



Department of Justice

United States Attorney Louis V. Franklin, Sr.
Middle District of Alabama

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CONTACT: Doug Howard

Telephone (334) 551-1706

Fax (334) 223-7617

**FORMER CHIEF EXECUTIVE OFFICER OF HEALTH CARE COMPANY CHARGED
WITH GIVING KICKBACKS TO PILL MILL DOCTOR, HEALTH CARE FRAUD,
AND MONEY LAUNDERING**

Montgomery, Ala. – On Thursday, June 7, 2018, a William “Ed” Henry, 47, of Hartselle, Alabama, was arrested on charges stemming from his role in a medical kickback scheme, announced United States Attorney Louis V. Franklin, Sr.

According to court documents, from 2015 through 2017, Henry was an owner of a health care company, MyPractice24, Inc. (MyPractice24). During some of that time, Henry also served as the company’s chief executive officer (CEO). MyPractice24 provided non-face-to-face chronic care management services to Medicare beneficiaries who had two or more chronic conditions. The company did so pursuant to contracts into which it entered with primary care physicians. Under those contracts, the doctors would pay Henry’s company to provide these chronic care management services to the doctors’ patients, the company would provide the services, the doctors would bill Medicare for the services, and then the doctors would pay Henry’s company a share of the reimbursements received from Medicare.

The indictment alleges that in 2016, Henry entered into an agreement with Dr. Gilberto Sanchez, a Montgomery physician who has subsequently pleaded guilty to drug distribution, health care fraud, and money laundering charges. Under that agreement, MyPractice24 would provide various kickbacks to Dr. Sanchez and his staff in return for the providers at Dr. Sanchez’s practice referring Medicare beneficiaries to MyPractice24 for chronic care management services. Among the kickbacks provided were direct payments to a member of the staff, free chronic care management services, free medical billing services, and free clinical services unrelated to the provision of chronic care management services. Additionally, Henry assisted Dr. Sanchez in paying kickbacks to patients who enrolled in the chronic care management program. Dr. Sanchez paid these kickbacks by systematically waiving copays—copays which Medicare required Dr. Sanchez to collect.

The indictment charges Henry with one count of conspiring to pay kickbacks and to defraud the United States. It then alleges six counts of paying unlawful kickbacks—each count

is based on a different type of kickback Henry paid to Dr. Sanchez and those who worked at Dr. Sanchez's practice. Next, the indictment charges Henry with one count of conspiring to commit health care fraud and five counts of health care fraud. Those counts are based on Henry's assisting Dr. Sanchez in unlawfully waiving copay obligations and then failing to report the copay waivers to Medicare. Last, the indictment alleges that Henry conspired to commit money laundering. The money laundering charge results from Henry's using the proceeds of health care fraud to make payments to Dr. Sanchez's staff members.

If convicted of the most serious offense, Henry faces a maximum sentence of 10 years in prison, significant monetary penalties, asset forfeiture, and restitution.

An indictment merely alleges that crimes have been committed. All defendants are presumed innocent until proven guilty beyond a reasonable doubt.

This case was investigated by the United States Department of Health and Human Services – Office of Inspector General, the Drug Enforcement Administration's Tactical Diversion Squad, and the Internal Revenue Service's Criminal Investigation Division. The Montgomery County Sheriff's Office, the Alabama Board of Medical Examiners, the Montgomery Police Department, and the Opelika Police Department assisted in the investigation. Assistant United States Attorney Jonathan S. Ross is prosecuting the case.