



News Release

OFFICE OF ATTORNEY GENERAL ALAN WILSON
STATE OF SOUTH CAROLINA

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South Carolina Attorney General's Office Collects \$2.3 Million in Medicaid Fraud Case

Case is the Largest Single Provider Scam Ever Prosecuted by the SC Attorney General's Office

COLUMBIA – Attorney General Alan Wilson announced today that South Carolina has collected restitution, costs and fees totaling more than \$2.3 million from Dr. Saroj K. Parida of Lititz, PA for state charges of first degree computer crime and defrauding the South Carolina Medicaid Program more than \$2 million dollars from 2005-2008.

Parida is the largest individual provider fraud case the South Carolina Attorney General's Medicaid Fraud Control Unit has ever prosecuted.

On June 22, 2010, Dr. Parida entered a plea agreement with the South Carolina Attorney General's Office, Judge Casey Manning sentenced Parida to five years in prison and ordered him to pay restitution, costs, and fees totaling more than \$2.3 million. The prison sentence will run concurrently with Parida's Federal prison term.

In January 2010, Parida pled guilty to Federal charges of health care and mail fraud. Under the terms of the federal plea agreement, he was sentenced to 96 months in a Federal prison.

His prison sentence started July 19, 2010.

The South Carolina Department of Health and Human Services (HHS) — which administers the Medicaid program in South Carolina — became suspicious of Dr. Parida in late 2008 when officials noticed a spike in costly procedures he billed to the state Medicaid program. Joint investigations spearheaded by the South Carolina and Pennsylvania Attorneys General and aided by federal and local law enforcement agencies, revealed that from 2005 to 2008 Parida had billed South Carolina Medicaid for sleep studies on premature infants, which he had never performed.

Parida founded "The Download Center," an Internet based service operated out of his Lititz, PA home. The Download Center received infants' sleep monitor data then uploaded the data to Parida's computer. Parida would use the infants' Medicaid information to bill the South Carolina Medicaid program for a variety of procedures that he never performed.

Dr. Parida, whose full name is Saroj Kumar Parida, initially told investigators that his billing agent “Kumar P” made the billing errors although he himself had conducted all the billing. Parida also admitted that billing agents “Randy Gonzalez” and “Ravi Venkatraman” were not employees but fictitious identities he created in his mind.

All told, Parida will pay over \$7 million in restitution to 23 government and private insurance companies, \$2.3 million of which will go to the State of South Carolina.

Fraudulent insurance claims like Parida’s are a substantial factor in the increasing cost of health care. The South Carolina Attorney General’s Office estimates that false claims cost South Carolina as much as \$270 million each year.

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