FUNDS ISSUED IN PAYMENT OF SUSPECTED FRAUDULENT INSURANCE CLAIMS SUBMITTED TO THE DISTRICT**

The School Board Attorney requests the School Board's authorization to file a lawsuit against ABC Therapy Center Corp., Universal Medical & Therapy Group, Inc., Osvaldo A. Garcia, and Osmani Gonzalez for recovery of funds paid as a result of suspected fraudulent health insurance claims submitted to the District's self-funded insurance plan.

The District provides health insurance for its employees through a self-funded insurance plan. The District's self-funded insurance plan is administered by Cigna Health Insurance Corp. During June of 2014, Cigna and District staff identified numerous health insurance claims billed to the District's self-funded insurance plan which were suspected to be fraudulent. The Miami-Dade Schools Police Department thereafter initiated a criminal investigation into the suspected fraud which resulted in the issuance of court ordered search and arrest warrants. Several individuals have been recently arrested, including Osvaldo A. Garcia, President and Registered Agent of ABC Therapy Center Corp., and Osmani Gonzalez, President and Registered Agent of Universal Medical & Therapy Group, Inc. The criminal charges against these individuals include filing of false and fraudulent insurance claims, grand theft, organized scheme to defraud, and money laundering. Based on the results of the investigation, it is believed by Cigna and District staff that ABC Therapy Center Corp and Universal Medical & Therapy Group, Inc. may have fraudulently collected from the District approximately \$2.7 million. Criminal charges against these individuals remain pending.

The proposed litigation would be handled by The School Board Attorney's Office with the assistance, as may be needed, from outside counsel specializing in this area.

This item does not appear on the published Agenda. There exists good cause to vary from the published Agenda in order to timely protect the District's financial interests.

**RECOMMENDED:** That The School Board of Miami-Dade County, Florida authorize the School Board Attorney to file a lawsuit against ABC Therapy Center Corp., Universal Medical & Therapy Group, Inc., Osvaldo A. Garcia, and Osmani Gonzalez for recovery of funds paid as a result of suspected fraudulent health insurance claims submitted to the District's self-funded insurance plan.