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NEWS RELEASE
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FOUR ARRESTED AND CHARGED IN \$8 MILLION HEALTH CARE FRAUD CASE

RIVERSIDE –Four men have been arrested in a case involving health care fraud, money laundering, and tax evasion with losses totaling more than \$ 8 million.

The Riverside County District Attorney's Office has filed a 33-count criminal complaint against the four men who were arrested today, March 8, 2018. All four were arrested without incident this morning in their respective cities of residence. Charges in the complaint include conspiracy, health care fraud, grand theft, money laundering, tax evasion, and identity theft. The men charged and arrested are:

- Brian Andrew La Porte, DOB: 7-7-75, of Poway
- Dennis Davin Bonavilla, DOB: 1-17-79, of Murrieta
- Jeffrey D. Ogletree, DOB: 7-21-74, of Meridian, Idaho
- Babar Iqbal, DOB: 12-18-73, of Irvine

Based on when each defendant was arrested, should they remain in custody, they would be scheduled for arraignment on Monday, March 12, 2018.

Riverside County DA's Office investigators and investigators with the California Department of Insurance began an investigation in December 2016 after receiving a complaint of possible crimes being committed. Evidence found during the investigation revealed the following:

In 2013, La Porte created Free Choice Healthcare Foundation (FCHF), based in San Diego, which was purported to help the indigent pay health care premiums. FCHF was not registered as a charity in California. Ogletree, a vice president at a hospital in the Midwest, met with La Porte to discuss the premium program. Ultimately, based on Ogletree's recommendation, the hospital donated more than \$5 million to FCHF in January 2015. That donation was to be used to provide health insurance to 333 residents in the Midwest for a year. Hospital officials later learned that policies were not purchased for most of those 333 people and, in the few cases where policies were issued, premiums were not paid during that year.

According to evidence obtained during the investigation it is alleged that the money instead was used in a variety of ways including: paying Ogletree \$1 million and additional money so he could pay cash for his Idaho home; as a down payment for La Porte's home; and funds were paid to limited liability companies owned by La Porte, Ogletree, and Bonavilla.

The investigation also revealed that La Porte, who had used the last name La Porta in the scam, is a convicted felon in a San Diego case who served a 30-month federal prison sentence for conspiracy to commit wire fraud as part of a multimillion-dollar mortgage fraud scheme.

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Investigators also found that in January 2016, La Porte and Bonavilla obtained employer group health plans from United Healthcare for two businesses: Drexel Group LLC and Kingmakers LLC. The applications include a list of full-time employees who would be eligible for coverage under the policy provisions. Within five weeks of policy issuance, 22 of 23 Kingmakers employees were treated by Dr. Iqbal. More than \$1 million was paid on those claims. Four of those "employees" told investigators they never worked at Kingmakers. They had Medi-Cal coverage, which their doctor, Iqbal, told them would not cover their treatment. Iqbal had each sign papers to get a free health insurance policy. They were never charged for the premiums or deductibles.

Bank records show more than \$500,000 was paid into the Drexel LLC accounts by Dr. Iqbal's company, Riverside Regional Surgery Center.

It was also determined that La Porte did not file his personal state income tax or for any of the involved limited liability companies for the years 2015 and 2016.

This investigation and the subsequent arrests and filed case involved multiple agencies including the California Department of Insurance, the state Bureau of Medi-Cal Fraud and Elder Abuse, the Franchise Tax Board, and the FBI.

The case, RIF1801096, is being prosecuted by Deputy District Attorney Erika Mulhere of the DA's Insurance Fraud Team.

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