

# How a Physician Can Prescribe Pure Dollars

By WILLIAM SHERMAN

(Fifth of a series)

The pharmacy in the Delancey Medical Building is only a counter in a second-floor hallway and behind that, a room with some shelves and a small working area for mixing prescriptions.

But last year, out of that small one-man operation at 80 Delancey St. came \$95,000 worth of Medicaid billings. The business was generated from



## MEDICAID PROBE

a large group of doctors, dentists, podiatrists, and other specialists who also rent space on that floor and cater almost exclusively to Medicaid clients.

And that center, which features a color television and a hot coffee machine in the waiting room, will generate more than \$1 million in Medicaid billings this year.

There are 1,957 pharmacies in New York City that bill Medicaid for filling prescriptions. In 1971, they collectively received \$30,602,341.

Many of the pharmacies, Health Department records show, are located inside group Medicaid centers, similar to the Delancey Medical Building. They usually pay a flat monthly rent to the owner of the center or to the building landlord.

An examination of the records revealed that some of the pharmacies, in addition to giving short counts and overbilling on drugs dispensed, also have their clientele directed to them by center personnel in violation of "freedom of choice" regulations, which require that patients must be given the freedom to choose the drugstore where their prescriptions are filled.

"This is supposed to prevent collusion among pharmacies, doctors, and center owners, many of whom are businessmen who do not practice in any of the medical professions," said Stuart Laurente, an attorney for the Health Department.

The inquiry into pharmacy practices came as part of THE NEWS' continuing Medicaid Probe series, an in-depth investigation into abuses of the city's \$1.3 billion medical assistance program.

"Some of the doctors use preprinted prescriptions, handed out by pharmacies," said Lawrence, "other prescriptions are filled in by pharmacists and doctors simply sign at the bottom."

One variation: Dr. Mortimer Greenberg, with offices at 724 Eighth Ave., Brooklyn, was seeing as many as 160 Medicaid patients a day in addition to his 160 private patients, department records show. Nearly all his Medicaid patients had their prescriptions filled at the Park Slope Pharmacy down the block at 808 Eighth Ave.

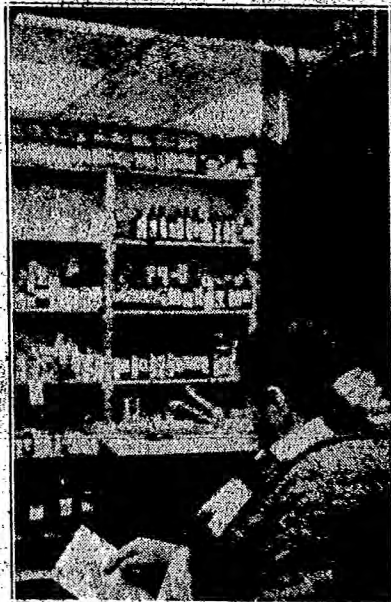
When he was called to the Health Department for an explanation, Greenberg said he had an intercom-telephone hookup with the drugstore. An investigation showed that the druggists, H.L. Yalan and his son, filled out the prescriptions and the patients simply walked down the block and picked up their drugs, never having touched the prescriptions. Greenberg stated that he visited the pharmacy at his leisure and then signed the Medicaid invoices.

Greenberg, who said he saw some patients as often as 12 times a month, said he spent "about two minutes with each patient," and prescribes "mostly antibiotics, tranquilizers, and birth control pills."

"I'm sincerely doing the best I can," he said.

Greenberg is doing well, too. He has been paid \$200,000 in city Medicaid funds over the last three years.

Another example: A NEWS reporter posing as a



NEWS photo by Mel Finkelstein  
Woman arrives at pharmacy at 80 Delancey St., to have prescription filled.

(Continued on page 18, col. 1)

# Some Prescriptions Seem Written in Purest Gold

(Continued from page 5)

welfare client with a medicaid card visited a group practice at 481 E. Tremont Ave., Bronx. He complained of a cold and was directed to Dr. Pierre Sajous, who wrote out a prescription after a three-minute consultation.

"Get this filled down the hall," he told the reporter.

"But I have a pharmacy on my block."

"This is the only pharmacy in the city where you can get this prescription filled," said Sajous.

"What's this prescription for?" the patient later asked center pharmacist Bernard Knippel.

"Penicillin," he replied.

Another variation: One of the largest medicaid pharmacy chains in Brooklyn is owned by Arnold Schoenbrun. Last year his operation billed medicaid for more than \$100,000, according to the Health Department.

## Vitamins and Iron

Last month department pharmacist Eli Gorelik noted that an inordinately large number of prescriptions for Theragrah (a vitamin compound) together with

iron substitutes were being filled at two of Schoenbrun's medicaid center pharmacies, 353 Empire Blvd. and 426 Lafayette Ave. That prescription is for anemia.

The prescriptions were traced to two doctors: Vincent Da Luca, who practices at 426 Lafayette Ave., and Soturo Tochimoto, the owner of the Crown Heights Medical center at 353 Empire Blvd.

Senior Health Department auditor Dr. Howard Katz found the patients that had been given the prescriptions were not anemic, but rather were suffering from a range of other ailments, from vaginal infections to hypertension.

Dr. Da Luca was called down to the Health Department for a hearing and asked to explain those prescriptions. There were 14 of that type filled in one day last fall.

## The Doctor's Dialogue

"Did you write the prescriptions?" asked Dr. Katz.

"No, they were already filled in," answered Da Luca.

"Who wrote them out?"

"Somebody else, they were just handed to me."

"Why did you sign them?"

"Well, they told me they had stocked Theragrah and to write for it."

"Who filled in the diagnosis 'anemia' on the invoices? It's not in your handwriting."

"The pharmacist," Da Luca replied.

And then Da Luca volunteered: "I swear by my children I never got anything from the pharmacist. They just told me to sign the prescriptions." He was given a "warning" by the Department.

## 35G Billed in 6 Months

One week later, Dr. Tochimoto was called down. An examination of department records shows that he was paid \$50,246 in medicaid funds in 1971, and has billed \$35,088 for the first six months of 1972.

He owns the Crown Heights Medical Center, a conglomerate of specialists including a podiatrist, a chiropractor, an optometrist and several doctors. He receives 80% of their billing in addition to his own practice. The pharmacy pays a flat monthly rate to the building's landlord.

Tochimoto also said he wrote for Theragrah, department rec-

ords show, because it was stocked by the pharmacist.

An earlier department survey of Schoenbrun's Empire Blvd. pharmacy showed that of 26 invoices submitted, there were four cases where patients were "shorted," receiving only one or two ounces of an ointment when four were prescribed.

## A Note to Restitution

During a hearing last June 14, Schoenbrun replied to the findings in the survey and said that either his employees "were too lazy" to fill the prescriptions properly, or perhaps pilfering was going on. On Aug. 17 he agreed to make an \$8,000 restitution to the city.

Eli Gorelik, the Health Department pharmacist, said that shorting and substitution is "one of the biggest abuses because patients don't pay the bills and usually can't read the prescriptions so they never know when they're being cheated."

Another pharmacy where the Health Department found irregularities was the Del Med, at 80 Delancey St. An investigation showed that prescriptions were brought to the pharmacy by at-

tendants of the medical center.

A sample survey of 16 patients showed eight discrepancies including bills for twice the amount of the medicine actually dispensed.

The investigation also revealed that generic drugs were being substituted for brand name drugs and billed for under the more expensive brand names.

Kenneth Levy, the owner of the Del Med, replied to some of the charges. He said if the amount prescribed was not available a note was given to the patient with the amount of pills due. He added that many patients do not bother calling back for the remainder of the prescription.

## Expenses Listed

Levy pays \$13,200 rent a year for his space in the center. Chief Pharmacist William Savin said he is paid \$200 a week in salary.

Last week, Savin, who was working at the Del Med when the department's investigation was being conducted, told a News reporter, "I think pharmacists who cheat should be thrown in jail."

**NEXT: Have you had your feet X-rayed recently?**