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PRESS RELEASE

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Owner of Durable Medical Equipment Company Pleads Guilty To Defrauding Medicaid of More Than \$9 Million Defendant Used Money to Buy Real Estate, Luxury Car

WASHINGTON – The owner of a company that provided durable medical equipment pleaded guilty today to a federal charge of health care fraud for carrying out a scheme in which she fraudulently obtained more than \$9.4 million in District of Columbia Medicaid payments.

The announcement was made by Assistant Attorney General Brian A. Benczkowski of the Justice Department's Criminal Division, U.S. Attorney Jessie K. Liu for the District of Columbia, Assistant Director in Charge Nancy McNamara of the FBI's Washington Field Office, Special Agent in Charge Maureen Dixon of the U.S. Department of Health and Human Services Office of Inspector General (HHS-OIG) Philadelphia Regional Office and District of Columbia Inspector General Daniel W. Lucas.

Waveney Blackman, 71, of Bowie, Maryland, pleaded guilty in the U.S. District Court for the District of Columbia. Her sentencing is scheduled on October 18, 2018, before the Honorable Thomas F. Hogan.

Blackman was the sole owner and chief executive officer of WaveCare Health Services LLC, also known as WaveCare Healthcare Services LLC. The company, based in the District of Columbia, was a provider of durable medical equipment, including wound care and incontinence supplies, to Medicaid beneficiaries and others. It became a Medicaid provider in 2008.

According to the plea documents, Blackman devised and executed a scheme to submit false and fraudulent claims to Medicaid for durable medical equipment, including incontinence and wound care supplies, which she knew were not purchased or provided to Medicaid beneficiaries. From January 2010 through approximately June 2016, Blackman sent and caused employees to send false and fraudulent invoices to a biller engaged by the company, which were

then submitted to Medicaid. All told, she submitted and caused the submission of at least \$9.8 million in false and fraudulent claims to Medicaid. Blackman, through WaveCare, fraudulently obtained \$9,431,979 from Medicaid.

According to the plea documents, Blackman used the fraudulent proceeds to obtain properties, including three in Florida and four in Maryland, as well as a Mercedes Benz.

Blackman was charged in a criminal information filed on June 26. The charges were filed as part of the nation's largest ever health care fraud enforcement action. On June 28, Attorney General Jeff Sessions and Department of Health and Human Services (HHS) Secretary Alex M. Azar III, [announced](#) results of the nationwide effort. The various enforcement actions involved 601 charged defendants across 58 federal districts, including 165 doctors, nurses and other licensed medical professionals, for their alleged participation in health care fraud schemes involving more than \$2 billion in false billings. Of those charged, 162 defendants, including 76 doctors, were charged for their roles in prescribing and distributing opioids and other dangerous narcotics.

This case is being investigated by the FBI's Washington Field Office, HHS-OIG and the Medicaid Fraud Control Unit of the District of Columbia Office of the Inspector General. Assistance has been provided by the U.S. Marshals Service.

The case is being prosecuted by Trial Attorney Amy Markopoulos of the Criminal Division's Fraud Section, Assistant U.S. Attorney Emily A. Miller and Special Assistant U.S. Attorney Parker Tobin of the U.S. Attorney's Office for the District of Columbia.

Assistance with forfeiture issues was provided by Assistant U.S. Attorney Kyle Bateman, and former Special Assistant U.S. Attorneys Marina Stevenson and Sean Welsh. Assistance also has been provided by Assistant U.S. Attorney Denise A. Simmonds, Paralegal Specialists Aisha Keys and Robert Fishman, and Victim/Witness Services Coordinator Tonya Jones. Former Assistant U.S. Attorneys Teresa A. Howie, Lionel André, and Angela Saffoe also assisted with the investigation of the case.