



Department of Justice

UNITED STATES ATTORNEY ALICE H. MARTIN
NORTHERN DISTRICT OF ALABAMA

FOR IMMEDIATE RELEASE

FEBRUARY 4, 2009

www.usdoj.gov/usao/aln

**CONTACT: KAREN
NARAMORE**

PHONE: (205) 244-
2001

FAX: (205) 244-2171

BILL KING SENTENCED FOR MEDICARE FRAUD

BIRMINGHAM, AL - WILLIAM LLOYD KING, Jr., 63, was sentenced today in federal court for conspiracy to commit health care fraud. United States District Judge Sharon Blackburn sentenced WILLIAM LLOYD KING, Jr. to serve 24 months in prison and 2 years supervised release. King's wife, Marie Weller King, was previously sentenced to serve 18 months in prison for her role in the scheme. At that time, the Kings paid \$600,000.00 in restitution to the Medicare Program.

Medicare guidelines state that only payments made to physicians for their services on utilization review ("UR") committees are allowable as costs on a cost report for a skilled nursing facility. Accordingly, only payments made to physicians for their services on UR committees are allowable as costs. Non-physician compensation associated with UR services are allowable only as part of the administrative costs of the skilled nursing facility and must be allocated as such.

KING, a certified public accountant was involved with King & Associates, Inc., a business which provided consulting services to skilled nursing facilities in Alabama and other states. From approximately January 2002 until approximately December 2006, KING, through his own accounting firm, Southern Care, Inc., caused skilled nursing facilities to submit cost reports to Medicare fiscal intermediaries which contained false information regarding the UR services. King also provided false and misleading information regarding UR services to Medicare fiscal intermediaries.

This matter was brought to the attention of the United States through the filing of a *qui tam* complaint. In April 2008, the United States intervened in that civil action which is currently pending in the United States District Court for Northern District of Alabama and designated as Case Number CV 06-P-4645-S.

"Professionals who participate in defrauding health care programs place additional burdens and costs on the health care system" stated U.S. Attorney Martin. "King's sentence reflects that persons who create false documents knowing that those documents will be used in a health care fraud scheme will be pursued and prosecuted for their crimes."

"This case should make it perfectly clear that the OIG will actively investigate and prosecute not only crooked healthcare professionals and companies, but also those consultants who too often are responsible for Medicare fraud," said Melody Jackson, Special Agent in Charge for the Atlanta Region, Office of Inspector General.

"The federal health care programs operate on the good faith and honesty of its providers and the FBI will continue to work with our partners at HHS to aggressively pursue those who would defraud the system for personal gain," stated Carmen S. Adams, Special Agent in Charge, Federal Bureau of Investigation.

The investigation of this matter was conducted by investigators from the Department of Health and Human Services' Office of the Inspector General and the Federal Bureau of Investigation. Assistant United States Attorney Lloyd Peoples prosecuted the matter on behalf of the U.S. Government.

The public is encouraged to contact law enforcement if they have information regarding health care fraud.

###