

# Ex-VA staffer details scheme

*Former researcher awaiting sentencing told feds that others had roles in altering patient records*

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ALBANY -- A former cancer research specialist at Stratton VA Medical Center has outlined for federal authorities how other hospital officials took part in altering the records of patients to enroll them in lucrative drug studies.

"It was discussed that information was altered in order to qualify patients for studies and that others ordered or requested, participated in or knew what alterations were made and were necessary for the participation of certain patients in these research (studies)," said a memorandum filed in U.S. District Court.

The medical records of dozens of veterans were forged to qualify them for studies of new cancer drugs, and many veterans died or suffered unduly as a result of the fraud, authorities said. In addition, three drug companies were defrauded of more than \$635,000 in research funds.

Despite allegations that other hospital officials took part in the scheme in order to keep the research program bustling, Kornak has not been asked to testify before a federal grand jury. He is scheduled to be sentenced next week for his role in the crimes, including a single count of criminally negligent homicide for causing the death of an Air Force veteran, James J. DiGeorgio of Brunswick.

Authorities declined to say whether anyone else will be charged in the case, including Kornak's former boss, Dr. James A. Holland, who federal prosecutors identified as a target in the criminal investigation last year.

The meetings between Kornak and federal authorities took place on Jan. 25, a week after he pleaded guilty. Subsequent meetings took place Feb. 8 and 9, and again on April 15. Some of the details of the sessions are outlined in pre-sentence memorandums filed by federal prosecutors and Kornak's attorney, E. Stewart Jones of Troy.

Jones declined to comment Tuesday. But in a memorandum to the court, he argues that Kornak should get consideration for his cooperation and face less time in prison. Federal authorities have filed their own memorandum asking that Kornak serve up to six years in prison. They said his cooperation hasn't yielded any other arrests.

"Kornak generally acknowledged his falsification of patient records and described his discussions with a doctor regarding patients and the doctor's instructions to get patients enrolled in studies," prosecutors wrote. "However, such information has not amounted to substantial assistance to date."

Assistant U.S. Attorney Grant C. Jaquith would not comment on any grand jury action in the case. However, he said it's not unusual for someone to get credit for testifying before a grand jury after they have been sentenced to prison. He said there are federal "provisions for credit to be afforded for assistance provided within one year of sentence. ... It's even possible later, depending on the circumstances."

Kornak, who lives on Haystack Road in Clifton Park, pleaded guilty in January to three felony charges in connection with the research scandal. He had faced up to 20 years on the most serious charge, mail fraud, but under federal sentencing guidelines might receive a sentence of only 57 to 71 months in prison.

Kornak's case triggered congressional action because he carried the title of "doctor" at Stratton - including on his VA business card -- but never finished medical school. He also had a criminal record when Stratton hired him, for forging his credentials in Pennsylvania in 1991 when he tried to obtain a medical license.

Patients and their families, including several widows of veterans who died at Stratton, said Kornak was introduced by Holland as "Dr. Kornak" and treated patients.

Carl Steubing, a decorated World War II Army veteran, died at Stratton VA in 2002, two weeks after being given an experimental breast cancer drug to treat his esophageal cancer. The mail fraud charge against Kornak stemmed from falsified records he mailed to a drug company regarding Steubing's treatment.

Jayne Steubing is one of several widows suing Kornak, Holland and the Department of Veterans Affairs. A year ago, Holland was identified by federal authorities in court papers as a target in the criminal investigation. He was fired from Stratton two years ago and works for a Georgia hospital.

A Times Union investigation found that Stratton's cancer research program was the target of internal complaints dating to the mid-1990s. Hospital staffers said they were retaliated against for warning hospital administrators as early as 1994 that cancer patients were being placed at risk and being enrolled in drug studies without signing consent forms indicating they knew the risks.

Kornak, who is married and has children, has been free on \$50,000 bond until his sentencing, which is scheduled for Aug. 11.