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**HEGGENESS, SWEET, SIMINGTON & PATRICO
ANNOUNCE DISMISSAL OF \$70 MILLION IN SUSPECTED
FRAUDULENT BILLS CHARGED BY WORKERS' COMPENSATION PROVIDERS**

September 24, 2009 – San Diego, CA – As part an agreement to resolve criminal charges, Premier Medical Management Systems, Inc. of Los Angeles has requested California Workers' Compensation Appeals Board Chief Judge Mark Kahn to issue a consent order dismissing an estimated \$70 million of medical bills Premier previously submitted for payment to workers' compensation insurance carriers. Premier had submitted several thousand allegedly fraudulent bills to the workers' compensation insurance companies for services supposedly provided by more than 130 affiliated physicians and clinics.

The dismissal of Premier's bills culminates seven years of investigation and litigation spearheaded by lead defense attorney Clifford D. Sweet, III of Heggeness, Sweet, and Simington & Patrico, a Southern California law firm that has represented employers and their insurance companies since 1974 in workers' compensation cases. Sweet, long recognized as a leading opponent of fraud in the workers' compensation system, specializes in the investigation and prosecution of suspected fraudulent workers' compensation business practices on behalf of his clients. The firm's prior litigation has protected its clients from tens of millions of dollars of fraudulent workers' compensation claims.

"Organized criminal enterprises profiteering from the workers' compensation system are especially egregious" Sweet said. "As they rack up tens of thousands of dollars of bills for bogus medical treatment for simple sprains, they adversely affect the lives of hundreds of innocent injured workers enmeshed in their scheme." Sweet commended his clients for their commitment and tenacity. "There's no denying that this undertaking to fight fraud is a grand commitment for employers and their insurance companies. This is exactly the type of result contemplated by the Legislature when it mandated that workers' compensation carriers earmark funds for fighting workers' compensation fraud." Sweet helped form landmark workers' compensation fraud legislation in 1989 and has served as a consultant to local, state and federal law enforcement agencies on workers' compensation fraud issues.

In the Premier case, Sweet and his law firm represented Insurance Company of the West, Explorer Insurance and The Travelers Companies. In court documents, Sweet claimed that Premier's bills were the product of a complex "pay to play" cross-referral network of physicians preying upon unsuspecting injured workers to submit unlawful fraudulent bills for services never rendered. Sweet claimed that Premier was unlawfully practicing medicine, engaging in illegal fee-sharing, illegally referring business and fabricating medical charges.

A multiagency law enforcement task force headed by Los Angeles County Deputy District Attorney Albert H. MacKenzie launched a criminal investigation of Premier and its executives David Wayne Fish and former attorney Birger Greg Bacino. A search warrant, based on the affidavit of California Department of Insurance Fraud Investigator Jodie L. Hope, was executed on Premier and others revealing widespread unlawful patient capping and referrals to multiple Southern California workers' compensation lawyers.

Premier and some of its affiliated physicians unsuccessfully filed two retaliatory lawsuits against Sweet's clients and other participating insurance carriers. Those claims were thrown out by the courts as improper SLAPP lawsuits (strategic lawsuit against public participation), but not before Sweet helped his clients and other insurance companies obtain judgments for more than \$356,000 in attorneys' fees and costs against Premier and its physicians. The criminal investigation is ongoing.

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