TINA ANSARI
Assistant United States Attorney- Program Fraud Division
Southern District of Texas

Mission – Southern District of Texas
To investigate and prosecute those cases having a significant federal interest.
Law Enforcement Priorities

- Anti-terrorism
- Organized Criminal Activity
  - Drug Trafficking
  - Human Trafficking
  - Narcotics
- White Collar Crime
  - Public Corruption
  - Complex Fraud (Healthcare, Public/Private Sector)
- Violent Crime (Operation Safe Neighborhood)

Geographic Area
Southern District of Texas
Southern District of Texas

- Population – 6.9 Million
- 43 counties
- 14,108 square miles
- 300 mile common border with Mexico
- 436 mile Gulf Coast
- Office Personnel:
  - 170 AUSAs
  - 119 Support Staff
  - 28 Students
  - 22 contractors

Victoria

- Population – 62,000
- Office personnel strength (unmanned)
  - Unmanned office
  - 1 contractor
- Intermediate point between Houston and the border
  - Lies at the intersection of US 59 and US 77 – two major transportation arteries for drug and illegal alien traffic
Corpus Christi

- Population – 532,460
- Falfurrias checkpoint
  - Highest number of illegal drug seizures
- Vast rural ranch lands
  - King Ranch
  - Kennedy Ranch
- Office personnel strength
  - 19 AUSAs
  - 12 support
  - 3 students
  - 1 contractor

Brownsville

- Population – 355,309
- Major alien and drug smuggling gateway
- Office personnel strength
  - 16 AUSAs
  - 11 support
  - 2 students
McAllen

- Population – 623,060
- Major narcotics trafficking hub
- Massive area for Healthcare Fraud
- Office personnel strength
  - 21 AUSAs
  - 14 support
  - 3 students
  - 3 contractors

Laredo

- Population – 217,297
  - Nuevo Laredo population – 460,000
- Numerous international ports of entry
  - 6,000 commercial vehicles a day
  - More trade than west Texas, new Mexico, Arizona and southern California combined
- Office personnel strength
  - 19 AUSAs
  - 14 support
  - 3 students
  - 2 contractors
WHEN DO WE CHARGE?

• “SIGNIFICANT FEDERAL INTEREST”
  – WILL THE CHARGE RESULT IN SIGNIFICANT TIME?
  – DO WE HAVE THE RESOURCES?
• MAINLY LONG-TERM PROACTIVE CASES
  – LOSS AMOUNT OVER A MILLION DOLLARS
  – TYPICALLY MEDICARE AND MEDICAID FRAUD
  – RISE IN CASES WITH COMMERCIAL INSURANCE CASES

WHAT WE SEE

• KICKBACKS
• UNECESSARY/NOT RENDERED SERVICES
• UPCODING
• UNBUNDLING
• DIVERSION
• MEDICAL IDENTITY THEFT
• COMPOUNDING PHARMACIES
CASE EXAMPLE #1—HOME HEALTH CARE FRAUD

• INDICTMENT-2 DEFENDANTS
  – STATUTES INVOLVED:
  – 18 U.S.C 1349: CONSPIRACY TO COMMIT HEALTH CARE FRAUD.
    • Execute a Scheme to Defraud a healthcare Benefit Program.
  – 18 U.S.C 1347: HEALTH CARE FRAUD
    • Substantive Counts.
  – 18 U.S.C 1035: FALSE STATEMENTS TO HEALTHCARE MATTERS
    • Materially false and fraudulent representation in connection with the delivery of healthcare benefits, knowingly and willfully.

PRE-INDICTMENT

– HOME HEALTH OWNER PLED GUILTY BEFORE INDICTMENT TO A INFORMATION.

• OWNER PLED GUILTY TO ONE COUNT OF CONSPIRACY TO COMMIT HEALTH CARE FRAUD.
• BENEFITS OF COOPERATING??
NOTABLE TRIAL EVIDENCE

• TESTIMONY OF MEDICARE WITNESS

– REPRESENTATIVE WITH MEDICARE WHO EXPLAINED THE PROCESS OF HOW HOME HEALTH SHOULD RUN AND HOW IT RUNS IN A FRAUD SCHEME.

MEDICARE HOME HEALTH BENEFIT

- NEED: Medicare Beneficiary has medical need.
- EVALUATE: Medicare Beneficiary is evaluated by an appropriate medical professional.
- AUTHORIZE: Doctor authorizes Home Health Agency (HHA) evaluation. Beneficiary chooses provider.
- PLAN: HHA Nurse evaluates beneficiary’s needs. Completes Form 485 for plan of care.
- APPROVE: Doctor certifies home health care services and approves plan of care.
- IMPLEMENT: HHA implements plan of care. Medicare is billed by the HHA.
THE FRAUD SCHEME STEPS

- **Step 1**: Home Health Agency (HHA) meets with recruiter to find patients with Medicare benefits.
- **Step 2**: HHA finds a doctor who will sign Plan of Care forms. HHA owner and doctor agree on payment terms- (monthly or per form).
- **Step 3**: HHA send out PA to see patient. PA fills out necessary paperwork for HHA. HHA pays PA for visiting patient.
- **Step 4**: HHA sees patient and fills out Plan of Care forms and send to the doctor for his signature.
- **Step 5**: HHA pays doctor to sign forms when patient does not need home health and when patient is not under care of the doctor.
- **Step 6**: HHA meets with patient at home and bills Medicare using doctors NPI number.

PLAN OF CARE FORM
Section 26

Section 26 States: I certify/Re-certify that this patient is confined to his or her home and needs intermittent nursing care, physical therapy and/or speech therapy or continues to need occupational therapy. The patient is under my care and I have authorized the services of this plan of care and will periodically review the plan.

CHECKS TO DOCTOR

[Image of a check with personal information redacted]
TESTIMONY OF HOME HEALTH OWNER

• KEY TESTIMONY
  – MET DR. FOR FIVE MINUTES AND HE AGREED TO GET PAID $400 A MONTH TO SIGN PLAN OF CARE FORMS.
  • DOCTOR WORKED FOR A TOTAL OF THREE YEARS WITH HOME HEALTH OWNER AND RECEIVED APPROX. $10,000 IN CHECKS. HOME HEALTH OWNER GOT PAID APPROXIMATELY ONE MILLION FROM MEDICARE FROM DOCTOR’S SIGNATURE ON THE FORMS.

  – PAPER TRAIL OF AGREEMENT
  • 485 FORMS AND CHECKS PER MONTH.

Beneficiary Count Chart

<table>
<thead>
<tr>
<th>Beneficiary</th>
<th>Approx Dates of Service</th>
<th>Amount Billed</th>
<th>Amount paid by Medicare</th>
</tr>
</thead>
<tbody>
<tr>
<td>AW</td>
<td>6/24/2010 - 3/13/2011</td>
<td>$13,425.00</td>
<td>$16,339.44</td>
</tr>
</tbody>
</table>
--- HOME HEALTH OWNER 
- Cooperated before indictment. Worked under surveillance. Received a 60% reduction and got 15 months in prison.

--- DOCTOR 
- Was found guilty by a jury and Judge sentenced him to prison for 6 years.
WHAT THE JURY DID NOT SEE....

CASE EXAMPLE #2

• **INDICTMENT INCLUDES THREE DEFENDANTS:**
  – #1 DOCTOR
  – #2 DOCTOR
  – BUSINESS OWNER (HOSPITAL OWNER)

• **STATUTES:**
  • **18 U.S.C. 1349**: CONSPIRACY TO COMMIT HEALTH CARE FRAUD.
  • **18 U.S.C. 1347**: HEALTH CARE FRAUD
  • **18 U.S.C. 1957**: MONEY LAUNDERING
    – KNOWINGLY ENGAGE AND ATTEMPT TO ENGAGE IN MONETARY TRANSCATIONS THROUGH A FINANCIAL INSTITUTION AFFECTING INTERSTATE OR FOREIGN COMMERCE OF A VALUE GREATER THAN $10,000, FROM A SPECIFICE UNLAWFUL ACTIVITY.
WHAT IS THE SCHEME

• **GROUPON AD:**
  Doctor created a weight loss clinic through his wife to lure patients into the clinic.

  Weight loss shots consisted of getting vitamin b 12 shots.

---

EVIDENCE

• SAMPLE OF PATIENTS WHO BOUGHT GROUPON.
• PATIENTS PRIMARY CARE DOCTORS
• COMMERCIAL INSURANCE DATA AND REPS.
• PATIENT FILES FROM HOSPITAL AND DOCTORS.
• BILLER AND BILLING RECORDS AT HOSPITAL
• EXPERTS IN THE FIELD ON TESTS ORDERED BY DOCTORS.
**SCHEME......**

- **PATIENTS BUY GROUPON**
- **PATIENT COMES TO DOCTORS OFFICE.**
- **DOCTOR #1 SCREENS PATIENT AND ORDERS A SERIES OF TESTS BEFORE GIVING SHOTS.**
- **DOCTOR #2 SEES SOME PATIENTS WHEN HE IS IN THE OFFICE OR AS DIRECTED BY DOCTOR #1.**
- **DIAGNOSTIC TESTS ROUTINELY GIVEN TO PATIENTS:**
  - ALLERGY TEST
  - ULTRASOUNDS (ABDOMEN, LEGS, AND VEINS,)
  - ELECTRONYSTAGMORAPHY (ENG TESTS)
  - NERVE CONDUCTION TESTS (NCV)
  - ECHOCARDIOGRAMS

**FORM FOR TESTS**

- THE OFFICE WOULD SEND THE FORMS TO HOSPITAL.
- BILLER AT HOSPITAL WOULD THEN BILL COMMERCIAL INSURANCE.
- HOSPITAL WOULD GET PAID BY INSURANCE COMPANIES.
- HOSPITAL WOULD THEN GIVE MONEY BACK TO DOCTOR #1 THROUGH CHECKS TO VARIOUS COMPANIES OWNED BY DOCTOR #1.
SAMPLE FORMS IN FILE

BILLING

• PATIENT:
  – ON 7/15/13: PATIENT BILLED FOR ENG, ALLERGY, ECHO, VEIN DOPPLER, ARTERY DOPPLER.
  – TOTAL OF 11 BILLED TEST CODES.
  – FILE SHOWS PATIENT WENT TO OFFICE NINE TIMES FOR WEIGHT LOSS SHOTS.
  – TOTAL BILLED TO CIGNA:
    • APPROX: 47,036 THROUGH THE HOSPITAL. CIGNA PAID A TOTAL OF $36,936 FOR THE TESTS.
    • IF BILLED AT OFFICE RATE—IT WOULD HAVE BEEN ABOUT $4,000 INSTEAD.
MONEY LAUNDERING

• APPROXIMATELY **3.2 MILLION** DOLLARS TRANSFERRED FROM HOSPITAL TO DOCTOR #1 COMPANY OR TO HIS WIFE.
  – MATCHES AMOUNT PAID BY INSURANCE COMPANIES TO HOSPITAL
  – WHAT IS CUT OF HOSPITAL OWNER????

THE COVER UP

![Image of a legal document with redactions]
AGREEMENT BETWEEN
AND
FOR ACQUISITION OF
54 LAFAYETTE AVENUE
AND OFFICE BUILDING AT
EFFECTIVE W/01/01
1. THAT THE PURCHASE PRICE IS $6,000,000.00
2. THAT WILL MAKE MONTHLY PAYMENTS OF
$200,000.00 FOR 24 MONTHS, 1/1/2011.
3. THAT WILL CLOSE THE SALE AT THE EXPIRATION
OF 24 MONTHS.
4. THAT ALL THE PAYMENTS MADE WILL BE CREDITED
TOWARDS PURCHASE PRICE AT CLOSING.
5. THAT IF ALL THE PAYMENTS ARE MADE ON TIME, THE
FINAL PURCHASE PRICE WILL BE $4,200,000.00
S. SELLER REQUESTS THAT ALL PAYMENTS TO BE MADE TO
AT AN ADDRESS GIVEN BY SELLER AT ANY
TIME.
7. IN THE EVENT BIVER BRING IN DEFAULT FOR MAKING
ANY PAYMENT PAY 90 DAYS WHEN DUE OR NOT CLOSING
CLOSING DATE, SELLER WILL FORFEIT ALL PROPERTY AND SELLER WILL
REPAY ALL PAYMENTS MADE AS EQUITY.

SELLER:

BUYER:

WITNESS:

QUESTIONS?