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FOR IMMEDIATE RELEASE**

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**ANNAPOLIS WOMAN PLEADS GUILTY TO FRAUDULENT  
MEDICARE BILLING SCHEME**

BALTIMORE, Maryland - Thomas M. DiBiagio, United States Attorney for the District of Maryland, announced today that L. Jeanne Fryer, age 61, formerly of Annapolis, Maryland, pled guilty today before United States District Chief Judge Benson E. Legg to a one count Information filed in January, 2003 charging Fryer with engaging in a scheme to defraud Medicare by submitting bills totaling \$152,339 for physical therapy services never rendered to patients.

According to the statement of facts presented in court today, Ms. Fryer was the sole owner of the Centers for Neuro-Rehabilitation, Inc. ("CNR"), a company that provided health care services to patients suffering from brain injuries. CNR was located in Annapolis, Maryland and also had a facility in Bethesda, Maryland. CNR serviced various types of patients, including long-term patients who had little or no chance of living on their own due to their brain injuries. Those patients, known as "supported living patients," resided in CNR facilities and received daily care and services.

As set forth in the statement of facts, Ms. Fryer, who falsely held herself out as having a Ph.D., engaged in a scheme to defraud Medicare by submitting and causing to be submitted bills for physical therapy services that were never rendered to five different supported living patients

between 1999 and December 2000. In particular, Ms. Fryer prepared weekly billing sheets that falsely recorded, by date and amount, physical therapy services allegedly provided to those patients. Ms. Fryer then gave those billing sheets to CNR office personnel and directed the personnel to use them to prepare claims for Medicare, seeking payment for those services. In all, CNR submitted false claims for physical therapy services that totaled \$152,339 of which Medicare paid CNR \$128,858.88.

Ms. Fryer faces a maximum of 10 years imprisonment followed by 3 years of supervised release and a \$250,000 fine or twice the amount of loss caused by the offense. Sentencing of Ms. Fryer is scheduled for June 20, 2003.

The case was jointly investigated by the United States Department of Health and Human Services Office of the Inspector General, Office of Investigations and the Federal Bureau of Investigation. The case is being prosecuted by Assistant U.S. Attorney Kathleen O. Gavin.