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How bill-scam sleuth made his hosp pay

Julie Stapen

EXCLUSIVE

By SUSAN EDELMAN and RICHARD WILNER

Beth Israel Medical Center made a big mistake messing with Najuddin Pervez.

And now they owe him $14.5 million.

When the hospital stopped paying the 62-year-old's medical bills about 10 years ago — for injuries sustained while he was shot on the job at the hospital — he sued.

The hospital offered him a cash settlement if he'd agree to make Medicare his primary insurer at age 65.

But the whole thing smelled fishy to the former hospital financial manager.

Pervez knew Medicare doesn't cover job-related injuries.

"I refused to become a partner in their scheme to commit fraud," he told The Post. "This led me to believe that the hospital must be engaging in other forms of Medicare fraud and abuse, and I resolved to look into it."

Pervez launched his own private investigation that last year exposed a multi-million-dollar Medicare-billing scam at one of the city's largest and most prestigious hospitals.

The hospital agreed to no wrongdoing but will pay $73 million, the largest health-care fraud settlement in history, in a deal with the U.S. Attorney's Office in Manhattan, which accused it of "knowingly" overbilling Medicare to subsidize the private practices of its doctors, parking, staff housing and other nonreimbursable expenses.

As the whistleblower, Pervez gets 20 percent of that settlement, less taxes and lawyers' fees.

His discovery began with conversations with former

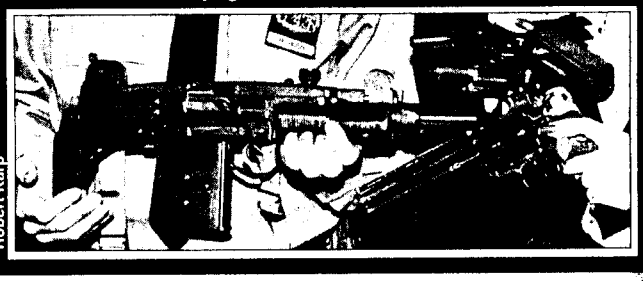
Michael Leone

NEW YORK POST FINAL

MACHINE-GUN MANIAC SHOOTS 2 IN HOSPITAL

Ex-exec seized at Beth Israel

OLD WOUNDS: Beth Israel whistleblower Najuddin Pervez (right) was shot in '82 by co-worker Barry Simowitz (above), who went on a rampage armed with an Uzi and pistols.



Robert Karp

They told him that the hospital had changed its method of seeking Medicare and Medicaid reimbursement and was submitting false claims.

Then people he knew who were treated at Beth Israel let him see their medical records. From those, he could tell the hospital was breaking the rules.

Under the Freedom of Information Act law, he obtained voluminous hospital cost reports filed with the government. They confirmed the crooked practices were widespread.

In 2001, Pervez filed a whistleblower lawsuit, which was sealed in Manhattan federal court. The U.S. Attorney's Office, aided by Pervez and his lawyers, investigated. Last Nov. 30, the feds filed a civil complaint and settled with Beth Israel.

His beef with his former fired auditor, Barry Simowitz, then 45, stormed into the hospital with an Uzi and two handguns and vented his rage.

Before an employee tackled him, Simowitz shot the personnel director in the arm and Pervez, then 39, in the shoulder.

Simowitz was acquitted of attempted murder by reason of "mental defect." But he later landed a state Taxation and Finance Department job at the World Trade Center. He died on 9/11.

Meanwhile, Pervez left Beth Israel in 1991 to form his own consulting firm and did work for the hospital.

By 1996, he said, nerve injuries from his wound, plus the side effects of pain medication he had taken for 14 years, made it impossible to work full time.

Then Beth Israel stopped paying his medical bills.

chael of Troutman Sanders, who worked on the case 5½ years. "He uncovered hidden schemes that were never detected by investigators in many government agencies."

Pervez doesn't have the cash yet but says it won't alter his already happy life.

"We live a comfortable and rewarding life, and we do not plan to change anything," said Pervez, who has a wife and

ing done something good for society," said Pervez, who is still wrangling with Beth Israel over his bills.

Ironically, the hospital's lawyers recently cited Per-

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