



Three sentenced to prison for roles in \$12 million health care fraud conspiracy targeting Amtrak

October 13, 2026

NEWARK, N.J. – A former Amtrak employee and two New York health care providers were sentenced last week to federal prison for their roles in a health care fraud conspiracy targeting Amtrak's health care plan, according to the U.S. Attorney's Office for the District of New Jersey.

Michael DeNicola, 64, a podiatrist formerly based in New York, was sentenced Wednesday to 32 months in prison and three years of supervised release. He was also ordered to pay more than \$1.6 million in restitution and more than \$1.3 million in forfeiture. DeNicola pleaded guilty June 29, 2022, to conspiracy to commit health care fraud, unlawful distribution of controlled substances, and unlawful possession of a firearm.

Devon Burt, 53, of Blue Bell, Pennsylvania, a former Amtrak employee, was sentenced Wednesday to 20 months in prison and two years of supervised release. He was also ordered to pay \$959,072 in restitution. Burt pleaded guilty June 27, 2023, to conspiracy to commit health care fraud and conspiracy to communicate extortionate threats.

Jaekwan Lee, 42, a physical therapist from Flushing, New York, was sentenced Thursday to 15 months in prison and two years of supervised release. He was also ordered to pay \$841,666 in restitution. Lee pleaded guilty May 12, 2026, to conspiracy to commit health care fraud.

According to the U.S. Attorney's Office, District of New Jersey, DeNicola and his co-conspirators paid Amtrak employees to allow them to use the employees' patient and insurance information to submit fraudulent claims for services that were never provided or were medically unnecessary. Amtrak's health care plan paid more than \$1.6 million for claims associated with DeNicola.

DeNicola also issued 64 oxycodone prescriptions from April 2017 through February 2018 outside the usual course of professional treatment and without a legitimate medical purpose. He issued some prescriptions in exchange for the use of an individual's patient and insurance information. He also unlawfully possessed a firearm in September 2019 after a prior felony conviction.

Burt received payments for allowing providers to use his insurance information, and that of his dependents, to submit fraudulent claims. He also received payments for recruiting other Amtrak employees into the scheme. Additionally, in 2022, Burt and

another conspirator threatened to injure a participating health care provider unless the provider paid the conspirator several thousand dollars.

Lee allowed his physical therapy license and business bank accounts to be used from January through June 2022 to submit fraudulent claims to Amtrak's health care plan in exchange for a portion of the proceeds. The plan paid \$841,666 for claims associated with Lee.

Amtrak OIG issued an investigative report about its broader investigation into the case in May 2025, which revealed a widespread conspiracy in which at least 119 employees coordinated with New York health care providers to defraud Amtrak's health care plan from 2019 to 2022. The providers used employee insurance information to submit fraudulent and questionable claims for services that were never provided or were not medically necessary. Amtrak's health care plan was billed more than \$16 million and paid more than \$12 million during the scheme.

The criminal investigation has resulted in the prosecution of 19 individuals, including 12 Amtrak employees. All 19 pleaded guilty to conspiracy to commit health care fraud.

Amtrak OIG investigated the cases with the Amtrak Police Department and the Drug Enforcement Administration.

Reports of fraud, waste, or abuse; criminal or unethical acts affecting Amtrak's property or operations; or mismanagement in Amtrak programs or operations can be made 24 hours a day via the Amtrak OIG Hotline at 1-800-468-5469 or online at <https://direc.to/hPAu>.

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