

Attorney General Ellison charges eight in \$2.6M Medicaid fraud scheme

Alleges defendants stole identities from hundreds in Faribault area to bill Medicaid for services not received or provided, or ineligible for reimbursement

Defendants charged with 67 felonies, including racketeering, felony theft, and identity theft

May 3, 2024 (SAINT PAUL) — Minnesota Attorney General Keith Ellison announced that his office charged eight people in Rice County District Court today as part of a scheme to defraud the Minnesota Medical Assistance (Medicaid) program out of nearly \$2.6 million. As part of the scheme, the eight co-conspirators engaged in a broad scheme of identity theft, whereby they used the stolen identities of hundreds of separate individuals, largely from the Faribault area, to bill the Medicaid program for services that the victims did not receive and that the co-conspirators did not provide. Collectively, the co-conspirators are charged with 67 felonies, including racketeering, felony theft, and identity theft.

The co-conspirators' conduct primarily involves fraudulently billing the Medicaid program for transportation, interpreter, and specialty-clinic services, including acupuncture, physical therapy, chiropractor, and mental-health services, that were not provided at all, or were not eligible for reimbursement from the Medicaid program.

"Minnesotans who receive Medical Assistance have a right to expect they'll receive all the care, dignity, and respect they're entitled to. Minnesotans trying to afford their lives have a right to expect that every one of their tax dollars will be spent properly and legally. People who commit Medicaid fraud violate both of those rights. My office and our partners are working aggressively to hold these and all offenders accountable — and we will keep doing so," Attorney General Ellison said.

The identity-theft victims predominantly resided in the Faribault area. Their identities were used to bill for Medicaid-funded services throughout the Twin Cities, often between 50 and 60 miles from the Faribault-based victims' homes, despite the fact that specialty clinics offer the same services at a much closer distance to their homes. UCare, the primary insurance company payor for these services through Minnesota's managed care program, will permit members to travel up to, but not over, 60 miles for a medical service without pre-authorization. In this scheme, the co-conspirators often steered the victims towards clinics that lay just under the 60-mile limit, for which pre-

authorization would otherwise be required. This permitted the transportation drivers who were part of the scheme to maximize their reimbursement for driving residents.

Once they obtained the victims' identities, the co-conspirators unlawfully used them to fraudulently bill Medicaid by:

- Billing for transportation or interpreter services that were not provided at all;
- Billing for transportation services that were provided as group rides, but were billed as individual rides, therefore resulting in a dramatically increased rate of reimbursement;
- Billing for services that were not eligible for reimbursement because the interpreters were banned by UCare from working as providers;
- Billing for services ineligible for reimbursement because the co-conspirators engaged in prohibited solicitation or recruiting of victims to receive health care services at a particular clinic.

[Nasro Aden Takhal](#), the principal actor, is charged with one count of racketeering, six counts of identity theft, and ten counts of aiding and abetting felony theft. Her co-conspirators [Fardosa Ali Ibrahim](#), [Bashir Aden Bare](#), and [Warfa Osman Mohomud](#) are also charged with racketeering, identity theft, and aiding and abetting felony theft. Other co-conspirators [Omar Abdi Ahmed](#), [Amal Mohamed Budul](#), [Khalif Abdi Madobe](#), and Bishara Salat Abdirahman are charged with identity theft and aiding and abetting felony theft.

This case is part of the multi-year, multi-agency PITSTOP 66 investigation. This case was the product of a joint investigation by Medicaid Fraud Control Unit (MFCU) in the Office of Minnesota Attorney General Keith Ellison and the Department of Health and Human Services' Office of Inspector General (DHHS/OIG) and the Minnesota Commerce Fraud Bureau. The agencies received substantial assistance from the Federal Bureau of Investigation and the Minnesota Department of Human Services' Forensic Lab. The Minnesota MFCU in the Minnesota Attorney General's Office is prosecuting the case.

"HHS-OIG is committed to protecting our communities and taxpayer funds from schemes targeting Minnesota's Medicaid program, which provides necessary services to vulnerable populations," said Special Agent in Charge Mario M. Pinto with the U.S. Department of Health and Human Services

Office of Inspector General (HHS-OIG). "HHS-OIG values the continued partnership with the Minnesota Attorney General's Medicaid Fraud Control Unit and other law enforcement partners and will continue to investigate those who threaten the integrity of federal and state health care programs and the people served by them."

Thus far, 9 people have been convicted as a result of the PITSTOP 66 enforcement effort, including chiropractors, mental health therapists, interpreters, and transportation drivers. Others are presently facing charges. Additional charges are expected against other individuals, including owners and employees of other Medicaid-funded clinics and health care companies, as the investigation continues.

A criminal complaint is merely an allegation, and the defendants are presumed innocent until proven guilty beyond a reasonable doubt in a court of law.

The Minnesota MFCU receives 75 percent of its funding from the U.S. Department of Health and Human Services under a grant award totaling \$3,854,024 for federal fiscal year (FY) 2023. The remaining 25 percent, totaling \$1,284,670 for Federal fiscal year (FY) 2023, is funded by the State of Minnesota.

The Official Website of Office of Minnesota Attorney General Keith Ellison

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