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Man Tied to V.I. Dept. of Education Tablet Deal Pleads Guilty in \$8.4M Medicare Fraud Case

Corey Alston, introduced to the USVI by Senator Donna Frett-Gregory through a DOE tablet partnership, admitted to defrauding Medicare. He must repay \$2.6M, faces up to 5 years in prison, and is banned from federal healthcare programs.

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Janeke Simon **March 31, 2025**

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Corey Alston, who was introduced to the USVI by Senator Donna Frett-Gregory through a DOE tablet deal, has pleaded guilty to Medicare fraud totaling \$8.4 million.

Last January, a company named Heritage Wireless took the spotlight after partnering with the Department of Education in a deal to provide free tablets to school students under the now-defunct Affordable Connectivity Program.

The [criminal history](#) of Heritage Wireless' founder Corey Alston, who went by the name Bobbi at the time, immediately became the subject of intense interest, prompting questions about the level of vetting the Department of Education performed before announcing the deal.

Former Senator Donna Frett-Gregory, who was singled out for praise by the Department for her role in introducing Mr. Alston and his company to the territory, [strongly defended her decision](#) after details of Mr. Alston's long history of theft, fraud, and corruption allegations came to the fore.

Now, Mr. Alston has pleaded guilty to charges of fraud and conspiracy stemming from an April 2023 case involving Heritage Pharma Group, a company in which he served as Chief Administrative Officer.

As reported by the Consortium last year, Mr. Alston was accused, along with an emergency room physician in Marion County, Florida, of running a Covid-19 testing scam. The pair reportedly submitted false reimbursement claims to Medicaid for over-the-counter Covid tests, using purchased lists of Medicaid beneficiary information to ship the tests to the addresses of the beneficiaries whether or not they had requested or needed the tests. With this scheme, the pair reportedly submitted more than \$8.4 million worth of fraudulent claims to Medicare – with more than \$2.6 million of that sum actually paid out.

The majority of those ill-gotten gains were taken by Mr. Alston, while his co-conspirator reportedly retained a portion of the funds for her role in the scheme.

With his trial date looming, Mr. Alston on Friday entered a plea agreement, admitting to conspiracy to defraud the United States and to purchase, sell, and distribute Medicare beneficiary identification numbers, in violation of U.S. law.

Mr. Alston will now be required to make restitution of just over \$2.6 million to Medicare. He will also be banned from Medicare, Medicaid, “and all Federal health care programs,” according to the plea agreement. He will also be subject to a maximum of 5 years in prison followed by up to three years of supervised release, and a hefty fine of up to “twice the gross pecuniary gain derived from the offense, or twice the gross pecuniary loss to a person other than the defendant.”

Included in the plea agreement was a promise to provide full cooperation to the United States in their efforts to investigate and prosecute others “in connection with the charge in this case and other matters.” The level of cooperation provided will be considered by government prosecutors to determine whether it meets the threshold for “substantial assistance.” If it does, the government agrees to recommend a sentencing reduction on his behalf.

While the transaction between Heritage Wireless Group and the Department of Education has long been completed, Mr. Alston's recent guilty plea to charges that had been pending while interfacing with the Government of the Virgin Islands leaves unanswered questions about the level of due diligence government officials perform on those seeking to do business in the Virgin Islands.