

## U.S. Department of Justice

United States Attorney's Office Eastern District of Wisconsin

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## **IMMEDIATE RELEASE**

March 24, 2025

## River Hills Man Sentenced to 21 Months' Imprisonment for Paying Healthcare Kickbacks

Richard G. Frohling, Acting United States Attorney for the Eastern District of Wisconsin, announced that, on March 21, 2025, Justin Drew Hanson was sentenced to 21 months' incarceration for paying healthcare kickbacks in violation of the Anti-Kickback Statute. Hanson was also ordered to pay over \$2.2 million in restitution to Medicaid and Medicare as well as a \$75,000 fine.

According to court records, Hanson and his co-defendant, Mohammed Kazim Ali, owned a Milwaukee-area clinical laboratory called Noah Associates. Beginning in 2017, Ali and Hanson engaged in a three-year-long scheme to pay kickbacks to the owner of a Milwaukee substance use treatment clinic in exchange for referrals of Medicaid and Medicare patients for urine drug testing performed by Noah Associates. Hanson and Ali procured sham agreements that further concealed their fraud, ultimately paying over \$400,000 in kickbacks to procure the tests. The tests, however, were not ordered by any physician and were not medically necessary for the treatment of patients. As a result of the scheme, Medicaid and Medicare paid Noah Associates over \$2.2 million for the unnecessary tests. Hanson personally received hundreds of thousands of dollars from Noah Associates during the scheme.

At sentencing, United States District Judge J.P. Stadtmueller emphasized the seriousness of Hanson's crime, including Hanson's manipulation and breach of trust of the Medicaid and Medicare programs to receive millions of dollars that were not truly earned. Judge Stadtmueller further noted that Hanson's criminal conduct was significant and detrimental because he stole "from every taxpayer citizen in the United States." In addition to his sentence, Hanson will also be excluded from participation in the Medicaid and Medicare programs and has shut down Noah Associates. His co-defendant, Ali, also pleaded guilty for paying healthcare kickbacks and was sentenced to 15 months' imprisonment earlier this year.

"Mr. Hanson's kickbacks resulted in Medicaid and Medicare – and taxpayers – repeatedly paying for unnecessary services," said Acting U.S. Attorney Frohling. "Rather than bill the government for tests that patients truly needed, Hanson abused the Medicaid and Medicare programs for his own benefit. The United States Attorney's Office is committed to working with its law enforcement partners to hold individuals who engage in these schemes accountable for their actions."

"The FBI will relentlessly pursue individuals like Mr. Hanson whose actions defrauded the American people and wasted taxpayer money," said Special Agent in Charge Michael Hensle of the FBI Milwaukee Field Office. "The FBI will continue to work with our local, state, and federal law enforcement partners to ensure those responsible for schemes to defraud the American people are brought to justice."

"HHS-OIG is dedicated to protecting the integrity of Medicare and Medicaid and to ensure taxpayer money is used as intended to serve vulnerable populations," said Special Agent in Charge Mario M. Pinto of the U.S. Department of Health and Human Services Office of Inspector General (HHS-OIG). "The kickback scheme in this case undermined the public's trust in our nation's health care system and can interfere with impartial medical decision-making. We will continue to work with our law enforcement partners to hold accountable those who manipulate taxpayer-funded health programs to boost their profits."

The Federal Bureau of Investigation and the Office of the Inspector General, Department of Health and Human Services investigated the case. Assistant United States Attorneys Michael Carter and Julie Stewart handled the prosecution.

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