

IN THE MATTER OF

LARRY BERNHARD

Respondent

License No. 00591

\* BEFORE THE MARYLAND  
\* STATE BOARD OF PODIATRIC  
\* MEDICAL EXAMINERS  
\* Case No. 2011-051

\* \* \* \* \*

**ORDER FOR SUMMARY SUSPENSION  
OF LICENSE TO PRACTICE PODIATRY**

The Maryland State Board of Podiatric Medical Examiners (the "Board") hereby **SUMMARILY SUSPENDS** the license of **LARRY BERNHARD, D.P.M., License No. 00591, (the "Respondent")**. The Board takes such action pursuant to its authority under Md. Code Ann., State Gov't ("S.G.") § 10-226(c)(2) (2009 Repl. Vol. and 2011 Supp.), concluding that the public health, safety or welfare imperatively requires emergency action.

**ALLEGATIONS OF FACT**

The Board bases its summary suspension on the following facts that the Board has reason to believe are true:

**Background**

1. At all times relevant hereto, the Respondent was and is licensed to practice podiatry in the State of Maryland. The Respondent was originally issued a podiatry license on or about June 10, 1981 under license number 00591. The Respondent's license will expire on January 31, 2012.

2. At all times relevant hereto, the Respondent also held a controlled dangerous substance permit, number P16748, issued by the Division of Drug Control. This permit expired on August 31, 2011.

3. At all times relevant hereto, the Respondent operated a podiatry practice under the business name Chesapeake Wound Care Center. The Respondent operated this practice from his home in Gambrills, Maryland.

**Criminal Information**

4. On or about May 3, 2011, the United States filed an Information in the United States District Court for the District of Maryland, in case number JKB-11-0254, charging the Respondent with health care fraud, in violation of 18 U.S.C. § 1347 (Count One), and aggravated identity theft (Count Two), in violation of 18 U.S.C. § 1028A.

5. Specifically, the Respondent was charged with knowingly and willfully executing a scheme to defraud money from health benefit programs by means of false and fraudulent pretenses, in connection with the delivery and payment for health care benefits, items and services; to wit, by claiming reimbursement from Bravo Health and Evercare<sup>1</sup>, for providing services to a nursing home resident, Patient M.C., on eighteen separate (18) occasions when the Respondent had not in fact provided the claimed services. On these claimed visits between February 25, 2010 and July 5, 2010, the Respondent submitted claims with a diagnosis of "707.15 (ulcer other part of foot)" and claimed "debridement of skin" as the service he performed.

6. In addition, the Respondent was charged with knowingly possessing and using the actual name and identification number of Patient M.C. in order to obtain payment for the services billed.

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<sup>1</sup> United Health Group ("United") and Bravo Health are health care benefit programs as defined by 18 U.S.C. § 24(b). United offers a Medicare Advantage plan called Evercare in various states, including Maryland. Bravo Health offers Medicare Advantage plans in various states, including Maryland. One must be a Medicare beneficiary to join the Evercare or Bravo Health plans.

## Plea Agreement

7. On or about July 7, 2011, the Respondent entered into a plea agreement wherein he pleaded guilty to both counts of the Information, healthcare fraud (Count One) and aggravated identity theft (Count Two).

8. The plea agreement set forth, inter alia, the following statement of facts:

From October 31, 2007 to July 20, 2010, [the Respondent] fraudulently billed Medicare Advantage plans and was paid at least \$1,000,000 from these Medicare Advantage plans for these fraudulent billings. All of the fraudulent billing occurred while [the Respondent] was excluded from billing all federal health care programs, including Medicare Advantage plans.

On October 30, 2007, the United States, through the United States Attorney's Office for the District of Maryland and the HHS/OIG, entered into a Settlement Agreement with [the Respondent]. The settlement resolved allegations that from April 1, 2002 through October 11, 2004, [the Respondent] submitted eighty claims to Medicare for podiatry services purportedly provided at skilled nursing facilities when, in fact, the patients were actually in hospitals at the time the services were allegedly provided. [The Respondent] was also accused of fabricating progress notes for several nursing home residents indicating that he provided wound care services to these patients in the nursing home when, in fact, these patients were not at the nursing home and were admitted in a hospital at the time.

As part of the settlement signed by [the Respondent], he agreed to be excluded from "Medicare, Medicaid, and all other Federal health care programs" for a period of three (3) years.

From the date of his exclusion, through July 20, 2010, [the Respondent] received at least \$1,100,000 from billings to the Evercare and Bravo Health Medicare Advantage plans.

Beginning in October 2007 and continuing through July 2010, [the Respondent] executed a scheme and artifice to defraud the above-referenced health care benefit programs, and to obtain, by means of false and fraudulent pretenses, representations and promises, money and property owned by and under the custody and control of these health care benefit programs, in connection with the delivery and payment for health care benefits, items and services, as set forth more fully below.

Of the \$1,100,000 of money received by [the Respondent], at least \$1,000,000 was for services that were not rendered. [The Respondent] used the names and personal identifying information of approximately 200 patients at the various nursing homes to submit false bills for podiatry care that he never performed.

For example, [the Respondent] repeatedly submitted false health care claim forms to the Bravo Health Medicare Advantage plan for nursing home resident M.C., for a variety of podiatry services. [Chart omitted.]

[The Respondent's] claims for [the services he billed for Patient M.C.] totaled \$4,830.00, and he was paid \$3,641.59. Patient M.C. was a double amputee who was never seen by [the Respondent].

During and in relation to the submission of false and fraudulent claims to health care benefit programs, [the Respondent] transferred, possessed and used, without lawful authority, a means of identification of numerous beneficiaries who were residents of the various nursing homes. For example, [the Respondent] submitted numerous false claims for M.C. during the time frame February 2010 through July 2010, listing M.C.'s Social Security Account Number, Date of Birth and an unique identification number coding in the last four digits 8786 that the health care benefit program issued M.C.

[The Respondent] was interviewed by law enforcement agents on August 26, 2010. During the interview, [the Respondent] admitted to billing for services that he had not rendered. [The Respondent] also told investigators that the fraudulent billing was an effort to meet his financial obligations. During the interview, [the Respondent] stated, "I was just trying to put food on the table and a roof over our head." [The Respondent] said that he submitted fraudulent claims as he needed money, and he estimated that approximately 25-30 percent of all of his billings were fraudulent. This estimate was clearly false.

9. As part of his plea agreement, the Respondent agreed to the entry of a Restitution Order of \$1,122,992.08, payable to Bravo Health (\$401,423.27) and United Health Care (\$721,568.81).

10. On or about January 17, 2012, the Respondent was sentenced to imprisonment for 30 months as to Count One, 24 months as to Count Two, to run consecutive, for a total term of 54 months. The Respondent's sentence will begin no later than May 1, 2012.

11. Upon his release from imprisonment, the Respondent will be placed on supervised release for a term of three (3) years, during which time the Court has ordered him to participate in a treatment program relating to substance and/or alcohol abuse.

**Civil Judgment**

12. On or about July 18, 2008, the United States filed a Complaint in the United States District Court for the District of Maryland, in case number 08-CV-01895-MJG, alleging the Respondent had defaulted on a Health Education Assistance Loan in the amount of \$33,477.08, such loan having not been dischargeable in bankruptcy.

13. On or about August 5, 2008, the Respondent and the United States entered into a Final Judgment by Consent in the amount of \$33,477.08.

14. As set forth above, the Respondent is not financially responsible and cannot be trusted to put his patients' interests above his own. Given the large sums of money the Respondent has received by admittedly stealing his patients' personal information in order to repeatedly defraud Medicare, the public health, safety and welfare are best protected by summarily suspending the Respondent's license to practice podiatry.

**CONCLUSIONS OF LAW**

Based upon the foregoing, the Board concludes as a matter of law that the public health, safety, or welfare imperatively requires emergency action, pursuant to Md. State Gov't. Code Ann. § 10-226(c)(2) (2009 Repl. Vol. and 2011 Supp.).

**ORDER**

It is this \_\_\_\_\_ day of \_\_\_\_\_, 2012, by a majority of the quorum of the Board;

**ORDERED** that pursuant to the authority vested in the Board by Md. Code Ann., State Gov't. § 10-226(c)(2), the Respondent's license to practice podiatry in the State of Maryland is hereby **SUMMARILY SUSPENDED**; and it is further

**ORDERED** that a post-deprivation show cause hearing on the summary suspension will be held on **February 2, 2012 at 2 p.m.**, at the Maryland State Board of Podiatric Examiners, 4201 Patterson Avenue, Baltimore, Maryland 21215; and it is further

**ORDERED** that at the conclusion of the post-deprivation hearing before the Board, the Respondent, if dissatisfied with the result of the hearing, may request an evidentiary hearing before the Board, such hearing to be set within thirty (30) days of the request; and it is further

**ORDERED** that on presentation of this Order, the Respondent **SHALL SURRENDER** to the Board's investigator the following items:

- (1) The Respondent's original Maryland license, number 00591;
- (2) The Respondent's wallet-sized license, if any; and
- (3) The Respondent's current renewal certificate, if any;

and it is further

**ORDERED** that this is a Final Order of the Board, and as such, is a **PUBLIC DOCUMENT** pursuant to Md. Code Ann., State Gov't § 10-611, *et seq.* (2009 Repl. Vol. and 2011 Supp.)

1.15.12

Date



Tanya Sellers-Hannibal, D.P.M., Chair  
Maryland Board of Podiatric Examiners