

STATE OF MARYLAND

v.

MEHRDAD AALAI, M.D.

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14-C-00-002709
IN THE

CIRCUIT COURT FOR

BALTIMORE CITY

CRIMINAL NO. 293302008

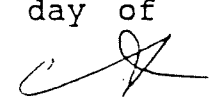
PLEA AGREEMENT

The Attorney General of Maryland, J. Joseph Curran, Jr., and Assistant Attorney General Adina N. Amith, and the Defendant, Mehrdad Aalai, M.D., and his counsel, Andrew Radding, Esquire and David L. Jacobson, Esquire, set forth the following plea agreement which has been entered into pursuant to Rules 4-243 (a) (5), (6) and 4-243 (c).

1. The Defendant will enter a plea of guilty to one count of felony Medicaid fraud under Article 27, Section 230B of the Annotated Code of Maryland. This offense is punishable by imprisonment not exceeding five years, a fine not exceeding ten thousand dollars (\$10,000), or both.

2. At the time of sentencing, the Defendant will argue for probation before judgment pursuant to Art. 27, §641 of the Annotated Code of Maryland. The State will oppose granting the Defendant probation before judgment. The State and the Defendant agree that any sentence imposed by the Court will not exceed three years in the custody of the Maryland Division of Correction, all of which will be suspended at the time of sentencing.

3. Pursuant to Rule 4-243 (c) (1), the State and the Defendant will jointly ask the Court to sentence the Defendant to pay a fine totaling Ten Thousand Dollars (\$10,000.00) ~~by certified check~~ payable to the Sheriff of Baltimore City on the day of



sentencing. The Defendant shall also pay all court costs in cash, at the time of sentencing.

4. The State and the Defendant will jointly ask the Court to order the Defendant to make restitution to the State Medical Care Finance and Compliance Administration in the amount of One Hundred Forty-Two Thousand Five Hundred and Seventy Dollars (\$142,570.00) to be paid over a three year period in equal monthly installments beginning on the first day of the month following the date of sentencing, and continuing thereafter for the next 35 months.

5. The State and the Defendant will jointly ask the Court to impose a three year period of unsupervised probation to run from the date of sentencing, a specific condition of which will be payment in full of One Hundred Forty-Two Thousand Five Hundred and Seventy Dollars (\$142,570.00) in restitution to the State Medical Care Compliance Administration.

6. As an additional specific condition of probation, Defendant will perform 400 hours of community service in compliance with the rules and regulations of the Division of Parole and Probation. The Court will recommend to the Maryland Board of Probation.

7. The parties agree to submit this Plea Agreement to a judge of the Circuit Court for Baltimore City for approval pursuant to Rule 4-243 (c) (1) and (3). If a judge rejects the terms of this plea agreement the Defendant shall have the rights enumerated in Rule 4-243 (c) (4), and the State will have the right to withdraw from this agreement.

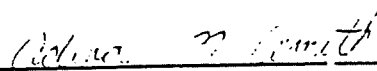
+ of Physician Quality Assurance that the Defendant's medical license be reinstated for the purpose of allowing the Defendant to perform community service and allow pay

8. The parties hereto agree that this document is a complete and accurate representation of the Plea Agreement.

9. The Defendant is a signatory to this Plea Agreement, verifies that he has read the entire contents of this agreement, that he has discussed them with his counsel, and that his decision to enter into this agreement is knowingly and voluntarily made.

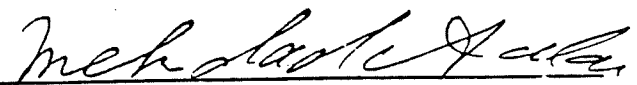
Respectfully submitted,

J. Joseph Curran, Jr.
Attorney General



Adina N. Amith
Assistant Attorney General
200 St. Paul Place, 18th Floor
Baltimore, Maryland 21202
(410) 576-6522


5/31/94
Date



Mehrdad Aalai, M.D.
Defendant

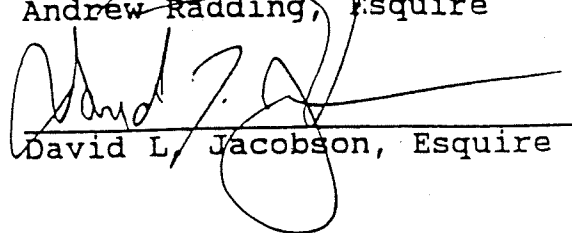
We are the attorneys for Mehrdad Aalai, M.D. We have carefully reviewed each and every part of this agreement with him. To our knowledge, his decision to enter into this agreement is an informed and voluntary one.

5/31/94
Date



Andrew Radding, Esquire

5/31/94
Date



David L. Jacobson, Esquire

STATE OF MARYLAND

V.

MEHRDAD AALAI, M.D.

Defendant

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IN THE

CIRCUIT COURT FOR

BALTIMORE CITY

CRIMINAL NO. 293302008

STATEMENT OF FACTS

The State of Maryland, by Attorney General J. Joseph Curran, Jr. and Assistant Attorney General Adina N. Amith, submit the following Statement of Facts in support of the Criminal Information filed in this case. Had this matter proceeded to trial, the State would have adduced evidence to prove beyond a reasonable doubt the following facts:¹

The Defendant, Mehrdad Aalai, M.D. is an obstetrician/gynecologist residing in Montgomery County, Maryland. He maintains an office in Prince George's County, Maryland and an office in Charles County, Maryland. All acts giving rise to criminal activity set forth herein occurred in the City of Baltimore, where the Medical Assistance Program is located and where the Defendant submitted invoices for services not rendered to Medical Assistance patients.

In the early part of 1992, during the course of investigations of other health care providers in the State of Maryland, the Medicaid Fraud Control Unit of the Office of the Attorney General ("MFCU") received information from the Medical Care Compliance

¹By letters dated December 21, 1978, November 21, 1979 and March 5, 1987, the Attorney General of Maryland has been authorized and directed by the Governor of the State of Maryland pursuant to Article 5, Section 3, of the Maryland Constitution to investigate, and where appropriate, prosecute the illegal activities of providers of Medical Assistance under the State's Medicaid Program.

Administration that Defendant was billing the Medicaid Program for an unusually large number of comprehensive office visits--the most highly reimbursed type of medical examination.² According to Defendant's billing data, in 1988 through 1991 he billed simple postpartum visits as the more highly paid comprehensive office services.³ Defendant submitted fraudulent bills notwithstanding that several years before, in June 1986, he was educated by the Department of Health and Mental Hygiene, in a letter, about precisely the same type of misbilling. He received a letter explaining that his billing was improper and that postpartum check-ups should be billed under a particular code (#59430)--not under the comprehensive code which Defendant was using. In the 1986

²Medicaid reimburses physicians for office visits based upon the level of care they render to the patient. The Physicians' Current Procedural Terminology (CPT) manual published by the American Medical Association defines the terms and phrases which are common to the medical profession. The CPT manual defines various levels of care, used by Defendant. These are among the highest levels. Other, less intensive levels of care are the "brief" and "limited" visits, for which a physician is reimbursed at a lower rate:

(New Patients)

Extended: Requires (1) a detailed history; (2) a detailed examination; and (3) medical decision making of low complexity. Physicians typically spend 30 minutes face-to-face with the patient and/or family.

Comprehensive: Requires (1) a comprehensive history; (2) a comprehensive examination; (3) medical decision making of moderate complexity. Physicians typically spend 45 minutes face-to-face with the patient and/or family.

³Postpartum visits have a specific code and reimbursement level: Code 59430 is the appropriate code for a 6 week postpartum check-up and it is reimbursed at a lower amount than a comprehensive examination.

letter, moreover, Defendant was instructed to cease billing for component procedures which were included in the reimbursement for the main procedure. For instance, Defendant was billing for surgical after-care visits when such visits were included in the reimbursement for the surgery itself. Nonetheless, in 1988 through 1991, Defendant continued to engage in the same type of fraudulent billing which he was specifically instructed to cease.

Because the findings from a preliminary investigation supported the conclusion that Defendant billed for medical services not rendered, the MFCU initiated an indepth investigation. During this investigation the MFCU obtained data which showed that Defendant had double-billed for the delivery of the same babies by using different birth dates and, in some cases, different CPT codes. The State would introduce as evidence invoices Defendant submitted to the Medicaid Program to obtain payment twice for one delivery as well as accounting cards from Defendant's own office which document that he was paid twice for the same delivery.

Moreover, in many cases, Defendant billed for an office visit in addition to component parts of the office visit. For example, he would bill for a patient's prenatal visit and bill separately for a simple urinalysis during that prenatal visit when, in fact, the urinalysis is defined as a component of the prenatal visit and cannot be billed separately.

When two investigative auditors from the Medicaid Fraud Control Unit served Defendant with a Baltimore City Grand Jury subpoena, Defendant asserted that every time he did a urinalysis it

was the simple "dip test." He admitted that he never did a more complex urinalysis with microscopy. Nonetheless, an examination of Defendant's billing practices revealed that Defendant frequently billed for the urinalysis with microscopy--a procedure which pays more than the simple dip test which was actually rendered. Likewise, Defendant admitted that whenever he drew blood from a patient, he performed no more than a simple venipuncture (drawing from the vein). Nonetheless, Defendant's billings revealed that he often billed for a more complex--and highly reimbursed--arterial puncture.

The MFCU investigators also discovered that Defendant had billed and received reimbursement from the Medicaid Program for procedures which were never performed. First, Defendant billed the Medicaid program for office visits when he was not present--when only his office manager, Barbara Thomas, who lacks a nursing license and any formal medical training, "examined" patients for prenatal visits.⁴ Indeed, a number of patients would testify at trial that they frequently saw only Barbara Thomas for their office visits. The following is an example of the type of testimony these patients would offer:⁵

⁴The CPT does not allow a physician to bill the Medicaid Program for office visits which occur when no medically qualified provider is present.

⁵To preserve the confidentiality of the patients involved, the State will not present the full names of patients in this Statement of Facts but rather will provide only their first name, last initial, and Medical Assistance number. Of course, the State is able to name these patients in camera if the Court so directs.

Lynette C.; Medical Assistance No. 16-352778-720

This patient would have testified that she had a number of prenatal visits in 1990. During that time, this patient would testify that Defendant was rarely present during her examinations--she often saw only Ms. Thomas. Ms. C. would state that many patients were scheduled for early morning visits--before Defendant even arrived at his office. The State would introduce into evidence, a calendar maintained by this patient which documents over half a dozen office visits where only Ms. Thomas was present. The State would also present billing data to demonstrate that Defendant billed and was reimbursed for these visits as prenatal examinations--as though he had been present.

Tammy G.; Medical Assistance No. 08-029845-690

This patient would testify that during half of her prenatal examinations Defendant was not present and she saw only Ms. Thomas. The State would present evidence that Defendant billed and was reimbursed for numerous visits when he was not present.

Deidre M.; Medical Assistance No. 95-010269-710

This patient would testify that on May 21, 1991, she had scheduled appointment with Defendant. She would state that Defendant was called away on an emergency and that she never had a appointment that day. The State would introduce evidence that Defendant, nonetheless, billed and was reimbursed for an office visit on May 21, 1991. Moreover, this patient would testify that

on another day, July 16, 1991, she came to the office and saw only Ms. Thomas. The State would present evidence that Defendant billed and was reimbursed for an office visit on this date even though no individual with medical training saw the patient.

Janice H.; Medical Assistance No. 08-025411-730

This patient would testify that she visited Defendant once on March 6, 1991 and that this visit was followed up with a biopsy on March 15, 1991. She would testify that she never returned to Defendant's office following the March 15th surgery. The State would introduce evidence that Defendant billed and was reimbursed for an office visit twelve days after the biopsy surgery.

Furthermore, Defendant frequently billed the Medicaid Program for a procedure known as a colposcopy⁶ when he did not, in fact, perform a colposcopy. Indeed, Defendant billed the Medicaid Program for performing colposcopies on 93 percent of his Medicaid patients--an astronomically high figure. The State would present expert testimony that even a physician with a "high risk" population would perform colposcopies on only approximately 4 percent of his or her patients.

Medical Expert Testimony

A medical expert in the field of obstetrics-gynecology who sees and treats a large population of medical assistance patients,

⁶A colposcopy is an internal examination of the cervix. To perform this procedure, a physician uses a colposcope which magnifies the cervix for close examination.

would testify that a colposcopy (without biopsy) is a procedure used to enhance a physician's view of the cervix. To perform a colposcopy, a physician inserts a speculum into the vagina and coats the cervix with a weak acidic solution which eliminates the mucous covering the cervix. A dye is then used to highlight the cervix and the physician then examines the cervix through a colposcope--an instrument which magnifies the cervix and its blood vessels.

A colposcopy generally takes between 5 and 15 minutes to perform (whereas a simple internal examination generally lasts about 30 seconds). The State's expert would also testify that it is only appropriate for a physician to perform a colposcopy in response to a negative or an irregular pap smear--which may signal cervical cancer.

This expert would also testify that a patient upon whom a colposcopy was performed would recall having the procedure because the speculum is inserted in the vagina for an unusually long time and application of the acidic solution feels "cool." Moreover, because of the angle of the cervical canal, the colposcope is slightly higher than a woman's vagina when she lays on her back during an examination and she would, therefore, see the instrument.

The State would prove, further, that the percentage of colposcopies for which Defendant billed the Medicaid program (Defendant billed the Medicaid program for performing colposcopies on 93 percent of his Medical Assistance patients from 1988 to 1992) is extremely excessive. The State's expert, who himself sees a

"high-risk" patient population, would testify that he performs colposcopies on fewer than 4 percent of these patients.

In addition, the State would prove that it is normal and proper medical practice for a doctor to explain a colposcopy to a patient and his reasons for performing the procedure. Many of Defendant's patients, for whom Defendant billed the Medicaid program as having performed colposcopies, would testify that Defendant did not perform a colposcopy on them, nor did he explain such a procedure to them. The following is a sampling of such patients:

Donna H.; Medical Assistance No. 16-200443-592

Defendant's records document this patient as having had a colposcopy during her first office visit and a second colposcopy one year later. Her medical records document no irregular pap smear results nor do they state any other reason for the performance of a colposcopy. This patient would testify that she is a medical technician who, as part of her training, was required to spend one month working with an obstetrician/gynecologist. At that time, this patient became quite familiar with the colposcopy procedure. Ms. H. would testify that she is certain that Defendant did not perform a colposcopy on her during her first visit--or during any other visit. Nonetheless, the State would introduce evidence that Defendant billed the Medicaid Program and was reimbursed by the Medicaid Program for performing a colposcopy on this patient.

Diane M.; Medical Assistance No. 08-032651-570

Defendant's records document this patient as having had a colposcopy on her first office visit. Her medical records document no pap smear results nor any other reasons for performance of a colposcopy.

This patient would testify that Defendant never performed a colposcopy on her. She is a nurse's aide who is familiar with the colposcopy procedure. She has worked with obstetricians for several years. Moreover she is familiar with the procedure from her own gynecological problems and she knows Defendant did not perform a colposcopy on her. Nonetheless, the State would prove that Defendant billed the Medicaid Program and was reimbursed by the Medicaid Program for performing a colposcopy on this patient.

Carol C.; Medical Assistance No. 16-258339-590

The billing records for this patient show that Defendant billed the Medicaid program for performing a colposcopy on this patient's first visit in March, 1990 and for performing a second colposcopy one year later in March, 1991. The patient's medical chart received from Defendant's office also documents that two colposcopies were performed. However, this patient would testify that Defendant never performed a colposcopy on her.

This patient would testify that she is familiar with the colposcopy procedure and indeed had one performed on her in 1990 at Provident Hospital--prior to her ever seeing Defendant. She would testify that she had a second colposcopy in 1993--after she stopped

seeing Defendant. In addition, this patient would testify that she is familiar with the colposcopy procedure from her work as a licensed medical assistant from 1984 through 1987.

Ms. C. would testify that she is positive that Defendant never performed a colposcopy on her. Nonetheless, the State would introduce evidence that Defendant billed the Medicaid Program and was reimbursed by the Medicaid Program for performing a colposcopy on this patient.

Patricia T.; Medical Assistance No. 08-027272-670

Billing records of Defendant and the Department of Health and Mental Hygiene show that Defendant billed the Medicaid program for having performed a colposcopy on this patient on January 17, 1990. The patient would testify, however, that Defendant did not perform a colposcopy on her on that date.

The patient would testify further that Defendant did perform a colposcopy on her in mid-1993 because she had complained about certain cervical problems. During that recent colposcopy Defendant explained the procedure in great detail. The patient would testify that Defendant told her precisely what a colposcopy is and that he discussed every aspect as he performed the procedure. She would testify that never before 1993, did Defendant perform a colposcopy on her. Nonetheless, the State would introduce evidence that Defendant billed the Medicaid Program and was reimbursed by the Medicaid Program for performing a colposcopy on this patient in 1990.

Michelle L.; Medical Assistance No. 08-024722-680

The billing information for this patient shows that Defendant billed the Medicaid program and was reimbursed for having performed a colposcopy on this patient on March 3, 1990--during her first office visit. There are no notations in the patient's chart as to any unusual pap smear result or other irregularity which would justify the performance of a colposcopy. The patient would testify that she is very familiar with a colposcopy because another physician performed one on her in 1993. She would testify, moreover, that Defendant never performed a colposcopy on her. Nonetheless, the State would introduce evidence that Defendant billed the Medicaid Program and was reimbursed by the Medicaid Program for performing a colposcopy on this patient.

Lisa G.; Medical Assistance No. 08-031914-630

The billing information for this patient shows that Defendant billed the Medicaid program and received reimbursement for having performed two colposcopies on this patient--one in February, 1990 and a second in May, 1991. A third colposcopy was billed in 1993. As to the first two billed colposcopies, there are no notations in the patient's chart as to any unusual pap smear result or other irregularity. This patient would testify, moreover, that she is very familiar with a colposcopy. She would testify that Defendant performed a colposcopy on her in 1993 and that he explained the procedure to her. She would testify, moreover, that Defendant explained that he needed to perform a colposcopy in 1993 because

she had a questionable pap smear result. Ms. G. would testify that she is positive that Defendant did not perform a colposcopy on her at any other time as she always watches closely during her exams and asks many questions. Nonetheless, the State would introduce evidence that Defendant billed the Medicaid Program and was reimbursed by the Medicaid Program for performing colposcopies on this patient in 1990 and 1991.

Furthermore, the State would present testimony and evidence that Defendant billed the Medicaid Program for procedures which were never rendered and that Defendant made changes to patient records, after receipt of a Grand Jury subpoena, to conceal the fact that these procedures were never performed. Barbara Thomas, Defendant's office manager, made admissions to State agents that would have been produced at Defendant's trial: Ms. Thomas stated that when Defendant was not present she frequently performed prenatal check-ups and that these visits would be billed to the Medicaid Program as prenatal visits. She admitted that she had no formal medical or nursing training, and that it would not be routine for Defendant to perform a colposcopy on a patient during a first visit if there were no problems--and it would not be routine to do a colposcopy on a woman in the later stages of pregnancy. Ms. Thomas said she was almost always present during patient examinations and was aware that there colposcopies billed to the Medicaid program which were never actually performed. Moreover, a State agent would testify that after receipt of a Baltimore City Grand Jury subpoena, Ms. Thomas and her co-worker,

Karmen Hodjati (the office receptionist) pulled certain patient records to make changes in these records. He would testify that Ms. Thomas admitted discussing with Ms. Hodjati, adding colposcopies in the patient charts to complete physicals documented on patients' first visits.

A State agent would also testify regarding conversations with Defendant's receptionist, Karmen Hodjati. He would testify that Ms. Hodjati informed him that Defendant and Barbara Thomas had instructed her on how to bill and that she was told to bill all regular office visits as comprehensive (#99215)--whether 5 minutes long or 55 minutes long. In addition, the State would adduce the admission of Ms. Hodjati that all simple prescription changes were billed as comprehensive examinations. Ms. Hodjati also admitted that both Defendant and Barbara Thomas did prenatal examinations--that the billing for these prenatal exams was the same whether or not the doctor was present. She also admitted that an obstetrical visit is billed no matter who saw a patient (Defendant or Ms. Thomas). The State would present evidence that billing the Medicaid Program for office visits when no individual with medical training is present, is impermissible.

In addition, the State would present testimony that Defendant billed the Medicaid Program for procedures not performed and altered records to conceal the fact, from the following witnesses:

⁷Ms. Hodjati told an MFCU investigator that the 99215 code was a new one but that she had been instructed to bill the equivalent of that code prior to its enactment.

Laconyea Sisco

Ms. Sisco would testify as follows: She formerly worked in the same building where Defendant has an office in Waldorf, Maryland. She became acquainted with Defendant and his receptionist Karmen Hodjati. Ms. Sisco became personal friends with Defendant's office manager, Barbara Thomas.

In the fall of 1992 Ms. Sisco visited the Defendant's office. At that time Ms. Sisco learned from Ms. Thomas that Defendant was under investigation by "Maryland Medicaid." Ms. Thomas told Ms. Sisco that when Defendant was out of the office, she (Ms. Thomas) saw patients by herself. Ms. Sisco learned from Ms. Thomas that Ms. Thomas would examine prenatal patients without Defendant's supervision and that Ms. Thomas would check fetal heart rates during these unsupervised examinations and that Defendant was aware of this.

Ms. Thomas also stated that she had to deliver Medicaid patient charts to Baltimore (Grand Jury) and that she had to "write dates and notes in the charts before producing the charts." Ms. Thomas also told Ms. Sisco that the Medicaid program had been billed for examinations of patients who had not been seen by the doctor.

Ms. Thomas stated that Defendant knew that the Medicaid program was being billed for patients who were not seen and that Defendant knowingly signed invoices for such patients. Ms. Thomas added that Defendant knew that records were being altered to include procedures for which the Medicaid program was billed and

for which Defendant was reimbursed, but which were never rendered. Ms. Thomas stated that Defendant threatened to fire her if she spoke with anyone about the investigation.

In December, 1993, near the Christmas holiday, Ms. Sisco saw Ms. Thomas in a shopping mall. At that time Ms. Thomas told Ms. Sisco that she had spoken with investigators "from Baltimore" and had admitted that she and Ms. Hodjati had billed the Medicaid program for services which were never provided and that they had altered patient records to make it appear as though the services were indeed rendered. Ms. Thomas also told Ms. Sisco that she had billed the Medicaid program for seeing a patient (without any supervision) for an entire year and that Defendant knew about this and had signed the invoices for reimbursement.

The State would also present documentary evidence, along with expert testimony, to prove that Defendant altered patient records after receipt of a Baltimore City Grand Jury subpoena in order to conceal the fact that the services were never rendered.

Gary Girton

Mr. Girton is a forensic document examiner for the Maryland State Police Crime Laboratory. He examined photocopies of 24 Defendant's patient records subpoenaed from Southern Maryland Hospital and compared these to the 24 original patient records subpoenaed from Defendant's office for these same patients.⁸ Mr.

⁸It is routine for an obstetrician to photocopy the medical charts of pregnant patients and periodically send these photocopied records to the hospital where the patient intends to deliver her

Girton noted that the original patient records subpoenaed from Defendant's office (which should have been identical to the photocopies of these records obtained from the hospital) contained additional notations and procedures which were not present in the 24 photocopied records (for the same patients) obtained from Southern Maryland Hospital. Mr. Girton determined that additions to the original patient records subpoenaed from Defendant's office were written by the same individual who wrote the original notes in the patient charts. The State would introduce evidence that the additions to the original patient records as well as all of the original entries, were written by Defendant.

Lyndal Shaneyfelt

Mr. Shaneyfelt, a forensic document examiner, would testify that he reviewed patient records subpoenaed from Defendant and that he determined that a large number of notes in the patient records subpoenaed from Defendant were added after the time of the initial entries in the patient files. The State would introduce infrared photographs taken by Mr. Shaneyfelt that illustrate additions made to original patient charts--using different ink--and providing support for phony Medicaid billings.

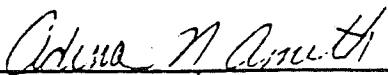
In sum, through the testimony of these and other witnesses, along with the introduction of medical records and billing documentation, the State would establish beyond a reasonable doubt

baby. In this way, when the patient appears at the hospital for delivery, her medical chart will be readily accessible.

that Defendant fraudulently billed the State Medicaid program an amount in excess of \$47,000.00 for rendering medical services which were not provided. Pursuant to the terms of a written Plea Agreement entered into in this case, Defendant has agreed to pay treble restitution to the State Medical Care Compliance Administration in the amount of \$142,570.00, and a fine in the amount of \$10,000.00, in accordance with the provisions of Maryland law set forth in Article 27, section 230D and section 15-123(b) of the Annotated Code of Maryland.

Respectfully submitted,

J. Joseph Curran, Jr.
Attorney General



Adina N. Amith
Assistant Attorney General
200 Saint Paul Place, 18th Floor
Baltimore, Maryland 21202
(410) 576-6521

STATE OF MARYLAND
V.
MEHRDAD AALAI
10524 Democracy Boulevard
Potomac, Maryland 20854

293302008 Criminal Information

10/19/93 Filed

[Medicaid Fraud, Article 27, Section 230C; Theft, Article 27, Section 342; Obstruction of Justice, Article 27, Section 27; Concealment of Records and Reports, Health-General Article, Section 4-303]

STATE OF MARYLAND

V.

MEHRDAD AALAI

Defendant

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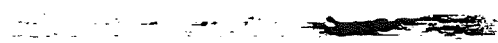
COUNT 1

J. Joseph Curran, Jr., Attorney General for the State of Maryland, being duly authorized and empowered to investigate and prosecute the above-entitled case in this Court, on his official oath informs the Court and charges that Mehrdad Aalai, pursuant to one scheme and continuing course of conduct, from on or about January 1, 1988 through on or about November 23, 1992, did knowingly and willfully make and cause to be made a series of false statements and false representations of material fact in applications for payment submitted to the Medical Assistance Program of the Department of Health and Mental Hygiene in Baltimore City, Maryland, a State plan established pursuant to Title XIX of the Social Security Act of 1939, in that Mehrdad Aalai knowingly submitted applications requesting payment for services which were not performed, involving money, goods, and services having a value of five hundred dollars (\$500) or more, in violation of Article 27, Section 230C of the Annotated Code of Maryland, and contrary to the Act of the Assembly in such case made and provided, and against the peace, government, and dignity of the State.

COUNT 2

J. Joseph Curran, Jr., Attorney General for the State of Maryland, being duly authorized and empowered to investigate and prosecute the above-entitled case in this Court, on his official oath informs the Court and charges that Mehrdad Aalai, pursuant to one scheme and continuing course of conduct, from on or about January 1, 1988 through or or about November 23, 1992, did steal money having an aggregate value of three hundred dollars (\$300.00) or greater from the Medical Assistance Program of the Department of Health and Mental Hygiene in Baltimore City, Maryland, in violation of Article 27, Section 342 of the Annotated Code of Maryland, and contrary to the Act of the Assembly in such case made and provided, and against the peace, government, and dignity of the State.

[Theft, Article 27, Section 342]

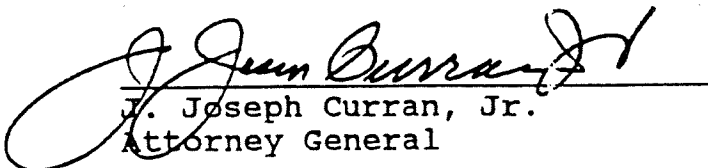


COUNT 3

J. Joseph Curran, Jr., Attorney General for the State of Maryland, being duly authorized and empowered to investigate and prosecute the above-entitled case in this Court, on his official oath informs the Court and charges that Mehrdad Aalai, a provider, commencing on or about from on or about October 30, 1992 and continuing through on or about November 23, 1992, within the State of Maryland, did knowingly and willfully destroy, damage, alter, obliterate and otherwise obscure medical records, hospital reports and other information about patients in an effort to conceal the information from use as evidence in a criminal proceeding, in violation of Section 4-303 of the Health-General Article of the Annotated Code of Maryland, and contrary to the Act of the Assembly in such case made and provided, and against the peace, government, and dignity of the State.

COUNT 4

J. Joseph Curran, Jr., Attorney General for the State of Maryland, being duly authorized and empowered to investigate and prosecute the above-entitled case in this Court, on his official oath informs the Court and charges that Mehrdad Aalai, a provider, commencing on or about from on or about October 30, 1992 and continuing through on or about November 23, 1992, within the State of Maryland, did by corrupt means, obstruct, impede, and endeavor to obstruct and impede the due administration of justice in that the said Mehrdad Aalai, within the State of Maryland, did falsify, and cause to be falsified, records subpoenaed by the Grand Jury of Baltimore City on or about October 27, 1992, in violation of Article 27, Section 27 of the Annotated Code of Maryland, and contrary to the Act of the Assembly in such case made and provided, and against the peace, government, and dignity of the State.


J. Joseph Curran, Jr.
Attorney General

[Obstruction of Justice, Article 27, Section 27]

ORDER FOR PROBATION

(Under Art. 27 — Sec. 641A — After Judgment of Conviction)

STATE OF MARYLAND

IN THE

CIRCUIT COURT FOR BALTIMORE CITY

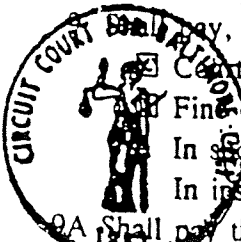
Name Mehrdad Aala RECEIVED
Address 10524 Democracy Blvd
Potomac MD 20854
D.O.B. 10/8/38
Docket No. 293302908
Charge (s) Medical Fraud
Conviction of:
Count (s) 1
Charge (s) Medical Fraud
Ident. No. 912903

CIVIL JUDGMENT ENTERED FOR RESTITUTION

It is ORDERED, this 31 day of May, 1994, by the Circuit Court for Balt. City, by virtue of the authority conferred upon it by the laws of the State of Maryland, that ☐ the imposition of sentence is suspended or ☒ the execution of the sentence of 3 years has been suspended, for the offense of as above and the defendant is hereby released on Probation ☐ under supervision of the Maryland Division of Parole and Probation, ☒ without supervision for a period of 3 years, effective this 31 day of May, 1994, subject to the following conditions:

1. Report to his Probation Agent as directed and follow his lawful instructions;
2. Work or attend school regularly as directed by his Probation Agent;
3. Get permission from his Probation Agent before:
 - a. changing his home address; TR# 71052271
 - b. changing his job; BILL # 143508
 - c. leaving the State of Maryland;
 - d. owning, possessing, using, or having under his control, any dangerous weapon or firearm of any description;

4. Obey all laws;
5. Notify his Probation Agent at once, if arrested;
6. Permit his Probation Agent to visit his home;
7. Appear in Court when notified to do so;
8. Shall not illegally possess, use, or sell any narcotic drug, "controlled dangerous substance" or related paraphernalia;



Shall pay, through the Sheriff's Department the sum of \$ 10,145.00 To Sheriff by 6- as follows:

☐ Court cost of \$ 145.00 to Sheriff;
☐ Fine of \$ 10,000.00 to Sheriff;

In such installments as the Sheriff's Department shall determine and direct or;

☒ Shall pay through the Division of Parole and Probation the sum of \$ _____ as follows:

- ☐ Attorney fee of \$ _____ to _____ whose address is _____
- ☒ Restitution of \$ 142,570.00 to State Medical Care Compliance whose address is 201 W. Preston St

In such installments as the Division shall determine and direct or;

In installments of \$ equally payments beginning per over 3 yr period

10. Special conditions as follows: the 1st of each month beginning 7-1-94
400 hours of Community Service

Court recommends Medical license be reinstated for purpose of Com

Your first appointment with your Probation Agent is 6-3-94, 1994

and the place to report is 2100 Guilford Ave

Your failure to report could result in yo

Restitution payable directly to State Medical Care Compliance

Court