



## **Amtrak OIG uncovers largest Amtrak employee criminal conspiracy in its history; 119 former and active Amtrak employees implicated**

**May 7, 2025**

WASHINGTON — Amtrak’s Office of Inspector General (OIG) issued an investigative report to Amtrak Tuesday detailing a widespread scheme in which at least 119 employees conspired with New York health care providers to bilk Amtrak’s health care plan of more than \$12 million from 2019 to 2022.

Of the 119 employees implicated, 28 retired or resigned as a direct result of the OIG’s investigation, and 30 left the company for other reasons. A dozen employees have been criminally charged in the case, and seven have pleaded guilty, pending sentencing. The OIG’s findings on 61 remaining active employees were given to Amtrak for consideration of appropriate administrative disciplinary action.

“The sheer volume of employees who cavalierly participated in this scheme to steal Amtrak’s funds suggests not only a serious lapse in basic ethics, but a troubling workforce culture, at least in the Northeast region, in which blatant criminal behavior was somehow normalized,” said Amtrak Inspector General Kevin H. Winters. “After assessing the significant number of employees involved, this case represents the largest employee conspiracy our office has ever investigated. We hope this investigation and the resulting accountability process serves as a deterrent for Amtrak employees and health care providers who may choose to engage in such schemes, and we ask anyone who suspects or observes such fraud to report it to our fraud, waste, and abuse hotline.”

The employees implicated in the scheme, based in Pennsylvania, Delaware, New Jersey, New York, Maryland, Connecticut, and Washington, D.C., accepted cash kickbacks from three health care providers in exchange for the use of their insurance information, and in some cases, that of their dependents. The providers used the employee-provided information to file fraudulent and questionable medical claims for services that were never provided or not medically necessary. In total, Amtrak’s health care plan was billed over \$16 million and paid out more than \$12 million during the scheme.

One former employee, Devon Burt of Blue Bell, Pennsylvania, and a co-conspirator, Hallum Gelzer, of East Orange, New Jersey, worked with health care providers to recruit Amtrak employees to participate in the scheme. Burt and Gelzer separately pleaded guilty in June 2023 to charges of conspiracy to commit health care fraud and conspiracy to communicate extortionate threats. As part of their plea agreements, Burt agreed to pay \$959,072 in restitution, while Gelzer agreed to pay approximately \$1.66 million. Burt and Gelzer also admitted to threatening to injure a health care provider unless Gelzer was paid several thousand dollars.

Six other employees have also pleaded guilty to health care fraud conspiracy charges including Rodolfo Rivera of Clayton, Delaware; Anthony Saloka of Elizabeth, New Jersey; Michael Toal of Hazlet, New Jersey; David McBrien of Levittown, Pennsylvania; Damany Walker of Irvington, New Jersey; and David Lonergan of Rockaway Park, New York.

The investigation was sparked when an OIG agent noticed unusual billing patterns in reports from OIG data analysts. Further reviews by the analysts identified three New York health care providers with questionable billings who also shared a high number of Amtrak employees as patients. Simultaneously, OIG agents were gathering physical evidence linking Amtrak employees to providers and to the scheme, confirming the analysts' findings and ultimately revealing the full scope of the fraudulent activity.

On June 16, 2021, an undercover law enforcement agent posing as an Amtrak employee met with Punson Figueroa, aka "Susie," an acupuncturist from Long Island City, New York. During the visit to Figueroa's New York Office, she instructed the agent to sign his name approximately 30 times for services received, without dating the signatures. Figueroa then submitted fraudulent claims to Amtrak's health care plan, falsely indicating that the agent had visited providers at least seven times in May 2021 for acupuncture and physical therapy. The agent visited Figueroa's office one more time July 29, 2021, where she handed him an envelope containing \$1,000. Figueroa continued to use the agent's insurance information to submit dozens of fraudulent claims to Amtrak's health care plan.

Figueroa has pleaded guilty for defrauding Amtrak's health care plan, and on September 24, 2024, was sentenced to three years of supervised release and was ordered to pay restitution of \$9.05 million. Two other health care providers and a medical biller have also pleaded guilty for their part in the scheme:

- Muhammed Mirza, a medical doctor from New Jersey, was sentenced on May 7, 2024, to 26 months in prison and was ordered to pay restitution of \$1.37 million.
- Michael DeNicola, a podiatrist from New York, pleaded guilty June 29, 2022, to conspiracy to commit health care fraud, distribution of a controlled substance, and unlawful possession of a firearm. DeNicola's sentencing is pending.
- Medical biller Regina Choi of Woodside, New York, who previously worked for Figueroa, pleaded guilty to conspiracy to commit health care fraud on June 11, 2024, for submitting false and fraudulent claims to the Amtrak health care plan and paying cash kickbacks to Amtrak employees. Choi's sentencing is pending.

In addition to its investigative work, OIG auditors found in [2018](#) and [2019](#) reports that Amtrak could strengthen controls to better identify fraudulent medical claims sooner. Notably, both reports highlighted billing patterns indicative of potential fraud among hundreds of providers and outlined common fraud indicators similar to those uncovered in this investigation.

While Amtrak addressed the OIG's recommendations in the 2018 report and has taken steps to bolster its fraud awareness training and communications, two recommendations for the 2019 report remain open. Specifically, the OIG recommended that Amtrak implement 1) proactive fraud detection procedures, like data analytics, to stop fraudulent payments sooner, and 2) cost effective fraud awareness initiatives to enable health plan members to better recognize and report potential fraud.

More recently, [the OIG identified health care fraud as one of four high-risk areas in a report](#) on fraud risks Amtrak could face as it leverages significant federal investments for major

acquisitions and capital projects. The OIG identified several actions Amtrak could take (some reflecting recommendations in its prior work) to reduce health care fraud risks, including educating employees to better recognize and report fraud indicators, reviewing emerging fraud schemes to better target monitoring efforts, contractually requiring health care plan administrators to tailor anti-fraud controls to Amtrak's plans, and proactively analyzing medical claims data for fraud indicators.

In addition to agents from Amtrak OIG, the case was investigated by the Drug Enforcement Administration and the Amtrak Police Department.

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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