



# Department of Justice

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**MT. HOLLY WOMAN PLEADS GUILTY TO  
HEALTH CARE FRAUD CONSPIRACY AND MONEY LAUNDERING**

***Defendant Admits to Defrauding Medicaid of Over \$1.4 Million Dollars***

CHARLOTTE, N.C. – Erika Holland, 41, of Mt. Holly, N.C., entered a plea of guilty today before U.S. Magistrate Judge David S. Cayer, to one count of conspiring to commit health care fraud, and one count of money laundering, announced Anne M. Tompkins, U.S. Attorney for the Western District of North Carolina.

U.S. Attorney Tompkins is joined in making today's announcement by Derrick Jackson, Special Agent in Charge, Department of Health and Human Services, Office of the Inspector General (HHS-OIG), Office of Investigations, Atlanta Region; Robin Pendergraft, Senior Deputy Attorney General of the North Carolina Attorney General's Medicaid Investigations Unit (MIU); Russell F. Nelson, Special Agent in Charge of the United States Secret Service (USSS); Kay B. Jernigan, Acting Special Agent in Charge of the Internal Revenue Service - Criminal Investigation Division (IRS-CI); and Chris Briese, Special Agent in Charge of the Federal Bureau of Investigation (FBI), Charlotte Division.

In April 2011, a federal grand jury in Charlotte indicted Holland on charges of defrauding the North Carolina Medical Assistance Program (Medicaid) of over \$1.4 million dollars, and laundering the proceeds of her fraud by purchasing vehicles, a residence and a time share. According to the indictment, filed court documents and court proceedings, from 2009 to September 2010, Holland along with two co-conspirators, Giraud Hope and Joanna Patronis, filed false and fraudulent claims with Medicaid seeking reimbursement for mental and behavioral health services allegedly provided by Holland and/or her companies, through either Hope's company or through Patronis' company. Court documents indicate that Holland was not, in fact, licensed to provide the services claimed for reimbursement, did not employ any therapists licensed to provide the claimed services, and her companies were not authorized by Medicaid to provide mental or behavioral health services.

The co-conspirators misrepresented on the fraudulent claims that a licensed physician (identified as "Dr. L.D.") had provided the services, and used Dr. L.D.'s Medicaid provider number to bill for the services. However, Dr. L.D. neither provided such services, nor had any professional association with Holland or her co-conspirators. In many instances, Holland and her companies did not actually provide any of the services for which the group sought and received Medicaid payments.

Holland's fraud scheme caused Medicaid to pay over \$1,490,000 in reimbursements for these fraudulent claims. Holland then spent the proceeds of this fraud on numerous vehicles, including a 2003 Hummer H2, a 2007 BMW 750LI, and a 2007 Infiniti QX56. Holland also purchased her residence in Mt. Holly and a time share in Kissimee, Fla. with the proceeds of her fraud.

During the course of the investigation of Holland, the Secret Service seized \$71,330 in funds, a 2003 H2 Hummer, a 2007 Infiniti QX56, a 2007 BMW 750LI, and a 2007 Mini Cooper. The seized assets are subject to forfeiture because they constitute property derived from or traceable to proceeds of health care fraud.

Holland faces a maximum statutory penalty of 10 years of imprisonment, a \$250,000 fine, or both, as to each criminal count. A sentencing date has not been set yet.

Patronis, who pled guilty in April 2011 to one count of health care fraud conspiracy, has admitted that her criminal conduct resulted in a loss of over \$2,500,000, and has agreed to forfeit \$2,700,000, including \$46,857.57 in funds seized during the course of the investigation, a 2010 Toyota Rav-4, and her residence located in Cramerton. She faces a maximum statutory penalty of 10 years of imprisonment, a \$250,000 fine, or both. A sentencing date has not been set yet.

Hope pled guilty in February 2011, to a single count of conspiring to commit health care fraud, and has admitted that his criminal conduct resulted in a loss of over \$1,000,000. He faces a maximum statutory penalty of 10 years of imprisonment, a \$250,000 fine, or both. Hope's sentencing hearing is scheduled for September 19, 2011.

The investigation into Holland, Patronis and Hope was led by the HHS-OIG, MIU, USSS and IRS, with assistance from the FBI. The prosecution is handled by Assistant U.S. Attorney Kelli Ferry of the U.S. Attorney's Charlotte Office.

The investigation and charges are the work of the Western District's joint Health Care Fraud Task Force. The Task Force is multi-agency team of experienced federal and state investigators, working in conjunction with criminal and civil Assistant United States Attorneys, dedicated to identifying and prosecuting those who defraud the health care system, and reducing the potential for health care fraud in the future. The Task Force focuses on the coordination of cases, information sharing, identification of trends in health care fraud throughout the region, staffing of all whistle blower complaints, and the creation of investigative teams so that individual agencies may focus their unique areas of expertise on investigations. The Task Force builds upon existing partnerships between the agencies and its work reflects a heightened effort to reduce fraud and recover taxpayer dollars.