

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

v.

REBECCA WELLS,

Defendant.

Case:2:21-cr-20588
Judge: Michelson, Laurie J.
MJ: Altman, Kimberly G.
Filed: 09-14-2021 At 10:07 AM
INDI USA V. WELLS (DA)

VIO: 18 U.S.C. § 371
42 U.S.C. § 1320a-7b

INDICTMENT

THE GRAND JURY CHARGES:

GENERAL ALLEGATIONS

At all times relevant to this Indictment:

The Medicare Program

1. The Medicare program was a federal health care program providing benefits to persons who were 65 or older or disabled. Medicare was administered by the Centers for Medicare and Medicaid Services ("CMS"), a federal agency under the United States Department of Health and Human Services. Individuals who received benefits under Medicare were referred to as Medicare "beneficiaries."

2. Medicare was a “health care benefit program,” as defined by Title 18, United States Code, Section 24(b), and a “Federal health care program,” as defined by Title 42, United States Code, Section 1320a-7b(f).

3. Medicare covered different types of benefits and was separated into different program “parts.” Medicare “Part A” covered certain eligible home health care costs for medical services provided by a home health agency to beneficiaries who required home health services because of an illness, injury, or medical condition that caused them to be homebound. Payments for home health services under Medicare Part A were typically made directly to a home health agency or provider based on claims submitted to Medicare for qualifying services that were provided to eligible beneficiaries, rather than directly to the beneficiaries.

4. National Government Services was the CMS intermediary for Medicare Part A in the state of Michigan starting in or around May 2015.

5. AdvanceMed Corp. (“AdvanceMed”) was the Zone Program Integrity Contractor (“ZPIC”) for Medicare Part A and Part B in the state of Michigan beginning in May 2015. The ZPIC was the contractor charged with investigating fraud, waste, and abuse.

6. By becoming a participating provider in Medicare, enrolled providers agreed to abide by the policies and procedures, rules, and regulations governing reimbursement, and furthermore, certified that they would not knowingly present, or

cause to be presented, false and fraudulent claims. In order to receive Medicare funds, enrolled providers, together with their authorized agents, employees, and contractors, were required to abide by all of the provisions of the Social Security Act, the regulations promulgated under the Act, and applicable policies, procedures, rules, and regulations issued by CMS and its authorized agents and contractors.

7. Upon certification, the medical provider, whether a clinic or an individual, was assigned a provider identification number for Medicare billing purposes (referred to as an “NPI”). When the medical provider rendered a service, the provider submitted a claim for reimbursement to the Medicare contractor or carrier that included the NPI assigned to that medical provider.

8. In order to receive reimbursement for a covered service from Medicare, a provider was required to submit a claim, either electronically or using a form (e.g., a CMS-1500 form or UB-92) containing the required information appropriately identifying the provider, patient, and services rendered.

9. Health care providers were given, and provided with online access to, Medicare manuals and services bulletins describing proper billing procedures and billing rules and regulations. Providers could only submit claims to Medicare for services they rendered, and providers were required to maintain patient records to verify that the services were provided as described on the claim form. These records

were required to be sufficient to permit Medicare, through its contractors, to review the appropriateness of Medicare payments made to the health care provider.

10. Medicare only covered services that were both medically necessary and rendered.

11. A home health agency was an entity that provided health care services, including but not limited to skilled nursing, physical and occupational therapy, and speech pathology services to homebound patients.

12. Medicare only covered home health services, if, on the claimed date of service:

a. the Medicare beneficiary was under the care of a doctor and receiving services under a plan of care established and reviewed regularly by a doctor;

b. the Medicare beneficiary needed, and a doctor certified that the beneficiary needed, one or more of the following: (i) Intermittent skilled nursing care; (ii) Physical therapy; (iii) Speech-language pathology services; or (iv) Continued occupational therapy;

c. the home health agency must have been approved by Medicare (Medicare-certified); and

d. the Medicare beneficiary was homebound, and a doctor certified that the Medicare beneficiary was homebound.

Federal Anti-Kickback Statute Compliance

13. As a requirement to enroll as a Medicare provider, Medicare required providers to agree to abide by Medicare laws, regulations, and program instructions. Medicare further required providers to certify that they understood that a payment of a claim by Medicare was conditioned upon the claim and the underlying transaction complying with these laws, regulations, and program instructions, including the Federal Anti-Kickback Statute. Accordingly, Medicare would not pay claims procured through kickbacks and bribes.

The Related Home Health Agency

14. Company 1 was a Michigan company doing business at 16250 Northland Drive, Suite 105, Southfield, Michigan 48075. Company 1 was a home health agency that purportedly provided in-home skilled nursing, physical therapy, and other services to homebound patients. Company 1 was a Medicare provider and submitted claims to Medicare. Company 1 maintained an account at Bank 1 ending in x4659 ("Company 1 Account").

The Defendant and Related Individuals

15. REBECCA WELLS was a resident of Wayne County, Michigan. REBECCA WELLS was a patient recruiter for Company 1.

16. Co-Conspirator 1, a resident of West Bloomfield, Michigan, was the sole owner of Company 1. She executed certifications on various dates, including

July 7, 2010; June 12, 2012; November 9, 2017; and February 8, 2019 to Medicare affirming that Company 1 would comply with all relevant regulations, rules, and statutes, including but not limited to the Federal Anti-Kickback Statute.

Count 1
Conspiracy to Pay or Receive Kickbacks
(18 U.S.C. § 371)

REBECCA WELLS

17. Paragraphs 1 through 16 of this Indictment are realleged and incorporated by reference as though fully set forth herein.

18. From in or around March 2017, and continuing through in or around August 2017, in Oakland County, in the Eastern District of Michigan, and elsewhere, REBECCA WELLS did willfully and knowingly combine, conspire, confederate, and agree with Co-conspirator 1 and others, known and unknown to the Grand Jury, to commit certain offenses against the United States, that is:

a. to violate Title 42, United States Code, Section 1320a-7b(b)(1)(A), by soliciting and receiving any remuneration (including any kickback, bribe, and rebate) directly and indirectly, overtly and covertly, in cash and in kind, in return for referring an individual to a person for the furnishing and arranging for the furnishing of any item and service for which payment may be made in whole and in part by Medicare, a Federal health care program as defined in Title 18, United States Code, Section 24(b); and

b. to violate Title 42, United States Code, Section 1320a-7b(b)(2)(A), by offering and paying any remuneration (including any kickback, bribe, and rebate) directly and indirectly, overtly and covertly, in cash and in kind in return for referring an individual to a person for the furnishing and arranging for the furnishing of any item and service for which payment may be made in whole and in part by Medicare, a Federal health care program as defined in Title 18, United States Code, Section 24(b).

Purpose of the Conspiracy

20. It was the purpose of the scheme and artifice for REBECCA WELLS and her co-conspirators to unjustly enrich themselves by, among other things: (1) offering, paying, soliciting, and receiving kickbacks in return for Medicare beneficiary referrals; and (2) submitting and causing the submission of claims to Medicare for purported home health services provided to those recruited beneficiaries.

The Manner and Means of the Conspiracy

21. The manner and means by which the defendant and her co-conspirators sought to accomplish the objects and purpose of the conspiracy included, among other things:

22. Co-Conspirator 1 falsely certified to Medicare that Company 1 would operate in compliance with all Medicare rules and regulations, and federal laws,

including that Company 1 would refrain from violating the Federal Anti-Kickback Statute.

23. Despite being aware of and knowing the prohibitions of the Federal Anti-Kickback Statute, REBECCA WELLS solicited and received kickbacks from Co-Conspirator 1, on a per-patient basis, in exchange for her recruitment and referral of Medicare beneficiaries to Company 1 for home health services.

24. REBECCA WELLS solicited and received from Co-Conspirator 1 \$600 per episode for each Medicare beneficiary recruited and referred to Company 1 for home health services.

25. REBECCA WELLS and Co-Conspirator 1 did disguise, and attempt to disguise, the nature, source, and receipt of these illegal kickbacks and bribes through sham marketing contracts.

26. REBECCA WELLS and Co-Conspirator 1 submitted and caused the submission of false and fraudulent claims to Medicare for home health services that were not medically necessary, were not properly provided, and were obtained through the payment and receipt of kickbacks and bribes, resulting in Medicare reimbursing Company 1 approximately \$123,851.28.

Overt Acts

27. In furtherance of the conspiracy, and to accomplish its objects and purpose, at least one of the conspirators committed, or caused to be committed, in

the Eastern District of Michigan, at least one of the following overt acts, among others:

28. On or about April 7, 2017, Co-Conspirator 1 wrote a check to REBECCA WELLS from the Company 1 Account, in the amount of \$1,200, in exchange for the recruitment and referral of two Medicare beneficiaries with the initials B.W. and G.B., where the memo field was annotated with the text, “BW/GB 4/5/17.”

29. On or about May 3, 2017, Co-Conspirator 1 wrote a check to REBECCA WELLS from the Company 1 Account, in the amount of \$3,000, in exchange for the recruitment and referral of five Medicare beneficiaries, where the memo field was annotated with the text, “CW 120 hrs 4/23/17-4/25/17.”

All in violation of Title 18, United States Code, Section 371.

Counts 2-3

**42 U.S.C. § 1320a-7b(b)(2)(A)—Receipt of Kickbacks and Bribes in
Connection with a Federal Health Care Program**

REBECCA WELLS

30. Paragraphs 1 through 29 of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

31. On or about the dates set forth below, in Oakland County, in the Eastern District of Michigan, and elsewhere, REBECCA WELLS did knowingly and willfully solicit and receive remuneration, that is, kickbacks and bribes, directly and

indirectly, overtly and covertly, in cash and in kind, including by check, in return for referring an individual to a person for the furnishing and arranging for the furnishing of any item and service for which payment may be made in whole and in part under a Federal health care program, that is, Medicare, as set forth below:

Count	Approx. Date of Payment	Description	To	From	Approx. Amount
2	April 7, 2017	Check No. 2121	REBECCA WELLS	Co-Conspirator 1	\$1,200
3	May 3, 2017	Check No. 2138	REBECCA WELLS	Co-Conspirator 1	\$3,000

Each in violation of Title 42, United States Code, Section 1320a-7b(b)(2)(A) and Title 18, United States Code, Section 2.

FORFEITURE ALLEGATIONS

(18 U.S.C. § 982(a)(7) - Criminal Forfeiture)

41. The allegations contained in this Indictment are incorporated by reference as if set forth fully herein for the purpose of alleging forfeiture pursuant to the provisions of Title 18, United States Code, Section 982.

42. As a result of the violations alleged in Counts 1 through 3 as set forth in this Indictment, Defendant REBECCA WELLS shall forfeit to the United States

pursuant to Title 18, United States Code, Section 982(a)(7), any property, real or personal, that constitutes or is derived, directly or indirectly, from gross proceeds traceable to the commission of the offense.

43. Money Judgment: Such property includes, but is not limited to, a forfeiture money judgment against REBECCA WELLS in favor of the United States in the amount of at least \$32,900, representing the total value of all property subject to forfeiture as a result of her violation(s) of Title 18, United States Code, Section 371 and Title 42, United States Code, Section 1320a-7b, as alleged in Counts 1 through 3 of this Indictment.

44. Substitute Assets: If the property described above as being subject to forfeiture, as a result of any act or omission of the Defendant:

- a. Cannot be located upon the exercise of due diligence;
- b. Has been transferred or sold to, or deposited with, a third party;
- c. Has been placed beyond the jurisdiction of the Court;
- d. Has been substantially diminished in value; or
- e. Has been commingled with other property that cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p) as incorporated by Title 18, United States Code, Section 982(b), to seek to

forfeit any other property of Defendant REBECCA WELLS up to the value of the forfeitable property described above.

THIS IS A TRUE BILL.

s/Grand Jury Foreperson

Grand Jury Foreperson

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Acting United States Attorney

JOSEPH S. BEEMSTERBOER
Acting Chief
Criminal Division, Fraud Section
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Date: September 14, 2021

United States District Court Eastern District of Michigan	Criminal Case Cover Sheet	Case Number
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NOTE: It is the responsibility of the Assistant U.S. Attorney signing this form to complete it accurately in all respects.

Companion Case Information	Companion Case Number:
This may be a companion case based upon LCrR 57.10 (b)(4) ¹ :	Judge Assigned:
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	AUSA's Initials:

Case Title: USA v. REBECCA WELLS

County where offense occurred : Oakland County, Michigan

Check One: ☒ Felony ☐ Misdemeanor ☐ Petty

☒ Indictment/ ☐ Information --- no prior complaint.
☐ Indictment/ ☐ Information --- based upon prior complaint [Case number: _____]
☐ Indictment/ ☐ Information --- based upon LCrR 57.10 (d) [Complete Superseding section below].

Superseding Case Information

Superseding to Case No: _____ Judge: _____

- ☐ Corrects errors; no additional charges or defendants.
☐ Involves, for plea purposes, different charges or adds counts.
☐ Embraces same subject matter but adds the additional defendants or charges below:

Defendant name

Charges

Prior Complaint (if applicable)

Please take notice that the below listed Assistant United States Attorney is the attorney of record for the above captioned case.

September 14, 2021
Date


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¹ Companion cases are matters in which it appears that (1) substantially similar evidence will be offered at trial, or (2) the same or related parties are present, and the cases arise out of the same transaction or occurrence. Cases may be companion cases even though one of them may have already been terminated.