



The City of New York
Department of Investigation

ROSE GILL HEARN
COMMISSIONER

80 MAIDEN LANE
NEW YORK, NY 10038
212-825-5900

Release #105-2008
nyc.gov/html/doi

FOR IMMEDIATE RELEASE
TUESDAY, NOVEMBER 18, 2008

CONTACT: DIANE STRUZZI
(212) 825-5931

DOI INVESTIGATION LEADS TO ARREST OF MEDICAL LAB OPERATOR ON FRAUD CHARGES

ROSE GILL HEARN, Commissioner of the New York City Department of Investigation ("DOI"), announced today the arrest of ALEXANDER LAUREN, the operator of CARDIO LAB INC. in Brooklyn, on charges that he falsely reported to the New York City Department of Health and Mental Hygiene ("DOHMH") that a licensed physician was overseeing the lab's handling of radioactive testing materials. In addition, LAUREN is charged with acquiring radioactive materials for the lab in violation of an order of the City Health Commissioner.

LAUREN, 60, of Fort Lee, New Jersey, has been charged with Falsifying Business Records in the First Degree and Offering a False Instrument for Filing in the First Degree, both class E felonies, and Failure to Observe a Commissioner's Order, an unclassified misdemeanor. Upon conviction, a class E felony is punishable by up to four years in prison. The case is being prosecuted by the office of New York County District Attorney Robert M. Morgenthau.

Commissioner Rose Gill Hearn said, "The point of a medical testing lab is to protect the health of its patients and the public. It's disturbing that a health care provider is charged with cutting corners to flout safety regulations that relate to the handling of radioactive materials and hijacking a doctor's identity to make its operation appear legitimate."

New York City Health Commissioner Dr. Thomas R. Frieden said, "The Health Department takes the falsification of license applications and the impersonation of a doctor very seriously. I want to thank the Department of Investigation for its work with the Health Department employees whose vigilance brought this situation to light."

DOI's investigation began in April 2008 after it was notified by DOHMH that CARDIO LAB's Radioactive Materials License, which allowed it to purchase and use radioactive material, may have been fraudulently renewed. The lab used radioactive isotopes, such as Technetium-99m, to perform medical imaging of the heart. To obtain a license, a lab must identify a Radiation Safety Officer ("RSO") who is supposed to ensure the safe control of the lab's radioactive material.

On October 31, 2006, LAUREN filed a renewal application for CARDIO LAB's Radioactive Materials License, naming a licensed physician as its RSO. Later, in 2008, that physician contacted DOHMH on another matter and was asked about his RSO position at CARDIO LAB, which led to the discovery that he

more

had never held that position or given LAUREN, or anyone else, permission to use his name as RADIO LAB's RSO, according to the criminal complaint.

On July 3, 2008, during DOI's investigation, DOHMH ordered RADIO LAB to cease all acquisitions of radioactive materials at RADIO LAB. On August 6, 2008, DOHMH personnel, using a Geiger counter, inspected RADIO LAB and found a radioactive disk used for medical imaging purposes that RADIO LAB had acquired in violation of the July 3rd order.

Although LAUREN is charged, DOHMH has informed DOI that its inspections and reviews of RADIO LAB found no evidence of deficiencies related to patient care. RADIO LAB no longer has a Radioactive Materials License and is not permitted by DOHMH to obtain or conduct testing with radioactive materials.

Commissioner Rose Gill Hearn thanked DOHMH Commissioner Dr. Thomas R. Frieden and his staff for their cooperation and assistance in this investigation.

Assistant District Attorney Amy Miller of the New York County District Attorney's Office is prosecuting the case.

The investigation was conducted by DOI's Inspector General for DOHMH, Christopher Staackmann, and members of his staff, including Deputy Inspector General Stephan Zander and Special Investigator Christopher Santariello.

Criminal complaints are merely accusations. Defendants are presumed innocent until proven guilty.

DOI is one of the oldest law-enforcement agencies in the country. The agency investigates and refers for prosecution City employees and contractors engaged in corrupt or fraudulent activities or unethical conduct. Investigations may involve any agency, officer, elected official or employee of the City, as well as those who do business with or receive benefits from the City.

**Get the worms out of the Big Apple.
To report someone ripping off the city, call DOI at (212) 825-5959.**