

United States Department of Justice

For Immediate Release

November 8, 2010 **United States Attorney's Office**
Central District of California

Burbank Brothers Arraigned on Federal Charges of Defrauding Federal Workers' Compensation Program

SANTA ANA, CA—Two brothers pleaded not guilty today to federal charges that allege they submitted bills that fraudulently sought hundreds of thousands of dollars from a government workers' compensation program for supposedly transporting injured Postal Service employees to medical appointments that never took place.

Roman "Mike" Aghajanyan, 27, and Roland "George" Aghajanyan, 28, both of Burbank, were named in a 30-count wire fraud indictment returned last Wednesday by a federal grand jury. The Aghajanyans were arrested by federal authorities on October 20. The Aghajanyans, who are both free on \$75,000 bonds, today were ordered to stand trial on December 28.

The brothers operated two Los Angeles-based transportation companies, A&R Medical Transportation and V&Y Management Incorporated doing business as Prestige Transportation.

Through their companies, the Aghajanyans allegedly billed a government workers' compensation program for patient transportation in Los Angeles and Orange Counties that never occurred. The indictment also alleges that the brothers grossly inflated the amount of their claims to the Department of Labor - Office of Workers Compensation (DOL-OWCP), as well as private workers' compensation insurers. The indictment alleges that total losses are at least \$300,000.

"This is another significant investigation in our ongoing battle against fraudulent workers' compensation claims," said Lance Carrington, Deputy Assistant Inspector General for the Postal Service's Office of Inspector General. "The workers' compensation program benefits thousands of postal employees who have received legitimate on-the-job injuries. It is also an expensive program, costing the Postal Service millions of dollars each year. Those costs increase for all of us when false and inflated claims are submitted by health care providers. These fraudulent claims also undermine the system."

The Department of Labor - Office of Workers Compensation pays for medical treatment, and transportation to obtain medical treatment, for federal employees who sustain work-related injuries and illnesses.

Daniel R. Petrole, Acting Inspector General, United States Department of Labor, stated: "This indictment serves as a warning to those who would fraudulently bill the Department's Office of Workers' Compensation Programs for services not rendered. My office will continue to work with our law enforcement partners to uphold the integrity of Department of Labor programs."

Each count of wire fraud carries a statutory maximum sentence of 20 years in federal prison.

“The alleged fraud in this case undermines an important benefit provided by the federal government and private insurance to injured employees who legitimately require the services of the workers compensation program,” said Steven Martinez, Assistant Director in Charge of the FBI’s Los Angeles Field Office. “The FBI is dedicated to investigating health care fraud with our partners at the state and local level to combat the fraud associated with these programs, so that these important services are protected.”

This case is the product of a joint investigation by the Department of Labor - Office of Inspector General, the Federal Bureau of Investigation, and the U.S. Postal Service - Office of Inspector General.