

'Swindlers' take pains to get themselves

By Pamela Zekman and Gene Mustain
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Checking into a hospital can be as easy as checking into a hotel.

That's what completely healthy Sun-Times and WLS-TV (Channel 7) reporters posing as auto-accident victims discovered during their investigation of The Accident Swindlers.

If other accident victims were hospitalized as easily as the reporters were, "we wouldn't have enough hotel and motel rooms in the country to take care of their needs," said one prominent orthopedic specialist.

The reporters were patients in seven Chicago area hospitals. Their stays lasted from three to six days and cost from \$500 to \$1,699. Since insurance companies routinely pay three times the medical bills, those bills could have added \$1,500 to \$5,100 to insurance settlements.

The reporters met dozens of other phony accident patients and were given totally unnecessary treatments—even after some told their doctors they weren't hurt and others gave only the slightest complaints. Some reporters were charged for doctors' visits never made and X-rays never taken.

Detailed descriptions of the reporters' experiences inside the hospitals were reviewed by a seven-member panel of orthopedic specialists. The doctors said the hospitalizations were "unjustified," "manipulative" and "fraudulent," and they noted that the treatments frequently did not match the diagnoses.

This story describes five of the hospitals. One, Community Hospital of Evanston, has already been reported and another will be revealed Monday.



THE ACCIDENT SWINDLERS

The only time Dr. D. Paul Knapp touched his patient, WLS Investigator Douglas Longhini, was when they met and shook hands in the hospital. It was a \$300 handshake.

That's how much the doctor charged for an "initial comprehensive hospital evaluation" and four other alleged examinations of Longhini while Longhini, under an assumed name, caught up on his sleep during a four-day stay at St. Francis Xavier Cabrini Hospital, 811 S. Lytle.

Knapp admitted Longhini to a \$157-a-day hospital bed for a concussion and neck and shoulder sprain. That diagnosis actu-

'Let me guess—you were in a car accident, right? You were stopped at a red light and somebody plowed into you.'

ally was made by Dr. Melvin Aarons, a chiropractor at 2600 S. Michigan, who called Knapp to arrange the hospitalization.

Aarons had told Longhini he knew he wasn't hurt but was going to arrange the hospitalization anyway because Longhini's lawyer, Harold N. Pope, had called and requested it.

Whatever Pope wanted was fine with Aarons and Knapp. Neck-and-shoulder patients aren't Knapp's specialty anyway. His business card says he specializes in diseases of the skin, scalp, hair, nails and feet. His card and one of the clinics he works out of also promote another specialty—ear-piercing.

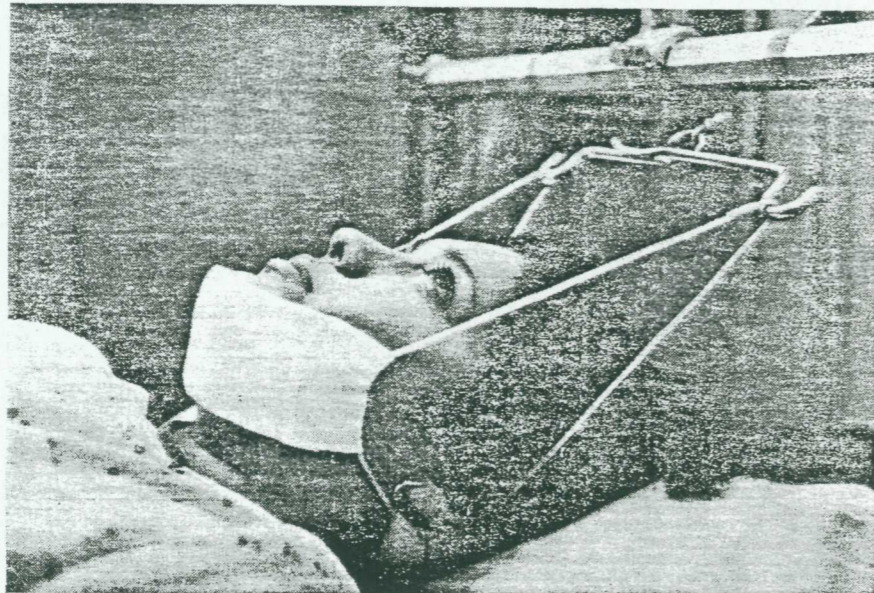
THE \$300 BILL Knapp submitted is as exaggerated as the diagnosis. The bill claims Knapp saw the patient five times. Actually, it was three times.

A brief discussion about X-rays turned up on the bill as a \$100 "comprehensive evaluation." A second visit to see if the X-rays had been taken cost \$50. A cameo appearance to discharge Longhini also cost \$50.

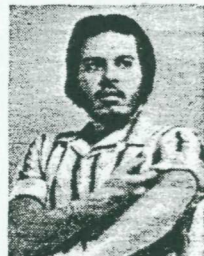
On Longhini's first full day in the hospital, nothing happened—no examination, no X-rays, no treatment. The next day, Longhini received heat treatments and a massage in the hospital's physical therapy department. He was then taken to the radiology department, but he refused to have any X-rays taken. Still, the hospital charged him \$77.50 for X-rays.

On his fourth day, Longhini had another heat treatment and massage—and discovered his new roommate also was a Pope-

During an eight-month investigation of auto-insurance fraud, Sun-Times and WLS-TV (Channel 7) reporters—with cooperation from the Chicago Police Department and Allstate Insurance Co.—posed as victims of accidents that never occurred. The Sun-Times team, led by Pamela Zekman, included Larry Cose, Gilbert Jimenez, Gene Mustain, Pat Smith and Norma Sosa. Photographer John H. White used a concealed camera to take most of the pictures in the series.



'GIRDLED FOR FRAUD': Sun-Times reporter Norma Sosa in traction at Augustana Hospital. (Sun-Times Photo by John H. White)



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A SPECIALIST in ear-piercing, according to his card (above), Dr. D. Paul Knapp (right) also serves Dr. Melvin Aarons, a chiropractor, and lawyer Harold N. Pope in hospitalizing their "injured" accident patients and clients. (Sun-Times Photo by John H. White) LEFT: Sun-Times reporter Gilbert Jimenez was admitted to Belmont Community Hospital after telling Dr. Roman Z. Walczynski that he was "just shook up." (Sun-Times Photo by Keith Hale)

Aarons-Knapp special. Well-rested, Longhini called Knapp's West Side office, 1160 W. Taylor, and said he wanted out.

Before the doctor checked him out, he asked Longhini to return to Aarons' clinic for followup "treatment." Longhini had already built up a \$1,001 hospital bill.

Pope and Aarons have denied they encourage clients and patients to inflate medical bills. When reporters tried several weeks later to see Knapp, he refused to come out of his office.

JAMES MONAHAN, the hospital's director of public relations, said a Cabrini bed-utilization committee has pinpointed one physician whose admissions of accident patients "deserve very close examination." He said that a fuller investigation might prompt suspension of the doctor's admitting privileges.

Asked about the hospital charging Longhini for non-existent X-rays, Monahan said: "That's unfortunate and it should not have happened."

Sun-Times reporter Norma Sosa checked into Augustana Hospital after a telephone chat with Dr. Nickolas P. Mastores. She checked out six days later with a \$1,699 hospital bill and a \$275 doctor's bill. At settlement time, those bills would have fetched nearly \$6,000.

Included in the dialing-doctor's bill was a \$100 charge for a "complete physical exam" in which Mastores only lightly touched Sosa's neck and announced that she had a "muscle spasm." The exam lasted a few seconds.

Two days after checking in, Sosa, who had been sent to Mastores by the Loop law firm of Laport-Sorrentino Associates Ltd., was taken for her first physical therapy treatment.

As the therapist began applying heat packs to Sosa's neck and back, she said: "Let me guess—you were in a car accident, right? You were stopped at a red light and somebody plowed into you."

Sosa laughed and asked how the therapist knew that. "Oh, we get a lot of those around here."

Mastores, a 61-year-old Skokie-based family practitioner, placed Sosa in neck traction in her \$175-a-day bed. Before he checked her out and without asking her whether she thought she needed it, he told her to return "twice a week" to Augustana, 411 W. Dickens, for the "next couple of weeks" for outpatient physical therapy.

CONTACTED LATER, Mastores refused to answer questions about whether he admitted accident patients to the hospital before he examined them. "What, are you crazy or something?" he asked reporters.

John Rice, president of Augustana Hospital, said hospital review committees routinely screen for patients who don't need to be hospitalized. He declined to say whether the hospital has uncovered abuses by staff physicians.

However, a staff physician at Augustana said that the hospital has uncovered abuses involving accident patients and that at least one doctor has been warned by a committee to stop unwarranted admissions.

Sun-Times editorial assistant Larry Cose was admitted to Mary Thompson Hospital after he told a doctor at the Omnicare

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hospitalized

Continued from preceding page

care Health Centre, 3125 N. Halsted, he felt "something" in his left shoulder.

Cose, using a pseudonym, was sent to Omnicare by lawyer Sheldon Oliver Zisook. It wasn't exactly an emergency. The clinic didn't arrange hospitalization until five days later.

At Mary Thompson, 140 N. Ashland, Dr. Te C. See asked Cose five times whether he had any neck or back pain as well. Cose said no the first four times. Finally, he wearily conceded that maybe he had "a little" pain in his neck. Cose never complained about anything else except the "sore shoulder."

See then wrote in hospital records that his final diagnosis for Cose was that the patient suffered from neck and back sprain, shoulder sprain and a bruise.

SEE SAW COSE three times. The first was to talk Cose into a "little" neck pain. The second visit lasted seconds—the doctor telling Cose he could check out of his \$155-a-day room the next day. The third took a few minutes—the doctor reporting

'Why don't you ask me if I rob banks? Would I answer a question like that?'

that he hadn't seen Cose's X-rays yet but that Cose could go home anyway. The doctor charged \$75 for these services—plus \$50 for an examination on a day Cose never saw him.

For a three-day stay, Cose's hospital bill was \$726. The hospital charged him \$35 for use of a respiratory device Cose never saw and \$6 for bed pads he never received.

Several weeks later, a spokesman for Mary Thompson Hospital said that if any staff doctor was found to be involved in unethical medical practices, "we will undertake an appropriate investigation and take action against the physician. We want no part of such physicians."

For his part, See said a patient's neck and back pain is difficult to detect. "We don't know what they have. We have to observe them and see what they have." The doctor said he also has a new job—seeing patients at Omnicare.

Dr. Roman Z. Walczynski admitted Sun-Times reporter Gilbert Jimenez to Belmont Community Hospital last Nov. 7 after Jimenez told him he was "just shook up" and had been told by his lawyer to say the pain was bad.

In hospital records, the doctor, a 50-year-old pediatrician, wrote that X-rays of Jimenez's neck and shoulders were "normal." They weren't normal; they were non-existent. A patient summary signed by Walczynski also said the patient had "headaches." Jimenez, who had been sent to the doctor by the law firm of Edward J. Conley, never complained of headaches.

The doctor said in the hospital's final diagnosis that the patient suffered "traumatic arthritis" in both shoulders and had "sprained neck muscles."

During one visit, the doctor asked Jimenez whether he had any back pain. Jimenez said no, but the doctor ordered therapy for Jimenez's back. Jimenez received his only two treatments on his last day in the hospital.

Jimenez never saw his doctor on the day he was admitted, but the doctor charged him \$75 for "hospital admission [and] workup." The two five-minute visits the doctor did make were billed as "extended treatment [and] care" and "daily followup" and cost \$80. The three-day hospital stay cost \$500.

WHILE IN THE hospital, Jimenez met a patient who said he was a client of lawyer Lee Paul Smith. The patient, admitted by Dr. Gerald J. Rabin, said that his accident had occurred two weeks earlier and that he didn't need to be hospitalized.

In fact, the patient had gone back to work after the accident. "I wasn't hurt at all," he revealed. He said he was told he could make money by going into the hospital. He said he was going to make \$5,000. "It will work out perfect," he said.

Another Smith-Rabin client-patient in Belmont, 4058 W. Melrose, told Jimenez she didn't have to be in the hospital either. But she was told she could make \$5,000 or \$6,000, she said. "Like, I'm not hurt at all now. I felt bad about it at first, but . . . what the heck?" Smith and Rabin, profiled earlier in this series, have refused to comment.

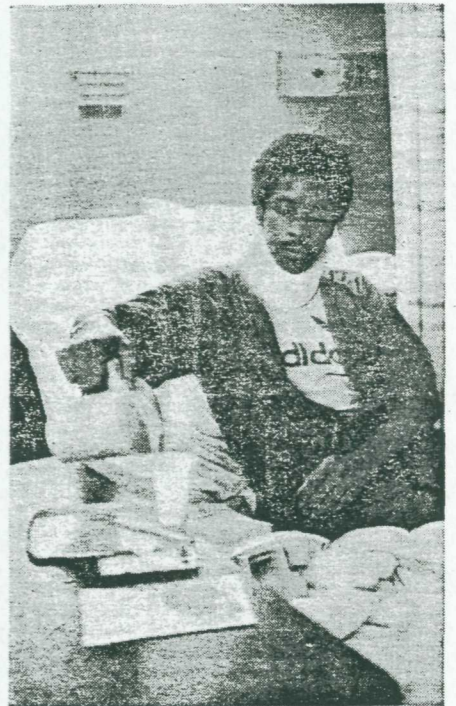
Jimenez also met a Chicago police officer building up his accident case in Belmont. He said his lawyer was going to make him \$15,000. "I'm here to make money like you are," the officer said.

Lawyer Conley has refused to return Sun-Times phone calls and Walczynski refused to talk to reporters when they visited him at his Northwest Side office.

Hot lines for insurance fraud

Anyone with information about auto-accident fraud of the kind being described in The Accident Swindlers series may call this newspaper or several agencies that are conducting cooperative investigations. They are:

U.S. Postal Inspectors: 886-2835 or 886-3742
Insurance Crime Prevention Institute: 585-2105
Attorney Registration Commission: 346-0690



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ADMITTED TO Mary Thompson Hospital, Sun-Times reporter Larry Cose wears a cervical collar after being diagnosed as suffering from neck and back sprain, shoulder sprain and a bruise. (Sun-Times Photo by John H. White)

John McCracken, hospital administrator, said that unnecessary hospitalizations haven't been a problem at Belmont. He added that when a physician admits a patient, "we are assuming" that "the patient needs care."

Although an admitting clerk at Norwegian-American Hospital, 1044 N. Francisco, told Sun-Times reporter Gene Mustain the hospital was "very short of beds," Dr. Donald G. Rendleman admitted Mustain after a five-second examination.

In the hospital, the doctor never touched the patient and

'We're very much concerned with this because we don't want the hospital's reputation damaged.'

placed him in neck-and-back traction even after Mustain said "since I'm not hurt" the traction "may not be good for me." Mustain, using an assumed name, had two physical therapy treatments, one after he told Rendleman, in the doctor's final visit, that he felt "fine, great." The doctor also told the patient to return to his clinic, 3138 W. Cermak, for medication.

SEVERAL WEEKS after the \$1,090 hospital charade had been played out, Rendleman was asked if he would order traction for a patient who said he wasn't hurt. "Absolutely not. It would be wrong," he said.

Asked if he would confirm or deny that he hospitalizes patients to increase their medical bills for the purpose of inflating insurance claims, he said: "Why don't you ask me if I rob banks? Would I answer a question like that? That would be crazy."

Richard W. Sellers, executive vice president of the hospital, said the hospital did not reappoint one doctor to its staff this year because of the physician's "failure to document on the medical records the necessity for hospitalization."

Sellers also said some nurses have complained that patient actions did not match their diagnoses. "We contacted several physicians and strongly suggested that these patients did not require hospitalization and they should be discharged."

He added, "We're very much concerned with this because we don't want the hospital's reputation damaged."

In Norwegian-American Hospital, Mustain met several other phony patients. Some amused themselves by drinking whiskey and smoking marijuana. One of the unhurt patients was building up her second accident case.

She said a friend in her car was actually hurt a little, "but she wouldn't go in [the hospital]."

She said her friend obviously didn't "believe in this kind of business. That means she doesn't believe in making money."

Monday: Fake patients help "heal" hospital.