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FOR IMMEDIATE RELEASE

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**Greenfield Man Sentenced to 15 Months' Imprisonment for Paying
Healthcare Kickbacks**

Gregory J. Haanstad, United States Attorney for the Eastern District of Wisconsin, announced that, on January 24, 2025, Mohammed Kazim Ali was sentenced to 15 months' incarceration for paying healthcare kickbacks in violation of the Anti-Kickback Statute. Ali was also ordered to pay over \$2.2 million in restitution to Medicaid and Medicare as well as a \$75,000 fine.

Ali and his co-defendant, Justin Hanson, owned a Milwaukee-area clinical laboratory called Noah Associates. According to court records, 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. Ali and Hanson paid 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. After one physician learned that his credentials were being used without his authorization to order the tests, the physician told Ali to stop. Ali nonetheless continued to have Noah Associates accept and bill the government for tests falsely ordered under that physician's credentials for months. As a result of the scheme, Medicaid and Medicare paid Noah Associates over \$2.2 million for the unnecessary tests. Ali personally received over \$800,000 from Noah Associates during the scheme.

At sentencing, United States District Judge J.P. Stadtmueller emphasized the seriousness of Ali's crime, including Ali'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 Ali knew that his conduct was criminal yet still engaged in a long-running, creative fraud scheme – a decision that Judge Stadtmueller criticized as "beyond belief."

In addition to his sentence, Ali will also be excluded from participation in the Medicaid and Medicare programs and has shut down Noah Associates. His co-defendant, Hanson, has also pleaded guilty for paying healthcare kickbacks and will be sentenced on March 21, 2025.

“Paying kickbacks for patient referrals is illegal because, as this case demonstrates, kickbacks result in Medicaid and Medicare paying for unnecessary services,” said United States Attorney Haanstad. “Rather than bill the government for tests that patients actually needed, Ali abused the Medicaid and Medicare programs for ill-gotten gains. The United States Attorney’s Office is committed to prevent frauds against Medicaid and Medicare.”

“This sentence demonstrates the FBI’s commitment to investigating individuals like Mr. Ali who erode the public’s trust in our healthcare systems,” said Special Agent in Charge Michael Hensle of the FBI Milwaukee Field Office. “The FBI will continue to work with our law enforcement partners to ensure that those responsible for healthcare fraud are exposed and brought to justice. The safety and well-being of Wisconsin residents remains our highest priority.”

“Individuals and medical providers who accept kickbacks in exchange for the referral of patients covered under a Federal health care program place personal profit ahead of patient care, which can ultimately lead to the delivery of costly, medically unnecessary services,” said Mario M. Pinto, of the U.S. Department of Health and Human Services, Office of Inspector General (HHS-OIG), Chicago Region. “Our agency is committed to working with our law enforcement partners to bring those who violate laws intended to protect patients, and our Federal health care programs, to justice.”

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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