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Russian Diplomats Accused of Healthcare Fraud to Leave U.S. in Near Future, Report Says

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49 current and former Russian diplomats and their spouses fraudulently claimed a total of $1.5 million from a U.S. government health care program. **Jared Rodriguez**

The Russian diplomats and their spouses charged with fraudulently claiming a total of $1.5 million from a U.S. government health care program are all to return to Russia, a news report said Monday.

Only 11 of the 49 defendants are still on American soil, and they too will soon quit the country, Kommersant reported.

Five of those remaining in the U.S. work in the Russian Mission to the United Nations and one in the Russian Embassy in Washington. The other five are family members of diplomats.

The current and former diplomats and their spouses stand accused of underreporting their

incomes so that they could receive benefits from Medicaid, a program intended to help cover the cost of health care for low-income citizens.

The defendants spent "tens of thousands of dollars" on vacations and luxury items over the course of the nine years that the alleged fraud scheme was being conducted, prosecutors said in a statement Thursday.

Prosecutors claim that the parents of 58 out of the 63 children born to the families of Russian diplomats between 2004 and 2013 requested and received Medicaid benefits associated with the costs of pregnancy, birth and care for young children.

Investigators said that Vitaly Sagura, an employee at the general consulate in New York and one of the defendants in the case, received $37,000 in assistance after reporting a yearly salary of $29,000, less than half of his true income of more than $5,000 a month.

Some Russian observers have said that the charges carry a political subtext, pointing specifically to the timing of the case and the United States' decision to proceed directly to formal charges.

One unidentified Russian diplomat based in New York described the situation as a "provocation." The U.S. regularly offers advice on issues related to Russian diplomats' stay in the country, but have never discussed the issue of Medicaid benefits. Furthermore, the U.S. State Department repeatedly confirmed that foreign diplomats were entitled to use Medicaid, the diplomat said.

Another Russian diplomat said that the charges were a "demonstrative show," citing the United States' failure to approach the diplomatic mission with their complaints first, as is customary, before going through domestic channels.

The timing of the charges could be linked to the "general state of Russian-American relations," said Yury Rogulyov, director of the Franklin D. Roosevelt Foundation for United States Studies at Moscow State University.

The case could be seen as a response to an inquiry opened by Russia's Investigative Committee last week into reports of American families trading adopted Russian children over the Internet, Rogulyov said.

The identity of the prosecutor — U.S. attorney for the Southern District of New York Preet Bharara — also suggests that the case was politically motivated, Rogulyov added.

Bharara oversaw the extradition and trials of convicted drug smuggler Konstantin Yaroshenko and arms dealer Viktor Bout, both of whom are Russian. Russian officials have repeatedly described the U.S. government's actions against Yaroshenko and Bout as human rights abuses.

Due to his involvement in these trials, Bharara in April became the highest-ranked official to be put on a blacklist barring him from entering Russia.

The list has widely been viewed as a political reprisal for the U.S. "Magnitsky Act," which banned the people incriminated in the 2009 death of Russian lawyer Sergei Magnitsky

from obtaining U.S. visas and holding American bank accounts.

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