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Jury Finds Ex-Hospital Executives Guilty of Multiple Counts of Racketeering, Embezzlement and Conspiracy in a Superior Court Retrial

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Schneider Regional Medical Center By. SRMC

ST. THOMAS — A decade after their alleged misdeeds were uncovered, but unpunished, three former Schneider Regional Medical Center executives were convicted on Thursday of swindling the hospital of millions of dollars of public funds in order to pad their personal bank accounts.

The Superior Court retrial of former Schneider Chief Executive Officer Rodney Miller, Peter Najawicz, the ex-chief financial officer and Amos Carty, the former counsel and chief operating officer ended with guilty verdicts on a combined 44 counts of embezzlement, fraud, grand larceny and violations of the Criminally Influenced and Corrupt Organizations Act, and other related

charges.

The trio had been tried on similar charges in 2011, but a deadlocked jury resulted in a mistrial. This time found guilty on all counts, Mr. Miller, Mr. Najawicz and Mr. Carty face a sentencing hearing slated for December 13.

Virtually the same direct and circumstantial evidence and first-hand witness accounts in the second trial yielded an outcome vastly more satisfying for V.I. Attorney General Denise George. Seen below, Mr. Miller.



“This sends a message that the prosecution of white collar crimes ... is important,” the attorney general said. “These types of things should never go unchecked in government. It actually preserves and upholds the integrity of government, and we should always be in the position that we are ready and able” to prosecute these types of cases. “And when you have the tools to be able to investigate and prosecute, then justice can be done.”

At a press briefing following the jury verdict, A.G. George spoke to reporters about seeing the team of prosecutors bring to a successful conclusion a corruption case that she tried during her

previous tenure with the V.I. Department of Justice.

The prosecution team – Quincy McRae, DOJ Criminal Division Chief, Agent Nicholas Pero of the V.I. Inspector General’s Office and assistant Attorneys General Sigrid Tejo-Spotte and John Tolud – were on hand at the press conference. Seen below, Amos Carty, Jr.



The three cohorts were convicted of conning the hospital by paying themselves more than \$3 million in raises, bonuses and cash allowances beyond their contractual pay, without obtaining approval from the hospital board.

They were arrested in 2008, after an audit and joint investigation by the Inspector General’s Office and the U.S. Department of the Interior. As a result of the audit, criminal charges were filed. Three years later, a jury couldn’t reach a verdict in the case, and Mr. Miller, Mr. Najawicz

and Mr. Carty walked.

Prosecutors say the men hatched an elaborate plan to enrich themselves by directing more than \$3 million from hospital accounts at the Bank of Nova Scotia to their personal accounts. Fake contracts, agreements and other false documents gave the fraud the air of being legitimate.

“It is definitely a white-collar corruption case that is more complex than normal,” Ms George said. “It involves a substantial amount of money... I don’t think we have had any case that is quite that involved, with that much money involved.”

The Inspector General’s audit and investigation identified “ ... quite a bit of waste, fraud and abuse” among the hospital’s executive staff, Ms. George said.

Despite the evidence, the defendants fought every step of the investigation before the first trial. Ms. George said the Department of Justice for the first time ever was forced to go to court to force the defendants to hand over financial records that had been subpoenaed. "This case created a lot of firsts," she said. Below, Mr. Najawicz.



Countless appeals and motions and delay tactics dragged the case out for years. In 2017, even mother nature slowed the wheels of justice with Hurricanes Irma and Maria, which put an indefinite hold on the retrial.

“The backstory of these cases is that it takes so much effort. They have been working 24-7...working the case, preparing witnesses,” Ms. George said. She added that Justice Department staff stepped-up, as well, taking on extra responsibilities as lead attorneys were pulled away from other cases.

When the attorney general took her post this Spring, she quickly learned the Schneider Hospital case would be heard beginning in October. She pulled together the lead prosecutor who carried the case through.