



HMO says exec stole \$1.3M

By Christine Giordano
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Citrus Health Care, which reported big losses last year, may have been the victim of more than a bad business climate. Its director of compliance – the one in charge of keeping the company honest -- scammed Citrus Health out of \$1.3 million, according to a civil lawsuit filed in Hillsborough circuit court.

Correspondence in the file indicates that the FBI is investigating.



Patricia Syling, 39, is accused of lying her way into the Tampa company with a phony name and Social Security number and funneling money from the health plan into her own bank account through a shell company. Syling has denied the allegations.

A number of questions remain unanswered, including: Who has Syling's laptop? Court records show that both Citrus and Humana were trying to get access to it; Humana wanted it in connection with a "commercial litigation" case in Orange County, but no details were available.

The Citrus circuit-court suit accuses Syling of committing the Tampa scam while out on bail after being charged in a similar theft against a medical center in Hawaii. She is now in a jail cell in Honolulu awaiting sentencing in federal court after pleading guilty to mail fraud.

The alleged theft in Tampa would have been even greater than the one in Hawaii, according to court documents. The total take would be about \$2 million.

The sequence of events raises questions about how much effort Citrus put into the background check when Syling applied for the position. But Citrus officials aren't talking at the advice of their attorney, Robert Harding,, who isn't saying much either.

"It's never fun when a person in a position of trust breaches that trust and that makes it difficult," said Harding, who said the Syling case is "part of our story, but not a very big one. Our interest is to move on past that."

It's not clear exactly who hired Syling. Bruce Carpenter, who co-founded the company in 2004 and served as president and chief operating officer for several years, says he had left the company by the time she arrived. He has now returned to clean up the mess.

The Syling case raises questions about the lack of oversight at the Citrus HMO and The Queen's Medical Center, according to AIShealth.com. "Citrus apparently didn't detect that a compliance-officer candidate — someone in a highly trusted, sensitive position - was allegedly lying about basic information," noted the website.

The Citrus Health Care suit says Syling applied for work in October 2007 using the name "Patricia Dunne" and a Social Security number that turned out to be that of her ex-husband, Joseph Syling. In one of the forms she signed – the one that gave the HMO permission to investigate her background – she spelled the fake name wrong. She fabricated nine years of experience as a compliance officer for a division of BlueCross/BlueShield of Ohio, according to the suit.

She was hired anyway as director of compliance, the one who oversees contracts and regulatory issues with Medicare, Medicaid and the Florida Office of Insurance Regulation.

A few weeks after starting work, she advised Citrus to use an outside company to provide auditing services and other duties, the suit says. The company would receive a percentage of the overpaid claims.

The outside company, Healthcare Solutions Group (HSG), was actually one that Syling operated out of her house in Lutz, the suit says, but she routed payments through another address to hide the connection. She's accused of slipping a fake, backdated consulting agreement into the files at Citrus with Carpenter's signature forged on it. That led the HMO's managers to believe that HSG had been working with Citrus for 16 months.

Citrus claims she collected \$1.3 million for work that was never performed.

In the case in Hawaii, Syling has admitted to using her job as a corporate compliance officer to defraud Queens Medical Center between November 2002 and July 2004. Syling was hired to make sure the bills were in order at the medical center. Instead, she created fake contracts and sent invoices for \$594,000 to be paid to her company, Healthcare Financial & Compliance Management, by the Hawaiian medical center. She admitted in court to invoicing QMC even though no substantive work was performed by her, according to the U.S. Department of Justice.

After her February 2007 arrest, Syling was granted bail and allowed to move to Florida, where the Tampa office of Pretrial Services monitored her activities, AIShealth.com reported. That publication, quoting an unnamed source familiar with the proceedings, said Syling spent about \$350,000 on a skybox and 18 season tickets to the Tampa Bay Buccaneers for the just-ended season.



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Court documents indicate that Citrus waited to file its lawsuit until federal officials took Syling into custody and sent her back to face trial in Hawaii. After pleading guilty to eight counts of mail fraud, she awaits a May 26 sentencing.

Attorneys are trying to figure out how she can defend herself in the civil suit and an expected criminal case from a jail cell thousands of miles away. Her Tampa lawyer, Robert Hearn of Phelps Dunbar, withdrew from the case; he declined to discuss why.

It is unclear whether Syling will be able to return to face action in Florida. Her defense attorney in Hawaii, Myles Breiner, said that "criminal action and criminal litigation obviously takes precedence over civil litigation."

Citrus Health Care has been on a corrective action plan from the Florida Office of Insurance Regulation for a failure to show a 2-percent profit.

While Medicare authorities ordered the HMO to stop enrolling new members a few weeks ago, the state is allowing the company to enroll Medicaid patients. In fact, Carpenter said, the state is even sending patients to the company via auto-enrollment, used when Medicaid enrollees neglect to state a plan preference.

As of September 2008, according to state financial records, Citrus was running a net loss for the year of \$600,000. That's "not directly" related to Syling's alleged theft, the company's attorney said, adding that the owners replaced the \$1.3 million as soon as they discovered the theft.

"I'm not saying that that's an insignificant sum," Harding said. "But you've got to remember that a company such as Citrus has an excess of \$300 million a year in revenues."

--Questions about the story can be directed to Carol Gentry, Editor, at 727-410-3266 or by e-mail.