

FILED
U.S. District Court
Eastern District of LA
2021 SEP 14 P 2:27

2021 SEP 14 P 3:30

CAROL L. MICHEL
CLERK

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

BILL OF INFORMATION FOR
HEALTH CARE FRAUD

FELONY

UNITED STATES OF AMERICA

*

CRIMINAL NO. 21-

VERSUS

*

SECTION:

CHEVETTE AUSTIN

*

VIOLATION: 18 U.S.C. § 1347

* * *

The United States Attorney charges that:

COUNT 1

A. AT ALL TIMES MATERIAL HEREIN:

Medicaid Generally

1. The Medicaid Program ("Medicaid") was a federal and state funded health insurance program, affecting commerce, designed to provide medical assistance to persons whose income and resources were insufficient to meet the costs of necessary care and services. Individuals who qualified for Medicaid benefits were commonly referred to as "recipients," and each recipient received a Medicaid identification number.

2. Medicaid was a "health care benefit program" within the meaning of Title 18, United States Code, Section 24(b).

3. Medicaid was administered by the United States Department of Health and Human Services, through its agency, the Centers for Medicare and Medicaid Services ("CMS").

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4. CMS contracted with the Louisiana Department of Health and Hospitals (“LDH”) to manage Medicaid in Louisiana, including the enrollment of medical service providers (“providers”) and the processing of claims for services rendered to Medicaid recipients.

5. Providers were required to enroll with Medicaid in order to submit claims for reimbursement. Providers submitted applications to Medicaid, typically through fiscal intermediaries, known as Managed Care Organizations (“MCOs”). MCOs provided credentialing and enrollment services, as well as adjudicated claims for services, on Medicaid’s behalf.

6. As part of the enrollment application, providers were required to certify that they would adhere to applicable laws, regulations, and program instructions, including the “Provider Manual.” The “Provider Manual” was maintained under the authority of LDH and set forth the terms and conditions under which Medicaid would reimburse providers for services rendered. Enrollment applications further stated that any false claims, statements, or documents could be prosecuted under applicable federal and state laws.

7. When seeking reimbursement from Medicaid, providers submitted to the MCOs the cost of the service provided together with an alphanumeric “procedure code,” as set forth in the Healthcare Common Procedure Coding System (“HCPCS”), associated with that service. Medicaid, through the MCOs, reimbursed providers designated amounts according to the procedure code.

8. Certain services also required prior authorization, or pre-approval, from Medicaid before they could be administered. The MCOs typically adjudicated requests for prior authorization on behalf of Medicaid.

9. Medicaid only approved claims and prior authorization requests for services that were medically necessary for the treatment of a diagnosed and covered condition.

Mental Health Rehabilitation Services

10. Mental Health Rehabilitation (“MHR”) services were outpatient services designed to reduce the disability of children and adults suffering from mental illness or emotional or behavioral disorders, and assist in the recovery and resiliency of the recipient.

11. MHR services required prior authorization by Medicaid. Requests for prior authorization were required to set forth, among other information, the intended recipient’s name and unique Medicaid identification number, the anticipated duration of services rendered, the type of services rendered, including the appropriate procedure code(s), and, importantly, an assessment of medical necessity of the recipient by a Licensed Mental Health Professional (“LMHP”), typically through a Form 1915(c), “Independent Behavioral Health Assessment,” which indicated that the recipient needed the MHR services requested.

12. An LMHP was an individual licensed and in good standing in the state of Louisiana to practice as one of eight enumerated professions, including, but not limited to, a licensed clinical social worker (“LCSW”). MHR providers were required to have at least one LMHP on staff to bill Medicaid for services.

13. Once prior authorization was granted, mental health specialists (“MHSs”) and mental health professionals (“MHPs” and collectively, “counselors”) could provide MHR services to recipients and bill Medicaid for reimbursement, however, Medicaid required their work to be supervised by an LMHP.

The Defendant, Relevant Individuals, and Relevant Entities

14. The defendant, **CHEVETTE AUSTIN** (“AUSTIN”), was a resident of Gretna, Louisiana, in the Eastern District of Louisiana.

15. **AUSTIN** was the sole owner and operator of Renew Health Services, LLC

(“Renew”), a Louisiana limited liability company formed by **AUSTIN** in or around June 2016 in New Orleans, Louisiana. The stated purpose of Renew was to provide behavioral health services, specifically MHR services, to the residents of Louisiana. Renew ceased operations in or around November 2017.

16. Individual 1 was a resident of Terrytown, Louisiana, in the Eastern District of Louisiana. Individual 1 was an LCSW, licensed and in good standing to practice social work in Louisiana until August 31, 2016 at which time Individual 1’s license expired and Individual 1 permanently retired from the practice of social work.

17. Individual 2 was a resident of New Orleans, Louisiana, in the Eastern District of Louisiana. Individual 2 was an LCSW, licensed and in good standing to practice social work in Texas and Louisiana.

B. THE SCHEME AND ARTIFICE TO DEFRAUD:

It was part of the scheme and artifice to defraud for **CHEVETTE AUSTIN** to unlawfully enrich herself by causing Renew to submit false and fraudulent claims to Medicaid for services that were not medically necessary, not rendered, or not rendered as represented to Medicaid.

It was further part of the scheme and artifice to defraud that **AUSTIN** enrolled Renew as an MHR services provider with four MCOs when Renew did not employ an LMHP at the time of enrollment.

It was further part of the scheme, to appear compliant with Medicaid’s requirements, that **AUSTIN** misappropriated the personal information and credentials of Individual 1—who was never employed or paid by Renew—and falsely listed Individual 1 as Renew’s LMHP in Renew’s enrollment applications without Individual 1’s knowledge or consent.

It was further part of that scheme and artifice to defraud that once enrolled as a provider,

AUSTIN directed the onboarding of hundreds of recipients, including friends and family, into Renew's MHR program, typically for the same two MHR services—"Community Psychiatric Support and Treatment" and "Psychosocial Rehabilitation"—regardless of the recipients underlying conditions and the medical necessity of the purported services.

It was further part of the scheme and artifice to defraud, in order to secure prior authorization for the requested services, that AUSTIN forged Individual 1's signature, and later that of another LCSW, Individual 2, who briefly worked for AUSTIN, on assessments of medical necessity without their knowledge and consent.

It was further part of the scheme and artifice to defraud that AUSTIN, on behalf of Renew, knowingly and willfully submitted, typically by facsimile, the forged assessments and requests for prior authorization, together, to the MCOs for approval, knowing that at the time she forged the documentation and submitted her requests to the MCOs, that neither Individual 1 nor Individual 2 worked for Renew, authorized her to use their information, nor actually assessed the recipients as AUSTIN falsely represented.

It was further part of the scheme and artifice to defraud, that even though Renew's counselors were not supervised by an LMHP as required by Medicaid, AUSTIN directed Renew's counselors to falsely attest that their work would be supervised by an LMHP, even when Renew had no LMHP on staff.

In total, from approximately June 2016 to October 2018, Renew, at AUSTIN's direction, submitted false and fraudulent claims to Medicaid, for which Medicaid reimbursed Renew approximately \$1,122,048.97.

C. THE OFFENSE:

Beginning in or around June 2016, and continuing through in or around October 2018, in the Eastern District of Louisiana, and elsewhere, **CHEVETTE AUSTIN**, aiding and abetting, and aided and abetted by, others known and unknown to the United States Attorney, in connection with the delivery of and payment for health care benefits, items, and services, did knowingly and willfully execute, and attempt to execute, a scheme and artifice to defraud a health care benefit program affecting commerce, as defined in Title 18, United States Code, Section 24(b), that is, Medicaid, and to obtain, by means of material false and fraudulent pretenses, representations, and promises, money owned by, and under the custody and control of, Medicaid, in connection with the delivery of and payment for health care benefits, items, and services.

On or about the date and in the approximate amount set forth below, within the Eastern District of Louisiana, **AUSTIN**, for the purpose of executing and attempting to execute the fraudulent scheme described above, knowingly and willfully submitted or caused to be submitted by Renew the following false and fraudulent claim for payment:

Recipient	Code Billed	Claim Number	Date Submitted	Date Services Purportedly Rendered	Amount Billed	Amount Paid
C.L.	H0036	8166109827400	06/15/2018	12/02/2016	\$101.10	\$101.10

All in violation of Title 18, United States Code, Sections 1347 and 2.

NOTICE OF FORFEITURE

1. The allegations of Count 1 of this Bill of Information are incorporated by reference as though set forth fully herein for the purpose of alleging forfeiture to the United States.

2. As a result of the offenses alleged in Count 1, the defendant, **CHEVETTE**

AUSTIN, shall forfeit to the United States pursuant to Title 18, United States Code, Section 982(a), any property, real or personal, involved in said offenses, and any property traceable to such property.

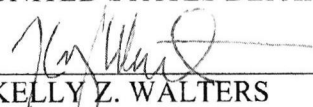
3. If any of the property described above as being subject to forfeiture, as a result of any act or omission of the defendant:

- 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 which cannot be divided without difficulty;

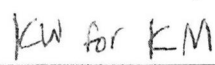
the United States shall seek a money judgment and, pursuant to Title 21, United States Code, Section 853(p), forfeiture of any other property of the defendant up to the value of said property.

DUANE A. EVANS
UNITED STATES ATTORNEY

JOSEPH S. BEEMSTERBOER
ACTING CHIEF, FRAUD SECTION
UNITED STATES DEPARTMENT OF JUSTICE



KELLY Z. WALTERS
Trial Attorney
Criminal Division, Fraud Section
United States Department of Justice



KATHRYN MCHUGH
Assistant U.S. Attorney
Eastern District of Louisiana

New Orleans, Louisiana
September 13, 2021

No. _____

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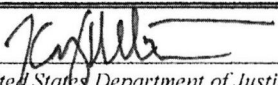
Violation(s):

18 U.S.C. § 1347

Filed _____, 20 21

_____, Clerk.

By _____, Deputy


United States Department of Justice Trial Attorney
KELLY ZACK WALTERS