

Medicare Fraud Strike Force Press Conference Case Summaries December 15, 2009

Below is a summary of the charges pending against the 30 individuals who have been indicted by federal grand juries in Miami, Detroit and Brooklyn, N.Y., for alleged health care fraud-related crimes. Maximum prison sentences for each charged offense can be found at the end of the document. On the same day, DOJ and the Department of Health and Human Services announced the expansion of Medicare Fraud Strike Force operations to Brooklyn, N.Y.; Tampa, Fla.; and Baton Rouge, La.

Southern District of Florida (Miami)

Nineteen individuals, including doctors and nurses, have been charged in two separate indictments by a federal grand jury in Miami for alleged Medicare fraud crimes. Many of these individuals were arrested in an early morning takedown on Dec. 15, 2009, as part of a multi-city operation conducted by agents of the FBI and the HHS Office of Inspector General.

One indictment charges 15 individuals with a conspiracy to submit false claims to Medicare for home health services, and various counts of receiving kickbacks and bribes, and falsifying patient files in connection with the scheme. The defendants include: (1) Fred Dweck, M.D.; (2) Arturo Fonseca; (3) Yudel Cayro; (4) Isis Torres, R.N.; (5) Franciso Portillo, R.N.; (6) Armando Sanchez, R.N.; (7) Lissbet Diaz; (8) Marlenys Fernandez; (9) Sheillah Rotta, R.N.; (10) Alain Fernandez; (11) Eduardo Romero; (12) Antonio Ochoa; (13) Teresita Leal, R.N.; (14) Silvio Ruiz, R.N.; and (15) William Madrigal.

Fred Dweck, M.D., a licensed physician in the state of Florida, was indicted for allegedly conspiring to defraud Medicare by signing prescriptions, medical certifications and plans of care for home health services that were not medically necessary. The indictment alleges that Dweck signed documentation for 1,279 Medicare beneficiaries, as a result of which Medicare was billed approximately \$40,888,474 for home health services purportedly provided to these beneficiaries. Dweck was charged with one count of conspiring to commit health care fraud and one count of making false statements for use in determining rights to benefits or payments under Medicare.

Arturo Fonseca was indicted for allegedly conspiring to defraud Medicare by enabling home health agencies to obtain prescriptions, medical certifications and plans of care for home health services that were not medically necessary. The indictment alleges that he was the registered owner of the Courtesy Medical Group Inc. (Courtesy), which employed Fred Dweck, M.D. Of the 1,279 Medicare beneficiaries referred by Fred Dweck, M.D., for home health services, approximately 344 were referred through Courtesy, resulting in Medicare being billed for approximately \$16,605,878 for home health services purportedly provided to these beneficiaries. Fonseca is charged with one count of conspiring to commit health care fraud and five counts of receiving kickbacks in return for referring an individual for or arranging for the furnishing of items and services payable by Medicare.

Yudel Cayro was indicted for allegedly conspiring to defraud Medicare by enabling home health agencies to obtain prescriptions, medical certifications and plans of care for home health services that were not medically necessary. The indictment alleges that he was an owner of Courtesy. As noted, of the 1,279 Medicare beneficiaries referred by Fred Dweck, M.D., for home health services, approximately 344 were referred through Courtesy, resulting in Medicare being billed for approximately \$16,605,878 for home health services purportedly provided to these beneficiaries. Cayro is charged with one count of conspiring to commit health care fraud.

Isis Torres, R.N. was indicted for allegedly conspiring to defraud Medicare by falsifying patient files to make it appear that Medicare beneficiaries qualified for and received services that were not medically necessary and/or not provided. Torres is charged with one count of conspiring to commit health care fraud and one count of making false statements for use in determining rights to benefits or payments under Medicare.

Francisco Portillo, R.N. was indicted for allegedly conspiring to defraud Medicare by falsifying patient files to make it appear that Medicare beneficiaries qualified for and received services that were not medically necessary and/or not provided. Portillo is charged with one count of conspiring to commit health care fraud and one count of making false statements for use in determining rights to benefits or payments under Medicare.

Armando Sanchez, R.N., was indicted for allegedly conspiring to defraud Medicare by falsifying patient files to make it appear that Medicare beneficiaries qualified for and received services that were not medically necessary and/or not provided. Sanchez is charged with one count of conspiring to commit health care fraud and one count of making false statements for use in determining rights to benefits or payments under Medicare.

Lissbet Diaz was indicted for allegedly conspiring to defraud Medicare by falsifying patient files to make it appear that Medicare beneficiaries qualified for and received services that were not medically necessary and/or not provided. Diaz is charged with one count of conspiring to commit health care fraud and one count of making false statements for use in determining rights to benefits or payments under Medicare.

Marlenys Fernandez was indicted for allegedly conspiring to defraud Medicare by falsifying patient files to make it appear that Medicare beneficiaries qualified for and received services that were not medically necessary and/or not provided. Marlenys Fernandez is charged with one count of conspiring to commit health care fraud and one count of making false statements for use in determining rights to benefits or payments under Medicare.

Sheillah Rotta, R.N. was indicted for allegedly conspiring to defraud Medicare by falsifying patient files to make it appear that Medicare beneficiaries qualified for and received services that were not medically necessary and/or not provided. Rotta is charged with one count of conspiring to commit health care fraud and one count of making false statements for use in determining rights to benefits or payments under Medicare.

Alain Fernandez was indicted for allegedly conspiring to defraud Medicare by falsifying patient files to make it appear that Medicare beneficiaries qualified for and received services that were not medically necessary and/or not provided. Alain Fernandez is charged with one count of conspiring to commit health care fraud and one count of making false statements for use in determining rights to benefits or payments under Medicare.

Eduardo Romero was indicted for allegedly conspiring to defraud Medicare by recruiting Medicare beneficiaries to be referred for home health services through Courtesy Medical Group, Inc. Romero is charged with one count of conspiring to commit health care fraud and four counts of receiving kickbacks in return for referring an individual for or arranging for the furnishing of items and services payable by Medicare.

Antonio Ochoa was indicted for allegedly conspiring to defraud Medicare by recruiting Medicare beneficiaries to be referred for home health services through Courtesy Medical Group, Inc. Achoa is charged with one count of conspiring to commit health care fraud and three counts of receiving kickbacks in return for referring an individual for or arranging for the furnishing of items and services payable by Medicare.

Teresita Leal, R.N. was indicted for allegedly conspiring to defraud Medicare by falsifying patient files to make it appear that Medicare beneficiaries qualified for and received services that were not medically necessary and/or not provided. Leal is charged with one count of conspiring to commit health care fraud and one count of making false statements for use in determining rights to benefits or payments under Medicare.

Silvio Ruiz, R.N. was indicted for allegedly conspiring to defraud Medicare by falsifying patient files to make it appear that Medicare beneficiaries qualified for and received services that were not medically necessary and/or not provided. Ruiz is charged with one count of conspiring to commit health care fraud and one count of making false statements for use in determining rights to benefits or payments under Medicare.

Tendercare Medical Center Inc. (Tendercare)

In a second case, four defendants are charged, including: (1) David Marrero; (2) Maria Volero Marrero; (3) Keith Ernest Humes; and (4) Lawrence Edward Humes.

David Marrero was indicted for allegedly conspiring to defraud Medicare by participating in the establishment and operation of Tendercare, a medical clinic that purported to provide injection and infusion treatments to HIV/AIDS patients and submitted claims Medicare for such services. He is charged with one count of conspiracy to commit health care fraud, four counts of health care fraud, one count of conspiracy to commit money laundering and one count of money laundering.

Maria Volero Marrero was indicted for allegedly conspiring to defraud Medicare by owning and operating Tendercare. She is charged with one count of conspiracy to commit health care

fraud, four counts of health care fraud, one count of conspiracy to commit money laundering, and seven counts of money laundering.

Keith Ernest Humes was indicted for allegedly conspiring to defraud Medicare by recruiting patients for Tendercare. He is charged with one count of conspiracy to commit health care fraud.

Lawrence Edward Humes was indicted for allegedly conspiring to defraud Medicare by recruiting patients for Tendercare. He is charged with one count of conspiracy to commit health care fraud.

Eastern District of Michigan

Nine individuals have been charged in two indictments returned by grand juries in the Eastern District of Michigan. The 9 individuals include: (1) Emilio Haber, (2) Alejandro Haber, (3) Maria Haber, (4) Hans Labato, (5) Emma King, (6) Melvin Young, (7) Carlos Grana, (8) Dwight Armstrong and (9) Price Marshall.

Ritecare LLC (Ritecare), located at various locations, most recently at 17940 Farmington Road, Livonia, Mich., and 16904 W. Warren, Detroit.

Emilio Haber, 51, was indicted for allegedly conspiring to submit more than \$11 million in fraudulent claims to Medicare for office visits and testing services from August 2007 until October 2009. The indictment alleges that Haber was one of the principal operators of Ritecare. It also alleges that Haber and other conspirators paid kickbacks to obtain patients and instructed patients to feign symptoms to justify expensive, but medically unnecessary testing services. Haber was charged with one count of conspiracy to commit health care fraud and two counts of health care fraud.

Alejandro Haber, 24, was indicted for allegedly conspiring to submit more than \$11 million in fraudulent claims to Medicare for office visits and testing services from August 2007 until October 2009. The indictment alleges that Haber was the owner and one of the principal operators of Ritecare. It also alleges that Haber and other conspirators paid kickbacks to obtain patients and instructed patients to feign symptoms to justify expensive, but medically unnecessary testing services. Haber was charged with one count of conspiracy to commit health care fraud and two counts of health care fraud.

Maria Haber, 44, was indicted for allegedly conspiring to submit more than \$11 million in fraudulent claims to Medicare for office visits and testing services from August 2007 until October 2009. The indictment alleges that Haber was the owner and one of the operators of CompleteHealth, LLC which merged with Ritecare in June 2008. CompleteHealth originally did business at 38858 West 5 Mile Road, Livonia, Mich., but moved to Ritecare's location after CompleteHealth and Ritecare merged. The indictment also alleges that Haber and other conspirators paid kickbacks to obtain patients and caused the submission of claims for medically

unnecessary testing services. Maria Haber was charged with one count of conspiracy to commit health care fraud.

Hans Lobato, 25, was indicted for allegedly conspiring to submit more than \$11 million in fraudulent claims to Medicare for office visits and testing services from August 2007 until October 2009. The indictment alleges that Haber was the owner and one of the principal operators of Ritecare. It also alleges that Haber and other conspirators paid kickbacks to obtain patients and instructed patients to feign symptoms to justify expensive, but medically unnecessary testing services. Lobato was charged with one count of conspiracy to commit health care fraud.

Emma King, 61, was indicted for allegedly conspiring to submit more than \$11 million in fraudulent claims to Medicare for office visits and testing services from August 2007 until October 2009. The indictment alleges that King paid kickbacks to Medicare beneficiaries at Ritecare to induce them to be treated at the facility and feign symptoms to justify medically unnecessary testing services. King was charged with one count of conspiracy to commit health care fraud.

Melvin Young, 56, was indicted for allegedly conspiring to submit more than \$11 million in fraudulent claims to Medicare for office visits and testing services from August 2007 until October 2009. The indictment alleges that Young paid kickbacks to Medicare beneficiaries at Ritecare to induce them to be treated at the facility and feign symptoms to justify medically unnecessary testing services. Young was charged with one count of conspiracy to commit health care fraud.

CompleteHealth LLC (CompleteHealth), 29240 Buckingham Street, Suite 2, Livonia, Mich.

Carlos Grana, 36, was indicted for allegedly conspiring to submit approximately \$2.8 million in fraudulent claims to Medicare for office visits and testing services from February 2008 until October 2009. The indictment alleges that Grana was the principal operators of CompleteHealth. It also alleges that Grana paid kickbacks to obtain patients and instructed patients to feign symptoms to justify expensive, but medically unnecessary testing services. Grana was charged with one count of conspiracy to commit health care fraud and two counts of health care fraud.

Dwight Armstrong, 32, was indicted for allegedly conspiring to submit approximately \$2.8 million in fraudulent claims to Medicare for office visits and testing services from February 2008 until October 2009. The indictment alleges that Armstrong paid kickbacks to Medicare beneficiaries at CompleteHealth to induce them to be treated at the facility and feign symptoms to justify medically unnecessary testing services. Armstrong was charged with one count of conspiracy to commit health care fraud and two counts of health care fraud.

Price Marshall, 61, was indicted for allegedly conspiring to submit approximately \$2.8 million in fraudulent claims to Medicare for office visits and testing services from February 2008 until October 2009. The indictment alleges that Marshall paid kickbacks to Medicare beneficiaries at

CompleteHealth to induce them to be treated at the facility and feign symptoms to justify medically unnecessary testing services. Armstrong was charged with one count of conspiracy to commit health care fraud.

Eastern District of New York

Two individuals have been charged in an indictment returned by a federal grand jury in the Eastern District of New York for alleged Medicare fraud crimes.

Americare In Home LLC (Americare)

Parke Levy, 47, owner of Americare, was indicted for allegedly participating in a scheme to submit claims to Medicare for medically unnecessary durable medical equipment. He is charged with one count of conspiracy to commit health care fraud and nine counts of health care fraud

Lorraine Levy, 78, the director of customer service at Americare, was indicted for allegedly participating in a scheme to submit claims to Medicare for medically unnecessary durable medical equipment. She is charged with one count of conspiracy to commit health care fraud and nine counts of health care fraud

An indictment is merely an allegation, and defendants are presumed innocent until and unless proven guilty.

Maximum Prison Sentences Per Count:

Health care fraud: 10 years

Conspiracy to commit health care fraud: 10 years

False statements: Five years

Receiving kickbacks: Five years

Conspiracy to launder money: 20 years

Money laundering (18 USC 1956): 20 years

Money laundering (18 USC 1957): 10 years