

logo not found or type unknown

Former Schneider Hospital CEO Facing Fresh Charges in 2008 Embezzlement Inquiry

Crime / **Published On February 18, 2023 08:24 AM /**

Janeke Simon **February 18, 2023**

Image not found or type unknown



Former Schneider Regional Medical Center, Rodney Miller. By. THE VIRGIN ISLANDS POLICE DEPARTMENT.

In 2008, former chief executive officer of the Schneider Regional Medical Center Rodney Miller and several other senior officials were hit with a slew of fraud and embezzlement charges over accusations that they used their position of authority to circumvent established payroll process, diverting hospital funds to line their personal bank accounts.

A protracted legal battle which included two [trials](#), [convictions](#), and [appeals](#) then took place over almost fifteen years, ending last June with the last of the charges against Miller dismissed, albeit without prejudice, after V.I. Dept. of Justice filed a motion in that regard.

Now, government prosecutors believe they can prove their case.

This Friday, Mr. Miller was back before the V.I. Superior Court, charged with sixteen counts of under five headings — obtaining money by false pretenses, making fraudulent claims upon the government, embezzlement or falsification of public accounts, and embezzlement by public and private officers. The charges include one count of violating the territory’s Criminally Influenced and Corrupt Organizations Act (CICO)

Miller is newly accused of obtaining over \$1.6 million unlawfully causing thousands of dollars to be transferred to him from a hospital bank account. Prosecutors say he also doctored his employment agreements with the facility to include compensation and benefits that had not been approved by the hospital’s board of directors.

One such example was the “[irrevocable rabbi trust](#)” allegedly attached to his employment contracts that garnered \$625,000 in unsanctioned payments. Board members reportedly later told investigators that they had never negotiated any such trust as part of Mr. Miller’s compensation package.

Mr. Miller’s 2005 contract also came under scrutiny. Was it signed on May 14 or June 21 of that year? The first date is the one allegedly on the signed contract, and a board member says when she signed the contract on that date, there were no attachments to the document.

Investigators say on June 12, 2005 Mr. Miller and another SRMC executive met with a financial advisor, who then the next month, recommended a benefit package for Miller, one item of which was a rabbi trust. The financial advisor says he was never invited to speak with the board, however the package was in large part allegedly included as addendums to the employment package signed months earlier.

Later, starting in August of 2005, references to a “June 21, 2005” employment agreement began to crop up in correspondence between senior SRMC officials — however no such contract seems to exist, only a letter referencing an offer letter from June 17 of that year. The correspondence in June, however, establishes a contract period beginning on May 14, 2005, and references “establishing a deferred compensation plan with annual contribution level to be determined.”

Prosecutors allege that the payments into the rabbi trust were not diverted from his negotiated compensation as is supposed to happen. Rather, Miller allegedly received his full salary in addition to later receiving the payments for the trust.

Additionally, the phantom June 21 employment agreement resulted, investigators say, in a further \$400,000 being transferred to Mr. Miller, which he was not entitled to.

At the time of Miller’s conviction in 2019, then-Attorney General Denise George said, “It is definitely a white-collar corruption case that is more complex than normal. 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.”