DOCTOR

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-plead innocent to all charges.

Assistant U.S. Attorney Tate Chambers, who will prosecute the case in Peoria, said the investigation of Strauch began in October 1985 and was initially centered on the suspected illegal distribution of Dilaudid.

Chambers said four of Strauch's patients now are cooperating with the government and will testify in court that Strauch provided them with what Chambers described as "long-term distribution" of Dilaudid.

Chambers also said the drug was not prescribed for legitimate medical purposes.

"These were not terminal cancer patients," the prosecutor said, refer-

ring to the typical use of Dilaudid.
"These were young people."

Also cooperating with the government is another patient who, according to Chambers, will testify that she never received the psychotherapy treatment for which Strauch allegedly claimed Medicare payments.

The U.S. Postal Service joined the government's probe after investigators learned that Strauch allegedly was receiving fraudulent Medicare and Medicaid payments through the mail.

Chambers said he is not sure how much the doctor received in health insurance payments.

Strauch, who was fined \$5,000 in 1981 for failure to file a federal income tax return, faces prison terms of between five and 15 years on each count in Tuesday's indictment, as well as a fine of up to \$250,000.