

December 17, 2013

**“Operation Shorething” Results in Arrests and Suspensions of Five Longshoremen in Pill Mill, Insurance Fraud and Gambling Rings**

On December 17, 2013, deep sea longshoremen Steven “John” Alcaras, Christopher Galasso, Rosario Savastano, and crane operator Nicholas Tornabene, were suspended by the Commission, and Notices of Hearing were issued. The Commission acted following the indictment and arrests of the aforementioned longshoremen by a Richmond County Grand Jury for participating in a wide-ranging “pill mill” operation in New York and New Jersey. The indictments allege these longshoremen received oxycodone prescriptions in exchange for helping pain management physician Dr Mihir Bhatt, chiropractor Dr. Thomas Dinardo, and others, get paid tens of thousands of dollars by the Management-International Longshoreman Association Healthcare Trust Fund (“MILA”) for medical services that were never provided.

MILA is the joint industry-labor organization that provides health care benefits to deep sea longshoremen, and is funded by assessments on cargo being loaded and unloaded in the Port. The longshoremen’s participation in the criminal enterprise allowed them to obtain oxycodone without examinations and, often, without even going to the doctor’s office. They, along with former maintenance man Anthony Pastore, then used and/or distributed this oxycodone. Furthermore, they conspired to commit a variety of other crimes, such as filing fraudulent documents with the Waterfront Commission.

In addition, longshoreman Joseph Favuzza was suspended, and a Notice of Hearing issued, after his indictment by the same Grand Jury for 10 counts of Promoting Gambling. Favuzza was previously suspended by the Commission, on June 25, 2012, for separate felony assaults in New York and New Jersey.

The indictments include the following charges:

- **Steven Alcaras**: One count of Enterprise Corruption in violation of P.L. § 460.20(1)(a) (B Felony); two counts of Criminal Possession of a Controlled Substance in the Fourth Degree in violation of P.L. § 220.09-1 (C Felony); one count of Insurance Fraud in the Second Degree in violation of P.L. § 176.25 (C Felony); one count of Insurance Fraud in the Third Degree in violation of P.L. 176.20 (D Felony); one count of Grand Larceny in the Second Degree in violation of P.L. § 155.40 (C Felony); one count of Grand Larceny in the Third Degree in violation of P.L. § 155.35 (D Felony); ten counts of Falsifying Business Records in the First Degree in violation of P.L. § 175.10-1 (E Felony); two counts of Offering a False Instrument for Filing in the First Degree in violation of P.L. § 175.35 (E Felony); Scheme to Defraud in the First Degree in violation of P.L. § 190.65(1)(b) (E Felony); and two counts of Conspiracy in the Fifth Degree (A Misdemeanor) in violation of P.L. § 105.05-1.
- **Joseph Favuzza**: Four counts of Promoting Gambling in the First Degree in violation of P.L. § 225.10(1) (E Felony); and six counts of Promoting Gambling in the Second Degree in violation of P.L. § 225.05 (A Misdemeanor).

- Christopher Galasso: One count of Insurance Fraud in the Third Degree in violation of P.L. § 176.20 (D Felony); one count of Insurance Fraud in the Fourth Degree in violation of P.L. § 176.15 (E Felony); one count of Grand Larceny in the Third Degree in violation of P.L. § 155.35-1 (D Felony); two counts of Falsifying Business Records in the First Degree in violation of P.L. § 175.10-1; two counts of Offering a False Instrument For Filing in the First Degree in violation of P.L. § 175.35 (E Felony); and two counts of Conspiracy in the Fifth Degree in violation of P.L. § 105.05-1 (A Misdemeanor).
- Rosario Savastano: One count of Insurance Fraud in the Third Degree in violation of P.L. § 176.20 (D Felony); one count of Insurance Fraud in the Fifth Degree in violation of P.L. § 176.10 (A Misdemeanor); one count of Grand Larceny in the Third Degree in violation of P.L. § 155.35-1 (D Felony); two counts of Falsifying Business Records in the First Degree in violation of P.L. § 175.10-1 (E Felony); and one count of Conspiracy in the Fifth Degree in violation of P.L. § 105.05-1 (A Misdemeanor).
- Nicholas Tornabene: One count of Criminal Sale of a Controlled Substance in the Third Degree in violation of P.L. § 220.39 (B Felony); one count of Criminal Possession of a Controlled Substance in the Third Degree in violation of P.L. § 220.16-12 (B Felony); two counts of Criminal Possession of a Controlled Substance in the Fourth Degree in violation of P.L. § 220.09-1 (C Felony); two counts of Insurance Fraud in the Third Degree in violation of P.L. § 176.20 (D Felony); one count of Insurance Fraud in the Fifth Degree in violation of P.L. § 176.10 (A Misdemeanor); two counts of Grand Larceny in the Third Degree in violation of P.L. § 155.35-1 (D Felony); four counts of Falsifying Business Records in the First degree in violation of P.L. § 175.10 (E Felony); and one count of Conspiracy in the Fifth Degree in violation of P.L. § 105.05-1 (A Misdemeanor).

The investigation was conducted by the Richmond County District Attorney's Office, the Waterfront Commission of New York Harbor, and the New York City Police Department – Organized Crime Investigations Division, with the assistance of the U.S. Drug Enforcement Administration, New York State Workers Compensation Board – Office of the Inspector General, New York State Department of Financial Services – Insurance Fraud Bureau, and the U.S. Department of Homeland Security Immigration and Customs Enforcement – Asset Identification and Removal Group. The Richmond County District Attorney's Office is prosecuting the criminal matter and the U.S Attorney's Office for the Eastern District of New York is handling the asset forfeiture case.