

NEWS RELEASE

Luther Strange

Alabama Attorney General



FOR IMMEDIATE RELEASE

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AG STRANGE ANNOUNCES CONVICTION AND JAIL TIME FOR THEFT OF OVER \$600,000 FROM MEDICAID AGENCY

(MONTGOMERY)--Attorney General Luther Strange announced the conviction and sentencing today of the former manager of a Troy medical supply business for the theft of more than \$600,000 from the Alabama Medicaid Agency. Joan Elizabeth Corbitt Johnson, 38, a Shelby County resident, pleaded guilty this morning before Montgomery County Circuit Judge Johnny Hardwick to one count of first-degree theft of property and two counts of Medicaid fraud.

Immediately upon her conviction, Johnson was sentenced and taken into custody. She was sentenced to ten years, which was split for her to serve three years imprisonment followed by five years of supervised probation. In addition, she was ordered to pay full restitution to the State of Alabama in the amount of \$609,000, and through the terms of a plea agreement, she was also ordered to pay restitution in the amount of \$144,000 to Blue Cross and Blue Shield of Alabama.

Johnson admitted that, while working as the manager for Advantage Medical Supply in Troy (a business owned by Johnson's husband and brother-in-law), Johnson billed the Medicaid Agency 419 times for 11 different types of custom ankle, knee, leg and wrist braces that were never prescribed for nor delivered to 125 Medicaid recipients. Each of the Medicaid recipients was billed for a minimum of two braces, with one recipient being billed for 22 different leg braces over a two year period. Medicaid paid between \$300 and \$1,100 per brace. The business closed in January 2010.

"This defendant carried out an extensive criminal scheme to steal from the State and to exploit people who were in true need. I am pleased that the Court has ordered her to serve time in jail and to make financial restitution for her crimes," said Attorney General Strange. "At this time when the State and our people are struggling to extend scarce resources to cover severe needs, it is more important than ever that agencies work together to stop those who raid the public treasury."

Attorney General Strange commended those involved in bringing this case to a successful conclusion, noting in particular Assistant Attorney General Bruce Lieberman, chief of the Attorney General's Medicaid Fraud Control Unit; Elizabeth Fuller, nurse-analyst in the Unit; and agents of the Attorney General Medicaid Fraud Control Unit. He gave special thanks to the Program Integrity Division of the Alabama Medicaid Agency and nurse-analyst Hazel Ashley, for their initial review and referral of the matter to the Attorney General's Medicaid Fraud Control Unit.

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