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Department of Justice

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District of Colorado

FOR IMMEDIATE RELEASE

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Colorado Doctor Convicted Of Health Care Fraud

Defendant fabricated patient files to cover up the fraud

DENVER – John Van Wu, age 49, of Golden, was found guilty of mail fraud and obstruction of justice charges following a one week trial before U.S. District Court Judge R. Brooke Jackson announced U.S. Attorney Jason Dunn. Wu is being held in custody and is pending a trial on additional counts of distributing oxycodone outside the usual course of medical practice and obstruction.

According to court records and argument at trial, Wu operated a medical clinic at locations in west Denver between January 2011 and March 2015. During that time period the defendant devised a scheme in which he billed employee benefit programs and insurers for services that were never actually rendered and not medically necessary. He also responded to a grand jury subpoena asking for patient files. During the trial over a dozen of the doctor's former patients testified that they did not have many of the ailments described in those files and did not get the expensive procedures billed to insurance. For example, the patient files described days-long nosebleeds followed by nasal cauterization procedures, but patients testified that neither happened. Other files described diagnoses related to migraine headaches and frequent administrations of injections to treat those agents. Patients testified that those, too, did not occur. Testimony at trial also established that the defendant billed approximately 95% of his office visits as the longest, most expensive, and highest-reimbursing type of office visit, despite the fact that his patients had relatively simple and routine ailments that did not need that level of service. During his testimony, the defendant admitted that he shredded patient files while the investigation was ongoing.

The defendant is separately charged with distributing oxycodone outside the usual course of medical practice and for no legitimate reason and for falsifying patient charts related to those prescriptions. According to the allegations in the indictment, the defendant sold oxycodone prescriptions for cash. Trial on those counts is scheduled to begin on July 8, 2019.

“Our healthcare system can’t function properly unless doctors act with honesty and integrity,” said U.S. Attorney Jason Dunn. “When a doctor violates that trust and breaks the law, we will pursue them vigorously. This jury victory is important, and the next trial regarding opioids allegedly wrongfully prescribed by this doctor is equally important.”

“This trial focused on patient identities being used to bill insurance for procedures not performed and obstruction of justice,” said DEA Denver Division Special Agent in Charge Tim McDermott. “A separate trial is scheduled related to the alleged distribution of Oxycodone. DEA and its partners are committed to doing all we can to end this opioid crisis.”

“Healthcare fraud victimizes the individuals involved and the community at-large,” said U.S. Department of Labor Employee Benefits Security Administration Regional Director Jim Purcell, in Kansas City. “The Department of Labor remains committed to ensuring that health benefits are not abused and anyone found guilty of committing fraud will be held accountable.”

This is part of an on-going joint investigation by the U.S. Department of Labor Employee Benefits Security Administration, Drug Enforcement Administration, Broomfield Police Department, Federal Bureau of Investigation, and Internal Revenue Service.

The defendant is being prosecuted by Assistant United States Attorneys Bryan D. Fields and Conor Flanigan.

The defendant is presumed innocent on the remaining counts unless and until proven guilty in a court of law.

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