



Wireless Carriers Who Aid Police Are Asked for Data

McNabb Associates, P.C. (Federal Criminal Defense Lawyers)

Submitted at 1:52 PM May 3, 2012

The New York Times on May 2, 2012 released the following:

“By ERIC LICHTBLAU

WASHINGTON — A leading House Democrat is demanding information from the country’s biggest cellphone companies about their role in helping local police departments conduct surveillance and tracking of suspects and others in criminal investigations.

Representative Edward J. Markey of Massachusetts, the co-chairman of the Congressional Bipartisan Privacy Caucus, said in a letter sent Wednesday to eight major wireless carriers that he was “deeply concerned” that routine tracking of cellphone use by law enforcement officials in many departments “may violate the privacy rights of Americans.”

In his letter, Mr. Markey sought data from the cellphone carriers on the number of requests for help they have received from law enforcement officials in cell tracking and surveillance operations, their policies on whether they require the authorities to secure court warrants, the use of cellphone surveillance in nonemergencies, the fees they charge the police and other information.

His letter was prompted by an April 1 article in The New York Times on the routine use of cellphone surveillance by local police departments, even in nonemergency situations. Mr. Markey’s office provided a copy of his letter to The Times.

The move by Mr. Markey puts the cellphone companies in the middle of a protracted public debate over the balance between civil liberties safeguards and the authorities’ use of surveillance technology. The issue has received renewed public attention recently as a result of a Supreme Court ruling in January finding that police use of a GPS

device on a drug suspect’s car without a warrant violated his Fourth Amendment rights.

CTIA, the wireless industry trade association, said it had no comment on the Congressional request.

Ed McFadden, a spokesman for Verizon, one of the companies from which Mr. Markey is seeking information, said in a statement: “We will review the letter and be responsive. In responding to law enforcement requests, Verizon Wireless follows the law.”

An AT&T spokesman, Michael Balmoris, said, “We received the congressman’s letter and will respond accordingly.”

Representative Joe L. Barton, the Texas Republican who is co-chairman of the House privacy caucus with Mr. Markey, did not respond to requests for comment.

The privacy caucus has no formal subpoena power to gather records. But an official with the caucus who spoke on condition of anonymity in discussing internal matters said that private companies had normally complied with requests from the caucus and that Mr.

Markey was confident that the cell companies would give him the information he was seeking.

Politicians and lawyers on both sides of the surveillance issue have debated where the line should be drawn between giving the authorities the technological tools they need and protecting the privacy of the public. Mr. Markey is seeking information not only on the legal and policy implications of cellphone surveillance, but also on the financial relationship between police departments and phone carriers — an area that has received little public attention.

The Times article, based on 5,500 pages of documents that the American Civil Liberties Union received from 205 police departments, found that cellphone carriers often charged local police departments anywhere from a few hundred dollars for

using a cellphone to track a suspect’s location, up to \$2,200 for a full-scale wiretap of a suspect.

The documents showed that police departments routinely used cellphone tracking for both emergency and nonemergency situations, sometimes without getting court warrants. With police policies varying widely, gray areas in the law have given departments wide discretion in determining what types of situations justify phone surveillance and whether court orders are needed. Some departments have even bought their own phone surveillance equipment and bypassed the carriers.”

Douglas McNabb – McNabb Associates, P.C.’s

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Douglas McNabb and other members of the U.S. law firm practice and write and/or report extensively on matters involving Federal Criminal Defense, INTERPOL Red Notice Removal, International Extradition Defense, OFAC SDN Sanctions Removal, International Criminal Court Defense, and US Seizure of Non-Resident, Foreign-Owned Assets. Because we have experience dealing with INTERPOL, our firm understands the inter-relationship that INTERPOL’s “Red Notice” brings to this equation.

The author of this blog is Douglas C. McNabb. Please feel free to contact him directly at mcnabb@mcnabbassociates.com or at one of the offices listed above.

Acting Assistant Attorney General for the Office of Justice Programs Mary Lou Leary Speaks at Arresting Demand: a National Colloquium

(USDOJ: Justice News)

Submitted at 1:36 PM May 3, 2012

“Sex trafficking is a big money-maker for criminals and a scourge to society. Traffickers callously seek to furnish their

market with women, girls, and boys who have been cast out by society and whose options are few. In many cases, they are young people – not even teenagers – who are looking for the home they’ve never

had. What they find, instead, are betrayal, cruelty, and abuse. And sadly, too often our systems of support and justice have offered no quarter,” said Acting Assistant Attorney General Leary.



Fifty-Nine South Florida Residents Charged as Part of Nationwide Coordinated Takedown by Medicare Fraud Strike Force Operations

McNabb Associates, P.C. (Federal Criminal Defense Lawyers)

Submitted at 10:01 AM May 3, 2012

The Federal Bureau of Investigation (FBI) on May 2, 2012 released the following:

“107 Individuals Charged Nationally for Submitting Approximately \$452 Million in Fraudulent Billing; South Florida Responsible for more than \$137 Million in False Billings

Wifredo A. Ferrer, United States Attorney for the Southern District of Florida; John V. Gillies, Special Agent in Charge, Federal Bureau of Investigation (FBI), Miami Field Office; Christopher B. Dennis, Special Agent in Charge, U.S. Department of Health and Human Services, Office of Inspector General (HHS-OIG); and Henry Gutierrez, Postal Inspector in Charge, U.S. Postal Inspection Service, Miami Division, announced that 59 South Florida residents were charged for their alleged participation in various schemes to defraud Medicare out of more than \$137 million. The charges in South Florida are part of a nationwide takedown by Medicare Fraud Strike Force operations in seven cities that resulted in charges against 107 individuals, including doctors, nurses and other licensed professionals, for their alleged participation in Medicare fraud schemes involving approximately \$452 million in false billing. This coordinated takedown involved the highest amount of false Medicare billings in a single takedown in strike force history.

The joint Department of Justice and HHS Medicare Fraud Strike Force is a multi-agency team of federal, state, and local investigators designed to combat Medicare fraud. Approximately 400 law enforcement agents from the FBI, HHS-OIG, multiple Medicaid Fraud Control Units, and other state and local law enforcement agencies participated in the national takedown.

U.S. Attorney Wifredo A. Ferrer stated, “The Medicare program is a valuable and limited trust fund to provide much needed services for the poor, the elderly and the sick. Among the dozens of fraudsters charged in South Florida in this operation are clinic owners, nurses, therapists, patient recruiters, pharmacy owners, accountants, former social workers, and even beneficiaries, all of whom stole precious health care dollars through a variety of schemes. These get rich quick

schemes at the expense of the most vulnerable in our society are unacceptable. We will continue to fight health care fraud on all fronts: we will prosecute each link in the fraud chain and each evolving fraud scheme.”

“The results we are announcing today are at the heart of an administration-wide commitment to protecting American taxpayers from health care fraud, which can drive up costs and threaten the strength and integrity of our health care system,” said Attorney General Eric Holder. “We are determined to bring to justice those who violate our laws and defraud the Medicare program for personal gain. As today’s takedown reflects, our ongoing fight against health care fraud has never been more coordinated and effective.”

“More than half of those charged in a record setting health care fraud takedown today were from the Miami area. The local fraud totaled more than \$137 million. Sadly, in Miami, multi-million-dollar health care fraud cases are no longer shocking in their magnitude or frequency,” said John V. Gillies, Special Agent in Charge of the FBI’s Miami Office. “Here’s my message clear and simple: you can run, but as evidenced by today’s nationwide takedown, you can’t hide.”

“Medicare fraud diverts precious resources from those who are eligible and need it most,” said Christopher B. Dennis, Special Agent in Charge of the U.S. Department of Health and Human Services, Office of Inspector General’s region covering Florida. “Today’s action should send a strong message that we will continue to track the evidence to ensure that those involved are held accountable.”

U.S. Postal Inspector in Charge Henry Gutierrez stated, “Medicare fraud is an assault on resources for our most needy and vulnerable citizens. This joint effort by the South Florida law enforcement community demonstrates that those who engage in these illegal schemes will be prosecuted to the full extent of the law.”

The South Florida defendants are accused of various health care fraud-related crimes, including conspiracy to commit health care fraud, health care fraud, violations of the anti-kickback statutes and money laundering. The charges are based on a variety of alleged fraud schemes involving various medical treatments and services such as home health care, mental health services, and

physical and occupational therapy. According to court documents, the defendants allegedly participated in schemes to submit claims to Medicare for treatments that were medically unnecessary and oftentimes never provided. In many cases, court documents allege that patient recruiters, Medicare beneficiaries and other co-conspirators were paid cash kickbacks in return for supplying beneficiary information to providers, so that the providers could submit fraudulent billing to Medicare for services that were medically unnecessary or never provided.

Specifically, the South Florida cases announced as part of the nationwide Medicare Fraud Strike Force takedown include:

U.S. v. Odalys Fernandez, Kelvin Soto, Yumidia Naranjo, Jose Guerra, Yanuris Lima, and Servando Raya, Case No. 12-20230-CR-Ungaro

In this six-defendant case, two registered nurses employed by Ideal Home Health (Odalys Fernandez and Kelvin Soto) are charged with conspiracy to commit health care fraud for purportedly providing services, such as skilled nursing and physical therapy, to homebound beneficiaries. In fact, however, the services were either medically unnecessary or were never provided. As part of the scheme, the defendants falsified medical paperwork to make it appear as if they had provided the services. Four other defendants (Yumidia Naranjo, Jose Guerra, Yanuris Lima, and Servando Raya) are alleged to be patient recruiters who paid Medicare beneficiaries so they would serve as patients at Ideal Home Health. Ideal, in turn, submitted more than \$40 million in false billings to Medicare. This case is being prosecuted by Assistant U.S. Attorney Daniel Bernstein.

U.S. v. Eulises Escalona, Case No. 12-20293-CR-Lenard

This indictment charges Eulises Escalona with one count of conspiracy to commit health care fraud, one count of conspiracy to defraud the United States and to receive and pay health care kickbacks, and five counts of payment of health care kickbacks stemming from a \$42 million home health care fraud scheme. According to the indictment, Escalona owned and operated Willsand Home Health, Inc. (Willsand), a home health

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agency that purportedly provided home health and physical therapy services to eligible Medicare beneficiaries. In fact, however, from January 2006 through November 2009, Escalona and others paid kickbacks to Medicare beneficiaries to induce them to become patients at Willsand regardless of medical need and to falsely attest that they had received the purported services. In addition, Escalona and others paid kickbacks to patient recruiters and to doctors who signed fraudulent prescriptions and plans of care (POCs) for unnecessary home health services for patients at Willsand. To execute the scheme, Escalona and others falsified patient files and POCs to make it appear as if the patients had qualified for and actually received home health services. In this way, Willsand allegedly submitted approximately \$42 million in false claims to Medicare for services it claimed to have provided to approximately 622 beneficiaries. This case is being prosecuted by Trial Attorney Joseph S. Beemsterboer of the Criminal Division's Fraud Section.

U.S. v. Rodolfo Nieto, Jr., Case No. 12-20290-CR-Altonaga

This indictment charges Rodolfo Nieto, Jr., owner and operator of Ronat Home Health Care, Inc. (Ronat), with one count of conspiracy to defraud the United States and to receive and pay health care kickbacks and three counts of receipt of kickbacks for his participation in a \$60 million home health care fraud scheme. According to the indictment, from January 2006 through November 2009, Nieto accepted kickbacks in return for recruiting Medicare beneficiaries for placement at Nany Home Health, Inc. (Nany). Nieto allegedly caused Nany to submit claims to Medicare for home health services, including insulin injections and physical therapy, purportedly provided through Ronat. According to the indictment, Nany submitted approximately \$60 million in false claims to the Medicare program for services that it purportedly provided to approximately 1474 beneficiaries. This case is being prosecuted by Trial Attorney Joseph S. Beemsterboer of the Criminal Division's Fraud Section.

U.S. v. Maggie Leon, Yuderkis Pena Garcia and Eduardo Vilau, Case No. 12-20274-CR-Seitz

In this case, defendants Maggie Leon, Yuderkis Pena Garcia, and Eduardo Vilau, owners of Leon Medical and Leah Medical, were charged with conspiracy to commit health care fraud and health care fraud for submitting false claims to private insurance companies that were Medicare Advantage contractors under Part C of the Medicare program. As alleged in the

indictment, the defendants submitted approximately \$1,826,000 in false claims for expensive cancer and HIV injections that were not medically necessary and were not actually provided to the Medicare beneficiaries. In addition, the indictment alleges that the defendants conspired to pay kickbacks to Medicare beneficiaries so that they would serve as patients at Leah and Leon. This case is being prosecuted by Assistant U.S. Attorney Christopher J. Clark.

U.S. v. Ricardo Martinez, Case No. 12-20316-CR-Martinez

This indictment charges defendant Ricardo Martinez with health care fraud and paying kickbacks to patients. The indictment alleges that the defendant paid kickbacks and bribes to beneficiaries so that they would serve as patients at Rima Medical. The indictment further alleges that Martinez, through Rima Medical, submitted approximately \$1,706,701 in false claims for expensive cancer and HIV injections to private insurance companies that were Medicare Advantage contractors under Part C of the Medicare program. This case is being prosecuted by Assistant U.S. Attorney Christopher J. Clark.

U.S. v. Yaquelin Colls, Pedro Colls, and Jesus Fernandez, Case No. 12-20315-CR-Seitz

This indictment charges defendants Yaquelin Colls, Pedro Colls, and Jesus Fernandez with conspiracy to commit health care fraud, substantive health care fraud, conspiracy to pay health care kickbacks, and substantive charges of paying kickbacks. More specifically, the indictment alleges that the defendants owned and operated Ma Medical and Therapy Services, Inc. (Ma Medical), and caused the submission of \$972,068 in false medical claims for expensive cancer and HIV injections to a private insurance company that was a Medicare Advantage provider under Part C of the Medicare program. In a similar scheme, the defendants submitted \$55,642 in false claims to another private insurance company under Part C of the Medicare program through a second clinic, Healthy Touch Rehab Center Inc. (Healthy Touch), which they also owned and operated at the same address as Ma Medical. The indictment further alleges that the defendants conspired to pay kickbacks and bribes to beneficiaries so that they would serve as patients at Ma Medical and Healthy Touch. This case is being prosecuted by Assistant U.S. Attorney Christopher J. Clark.

U.S. v. Roberto L. Valdes Gonzalez, Francisca Gema Valdez, Gilberto Faure, and Alberto Sotolongo, Case No. 12-20275-CR-Moore

In this case, defendants Jose L. Valdes Gonzalez, a/k/a "Roberto Gonzalez," Alberto Sotolongo, a/k/a "Ruben," Gilberto Faure, and Francisca Gema Valdes were charged with conspiracy to commit health care fraud and substantive counts of health care fraud in connection with the operation of Ilva Pharmacy, Inc. More specifically, the indictment alleges that between 2009 and 2011, the defendants caused Ilva Pharmacy to submit approximately \$1.3 million in false claims for prescription drugs that were not provided to Medicare and private insurance companies that were Medicare Advantage contractors under Part D of the Medicare program. The indictment additionally charges Gonzalez and Sotolongo with offering and paying kickbacks to Medicare beneficiaries to induce them to serve as patients at Ilva Pharmacy. This case is being prosecuted by Assistant U.S. Attorney John Couriel.

U.S. v. Alina De Armas, Case No. 12-20282-CR-Zloch

In this case, defendant Alina De Armas is charged with health care fraud and with paying kickbacks to patients. The information alleges that De Armas offered and paid kickbacks to Medicare beneficiaries to induce them to serve as patients at Ultratech Medical Supplies, Inc., d/b/a Guines Pharmacy. In this way, from 2007 through 2011, De Armas caused the submission through Guines Pharmacy of approximately \$3.6 million in false claims for prescription drugs to Medicare and private insurance companies that were Medicare Advantage contractors under Part D of the Medicare program. This case is being prosecuted by Assistant U.S. Attorney John Couriel.

U.S. v. Isaura Bou-Melendez and Grisel Font, Case No. 12-20113-CR-MGC

In this case, Isaura Bou-Melendez and Grisel Font are charged with conspiracy to commit health care fraud. Bou and Font, licensed therapists, owned and operated a comprehensive outpatient rehabilitation facility, Font & Bou Rehab Associates, Inc. The information alleges that from January 2006 through February 2010, Font and Bou allegedly submitted approximately \$6.9 million in false claims to Medicare for physical and occupational therapy services that were not medically necessary or not provided as claimed. This case is being prosecuted by Assistant U.S. Attorney Jon Juenger.

U.S. v. Maritza Claudia Fernanda Lorza Ramirez, and James Arley Velasco Gonzalez, Case No. 12-60090-CR-KMW

This indictment charges defendants Maritza Lorza Ramirez and James



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Velasco Gonzalez with conspiracy to commit money laundering and substantive counts of money laundering. More specifically, the indictment alleges that between January 2006 and December 2010, Lorza and Velasco laundered approximately \$3 million in health care fraud proceeds for several companies using their own corporations, including Celebration Home Services, Inc., 4 All Your Needs, Inc., VPP Staffing, Inc, and Work Force Innovations, Inc. This case is being prosecuted by Assistant U.S. Attorney Jon Juenger.

U.S. v. Orlando Conrado Piedra Jr., Case No. 12-60091-CR-KMW

This indictment charges Orlando Piedra, an accountant, with conspiracy to commit money laundering and substantive counts of money laundering. More specifically, the indictment alleges that between June 2007 and September 2009, Piedra laundered approximately \$500,000 in health care fraud proceeds for several companies through his own company, Media Health Consultants, Inc. This case is being prosecuted by Assistant U.S. Attorney Jon Juenger.

U.S. v. Armando "Manny" Gonzalez, John Thoen, Wondera Eason, Paul Thomas Layman, Alexandra Haynes, Serena Joslin, Ivon Perez, Daniel Martinez, Raymond Rivero, Case No. 12-20291-CR-Altonaga

Armando "Manny" Gonzalez, John Thoen, Wondera Eason, Paul Thomas Layman, Alexandra Haynes, and Serena Joslin are charged with one count of conspiracy to commit health care fraud through a company called Health Care Solutions Network (HCSN). Additionally, defendants Gonzalez, Daniel Martinez, Raymond Rivero, and Ivon Perez are charged with conspiracy to receive and pay health care kickbacks; defendants Martinez, Rivero, and Perez are charged with substantive counts of soliciting and receiving health care kickbacks; defendants Gonzalez and Thoen are charged with one count of conspiracy to commit money laundering; and defendant Gonzalez is charged with substantive counts of money laundering. More specifically, the indictment alleges that between November 2004 and March 2011, Gonzalez, Thoen, Eason, Layman, Haynes, and Joslin conspired to submit approximately \$63 million in false claims to Medicare and Medicaid for mental health services that were neither necessary nor provided. The indictment also alleges that Gonzalez conspired with owners of Assisted Living Facilities (ALFs), including Martinez, Rivero, and Perez to pay and receive health care kickbacks in exchange for referring Medicare

beneficiaries to HCSN. This case is being prosecuted by Trial Attorney Steven Kim of the Criminal Division's Fraud Section.

U.S. v. Sarah Da Silva Keller, Case No. 12-20289-CR-Cooke

Sarah Da Silva Keller is charged with one count of conspiracy to commit health care fraud. More specifically, the criminal information alleges that between April 2006 and February 2008, Keller conspired with others at HCSN to submit false claims to Medicare for mental health services that were neither medically necessary nor provided. The information further alleges that HCSN submitted approximately \$63 million in false claims to Medicare. This case is being prosecuted by Trial Attorney Steven Kim of the Criminal Division's Fraud Section.

U.S. v. Alba Serrano, Case No. 12-20285-CR-Seitz

Alba Serrano is charged with one count of conspiracy to commit health care fraud. The criminal information alleges that Serrano, the owner of Elsa's House of the Elderly, a Miami-Dade ALF, referred residents from her ALF to American Therapeutic Corporation (ATC) in exchange for kickbacks. ATC was a Community Mental Health Center (CMHC) that submitted false claims for intensive mental health services, called Partial Hospitalization Program, based on Serrano's Medicare beneficiary referrals. This case is being prosecuted by Trial Attorney Steven Kim of the Criminal Division's Fraud Section.

U.S. v. Bobby Ramnarine, Case No. 12-20288-CR-Middlebrooks

Bobby Ramnarine is charged with one count of conspiracy to commit health care fraud. The criminal information alleges that Ramnarine, the owner of Elmina's ALF, in Broward County, recruited residents from Elmina's to become patients at ATC in exchange for kickbacks. ATC submitted false claims for PHP services based on Ramnarine's Medicare beneficiary referrals. This case is being prosecuted by Trial Attorney Steven Kim of the Criminal Division's Fraud Section.

U.S. v. Giuseppe Pellerito, Case No. 12-20292-CR-Cooke

In this case, defendant Giuseppe Pellerito is charged with conspiracy to receive health care kickbacks and substantive counts of receiving kickbacks. The indictment alleges that Pellerito, the owner of Florida Sober House (FSH), received kickbacks for recruiting residents from FSH to become patients at ATC. ATC, in turn, submitted false claims for PHP based on Pellerito's referrals. This case is being prosecuted by Trial Attorney Steven Kim of the Criminal Division's

Fraud Section.

U.S. v. Hassan Collins, Case No. 12-20286-CR-Moore

Hassan Collins is charged with one count of conspiracy to pay and receive health care kickbacks. According to the criminal information, Collins was the owner of New Way Recovery Inc. (NWR), which operated several halfway houses in Broward County. Collins allegedly received kickbacks for recruiting Medicare beneficiaries who resided at NWR to become patients at ATC. This case is being prosecuted by Trial Attorney Steven Kim of the Criminal Division's Fraud Section.

U.S. v. Jean Luc Veraguas, Case No. 12-20287-CR-Moreno

Jean-Luc Veraguas is charged with one count of conspiracy to commit health care fraud. The criminal information alleges that Veraguas was the owner of Neu Ways Inc., which operated several halfway houses in Broward County. Veraguas allegedly referred residents at his houses to ATC in exchange for kickbacks. This case is being prosecuted by Trial Attorney Steven Kim of the Criminal Division's Fraud Section.

U.S. v. Pablo Orama, Vivian Augustine, a /k/a Vivian Salazar, Ariane Marchioro Amorim, Jose Orelvis Ortega, Marlen Diosdada Garcia, Ivon Perez, Marianela Terrero, Jose Abreu-Gonzalez, Elba M. Caicedo, Carlos A. Herrera, Marisela Sherwood, Nancy Diaz, Daymi Fuentes Gil, Olga Martinez Rodriguez, Yuria Perez Rivero, and Joel Loyola, Case No. 12-20265-CR-Middlebrooks(s)

In this case, 16 defendants are charged with conspiracy to pay and receive health care kickbacks and substantive counts of paying and receiving kickbacks in connection with a federal health care program. According to the indictment, defendant Pablo Orama was the owner of Superstar Home Health, a Miami-Dade County home health agency that purportedly provided skilled nursing services and physical therapy to homebound Medicare beneficiaries. Vivian Augustine and Ariane Amorim were employees of the company. Jose Orelvis Ortega, Marlen Garcia, Ivon Perez, Marianela Terrero, Jose Abreu-Gonzalez, Elba Caicedo, Carlos Herrera, Marisela Sherwood, and Nancy Diaz were recruiters who offered money to Medicare beneficiaries in return for their agreement to serve as patients at Superstar. Defendants Daymi Fuentes Gil, Olga Rodriguez, Yuria Rivero, and Joel Loyola were Medicare beneficiaries who accepted kickbacks in return for agreeing to serve

Twenty-Two Detroit-Area Residents Charged in Nationwide Medicare Fraud Strike Force Takedown

McNabb Associates, P.C. (Federal Criminal Defense Lawyers)

Submitted at 12:19 PM May 3, 2012

The Federal Bureau of Investigation (FBI) on May 2, 2012 released the following:

“Total of 107 Defendants Charged in Seven Cities for Approximately \$452 Million in False Billing

DETROIT—Twenty-two Detroit-area residents were charged today for their roles in psychotherapy, home health care, and infusion therapy schemes to submit more than \$58 million in false billing to Medicare, announced the Departments of Justice and Health and Human Services. Including these charges, Medicare Fraud Strike Force operations in Detroit have charged a total of 164 individuals in cases involving approximately \$244 million in fraudulent billings to Medicare.

The charges in Detroit are part of a nationwide takedown by Medicare Fraud Strike Force operations in seven cities that led to charges against 107 individuals for their alleged participation in schemes to collectively submit more than \$452 million in fraudulent claims to Medicare. This takedown involved the highest amount of false Medicare billing in a single takedown in strike force history. “The results we are announcing today are at the heart of an administration-wide commitment to protecting American taxpayers from health care fraud, which can drive up costs and threaten the strength and integrity of our health care system,” said Attorney General Eric Holder. “We are determined to bring to justice those who violate our laws and defraud the Medicare program for personal gain. As today’s takedown reflects, our ongoing fight against health care fraud has never been more coordinated and effective.”

United States Attorney for the Eastern District of Michigan Barbara L. McQuade stated, “A disturbing new trend we are seeing is the exploitation of adults in foster care. Providers bill Medicare for home health and psychotherapy services for disabled adults that are unnecessary or not provided.”

“Those who seek to steal from Medicare and exploit the system will be vigorously pursued and brought to justice,” stated Special Agent in Charge of the FBI’s Detroit Division Andrew G. Arena. “These arrests are the result of a tremendous amount of hard work by FBI and HHS-OIG agents.”

“Today’s indictments and arrests in the areas of home health care, psychotherapy, or infusion therapy fraud demonstrate that HHS-OIG agents will untangle even the most complex fraud schemes and hold those responsible accountable for their criminal actions,” said Lamont Pugh III, Special Agent in Charge of the Department of Health & Human Services Office of Inspector General for the Chicago Region, which includes Detroit. “Through collaboration with our law enforcement partners, HHS-OIG will bring to justice those who waste Medicare’s limited resources and prevent the most vulnerable members of our society from receiving vital health care services.”

Court documents unsealed today in the Eastern District of Michigan charge defendants including owners and operators of companies, social workers, office employees, and patient recruiters with submitting fraudulent claims for services that were never rendered. Eighteen of the defendants were either arrested this morning or will be self surrendering this week and four defendants remain at large. In addition, law enforcement agents today executed search warrants at nine locations and seizure warrants of 14 bank accounts related to the alleged fraud schemes. The following charges were unsealed:

United States v. Rahman, et al.

Five individuals were charged in a superseding indictment with conspiracy to commit health care fraud for their roles in a \$13.8 million scheme to defraud Medicare by submitting fraudulent claims for home health care services. One of the defendants was also charged with conspiracy to pay or receive kickbacks to refer Medicare beneficiaries for the fraudulent services. The indictment alleges that the fraudulent claims were submitted by four home health agencies operating in Livonia, Michigan: Physicians Choice Home Health Care, LLC; First Care Home Health Care, LLC; Quantum Home Care, Inc.; and Moonlite Home Care, Inc.

The defendants charged in the superseding indictment are: Bilal Akbar, 49, formerly of Canton, Michigan; Joann Terrell, 49, of Detroit; Madhur Thawani, 27, of Auburn Hills, Michigan; Shahzad Mirza, 41, of Canton, Michigan; and Ankit Patel, 27, of Plymouth, Michigan.

United States v. Mehmood, et al.

Two individuals were charged in a

superseding indictment with conspiracy to commit health care fraud for their roles in a \$33 million scheme to defraud Medicare by submitting fraudulent claims for home health care services, as well as conspiracy to pay or receive illegal kickbacks. The indictment alleges that the fraudulent claims were submitted by four home health agencies operating in Ypsilanti, Michigan and Detroit, Michigan: Access Care Home Care, Inc.; Patient Care Home Care, Inc.; Hands On Healing Home Care, Inc.; All State Home Care, Inc.

The defendants charged in the superseding indictment are: Badar Ahmadani, 45, of Ypsilanti Michigan and Falusic Ashford, 47 of Detroit, Michigan.

United States v. Sharma, et al.

Four individuals were charged in an indictment with conspiracy to commit health care fraud for their roles in a \$23 million scheme to defraud Medicare by submitting fraudulent claims for home health care services and psychotherapy services. Three of the individuals were also charged with conspiring to pay or receive illegal kickbacks. The indictment alleges that the fraudulent claims were submitted by three home health agencies and an adult day care center. The home health agencies operating in Madison Heights, Michigan and Sterling Heights, Michigan are: Reliance Home Care, LLC; First Choice Home Health Care Services, Inc.; and Associates in Home Care, Inc. The adult day care center operating in Detroit Michigan is Haven Adult Day Care Center, LLC.

The defendants charged in the indictment are: Sachin Sharma, 36, of Shelby Township, Michigan; Dana Sharma, 29, of Shelby Township, Michigan; Abdul Malik Al-Jumail, aka “Tony,” 52, of Brownstown, Michigan; and Felicar Williams, 49, of Dearborn, Michigan.

United States v. English, et al.

Six individuals were charged in an indictment with conspiracy to commit health care fraud for their roles in a \$2.8 million scheme to defraud Medicare by submitting fraudulent claims for psychotherapy services. Two of the defendants are also charged with additional health care fraud counts. The indictment alleges that the fraudulent claims were submitted by an adult day care center operating in Flint, Michigan: New Century Adult Day Program Services, LLC.

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Twenty-One Defendants Charged for Alleged Corruption at Two Southern California DMV Offices

McNabb Associates, P.C. (Federal Criminal Defense Lawyers)

Submitted at 3:12 PM May 3, 2012

The Federal Bureau of Investigation (FBI) on May 2, 2012 released the following:

“United States Attorney Laura E. Duffy announced today that employees at the California Department of Motor Vehicles (“DMV”) in San Diego County were charged in a criminal complaint for their involvement in a long-running bribery conspiracy that resulted in the production of hundreds of fraudulent driver licenses for applicants who had failed—or not taken—the required driver license tests.

The complaint alleges that DMV officials at the El Cajon DMV office, located at 1450 Graves Avenue, El Cajon, California, and the Rancho San Diego DMV office, located at 1901 Jamacha Road, El Cajon, California, falsely entered both “passing” written and “passing” driving test scores for applicants in exchange for bribes ranging up to \$3,000 per license.

In addition to the DMV employees, 16 other defendants were charged in the complaint. According to the charging documents, these 16 other defendants are applicants who paid bribes to receive fraudulent driver licenses, or recruiters who brokered the corrupt deals for fraudulent licenses by getting money from the applicants and paying the bribes to the DMV employees. According to court documents, the corruption scheme involved the fraudulent production of both Class C (regular) and Commercial Class A driver licenses. Hundreds of applicants paid recruiters approximately \$400- \$500 for each fraudulent Class C license, which the conspirators produced at the El Cajon DMV. The complaint alleges that the DMV employees named in the complaint accepted bribes paid by these applicants despite the obvious public safety risk posed. For example, one DMV employee admitted to a recruiter that an applicant taking a driving test was so dangerous that she was “gonna kill someone.” The DMV employee, however, provided a fraudulent license to the dangerous applicant in exchange for a bribe the recruiter because he “need[ed] cash.”

According to the complaint, applicants seeking Commercial Class A licenses, produced at the Rancho San Diego DMV, typically paid recruiters \$2,500-\$3,000. Commercial Class A driver licenses allow the licensee to drive commercial vehicles

weighing more than 10,000 pounds, which can cause enormous harm to the public if operated incorrectly by an unqualified driver. The complaint further alleges that DMV employees entered false passing test scores that allowed applicants to fraudulently obtain additional certifications for specific operations of the commercial vehicles, such as transporting hazardous materials or towing multiple trailers. The United States Attorney emphasized that these fraudulent certifications posed a significant threat to public safety, given that an unqualified driver could then transport hazardous materials or tow multiple trailers on the public roads.

For both Class C and Commercial Class A licenses, the recruiters told the applicants that, if they paid the fee, they would not have to take any of the required tests in order to receive a license. The complaint alleges that the recruiters made good on their claim as Jim Lynn Bean, Jeffrey Thomas Bednarek, Scott David Friedli, and Marco Beltran took advantage of their positions as DMV employees to enter fraudulent passing written and driving test scores into the DMV database. These DMV employees were responsible for conducting driving tests for driver license applicants, but by entering false information, circumvented the DMV’s driver license application process.

All 21 defendants were charged with conspiracy to commit bribery and to produce unauthorized identification documents, in violation of Title 18, United States Code, Section 371. In addition, defendants Bean, Bednarek, Friedli, and Beltran were charged with one count of bribery, in violation of Title 18, United States Code, Section 666(a)(1)(B). The operator of the U.S. Driving School in El Cajon, Kuvan Adil Piomari, was charged with one count of bribery, in violation of Title 18, United States Code, Section 666(a)(2). The defendants taken into custody today are expected to make their initial appearances before United States Magistrate Judge William V. Gallo on May 3, 2012.

United States Attorney Duffy commented that this criminal complaint and arrests are the result of an active, ongoing criminal investigation. If anyone in the community has information about corruption at the DMV, they are asked to contact the Federal Bureau of Investigation at 1-877-NO-BRIBE (662-7423), or the DMV’s Investigations Branch-Office of Internal

Affairs at 626-851-0173.

Criminal Case No. 12MJ1576

Defendants Jim Lynn Bean Age: 33
Kuvan Adil Piomari Age: 42 Jeffrey
Thomas Bednarek Age: 53 Scott David
Friedli Age: 32 Marco Beltran Age: 41
Gabriela Villanueva Age: 30 Bashar
Asaad Azaria Age: 34 Reenan Esa Kuza
Age: 29 Usman Aliyev Age: 29
Abdulmajed Alhokair Age: 21 Ahmad
Alarbeed Age: 20 Mohammed Alsuwaidi
Age: 18 Ali Rashid Al-Sowaidi Age: 22
Khalid Abdulaziz Al-Sowaidi Age: 22
Talal Bass Almousharji Age: 19 Virginia
Pena Age: 32 Yontar Gizem Age: 19
Douri Zafer Age: 43 Asiel Bahjat Tomika
Age: 30 Angel Salvador Astimibay Age:
50 Bekzad Mirhanov Age: 31

Summary of Charges

Count 1: Title 18, United States Code, Section 371—Conspiracy to Commit Bribery and to Produce Unauthorized Identification Documents—statutory maximum sentence of five years’ custody, a maximum fine of \$250,000, and \$100 special assessment. All defendants.

Count 2: Title 18, United States Code, Section 666(a)(1)(B)—Bribery—statutory maximum sentence of 10 years’ custody, a maximum fine of \$250,000, and \$100 special assessment. As to defendants: Jim Lynn Bean, Jeffrey Thomas Bednarek, Scott David Friedli, and Marco Beltran.

Count 3: Title 18, United States Code, Section 666(a)(2)—Bribery—statutory maximum sentence of 10 years’ custody, a maximum fine of \$250,000, and \$100 special assessment. As to defendant Kuvan Adil Piomari.

Investigating Agencies

Federal Bureau of Investigation
California Department of Motor Vehicles
-Investigations Division

A complaint is not evidence that the defendants committed the crimes charged. The defendants are presumed innocent until the government meets its burden in court of proving guilt beyond a reasonable doubt.”

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Manhattan U.S. Attorney Announces Arrests of Two Individuals in Alleged Multi-Million-Dollar Scam Involving Elderly Woman

McNabb Associates, P.C. (Federal Criminal Defense Lawyers)

Submitted at 11:12 AM May 3, 2012

The Federal Bureau of Investigation (FBI) on May 2, 2012 released the following:

“Preet Bharara, the United States Attorney for the Southern District of New York; Eric T. Schneiderman, the New York State Attorney General; and Janice K. Fedarcyk, the Assistant Director in Charge of the New York Office of the Federal Bureau of Investigation (“FBI”), announced charges today against IFEANYICHUKWU ERIC ABAKPORO and LATANYA PIERCE for allegedly swindling an elderly woman out of her multi-million-dollar property in Harlem that she had owned for more than 40 years and then deceiving a bank into giving them a \$1.8 million mortgage loan secured by the property. ABAKPORO was arrested Monday in Queens, New York, and PIERCE was arrested yesterday after voluntarily surrendering to the FBI.

Manhattan U.S. Attorney Preet Bharara stated: “As alleged, these two defendants preyed on an elderly woman, using false documents and fraudulent representations to essentially steal her property out from under her. They then allegedly took their brazen scheme one step further, using the property to deceive a bank into lending them more than a million dollars. Sadly, this type of mortgage fraud scheme and exploitation of vulnerable victims have become all too familiar, but as these charges make clear, we are committed to bringing those who perpetrate these types of harmful schemes to justice.”

New York State Attorney General Eric Schneiderman stated: “Through lies and deception, these individuals abused the trust of an elderly woman in order to perpetrate a multi-million-dollar fraud. Now that their despicable scheme has been exposed, they will face justice.”

Assistant Director in Charge Janice K. Fedarcyk stated: “These defendants are charged with spinning a web of lies to steal the victim’s property. Cases like this are rightly a priority for the FBI: fraudulent schemes that victimize the vulnerable and enrich the unscrupulous.”

As alleged in the indictment unsealed yesterday in Manhattan federal court:

Beginning in March 2006, ABAKPORO, a lawyer with an office in Brooklyn, New York, and PIERCE, who worked for ABAKPORO, cultivated a relationship with an elderly woman (“the Victim”)

who owned a residential apartment building worth millions of dollars located at 1070 St. Nicholas Avenue in Harlem (the “Property”). As part of the fraud scheme, ABAKPORO and PIERCE earned the Victim’s trust by, among other things, offering to help her manage the Property. This included collecting rent from its tenants on her behalf. However, instead of providing the Victim with the renters’ money, ABAKPORO and PIERCE pocketed it.

ABAKPORO and PIERCE then convinced the Victim to sell her property to them for \$3.1 million. While they contracted to buy the property for that amount, at the closing, they presented the Victim with multiple fake and fraudulent checks to make it appear as if they had paid the contracted sale amount, when in fact they had not. Moreover, after the Victim’s attorney had left the closing, ABAKPORO and PIERCE fraudulently induced her to return all of the checks to them by representing that they would safeguard her money and give her a “private mortgage” in the Property, which they explained would include monthly payments made to her based on the money she had effectively loaned them. As part of the scheme, ABAKPORO and PIERCE signed and provided the Victim with a written agreement representing that she had loaned them approximately \$1.9 million and in return held a “private mortgage” in the Property. Unbeknownst to the Victim, ABAKPORO and PIERCE never recorded the private mortgage and subsequently submitted a fraudulent application to Washington Mutual Bank seeking a \$1.8 million mortgage loan secured by the Property. ABAKPORO and PIERCE never disclosed to the bank that the Victim already held a private mortgage on the Property. Instead, ABAKPORO and PIERCE falsely represented to the bank that they had purchased the Property for \$3.1 million and owned it “free and clear.” Based on those, and other, fraudulent representations, ABAKPORO and PIERCE obtained a \$1.8 million mortgage loan from the bank, which they failed to repay.

As a result of the alleged fraud, the defendants obtained substantially all of the Victim’s assets, and \$1.8 million in fraudulently obtained mortgage proceeds. The Property went into default.

ABAKPORO, 52, a Nigerian citizen, is a resident of Queens, and PIERCE, 43, is a

resident of Brooklyn. They are each charged with wire fraud, bank fraud, wire fraud conspiracy, and bank fraud conspiracy. The wire fraud and wire fraud conspiracy charges each carry a maximum prison term of 20 years. The bank fraud and bank fraud conspiracy charges each carry a maximum prison term of 30 years.

ABAKPORO is currently detained pending his satisfaction of court-ordered bail conditions: a \$1 million bond secured by an interest in property and co-signed by three individuals. PIERCE was released on a \$500,000 bond to be co-signed by three individuals and secured by two properties.

Mr. Bharara praised the New York State Attorney General’s Office investigative staff and the FBI for their excellent work on the investigation of this matter. He also thanked the New York State Department of Financial Services for its assistance.

The case is being handled by the Office’s Complex Frauds Unit. Southern District of New York Assistant U.S. Attorneys Ryan Poscablo and Michael Lockard, along with Assistant Attorney General Meryl Lutsky, who has been designated a Special Assistant U.S. Attorney, and Assistant Attorney General Rhonda Greenstein, are in charge of the prosecution.

The charges contained in the indictment are merely accusations, and the defendants are presumed innocent unless and until proven guilty.”

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Cleveland bomb case: Role of FBI informant will be key

McNabb Associates, P.C. (Federal Criminal Defense Lawyers)

Submitted at 1:08 PM May 3, 2012

Chicago Tribune on May 2, 2012 released the following:

“By Michael Muskal

As the case of five men charged with plotting to blow up a Cleveland-area bridge goes forward, one of the key questions will revolve around the role of the FBI’s confidential informant in the case. That informant was at the center of discussions and, according to at least one defense lawyer, may have been too active.

The five men are scheduled to appear in federal court Monday for a hearing on charges including conspiracy and trying to bomb property used in interstate commerce. The government alleges that the group was involved in an anarchist plot to make a violent political statement against the wealthy and powerful in time for May Day, which honors workers’ struggles around the world. If convicted, each faces more than 20 years in prison.

All are expected to plead not guilty. The bigger question will be their defense, and one lawyer has already called into question the role of the person expected to be the key witness, a confidential informant. Such a defense would be similar to that of other terrorism-type cases involving a sting or the use of an informant.

Defense lawyer John Pyle, who represents one of the defendants, Brandon Baxter, told the Associated Press that the informant’s role needed to be examined. “We need to ... put the case under a microscope,” Pyle said. “But just on the basis on the filing in the court, there’s some indicators that this informant was playing a really active role.”

The informant, identified in court papers as “Confidential Human Source,” has been working for the FBI since July 20, and received approximately \$5,750 for services and \$550 for expenses.

The payments stopped when the informant began probation on a charge of passing bad checks. According to the affidavit filed with the criminal complaint, the source’s criminal record includes a conviction for possessing cocaine in 1990, a conviction for robbery in 1991 and four convictions for passing bad checks between 1991 and 2011.

Perhaps more important is the source’s role. According to the affidavit, the FBI

directed the source to attend a demonstration on Oct. 21, because law enforcement had “an initial report of potential criminal activity and threats involving anarchists who would be attending” a protest in Cleveland. At the demonstration, the source made the first contact with some of the suspects.

In later meetings, the source recorded numerous conversations and was present as the plans to blow up the bridge were allegedly firmed up. Eventually, the group’s members reportedly purchased what they thought were explosives from an undercover FBI employee, along with the purported codes and cellphone equipment needed to bring down a bridge. The reported target was a span crossing the Cuyahoga Valley National Park south of downtown Cleveland.

Authorities said the group tried to detonate the explosives but nothing happened. The defendants were arrested in a car near the bridge Monday night.

It is not unusual to use informants or even stings in law enforcement. Those who’ve spent even a small amount of time watching the myriad number of crime and law shows on television know that there’s usually a jailhouse snitch ready to make a deal by incriminating a defendant.

In real life, a number of mob trials have depended on a gangster who turned on former colleagues. In the area of fighting public corruption, probably the most famous case was Abscam in the late 1970s. In that case, an FBI employee masqueraded as a Middle East sheik and was videotaped offering money in exchange for political favors. Eventually, a U.S. senator and five congressmen were convicted of corruption.

The government’s use of informants and stings has become very visible — and more controversial — since the Sept. 11 attacks. Undercover informants played major roles in alleged plots to bomb New York synagogues, set off a bomb near Chicago’s Wrigley Field, attack a federal courthouse in Illinois and blow up a building in Dallas.

In all of the cases, the federal government said it used the resources that were available. But in at least one case, the tactics were not greeted with enthusiasm by the judge.

In September in New York, District Judge Colleen McMahon handed down a mandatory 25-year prison sentence in a

plot to bomb synagogues and shoot down military planes with missiles. But she made it clear that she was unhappy with how the government had run a sting.

That operation began in 2008 after an FBI informant was assigned to infiltrate a mosque in Newburgh, N.Y. The informant pretended to be a representative of a Pakistani terrorist organization eager to finance jihad against the United States; he was also a key player in the plot. The informant later testified against the group, each of whom received the mandatory 25-year sentence.

“The essence of what occurred here was that a government, understandably zealous to protect its citizens, created acts of terrorism out of the fantasies and the bravado and the bigotry of one man in particular and four men generally and then made these fantasies come true,”

McMahon noted in court, as reported by the Associated Press. “The government made them terrorists.... I am not proud of my government for what it did in this case.”

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U.S. v. Matthew Worthing

(Antitrust Division: Criminal Case Filings)

Submitted at 12:58 PM May 3, 2012

Document filed on April 26, 2012

- [Information](#)



Executive Indicted for Allegedly Defrauding Employee Benefit Plans of Public Housing Agencies Nationwide of \$8.6 Million

McNabb Associates, P.C. (Federal Criminal Defense Lawyers)

Submitted at 3:14 PM May 3, 2012

The Federal Bureau of Investigation (FBI) on May 3, 2012 released the following:
“CHICAGO— A former executive and part owner of a suburban company that administered employee pension plans and group life insurance programs for public housing authorities across the country was indicted for allegedly defrauding the agencies and their employees of more than \$8.6 million. The defendant, Richard P. Zachmann, was charged with 12 counts of wire fraud in an indictment returned yesterday by a federal grand jury, Patrick J. Fitzgerald, United States Attorney for the Northern District of Illinois, and Robert D. Grant, Special Agent in Charge of the Chicago Office of the Federal Bureau of Investigation, announced today. Zachmann, 60, of Aurora, will be arraigned at a later date in U.S. District Court. He was vice president of Life Associates, Inc., and between 2001 and 2008 controlled operations of the business, which he and his wife owned. Life Associates, which had offices in far west suburban Sandwich and later in Sugar Grove, administered employee pension plans and group life insurance programs for more than 100 public housing authorities in 21 states, with thousands of employee beneficiaries. Chicago area clients included the public housing agencies in Du Page County, Elgin, North Chicago, and East Chicago, Indiana. The Chicago Housing Authority was not a client of Life Associates. Between 2002 and January 2009, Zachmann allegedly did not disclose to, and concealed from, the housing authorities and the beneficiaries that their pension plans and group life insurance programs had received valuable proceeds when the financial company that serviced the plans converted from a mutual holding company, owned by its policyholders, to a publicly traded company through a process known as “demutualization.” Zachmann allegedly converted approximately \$8,628,666 in demutualization proceeds to his and his wife’s personal benefit, to the benefit of Life Associates, and to the benefit of other non-related businesses that Zachmann at

least partially owned. Zachmann knew that these proceeds were to be used solely for the benefit of the housing authority benefit plans and their beneficiaries, the charges allege. According to the indictment, Life Associates offered its housing agency clients access to a group life insurance program through Principal Financial Group (formerly known as Principal Mutual Holding Company), based in Des Moines, Iowa, that provided investment management services to the housing authorities. In May 2001, Principal converted from a company owned by its policyholders to a publicly traded company. As a result of the demutualization process, Principal’s customers and policyholders, including the housing authorities, were entitled to share the distributions of Principal’s value at the time of its initial public offering in the form of cash, policy credits and Principal’s stock.

In February 2002, Zachmann caused account credits to the housing authorities’ pension plans to be converted into approximately \$6,250,967 in cash. At the same time, he allegedly caused Principal common stock shares credited to the group life insurance plan to be sold and converted into approximately \$1,363,458 in cash, which grew with interest over time. In about July 2002, Zachmann caused Principal to debit the demutualization proceeds on roughly a monthly basis, retroactive to April 2002, to pay increased fees to Life Associates, and he provided Principal with false documents purporting to prove that the housing authorities knew about the higher fees, as well as the existence of the demutualization proceeds, the indictment charges.

Between July 2002 and May 2007, Zachmann allegedly caused Principal to make monthly payments to Life Associates totaling nearly all of pension plan demutualization proceeds, which had grown to approximately \$6,861,666. As these proceeds were nearing depletion, between February 2007 and January 2009, Zachmann allegedly caused Life Associates to receive payment of life insurance demutualization proceeds totaling approximately \$1,767,000. The indictment seeks forfeiture of at least \$8,628,666 in alleged proceeds of the

fraud scheme.

Each count of wire fraud carries a maximum penalty 20 years in prison, and a \$250,000 fine of \$250,000, and restitution is mandatory. The court may also impose a fine totaling twice the loss to any victim or twice the gain to the defendant, whichever is greater. If convicted, the court must impose a reasonable sentence under federal statutes and the advisory United States Sentencing Guidelines.

The government is being represented by Assistant U.S. Attorney Andrew S. Boutros.

The public is reminded that an indictment contains only charges and is not evidence of guilt. The defendant is presumed innocent and is entitled to a fair trial at which the government has the burden of proving guilt beyond a reasonable doubt.”

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as patients at Superstar. This case is being prosecuted by Assistant U.S. Attorney Eric E. Morales.

U.S. v. Jorge Luis Reyes and Waldo Gonzalez, Case No. 12-14030-CR-Moore
This indictment charges Jorge Luis Reyes and Waldo Gonzalez, owners of a medical clinic that purported to treat HIV-positive Medicare beneficiaries at locations in Miami-Dade and St. Lucie Counties. According to the indictment, between November 2005 and January 2009, the defendants submitted approximately \$15,201,162 in fraudulent claims to Medicare for treatment that was not provided, and in many cases would not have been medically necessary. The majority of the fraudulent claims (more than \$13.6 million) were submitted to private insurance companies that were a Medicare Advantage contractor under Part C of the Medicare program. This case is being prosecuted by Assistant U.S. Attorney Marc Osborne.

U.S. v. Manotte Bazile, Case No. 12-20284-CR-Lenard

Defendant Manotte Bazile, a former social worker and licensed intern at Biscayne Milieu, was charged with health care fraud conspiracy for purportedly treating patients who did not qualify for PHP treatment. This case is part of larger indictment involving of Biscayne Milieu, a CMHC that was involved in the submission of \$57 million in false claims to Medicare for purportedly providing PHP services to Medicare beneficiaries who did not qualify for or receive the treatments that were billed to Medicare. In this case, Bazile assisted non-U.S. citizen patients by completing immigration forms on their behalf that falsely indicated that the patients suffered from mental illnesses, thereby fraudulently enabling the patients to avoid taking the citizenship test. This case is being prosecuted by Assistant U.S. Attorney Alicia Shick.

U.S. v. Roselyn Nicole Charles, Case No. 12-20283-CR-Ungaro

Defendant Roselyn Nicole Charles, a former patient recruiter at Biscayne

Milieu, was charged with conspiracy to pay health care fraud kickbacks. More specifically, the criminal information alleges that Charles recruited patients to participate in Biscayne Milieu's PHP in exchange for kickbacks. These patients, who did not qualify for PHP treatment, were promised assistance with their U.S. citizenship applications in exchange for their participation in Biscayne Milieu's PHP. This case is part of larger indictment of Biscayne Milieu, a CMHC that was involved in the submission of more than \$57 million in false claims to Medicare for purportedly providing PHP services to Medicare beneficiaries who did not qualify for PHP treatment or receive the treatments that were billed to Medicare. This case is being prosecuted by Assistant U.S. Attorney Alicia Shick.

The cases announced today are being prosecuted and investigated by Medicare Fraud Strike Force teams comprised of attorneys from the Fraud Section of the Justice Department's Criminal Division and from the U.S. Attorney's Offices for the Southern District of Florida, the Eastern District of Michigan, the Southern District of Texas, the Central District of California, the Middle District of Louisiana; the Northern District of Illinois, and the Middle District of Florida; and agents from the FBI, HHS-OIG, and state Medicaid Fraud Control Units.

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 1,330 defendants who collectively have falsely billed the Medicare program for more than \$4 billion. Miami was the first Strike force city in the nation, and the model for others that followed.

An indictment or information is only an accusation 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>."

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TWENTY-ONE

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[Federal Mail Fraud Crimes](#)
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TWENTY-TWO

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The defendants charged in the indictment are: Glenn English, 52, of Detroit, Michigan; Gregory Lawrence, 54, of Detroit, Michigan; Richard Hogan, 65, of Flint, Michigan; Donald Berry, 65, of Detroit, Michigan; Felicia Marsh, 44, of Detroit, Michigan; and Jamie Moreau, 34, of Davison, Michigan.

United States v. Thompson, et al.

Two individuals were charged in an indictment with conspiracy to commit health care fraud and additional counts of health care fraud for their roles in a \$20 million scheme to defraud Medicare by submitting fraudulent claims for psychotherapy services. The indictment alleges that the fraudulent claims were submitted by two psychotherapy clinics and an adult day care center operating in Detroit, Michigan: TGW Medical, Inc.; Caldwell Thompson Manor, Inc. And P&C Adult Day Care Center, LLC.

The defendants charged in the indictment are: Louisa Thompson, 62, of Detroit, Michigan and Checarol Robinson, 41, of New Baltimore, Michigan.

United States v. Edwards, et al.

Two individuals were charged in an indictment with conspiracy to commit health care fraud and additional counts of health care fraud for their roles in a \$3 million scheme to defraud Medicare by submitting fraudulent claims for psychotherapy services. The indictment alleges that the fraudulent claims were submitted by a psychotherapy clinic operating in Southfield, Michigan and Detroit, Michigan: Funderburg Clinical and Community Services, Inc.

The defendants charged in the indictment are: Sanyani Edwards, 32, of Taylor, Michigan and Angel Williams, 27, of Southfield, Michigan.

United States v. Raymond Arias

Raymond Arias, 40, of Troy, Michigan was charged in an indictment with six

MANHATTAN

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Criminal Court Defense, and US Seizure of Non-Resident, Foreign-Owned Assets. Because we have experience dealing with INTERPOL, our firm understands the inter-relationship that INTERPOL's "Red Notice" brings to this equation.

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counts of health care fraud for his leading role in a \$12.5 million scheme to defraud Medicare by submitting fraudulent claims for infusion therapy treatments. The fraudulent claims were submitted by Arias's clinic Elite Wellness, LLC, operating in Westland, Michigan.

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 1,330 defendants who collectively have falsely billed the Medicare program for more than \$4 billion. In addition, the HHS Centers for Medicare and Medicaid Services, working in conjunction with the HHS-OIG, are taking steps to increase accountability and decrease the presence of fraudulent providers.

The cases announced today are being prosecuted and investigated by Medicare Fraud Strike Force teams comprised of attorneys from the Fraud Section of the Justice Department's Criminal Division and from the U.S. Attorney's Offices for the Southern District of Florida, the Eastern District of Michigan, the Southern District of Texas, the Central District of California, the Middle District of Louisiana, the Northern District of Illinois, and the Middle District of Florida; and agents from the FBI, HHS-OIG, and state Medicaid Fraud Control Units.

The cases in the Eastern District of Michigan are being prosecuted by Assistant Chief Gejaa T. Gobena and Trial Attorneys Catherine K. Dick and William

Federal Court Shuts Down Texas Tax Return Preparer

(USDOJ: Justice News)

Submitted at 10:49 AM May 3, 2012

A federal court in Dallas has permanently barred Joseph Rivas of DeSoto, Texas, from preparing federal tax returns for others, the Justice Department announced today. The civil injunction order, to which Rivas consented without admitting the allegations against him, was signed by Judge Sidney Fitzwater of the U.S. District Court for the Northern District of Texas.

G. Kanellis of the Criminal Division's Fraud Section, and Assistant United States Attorney Philip Ross of the U.S. Attorney's Office for the Eastern District of Michigan.

An indictment is merely a charge and defendants are presumed innocent until proven guilty."

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Hyosung Corporation Executive Agrees to Plead Guilty to Obstruction of Justice for Submitting False Documents in an ATM Merger Investigation

(USDOJ: Justice News)

Submitted at 10:54 AM May 3, 2012

An executive of South Korean-based Hyosung Corporation has agreed to plead guilty and to serve time in a U.S. prison for obstruction of justice charges in connection with an automated teller machine (ATM) merger investigation conducted by the Antitrust Division.



Student forgotten in cell for 5 days will sue DEA

McNabb Associates, P.C. (Federal Criminal Defense Lawyers)

Submitted at 10:23 AM May 3, 2012

CNN on May 2, 2012 released the following:

“By Alan Duke, CNN

Los Angeles (CNN) — A San Diego college student filed a legal claim Wednesday for damages suffered when he was left handcuffed and without food or water in a Drug Enforcement Administration holding cell for five days last month.

A DEA statement said Daniel Chong, 23, was “accidentally left” in a holding cell. “Accidentally? He almost died,” said Chong’s lawyer, Gene Iredale. “It’s inexplicable.”

Chong drank his own urine to survive as his cries for help were ignored by federal agents and inmates in nearby cells, Iredale said.

The fifth-year engineering student at the University of California, San Diego, was detained on the morning of April 21, a Saturday, when DEA agents raided a house they suspected was being used to distribute MDMA, commonly known as ecstasy.

A multi-agency narcotics task force including state agents detained nine people and seized about 18,000 MDMA pills, marijuana, prescription medications, hallucinogenic mushrooms, several guns and thousands of rounds of ammunition from the house, the DEA said.

Chong admitted going to the house “to get high with his friends,” the DEA said. He later told a San Diego TV station that he knew nothing about the other drugs and guns. He was never formally arrested or charged, the DEA said.

U.S. and State of Ohio Reach \$5.5 Million Settlement for Damages from Hazardous Releases in Lower Ashtabula River and Harbor

(USDOJ: Justice News)

Submitted at 2:53 PM May 3, 2012

consent decree, valued at approximately \$5.5 million, was filed today in the U.S. District Court for the Northern District of Ohio.

The agents sent seven suspects to county jail and released another person, but Chong “was accidentally left in one of the cells,” the DEA said. The agency did not explain how he was forgotten for five days in the small, windowless cell.

It wasn’t until the afternoon of Wednesday, April 25, that an agent opened the steel door to Chong’s cell and found the handcuffed student, Iredale said. “Even if they forgot him for the weekend, there is no account for how they could have left him there for three full business days,” Iredale said.

The acting special agent in charge of the DEA’s San Diego office said he was “deeply troubled” by the incident and he offered his “deepest apologies” to Chong. “This event is not indicative of the high standards that I hold my employees to,” William Sherman said. “I have personally ordered an extensive review of our policies and procedures.”

On Wednesday, Iredale filed a damage claim with the DEA, which he said is the beginning of the process for a civil suit in federal court.

“He began hallucinating sometime around the end of the second or start of the third day,” Iredale said. “At some point, he wanted to kill himself because of pain.”

Not knowing why he was being kept in the cell without food, water or a toilet for so long confused him, Iredale said.

He lost track of time in the dark cell, his lawyer said. “At the end, he just wanted to die because he was crazy.”

Chong contorted himself to shift his handcuffed arms from behind his back to the front, Iredale said. This allowed him to use his eyeglasses to scratch a message to his family on his arm: “Sorry mom.”

Roger Clemens trial: Prosecutors should not be surprised by Pettitte admission, attorneys say

McNabb Associates, P.C. (Federal Criminal Defense Lawyers)

Submitted at 11:24 AM May 3, 2012

The Washington Post on May 3, 2012 released the following:

“By Ann E. Marimow and Del Quentin Wilber

The government lawyers prosecuting former baseball star Roger Clemens should not have been surprised by Andy Pettitte’s admission Wednesday that he may have misheard his former teammate and friend tell him that he’d used

He was rushed to a hospital, where he was kept in intensive care for two days, having been close to death from kidney failure, Iredale said.

The Cerritos, California, native is now recovering at home, he said.”

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The author of this blog is Douglas C. McNabb. Please feel free to contact him directly at mcnabb@mcnabbassociates.com or at one of the offices listed above.

performance-enhancing drugs, according to former federal prosecutors.

In preparation for taking the witness stand, former prosecutors said the government team likely would have asked Pettitte how sure he was of his recollection of the conversation with Clemens during a workout at the pitcher’s home gym in 1999 or 2000.

Until Wednesday, Pettitte generally had not wavered from his assertion that

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Clemens confided in him about his use of HGH. He repeated that testimony Tuesday, which was critical to the government's case that Clemens lied to Congress in 2008 when he denied using the banned substances.

But Pettitte had earlier expressed some doubt about his memory of the conversation to congressional investigators.

"Roger told me that he didn't take it, and I misunderstood him. I took it for that, that I misunderstood him" in 1999 or 2000, he told them in 2008.

Defense lawyer Michael Attanasio apparently saw an opening, and pressed Pettitte on it Wednesday.

That prosecutors from the District's U.S. Attorney's Office did not specifically revisit Pettitte's conflicting account under cross-examination Wednesday when they had a chance suggests that they didn't want to dig a deeper hole, some attorneys say.

"They didn't want to go there for fear of getting worse answers," said Andrew White, a former federal prosecutor, "For fear that Pettitte isn't going to go out of his way to harm his friend."

Former federal prosecutors agreed that Pettitte's pullback was a big boost to the defense team, but varied in their assessments of how much of a problem

that testimony would be for the government.

Prosecutors are laying the groundwork for the testimony of former strength coach Brian McNamee, who is expected to testify that he injected Clemens with steroids and HGH on several occasions.

Michael Volkov, another former federal prosecutor, cautioned that Pettitte's uncertainty is "not devastating."

The case, he said, still hinges on what the jury thinks of McNamee and whether his story is backed up by the evidence, including needles that prosecutors have said contains Clemens's DNA and traces of performance-enhancing drugs.

On the other hand, White said that Pettitte's admission adds credibility to Clemens's reaction to a separate conversation in 2005. At a time when performance-enhancing drugs were in the news, Pettitte asked Clemens how he would handle media questions about his use of steroids. Pettitte said Clemens responded, "What are you talking about?" "This sets up a major league positive scenario for the defense," White said, "and a possible basis for the misunderstanding that Pettitte now acknowledges he might have had."

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William Joseph among 3 former football players charged in Florida tax ring

McNabb Associates, P.C. (Federal Criminal Defense Lawyers)

Submitted at 9:04 AM May 3, 2012

CBS News on May 2, 2012 released the following:

"(CBS/AP) MIAMI – Three former professional football players are among eight charged in a South Florida tax refund and identity theft scheme.

Federal prosecutors said Tuesday the FBI operated an undercover check-cashing store in North Miami used by the suspects from February through April. The group allegedly cashed about \$500,000 in fraudulent refund checks. The money was paid out of FBI funds and no checks were actually cashed.

Former Oakland Raiders and New York Giants defensive tackle William Joseph is one of the former NFL players arrested. The other is running back Michael Bennett, once a Minnesota Vikings first-round pick who played for several teams. A third ex-player, Louis Gachelin, played professionally in Europe.

According to CBS Miami, Joseph and Gachelin were charged Tuesday with with forgery of U.S. Treasury checks, theft of government money, and use of five or more identification documents with unlawful intent. If convicted they could face maximum prison terms of between five and 15 years in prison.

Bennett was charged with wire fraud after allegedly using a false bank statement in an attempt to obtain a \$200,000 loan from the same FBI undercover store, CBS Miami reports. According to the criminal complaint, Bennett confessed to the crime after waiving his Miranda rights."

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