

Department of Justice
U.S. Attorney's Office
Northern District of Oklahoma

FOR IMMEDIATE RELEASE

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New York Doctor Will Pay Nearly \$130,000 for Allegedly Engaging in an Illegal Kickback Scheme

A New York doctor has agreed to pay the government \$127,072.34 for allegedly accepting illegal kickback payments from OK Compounding, L.L.C., announced U.S. Attorney Trent Shores.

The U.S. Attorney's Office in the Northern District of Oklahoma entered into a settlement agreement with George Lehner, 46, a medical doctor, in an effort to recoup the costs to the U.S. government resulting from the illegal kickbacks. This civil settlement resulted from an investigation into numerous health care providers writing prescriptions for pain creams compounded and sold by OK Compounding in return for kickback payments.

"OK Compounding was an epicenter of criminal and civil healthcare fraud in northeastern Oklahoma. Another week, another physician being held accountable. My team won't rest until they've rooted out the corruption," said U.S. Attorney Trent Shores.

Beginning in 2014 and continuing into 2015, Dr. Lehner prescribed compounded pain creams for his patients, facilitating the sale and distribution of the creams. As compensation for his services, OK Compounding paid Dr. Lehner what was characterized by the parties as "medical director fees" based upon an hourly rate. However, the payments Dr. Lehner received from the company were, in actuality, "kickbacks." Because Dr. Lehner's patients were insured with Medicare, a federal health insurance program for people over 65 years of age and for certain younger individuals with some disability status, the kickbacks were in violation of the False Claims Act. It is illegal to pay or receive "kickbacks" in conjunction with federal health care insurance.

Prohibitions against kickbacks are crucial to insure that financial motives do not undermine the medical judgment of physicians and other health care providers. The civil False Claims Act is an important tool used to protect the integrity of taxpayer-funded health care programs.

The settlement resolves allegations that Dr. Lehner had an illegal financial relationship with OK Compounding, concerning pain creams from April of 2014 through March of 2015.

Affirmative Civil Enforcement (ACE) refers to filing civil lawsuits on behalf of the United States. The purpose of these civil actions is to recover government money lost to fraud or other misconduct or to impose penalties for violations of Federal health, safety, civil rights or environmental laws.

To report fraud and abuse against the Federal government in the Northern District of Oklahoma, please contact the U.S. Attorney's Office at 918-382-2700 and speak to a member of the ACE Unit.

This settlement was the result of a coordinated effort by Assistant U.S. Attorney Marianne Hardcastle for the Northern District of Oklahoma; the Defense Criminal Investigative Service; Department of Labor– Office of Inspector General (OIG), IRS– Criminal Investigation Division; U.S. Postal Service– OIG; FBI; Department of Veterans Affairs– OIG and the Department of Health and Human Services– OIG.

The claims resolved by the settlement are allegations only; there has been no determination of liability.

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