



*United States Attorney
Southern District of New York*

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U.S. ARRESTS LUCHESE SOLDIER IN TAX AND
HEALTH CARE FRAUD SCHEME

MICHAEL J. GARCIA, United States Attorney for the Southern District of New York, MARK J. MERSHON, Assistant Director in Charge of the New York Office of the Federal Bureau of Investigation and MICHAEL THOMAS, Special Agent in Charge of the New York Field Office of the Internal Revenue Service Criminal Investigation, announced that THOMAS GELARDO, a soldier in the Luchese Organized Crime Family of La Cosa Nostra, was arrested today on charges that he conspired with a Brooklyn doctor, Jude T. Barbera, M.D., in a scheme to get a "no show" job at Barbera's medical practice.

According to the Indictment, GELARDO conspired with Barbera, a urologist with an office in Brooklyn, New York, to get fraudulent W-2 Forms claiming that GELARDO was an employee of Barbera's practice. The Indictment alleges that, for the years 1995 through 2000, GELARDO and Barbera fraudulently arranged for Barbera's practice to provide GELARDO with W-2 forms which made it appear that GELARDO was a bona fide employee of Jude T. Barbera, M.D., P.C. This enabled GELARDO to falsely claim on his federal income tax returns that he was a legitimate salaried employee.

According to the Indictment, GELARDO and Barbera also conspired to file for health care coverage and benefits for GELARDO from Local 348 of the United Food and Commercial Workers

International Union Health and Welfare Fund. In 2000, as part of the health care fraud scheme, GELARDO applied for medical coverage for himself, his spouse and daughter, falsely claiming that he was an employee of Jude T. Barbera, M.D., P.C. GELARDO is also accused of filing false medical claims for himself and his daughter.

In 2003, a jury in Manhattan federal court convicted the urologist, Barbera, 48, who lives in Manhattan, of conspiracy to file false income tax returns, aiding and assisting in the preparation of false income tax returns, health care fraud conspiracy, theft from an employee benefit plan, false statements relating to health care, and mail fraud, related to his involvement in the scheme. Barbera is scheduled to be sentenced in front of United States District Judge ROBERT W. SWEET on October 20, 2005.

In addition to the tax charges, GELARDO is also charged with five counts of health care fraud, theft from an employee benefit plan, false statements relating to health care, and mail fraud. The nine-count Indictment was unsealed today in Manhattan federal court. If convicted, GELARDO faces a maximum of five years in prison on each of the conspiracy, theft from employee benefit plan, and false statements charges, three years in prison on the making and subscribing false tax returns charges, 10 years in prison on the health care fraud charges, and 20 years in prison on the mail fraud charge.

GELARDO, 61, lives in Tuckahoe, Westchester County.

GELARDO is scheduled to be presented later today before United States Magistrate Judge DOUGLAS F. EATON in Manhattan federal court.

Mr. GARCIA praised the combined investigative efforts of the FBI and IRS, and thanked the U.S. Department of Labor for its assistance in this case.

The charges outlined in this Indictment are merely accusations, and the accused is presumed innocent unless and until proven guilty in a court of law.

Assistant United States Attorneys LISA A. BARONI and TIMOTHY J. TREANOR are in charge of the case.

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