

Medicare Fraud Strike Force takes down 50 South Floridians

 **For EyesOnNews.com, Miami, May 13, 2014** - Wifredo A. Ferrer, United States Attorney for the Southern District of Florida, Attorney General Eric Holder, Daniel R. Levinson, Inspector General, U.S. Department of Health and Human Services, Office of Inspector General (HHS-OIG), George L. Piro, Special Agent in Charge, Federal Bureau of Investigation (FBI), Miami Field Office, Ronald Verrochio, Inspector in Charge, U.S. Postal Inspection Service (USPIS), Miami Field Office, Amy L. Parker, Assistant Special Agent in Charge, Eastern Region, U.S. Office of Personnel Management, Office of Inspector General (OPM-OIG), Pam Bondi, Florida Attorney General, and Gerald Bailey, Commissioner, Florida Department of Law Enforcement (FDLE), announce that fifty (50) South Florida residents were charged for their alleged participation in various schemes to defraud Medicare out of more than \$65,701,885. The charges in South Florida are part of a nationwide takedown by Medicare Fraud Strike Force operations in six cities that resulted in charges against 90 individuals, including doctors, nurses, licensed medical professionals and others, for their alleged participation in Medicare fraud schemes involving approximately \$260 million in false billings.

U.S. Attorney Wifredo A. Ferrer stated, "Today, 50 defendants were charged in a number of schemes with defrauding our nation's Medicare program here in South Florida. While some of the schemes were different, all of the defendants possessed the common goal of stealing from a program whose purpose is to provide the security of health care to seniors and the infirm. This is unacceptable. Hopefully, the sight of so many criminal defendants - from medical professionals to clinic owners to Medicare beneficiaries - being held accountable for their misdeeds will send a message of deterrence to those thinking Medicare fraud is a good idea. The efforts described today should also demonstrate that law enforcement in Miami will continue to fight the battle against health care fraud on all fronts. There is simply no safe harbor for Medicare fraudsters in South Florida."

"Medicare is a sacred compact with our nation's seniors, and to protect it, we must remain aggressive in combating fraud," said Attorney General Holder. "This nationwide Medicare Strike Force takedown represents another important step forward in our ongoing fight to safeguard taxpayer resources and to ensure the integrity of essential health care programs. Department of Justice will not tolerate these activities. And we will continue working alongside the Department of Health and Human Services - as well as federal, state, and local partners - to use every appropriate tool and available resource to find, stop, and punish those who seek to take advantage of their fellow citizens."

"Today's arrests demonstrate the effectiveness of our Strike Forces in combatting Medicare and Medicaid fraud," said U.S. Department of Health and Human Services Inspector General Daniel R. Levinson. "Through seamless teamwork, our agents and law enforcement partners bring lawbreakers to justice, protect beneficiaries, and recover stolen taxpayer funds."

"The actions of the FBI and our partners today have disrupted the operations of several health care fraud operations," said George L. Piro, Special Agent in Charge, FBI Miami. "But, we need the public's assistance. Report suspicious activity, inform your insurance company if you see charges on your explanation of benefits for services you did not receive and protect your insurance cards and other personally identifiable information."

"Greed is the ultimate downfall of these criminals," said Inspector in Charge Ronald Verrochio. "Today exemplifies the great work of the U.S. Postal Inspection Service and its law enforcement partners in combating fraud."

“The work of this Strike Force should be a warning to all those who believe that they can defraud the Government with impunity,” said ASAC Amy L. Parker. “If you break the laws of the United States, if you put monetary gain above patient safety, you will be caught and you will be prosecuted. The OPM-OIG is committed to working with law enforcement organizations at all levels to ensure the safety of Federal employees, annuitants, and their dependents, as well as protecting taxpayer dollars.”

“My Medicaid Fraud Control Unit is a proud partner in this nationwide takedown to stop Medicaid and Medicare fraud, which has resulted in charges being brought against dozens of people for defrauding these government programs,” stated Attorney General Pam Bondi. “We will continue to partner with federal, state and local agencies to uphold the integrity of the Medicaid program and to protect taxpayer dollars.”

Florida Department of Law Enforcement Commissioner Gerald Bailey said, “FDLE will continue to infiltrate these criminal organizations. These cases are complex and involve the authority and expertise of multiple law enforcement agencies; I appreciate their hard work.”

The Medicare Fraud Strike Force operations are part of the Health Care Fraud Prevention & Enforcement Action Team (HEAT), a joint initiative announced in May 2009 between the Department of Justice and HHS to focus their efforts to prevent and deter fraud and enforce current anti-fraud laws around the country. Since their inception in March 2007, Strike Force operations in nine locations have charged more than 1,900 defendants who collectively have falsely billed the Medicare program for more than \$6 billion. In addition, CMS, working in conjunction with HHS-OIG, has temporarily stopped enrollments of high-risk providers in five Strike force locations and has removed over 17,000 providers from the Medicare program since 2011. Specifically, the South Florida cases announced as part of the nationwide Medicare Fraud Strike Force takedown include:

- **United States v. Cecilia Valdes**, Case No. 14-20297-CR-Williams

Cecilia Valdes, 46, of Miami, is charged with one count of conspiracy to commit health care fraud. The information filed against Valdes, a physical therapist, alleges that she was paid by therapy staffing service agencies to falsely and fraudulently certify that she had provided home health care physical therapy services to Medicare beneficiaries when she had in fact never done so. As the result of Valdes’ conduct, the Medicare program sustained losses of approximately \$355,000. If convicted, Valdes faces up to ten years in prison.

Mr. Ferrer commended the investigative efforts of the FBI and HHS-OIG. This case is being prosecuted by Assistant U.S. Attorney Kevin J. Larsen.

- **United States v. Maria E. Ortiz**, Case No. 14-20238-CR-Cooke

Maria E. Ortiz, 46, of Homestead, is charged with conspiracy to commit money laundering, substantive counts of money laundering, conspiracy to structure transactions to evade federal reporting requirements, and substantive counts of structuring transactions to evade reporting requirements. The indictment alleges that between November 2011 and June of 2012, Ortiz and others conspired to launder the proceeds of illegal health care kickbacks from Musomed Health Care Corp., a home health agency certified by Medicare. Ortiz and others allegedly withdrew kickback proceeds from banks in amounts less than \$10,000 to evade the reporting of the transactions. If convicted, Ortiz faces up to 20 years in prison for each count of money laundering, and up to ten years for each count of structuring.

Mr. Ferrer commended the investigative efforts of the FBI and HHS-OIG. This case is being prosecuted by Assistant U.S. Attorney Eric E. Morales.

- **United States v. Yulianela Martinez, et.al.**, Case No. 14-20239-CR-Middlebrooks

Yulianela Martinez, 32, of Hialeah, **Luisa Cladera**, 53, of Hialeah, **Leyma Sosa**, 39, of Hialeah, and **Miguel Delgado** 41, of Hialeah, were charged with conspiracy to pay illegal kickbacks in relation to a federal health care program and with substantive counts of paying illegal kickbacks in relation to a federal health care program. The indictment alleges that between 2009 and 2012, the defendants offered and paid kickbacks and bribes to recruiters for the referral of Medicare beneficiaries to MCDS Home Health Group, a corporation purportedly providing skilled nursing services, physical therapy, occupational therapy, and home health aide services to Medicare beneficiaries. If convicted, the defendants face up to five years for each kickback count.

Mr. Ferrer commended the investigative efforts of the FBI and HHS-OIG. This case is being prosecuted by Assistant U.S. Attorney Amanda Perwin.

- **United States v. Israel Benigno Gil**, Case No. 14-20263-CR-Middlebrooks

Israel Benigno Gil, 85, of Hialeah, is charged with two counts of receiving health care kickbacks. The indictment alleges that Gil was a Medicare beneficiary and received payments in return for ordering, arranging for, and recommending purchasing and ordering home health services. If convicted, Gil faces up to five years in prison for each kickback count.

Mr. Ferrer commended the investigative efforts of USPI, HHS-OIG, and FBI. This case is being prosecuted by Assistant U.S. Attorney Robert T. Watson.

- **United States v. Miriam Castellanos**, Case No. 14-20264-CR-Scola

Miriam Castellanos, 63, of Miami, is charged with conspiracy to commit health care fraud and eight counts of substantive health care fraud. The indictment alleges that Castellanos was president and owner of Professional Treatment Medical Center, Inc., and submitted false and fraudulent claims, causing Medicare to incur a loss of \$1,473,504. If convicted, Castellanos faces up to ten years in prison for each count of health care fraud.

Mr. Ferrer commended the investigative efforts of the FBI and HHS-OIG. This case is being prosecuted by Assistant U.S. Attorney Christopher Clark.

- **United States v. Miguel Espinosa and Luis Buzzi**, Case No. 14-20317-CR-Cooke

Miguel Espinosa, 45, of Coral Springs, and **Luis Buzzi**, 50, of Hialeah, are charged with conspiracy to commit health care fraud, nine counts of substantive health care fraud, conspiracy to receive health care kickbacks, and substantive counts of receiving kickbacks. Espinosa and Buzzi were patient recruiters who allegedly received and paid kickbacks for referral of Medicare beneficiaries to Lord's Medical. The indictment alleges that from February 2010 through July 2011, Lord's Medical Rehab Center Inc. submitted \$5,497,047 in false and fraudulent claims for medical services to Blue Cross Blue Shield, and was paid \$2,346,416 of the submitted claims. If convicted, the defendants face up to ten years in prison for each count of health care fraud, and up to five years in prison for each kickback count.

Mr. Ferrer commended the investigative efforts of the FBI, HHS-OIG and Office of Personnel Management. This case is being prosecuted by Assistant U.S. Attorney Christopher Clark.

- **United States v. Manuel J. Chavez**, Case No. 14-20321-CR-Ungaro

Manuel J. Chavez, 34, of Miami Beach, is charged with eight counts of health care fraud. The indictment alleges that Chavez submitted false and fraudulent claims for medications to Medicare Part D in connection with Pharma One, a pharmacy in Hialeah. An invoice reconciliation analysis of Pharma One drug purchases shows that it overbilled Medicare by approximately \$1,381,278. If convicted, Chavez faces up to ten years in prison for each count of health care fraud.

Mr. Ferrer commended the investigative efforts of the FBI and HHS-OIG. This case is being prosecuted by Assistant U.S. Attorney Christopher Clark.

- **United States v. Eduardo Perez de Morales**, Case No. 12-20663-CR-Zloch(s)(s)

Eduardo Perez de Morales, 26, of Miami, is charged with one count of conspiring to launder the proceeds of health care fraud. According to Court records, Jorge Emilio Perez de Morales Sante, a fugitive defendant previously charged, operated a money remitting company that moved money from the United States to Cuba. The superseding indictment alleges that Jorge Emilio Perez de Morales and his brother Eduardo Perez de Morales laundered health care fraud proceeds through the money remitting company's bank accounts. The United States is seeking forfeiture of \$238,067,956. If convicted, Eduardo Perez de Morales faces up to 20 years in prison.

Mr. Ferrer commended the investigative efforts of the Florida Department of Law Enforcement and the FBI. This case is being prosecuted by Assistant U.S. Attorney H. Ron Davidson.

- **United States v. Yamile Calvo-Gonzalez**, Case No. 14-20288-CR-Lenard

Yamile Calvo-Gonzalez, 41, of Miami, the owner of WY Medical Group and Rehabilitation Services Inc., is charged with conspiracy to commit health care fraud, substantive health care fraud, conspiracy to receive health care kickbacks and substantive receipt of kickbacks. The indictment alleges that Calvo-Gonzalez and her co-conspirators submitted and caused the submission of false and fraudulent claims to Medicare and Florida Medicaid for home health services that were neither medically necessary or actually provided. The indictment further alleges that the defendant acted as a patient recruiter and received kickbacks and bribes from co-conspirator home health agency owners for referring beneficiaries to serve as patients. If convicted, Calvo-Gonzalez faces up to ten years in prison for each count of health care fraud, and up to five years in prison for each kickback count.

Mr. Ferrer commended the investigative efforts of the Florida Attorney General Medicaid Fraud Control Unit and HHS-OIG. This case is being prosecuted by Special Assistant U.S. Attorney Hagerenesh Simmons from the Florida Attorney General's Office, Medicaid Fraud Control Unit.

- **United States v. Igor Iturriaga, Ovidio Iturriaga and Esther Lopez**,

Case No. 14-20324-CR-Moore

Igor Iturriaga, 45, **Ovidio Iturriaga**, 71, and **Esther Lopez**, 54, all of Miami, were charged with conspiracy to pay and receive health care kickbacks in relation to a federal health care program, receipt of health care kickbacks in connection with a federal health care program, conspiracy to commit money laundering, and substantive counts of money laundering. The indictment alleges that in 2012, the defendants cashed checks for their co-conspirators, knowing that the cash they provided to their co-conspirators would be used to pay kickbacks to patient recruiters who provided Medicare beneficiaries to home health care agencies Miami United Home Health Care, Inc. and TGR Home Health Care, Inc. The defendants acted as patient recruiters and also accepted kickbacks from their co-conspirators in return for

referring Medicare beneficiaries to Miami United and TGR for home health services. The defendants and their co-conspirators used the beneficiary information obtained through the payment of bribes and kickbacks to cause Miami United and TGR to submit claims to Medicare for home health services purportedly provided to the recruited Medicare beneficiaries. If convicted, the defendants face up to 20 years in prison on the money laundering counts, and up to five years in prison on the kickback counts.

Mr. Ferrer commended the investigative efforts of the FBI and HHS-OIG. This case is being prosecuted by Assistant U.S. Attorney Robert T. Watson.

- **United States v. Jesus Fundora and Carlos Manuel Perez Gomez,**

Case No. 14-20287-CR-Altonaga

Jesus Fundora, 36, and **Carlos Manuel Perez Gomez**, 50, both of Miami, are charged with conspiracy to commit health care fraud as well as 12 counts of substantive health care fraud. The indictment alleges that the defendants filed false and fraudulent prescription drug claims under Medicare Part D through Kiara Pharmacy, and as a result of those false and fraudulent claims, Medicare sustained a loss of over \$6 million. If convicted, the defendants face up to ten years in prison for each count of health care fraud.

Mr. Ferrer commended the investigative efforts of HHS-OIG. This case is being prosecuted by Assistant U.S. Attorney Jon M. Juenger.

- **United States v. Adalberto Perez Peguero, Maydelin Matos Fernandez, Roberto Rogelio Rojas and Maria Arce,** Case No. 14-20266-CR-Lenard(s)

Adalberto Perez Peguero, 42, **Maydelin Matos Fernandez**, 34, **Roberto Rogelio Rojas**, 72, all of Miami, and **Maria Arce**, 57, of Miami Beach, are charged with conspiracy to commit health care fraud, and Perez Peguero, Matos Fernandez and Arce are charged with substantive counts of health care fraud as well. The indictment also charges Perez Peguero with paying kickbacks, and Rogelio Rojas and Arce with receiving kickbacks. The indictment alleges that Perez Peguero managed and operated Alephzayn Health Services and he offered and paid kickbacks and bribes to patient recruiters, including Rogelio Rojas, in return for referring beneficiaries so that he and Matos Fernandez could bill Medicare, through Alephzayn, for services that were not medically necessary and provided. The indictment further alleges that beneficiaries, including Arce, solicited and accepted bribes and kickbacks in exchange for permitting their beneficiary information to be used to submit false and fraudulent claims to Medicare. If convicted, the defendants face up to ten years in prison for each count of health care fraud, and up to five years in prison for each kickback count.

Mr. Ferrer commended the investigative efforts of USPIS, HHS-OIG and FBI. This case is being prosecuted by Assistant U.S. Attorney James V. Hayes.

- **United States v. Joel Diaz Reyes and Miguel Gonzalez,**

Case No. 14-20292-CR-Scola(s)

Joel Diaz Reyes, 42, and **Miguel Gonzalez**, 41, both of Miami, are charged with conspiracy to commit health care fraud, substantive counts of health care fraud, conspiracy to pay and receive health care kickbacks, and substantive counts of paying and receiving health care kickbacks. The indictment alleges that the defendants recruited Medicare beneficiaries to Santa Barbara Pharmacy in order to cause the submission

of false and fraudulent claims to Medicare for drugs that were not medically necessary and were never provided. The defendants also allegedly offered and paid kickbacks and bribes to Medicare beneficiaries and caused false and fraudulent prescriptions to be created for those beneficiaries. If convicted, the defendants face up to ten years for each count of health care fraud, and up to five years for each kickback count.

Mr. Ferrer commended the investigative efforts of the FBI and HHS-OIG. This case is being prosecuted by Assistant U.S. Attorney James V. Hayes.

- **United States v. Luisa Isabel Vega**, Case No. 14-2530-CR-Simonton

Luisa Isabel Vega, 57, of Miami, is charged by criminal complaint with health care fraud. Vega was the owner of AB Pharmacy, which billed Medicare Part D for dispensed prescription drugs, and as a result of those claims, received \$8.4 million. However, an invoice reconciliation by government agents showed that AB Pharmacy did not buy enough of the drugs billed for to support the amount the pharmacy was paid for dispensing those drugs. As a result, AB Pharmacy received \$4.2 million for drugs that it never dispensed. Interviews with beneficiaries revealed that many had been paid kickbacks by patient recruiters in return for allowing AB Pharmacy to submit fraudulent claims to Medicare using their beneficiary information, and many had never received the billed-for medications. If convicted, Vega faces up to ten years for each count of health care fraud.

Mr. Ferrer commended the investigative efforts of HHS-OIG. This case is being prosecuted by Assistant U.S. Attorney Jon M. Juenger.

- **United States v. Alexander Gonzalez and Virgilio Zayas**,

Case No. 14-20334-CR-Cooke

Alexander Gonzalez, 37, and **Virgilio Zayas**, 65, both of Miami, are charged with conspiracy to pay and receive health care kickbacks. Gonzalez is also charged with thirteen substantive counts of paying kickbacks and Zayas is also charged with two substantive counts of receiving kickbacks. Gonzalez managed and operated a Miami-based HHA, Suncare Home Health Services, Inc. ("Suncare"), which purportedly provided home health therapy to Medicare beneficiaries. Gonzalez paid patient recruiters kickbacks for referring patients to Suncare. Patient recruiters would buy home health prescriptions from doctors in the area and paid beneficiaries a kickback for serving as patients. Zayas was paid kickbacks as both a patient recruiter and for serving as a beneficiary himself at Suncare. The defendants face up to five years in prison for the conspiracy charge, and up to five years in prison for each substantive count.

Mr. Ferrer commended the investigative efforts of USPIA. This case is being prosecuted by Assistant U.S. Attorney James V. Hayes.

- **United States v. Yenisey Suarez, et al.**, Case No. 14-20322-CR-Williams

Yenisey Suarez, 36, of Miami, **Lourdes Duarte**, 41, of Hialeah, and **Erick Armando Juarez**, 32, of Miami, are charged with one count of conspiracy to defraud the United States and receive health care kickbacks and two counts each of receipt of kickbacks in connection with a federal health care program. The indictment alleges that the defendants were patient recruiters for defunct home health care company Starlite Home Health Care Inc. (Starlite Home Health). The defendants are alleged to have solicited and received kickbacks and bribes from the owner and operator of Starlite Home Health in return for recruiting patients to Starlite Home Health and allowing the company to bill the Medicare program on behalf of the

recruited patients for home health care and therapy services that were not medically necessary and/or were not provided. As alleged in the indictment, between approximately May 2010 through May 2013, Starlite Home Health submitted over \$8 million in fraudulent claims to Medicare and was reimbursed approximately \$3 million by Medicare. If convicted, the defendants face up to five years in prison for each kickback count.

Mr. Ferrer commended the investigative efforts of the FBI and HHS-OIG. This case is being prosecuted by Trial Attorney Kelly Graves of the Criminal Division's Fraud Section.

- **United States v. Abigail Aguila, Estrella Perez, Solchys Perez, and Monica Macias,**

Case No. 14-20300-CR-Moore

Abigail Aguila, 40, of Miami, **Estrella Perez**, 57, of Coral Gables, **Solchys Perez**, 34, of Miami, and **Monica Macias**, 52, of Miami, are charged with conspiracy to defraud the United States and receive health care kickbacks. Solchys Perez and Estrella Perez are also charged with conspiracy to commit health care fraud and with receiving kickbacks in connection with a federal health care program. The indictment alleges that the defendants participated in a scheme involving Trust Care Health Services, Inc. (Trust Care). The defendants allegedly supplied Medicare beneficiaries to Trust Care in exchange for kickbacks and bribes. Trust Care, in turn, fraudulently billed Medicare for more than \$20 million for home health services that were not provided and/or were not medically necessary. If convicted, the defendants face up to ten years in prison for the health care fraud charge, and up to five years in prison for each kickback-related charge.

Mr. Ferrer commended the investigative efforts of the FBI and HHS-OIG. This case is being prosecuted by Trial Attorneys A. Brendan Stewart and Anne P. McNamara of the Criminal Division's Fraud Section.

- **United States v. Cruz Sonia Collado,** Case No. 14-20302-CR-Scola

United States v. Euridice Borroto, Case No. 14-20310-CR-Lenard

Cruz Sonia Collado, 64, of Homestead, and **Euridice Borroto**, 45, of Miami, are charged with conspiracy to defraud the United States and pay health care kickbacks. Collado also faces substantive kickback charges. The indictment alleges that Cruz Sonia Collado orchestrated a scheme involving Nestor's Health Services, Inc. (Nestor's). As owner and operator of Nestor's, the defendant paid kickbacks and bribes to patient recruiters, in exchange for the recruiters providing Medicare beneficiaries to Nestor's for purported home health and therapy services. Nestor, in turn, fraudulently billed Medicare for approximately \$6.5 million for home health care services purportedly provided to the Medicare beneficiaries. Euridice Borroto was a patient recruiter who solicited patients to participate in the scheme at Nestor's. If convicted, the defendants face up to five years in prison for each count charged.

Mr. Ferrer commended the investigative efforts of the FBI and HHS-OIG. This case is being prosecuted by Trial Attorneys A. Brendan Stewart and Anne P. McNamara of the Criminal Division's Fraud Section.

- **United States v. Annarella Garcia and Annilet Dominguez,**

Case No. 14-20301-CR-Moreno

Annarella Garcia, 44, and **Annilet Dominguez**, 27, both of Hialeah, are charged with conspiracy to commit health care fraud. Dominguez is also charged with substantive counts of making false statements related to health care matters, and the other defendant is also charged with money laundering. The indictment alleges that the defendants participated in a scheme involving Professional Medical Home Health

LLC. (Professional Home Health). The defendants and their co-conspirators submitted false and fraudulent claims for home health services that were not provided and/or were not medically necessary. In turn, Medicare paid Professional Home Health approximately \$6 million for services purportedly provided to Medicare beneficiaries. If convicted, the defendants face up to 20 years in prison for the money laundering charge, up to ten years in prison for the health care fraud charge, and up to five years in prison for each false statement charge.

Mr. Ferrer commended the investigative efforts of the FBI and HHS-OIG. This case is being prosecuted by Trial Attorneys A. Brendan Stewart and Anne P. McNamara of the Criminal Division's Fraud Section.

• **United States v. Armando Buchillon and Lizette Garcia,**

Case No. 14-20299-CR-Lenard

Armando Buchillon, 42, of Miami, is charged with conspiracy to commit health care fraud and substantive health care fraud. **Lizette Garcia**, 37, of Hialeah, is charged with payment of kickbacks in connection with a federal health care program. The indictment alleges that the defendants participated in a scheme involving Anna Nursing Services Corp. Buchillon, a registered nurse, was Anna Nursing's Director of Nursing. Garcia was a receptionist and office worker. The defendants paid kickbacks and bribes to patient recruiters, in exchange for the recruiters providing Medicare beneficiaries to Anna Nursing for purported home health and therapy services. As a result of the submission of fraudulent claims on behalf of these beneficiaries, Medicare paid Anna Nursing more than \$7 million for purported home health services. If convicted, the defendants face up to ten years in prison for each health care fraud charge, and up to five years in prison for the kickback-related charge.

Mr. Ferrer commended the investigative efforts of the FBI and HHS-OIG. This case is being prosecuted by Trial Attorneys A. Brendan Stewart and Anne P. McNamara of the Criminal Division's Fraud Section.

• **United States v. Barry Kaplowitz, M.D., Christopher Gabel, Melvin Hunter and**

Tiffany Foster, Case No. 14-20323-CR-Altonaga

Barry Kaplowitz, M.D., 53, of Aventura, **Christopher Gabel**, 61, of Davie, **Melvin Hunter**, 61, of Davie, and **Tiffany Foster**, 47, of Alabama, are charged with participating in a conspiracy to commit health care and wire fraud arising from claims made to Medicare by Hollywood Pavilion, LLC ("HP"), a state licensed psychiatric hospital located in Hollywood that purportedly provided inpatient and outpatient psychiatric care to Medicare beneficiaries. Dr. Barry Kaplowitz is also charged with health care fraud and false statements relating to health care matters related to claims HP made to Medicare for patients that he purportedly treated. Christopher Gabel, Melvin Hunter and Tiffany Foster are also charged with participating in a conspiracy to pay illegal bribes and kickbacks to patient brokers and causing claims to be submitted for Medicare beneficiaries who were procured through bribes and kickbacks. The indictment alleges that from at least 2003 through September 2012, HP billed Medicare more than \$67 million for services that were never rendered, for patients that did not qualify for the services being billed, and for claims that were procured through bribes and kickbacks. If convicted, the defendants face up to 20 years in prison for wire fraud, up to 10 years for health care fraud, and up to five years for the false statements and the kickback counts.

Mr. Ferrer commended the investigative efforts of the FBI and HHS-OIG. This case is being prosecuted by Trial Attorney Nicholas Surmacz of the Criminal Division's Fraud Section.

• **United States v. Gabriel Delgado and Guillermo Delgado,**

Case No. 14-2581-Otazo Reyes

Guillermo Delgado, 42, and **Gabriel Delgado**, 41, both of Miami, are charged with conspiracy to defraud the United States and receive health care kickbacks, receipt of kickbacks in connection with a federal health

care program and conspiracy to commit money laundering. As alleged in the complaint, the defendants are patient recruiters who controlled numerous patients residing in Assisted Living Facilities (ALFs) located in the Miami area and referred them to pharmacies, home health agencies, and community mental health centers among other Medicare providers in exchange for kickback payments. The complaint also alleges that the defendants led a money laundering scheme with Jose Morales, the owner and operator of Morales Pharmacies whereby the defendants would provide checks to Morales for him to cash through a Western Union franchise operated by Morales. The complaint alleges that the defendants and Morales submitted and caused to be submitted approximately \$23,367,755.07 in false and fraudulent claims to the Medicare and Florida Medicaid programs. Morales pleaded guilty in December 2012 to one count each of health care fraud and payment of kickbacks for his role in the scheme. If convicted, the defendants face up to five years in prison for each kickback count, and up to 20 years for the money laundering conspiracy.

Mr. Ferrer commended the investigative efforts of the FBI and HHS-OIG. This case is being prosecuted by Trial Attorney Allan Medina of the Criminal Division's Fraud Section.

- **United States v. Nelson Salazar**, Case No. 14-20326-CR-Martinez

Nelson Salazar, 45, of Miami, is charged with conspiracy to commit health care fraud. The information filed against Salazar alleges that he was a patient recruiter for American Therapeutic Corporation (ATC) who would pay and receive kickbacks in exchange for referring Medicare beneficiaries to attend ATC. The information further alleges that Salazar and others caused false and fraudulent claims to be submitted to Medicare for services purportedly provided at ATCs locations. If convicted, the defendant faces up to ten years in prison.

Mr. Ferrer commended the investigative efforts of the FBI and HHS-OIG. This case is being prosecuted by Trial Attorney Allan Medina of the Criminal Division's Fraud Section.

- **United States v. Francisco Pabon**, Case No. 14-20327-CR-Ungaro

Francisco Pabon, 64, of Miami, is charged with conspiracy to commit health care fraud. The information filed against Pabon alleges that he was a mental health technician and social worker at an inpatient psychiatric hospital located in Miami, and he received illegal health care kickbacks in exchange for referring inpatient psychiatric patients to Health Care Solution Network (HCSN). The information further alleges that Pabon and his co-conspirators submitted and caused to be submitted claims to Medicare and Medicaid in an approximate amount of \$63 million for partial hospitalization program services that were not medically necessary and were not provided at HCSN in Florida and North Carolina. If convicted, the defendant faces up to 10 years in prison.

Mr. Ferrer commended the investigative efforts of FBI and HHS-OIG. This case is being prosecuted by Trial Attorney Allan Medina of the Criminal Division's Fraud Section.

- **United States v. Lazaro Martinez**, Case No. 14-20329-CR-Cooke

Lazaro Martinez, 72, of Miami, was a patient recruiter who received illegal health care kickbacks from Jose Carlos Morales, the former owner and operator of the Morales Pharmacies, and, in turn, paid illegal health care kickbacks to owners and operators of assisted living facilities located in Miami. Morales agreed to pay illegal health care kickbacks to patient recruiters like Martinez to guarantee a stream of beneficiary information to be used to submit false and fraudulent claims to Medicare and Medicaid. If convicted, the defendant faces up to five years in prison.

Mr. Ferrer commended the investigative efforts of FBI and HHS-OIG. This case is being prosecuted by Trial Attorney Allan Medina of the Criminal Division's Fraud Section.

- **United States v. Michael Mendoza**, Case No. 14-20328-CR-Lenard

Michael Mendoza, 45, of Miami, is charged with conspiracy to commit health care fraud. The information filed against Mendoza alleges that Mendoza was a patient recruiter for American Therapeutic Corporation (ATC), which purported to provide partial hospitalization program (PHP) services to individuals suffering from mental illness. As further alleged in the information, Mendoza agreed with the owner of ATC and others to refer patients to ATC in exchange for kickbacks. According to the information, the PHP services for which the patients were referred to ATC were not medically necessary and not provided. If convicted, the defendant faces up to ten years in prison.

Mr. Ferrer commended the investigative efforts of the FBI and HHS-OIG. This case is being prosecuted by Trial Attorney Allan Medina of the Criminal Division's Fraud Section.

An indictment and information are merely charges and defendants are presumed innocent until proven guilty.

A copy of this press release may be found on the website of the United States Attorney's Office for the Southern District of Florida at www.usdoj.gov/usao/fls. Related court documents and information may be found on the website of the District Court for the Southern District of Florida at www.flsd.uscourts.gov or on <http://pacer.flsd.uscourts.gov>.