Surgery Scam

Ex-administrator of NY surgery clinic where man died during liposuction pleads guilty to fraud

Larry Neumeister, The Associated Press

NEW YORK — The former administrator of a Manhattan cosmetic surgery clinic where a man died while undergoing liposuction pleaded guilty to fraud charges Friday, a decade after authorities uncovered a fraud they said cost insurance companies more than $900,000.

Arthur Kissel, 56, entered the plea in U.S. District Court in Manhattan to health care fraud and mail fraud.

Kissel, also known as Arthur Froom, admitted he conspired to rip off insurance companies from 1994 to 1998 at a midtown Manhattan clinic where an overweight 33-year-old man who wanted to be a police officer died of a heart attack while undergoing liposuction in December 1997.

Kissel said he was "deeply sorry" for his crimes and agreed to pay restitution of up to $918,000. Judge Denny Chin set sentencing for Dec. 15.

Chin warned Kissel that he could sentence him to as much as 10 years in prison, according to the terms of a plea deal with prosecutors. Defence lawyers say he should face no more than two to two and a half years in prison.

Kissel's plea came a decade after charges were brought because he fought extradition from Canada, where he was living when he was charged.

Kissel's wife, Sonia LaFontaine, has already completed a 10-year prison term after she was convicted in the fraud at LaFontaine-Rish Medical Associates on West 57th Street.

Prosecutors said during her trial that LaFontaine performed some medical procedures herself such as removing lesions and unsightly veins even though she was not a doctor.

LaFontaine first opened clinics in Canada in the 1980s before opening the Manhattan clinic in 1990. By 1996, the clinic was being investigated by insurance companies and the federal government.

Prosecutors say Kissel and LaFontaine owned and operated the Manhattan clinic together, billing insurance companies for "tummy tucks" and liposuction by claiming they were medically necessary procedures such as hernia repairs and lesion

removals.

The government said they also submitted claims to insurance companies for procedures that were never performed and exaggerated claims by increasing the number and complexity of procedures.

Defence attorney Charles Ross said the defence will challenge many of the government's claims before what he said will be a "hotly contested" sentencing proceeding.

"Our position is Mr. Froom was an administrator running the office and was not directly responsible," he said.

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