



THE UNITED STATES ATTORNEY'S OFFICE
DISTRICT *of* OREGON

[U.S. Attorneys](#) » [District of Oregon](#) » [News](#)

Department of Justice

U.S. Attorney's Office

District of Oregon

FOR IMMEDIATE RELEASE

Friday, March 18, 2016

Owner of Axis Benefits Administrators Pleads Guilty to Theft of \$3 Million Dollars from Health Care Reimbursement Trust Account Funds

Portland, Ore. – Darrin Bottinelli, 45, of Portland, Oregon, pled guilty Thursday, March 17, 2016, before U.S. District Judge Robert E. Jones to one count of theft in connection with health care. Bottinelli admitted in his plea agreement that between 2009 and 2014 he stole approximately \$3 million dollars from individual health reimbursement accounts (HRAs) under management by his company, Axis Benefit Administrators, Inc., also known as AXIS Health Partners.

Bottinelli served as the sole shareholder, officer and director of Axis, which held its principle place of business in Portland. Axis administered employee health reimbursement or flexible spending accounts for their client employers. According to Axis contracts with employers, Axis pledged to post employer contributions to trust accounts for employee plan participants. These plan participants could then seek reimbursement for eligible health expenditures from their account funds.

Between 2009 and 2014, the defendant improperly and repeatedly accessed trust account funds for his own personal use. On March 19, 2014, Bottinelli abruptly closed the Axis office without any communication to client employers or plan participants. As a result, approximately four thousand plan participants were unable to access their account funds. Individual victim losses range from \$22,500 to less than \$10.

The maximum sentence for theft in connection with health care is ten years of imprisonment, a \$250,000 fine, and three years of supervised release. Sentencing is currently scheduled for September 14, 2016.

This case was investigated by the U. S. Department of Labor, Employee Benefits Security Administration, the Federal Bureau of Investigation, and the U. S. Department of Labor – Office of Inspector General. The case is being handled by Assistant United States Attorney Donna Brecker Maddux.

Attachment(s):

[Download Charging_Document.pdf](#)

Component(s):

[USAO - Oregon](#)

