



(UNDER SEAL)

UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA

April 2021 Grand Jury

UNITED STATES OF AMERICA,

Plaintiff,

v.

CASEY MAHONEY and
JOSEPH PARKINSON,

Defendants.

No. 8:21-cr-00183-CJC

I N D I C T M E N T

[18 U.S.C. § 371: Conspiracy;
18 U.S.C. §§ 220(a)(1), (2):
Illegal Remunerations for
Referrals to Clinical Treatment
Facilities; 18 U.S.C.
§ 1956(a)(1)(B)(i): Concealment
Money Laundering; 31 U.S.C.
§§ 5324(a)(3), (d)(2):
Structuring; 21 U.S.C.
§§ 841(a)(1), (b)(1)(C):
Possession with Intent to
Distribute Fentanyl; 18 U.S.C.
§ 2: Aiding and Abetting and
Causing an Act to be Done; 18
U.S.C. § 982, 31 U.S.C. § 5317:
Criminal Forfeiture]

The Grand Jury charges:

COUNT ONE

[18 U.S.C. § 371]

[ALL DEFENDANTS]

A. INTRODUCTORY ALLEGATIONS

At times relevant to this Indictment:

1 1. Defendant CASEY MAHONEY controlled two clinical treatment
2 facilities in Orange County, California, namely, Healing Path Detox
3 LLC ("Healing Path") and Get Real Recovery, Inc. ("Get Real").
4 Healing Path and Get Real were "clinical treatment facilities," as
5 defined in Title 18, United States Code, Section 220(e)(2), and were
6 regulated under state and federal law. Defendant MAHONEY also
7 controlled a Wells Fargo Bank Account held under the name Healing
8 Path Detox LLC ("the Healing Path Account"), and a Wells Fargo Bank
9 Account held under the name Get Real Recovery, Inc. ("the Get Real
10 Account").

11 2. Defendant JOSEPH PARKINSON and co-conspirators "Broker 1,"
12 "Broker 2," and Darius Moore (collectively, the "other Brokers") were
13 "body brokers" who referred patients to clinical treatment facilities
14 in Orange County, California, including Healing Path and Get Real, in
15 exchange for kickback payments.

16 3. Defendant PARKINSON controlled the business entities Star
17 Treatment LLC and Star Treatment Solutions LLC. Defendant PARKINSON
18 also controlled a First Bank account held under the name Star
19 Treatment LLC ("Parkinson Account 1"), and a J.P. Morgan Chase Bank
20 account held under the name Star Treatment Solutions LLC ("Parkinson
21 Account 2").

22 4. Broker 1 controlled two business entities ("Business A" and
23 "Business B"), and Broker 2 controlled another business entity
24 ("Business C"). Moore controlled the business entity Moore Recovery
25 Solutions LLC.

26 5. Defendant MAHONEY hired and oversaw employees at Healing
27 Path and Get Real, whose duties included coordinating the admission
28 of patients referred by defendant PARKINSON and the other Brokers and

1 reviewing kickback amounts owed to them by defendant MAHONEY for
2 patients referred to Healing Path and Get Real over the preceding
3 month.

4 6. Healing Path and Get Real each serviced patient populations
5 that received health care benefits through, among other entities,
6 Anthem Blue Cross Blue Shield, Aetna Life Insurance Company, Cigna
7 Health and Life Insurance Company, Cigna Behavioral Health Inc., and
8 United Health Group (collectively, the "insurance companies"). The
9 insurance companies were "health care benefit programs," as defined
10 in Title 18, United States Code, Section 24(b), and Title 18, United
11 States Code, Section 220(e)(3).

12 B. OBJECTS OF THE CONSPIRACY

13 7. Beginning on a date unknown, but no later than on or about
14 October 24, 2018, and continuing to at least on or about December 15,
15 2020, in Orange County, California, within the Central District of
16 California, and elsewhere, defendants MAHONEY and PARKINSON knowingly
17 conspired with Broker 1, Broker 2, Moore, and others known and
18 unknown to the Grand Jury, to commit offenses against the United
19 States, namely:

20 a. Soliciting and Receiving Illegal Remunerations for
21 Referrals to Clinical Treatment Facilities, in violation of Title 18,
22 United States Code, Section 220(a)(1); and

23 b. Paying and Offering Illegal Remunerations for
24 Referrals to Clinical Treatment Facilities, in violation of Title 18,
25 United States Code, Section 220(a)(2).

26 C. MANNER AND MEANS OF THE CONSPIRACY

27 8. The objects of the conspiracy were to be accomplished, in
28 substance, as follows:

1 a. Defendant MAHONEY would pay tens of thousands of
2 dollars per month in kickbacks to defendant PARKINSON and the other
3 Brokers via accounts that they controlled in the names of the
4 business entities that they controlled, both as compensation in
5 exchange for referring patients or patronage to Healing Path and Get
6 Real, and to induce them to continue to refer patients to those
7 facilities.

8 b. Defendant PARKINSON and the other Brokers would pay a
9 portion of those funds to patients, often in the form of cash, as
10 kickbacks in exchange for staying at Healing Path and Get Real, in
11 amounts that were also determined based on the respective patients'
12 type of insurance, type of treatment, and length of stay. Defendant
13 MAHONEY knew that defendant PARKINSON and the other Brokers paid such
14 kickbacks to patients in exchange for staying at Healing Path and Get
15 Real, and would encourage them to find ways to withdraw cash from
16 their bank accounts without attracting law enforcement attention.

17 c. Defendant PARKINSON used Parkinson Accounts 1 and 2 to
18 receive kickbacks for patient referrals to clinical treatment
19 facilities including Healing Path and Get Real, and to withdraw cash
20 used to pay kickbacks to recruited patients in exchange for receiving
21 treatment at such facilities. Defendant PARKINSON would conceal the
22 nature, ownership, and control of the cash kickbacks paid to patients
23 by withdrawing funds and causing others to withdraw funds from
24 Parkinson Accounts 1 and 2 in transactions structured at or under
25 \$10,000.

26 d. Defendant MAHONEY, on behalf of Healing Path and Get
27 Real, would enter into sham contracts with businesses controlled by
28 defendant PARKINSON and the other Brokers that: (1) purportedly

1 required fixed payments to the respective body broker; (2)
2 purportedly prohibited payments from Healing Path or Get Real based
3 on the "volume or value" of the body broker's patient referrals; and
4 (3) were designed to conceal the nature of the kickback payments.

5 e. Defendant MAHONEY and employees at Healing Path and
6 Get Real would meet with the other Brokers, or would communicate with
7 them via an encrypted messaging application, to calculate the
8 respective kickback amounts owed to the other Brokers by defendant
9 MAHONEY for each patient referred to Healing Path and Get Real, based
10 on the patient's type of insurance, the type of treatment the patient
11 purportedly received, and the length of the patient's stay at Healing
12 Path and Get Real. They would then determine whether the contractual
13 monthly payment to Moore and Broker 1 the prior month overstated or
14 understated the kickback amount that defendant MAHONEY actually owed
15 to each of them.

16 f. When defendant MAHONEY accrued a large amount of
17 kickback debt owed to defendant PARKINSON and the other Brokers,
18 defendant MAHONEY would pay those debts (1) by writing checks to them
19 for tens of thousands of dollars beyond what defendant MAHONEY owed
20 under the contracts, and (2) by entering into new, often simultaneous
21 sham contracts with other businesses that the brokers controlled,
22 thus obligating defendant MAHONEY to pay them tens of thousands of
23 dollars in additional funds per month and allowing defendant MAHONEY
24 to further conceal the kickback payments by spreading them across
25 checks to as many as four different businesses or persons in a given
26 month.

27 g. To induce Broker 1 to refer patients to Healing Path
28 and Get Real, defendant MAHONEY would pay thousands of dollars per

1 month in additional kickback funds to Broker 1. Defendant MAHONEY
2 would conceal the nature, ownership, and control of these additional
3 kickback payments by paying them to Broker 1 via checks payable to
4 Broker 1's mother, and by falsely writing "Consultant Fee" on the
5 memo line of each check, when in fact Broker 1's mother did not
6 provide any consulting services for defendant MAHONEY or otherwise
7 work for defendant MAHONEY in any way.

8 h. Healing Path and Get Real would bill and subsequently
9 be reimbursed by the insurance companies for treatment purportedly
10 given to patients referred to the respective facility by defendant
11 PARKINSON and the other Brokers.

12 i. In total during the conspiracy, defendant MAHONEY
13 would pay at least \$2,698,725 in kickbacks to defendant PARKINSON and
14 the other Brokers.

15 D. OVERT ACTS

16 9. In furtherance of the conspiracy and to accomplish the
17 objects of the conspiracy, on or about the following dates, defendant
18 MAHONEY, defendant PARKINSON, Broker 1, Broker 2, Moore, and others
19 known and unknown to the Grand Jury, committed and willfully caused
20 others to commit the following overt acts, among others, in Orange
21 County, California, within the Central District of California, and
22 elsewhere:

23 **Encrypted Communications with Broker 1**

24 Overt Act No. 1: On April 2, 2020, defendant MAHONEY caused
25 a spreadsheet to be sent to Broker 1 documenting patients who had
26 been referred to Healing Path and Get Real the prior month and the
27 resulting kickbacks that defendant MAHONEY owed to defendant
28 PARKINSON, Broker 1, and Broker 2.

1 working with law enforcement, met at Healing Path to review the
2 amounts of kickbacks owed to Brokers 1 and 2, based on the patients
3 whom they and defendant PARKINSON had referred to Healing Path and
4 Get Real the prior month.

5 Overt Act No. 7: On October 1, 2020, defendant MAHONEY
6 directed Broker 1 to terminate his broker relationship with defendant
7 PARKINSON, specifically, defendant MAHONEY criticized Broker 1 for
8 operating his body brokering business with defendant PARKINSON and,
9 when Broker 1 responded that he needed defendant PARKINSON to ensure
10 that Broker 1 had enough cash to pay kickbacks to patients, defendant
11 MAHONEY responded, "That's something you can work on figuring out."

12 Overt Act No. 8: On October 1, 2020, defendant MAHONEY
13 directed Broker 1 to exercise more caution in operating the kickback
14 scheme, namely, by defendant MAHONEY stating that Broker 1's body
15 brokering organization was causing law enforcement to investigate
16 their kickback conspiracy: "They're kicking in doors. Feds. Darius
17 [Moore] doesn't have any problems like that. He placed 16 people
18 last month plus everyone he placed in Get Real. So he's at the point
19 now that he places like 30 people in a month [at Healing Path and Get
20 Real]."

21 Overt Act No. 9: On October 1, 2020, defendant MAHONEY stated
22 that, because of his concerns over law enforcement activity,
23 defendant MAHONEY deleted his spreadsheet tracking kickbacks owed to
24 body brokers referring patients to Healing Path and Get Real.

25 Overt Act No. 10: On October 1, 2020, defendant MAHONEY paid a
26 \$60,000 kickback to Broker 1, via a check payable to Business A.

27 Overt Act No. 11: On October 1, 2020, defendant MAHONEY paid a
28 \$25,000 kickback to Broker 2, via a check payable to Business C.

1 Overt Act No. 12: On October 1, 2020, defendant MAHONEY paid
2 Moore a \$25,000 kickback payment on behalf of Get Real and a \$20,000
3 kickback payment on behalf of Healing Path.

4 **Additional Kickbacks Paid by Defendant MAHONEY**

5 Overt Act No. 13: On November 7, 2019, defendant MAHONEY paid
6 defendant PARKINSON a \$22,500 kickback.

7 Overt Act No. 14: On November 12, 2019, defendant MAHONEY paid
8 defendant PARKINSON a \$22,500 kickback.

9 Overt Act No. 15: On November 15, 2019, defendant MAHONEY paid
10 defendant PARKINSON a \$32,500 kickback.

11 Overt Act No. 16: On November 27, 2019, defendant MAHONEY paid
12 defendant PARKINSON a \$22,500 kickback.

13 Overt Act No. 17: On November 29, 2019, defendant MAHONEY paid
14 defendant PARKINSON a \$32,500 kickback.

15 Overt Act No. 18: On October 8, 2020, defendant MAHONEY paid
16 Moore \$50,000 on behalf of Healing Path.

COUNTS TWO THROUGH EIGHT

[18 U.S.C. § 220(a)(2); 18 U.S.C. § 2]

[DEFENDANT MAHONEY]

10. The Grand Jury realleges paragraphs 1 through 6 and 8 of this Indictment here.

11. On or about the dates set forth below, in Orange County, California, within the Central District of California, and elsewhere, defendant CASEY MAHONEY, together with others known and unknown to the Grand Jury, aiding and abetting each other, knowingly and willfully paid remuneration, including a kickback, bribe, and rebate, namely, the following payments, directly and indirectly, overtly and covertly, in cash and in kind, (1) to induce a referral of an individual to a recovery home and clinical treatment facility, and (2) in exchange for an individual using the services of a recovery home and clinical treatment facility, each with respect to services covered by a health care benefit program, in and affecting interstate commerce:

COUNT	DATE	PAYMENT	APPROXIMATE AMOUNT
TWO	11/27/2019	Check from Get Real payable to Star Treatment Solutions LLC	\$22,500
THREE	11/29/2019	Check from Healing Path payable to Star Treatment Solutions LLC	\$32,500
FOUR	10/1/2020	Check from Healing Path payable to Business A	\$60,000
FIVE	10/1/2020	Check from Healing Path payable to Business C	\$25,000
SIX	10/1/2020	Check from Healing Path payable to Moore Recovery Solutions LLC	\$20,000

COUNT	DATE	PAYMENT	APPROXIMATE AMOUNT
SEVEN	10/8/2020	Check from Healing Path payable to Moore Recovery Solutions LLC	\$50,000
EIGHT	10/15/2020	Check from Get Real payable to Moore Recovery Solutions LLC	\$45,000

COUNTS NINE AND TEN

[18 U.S.C. § 220(a)(1); 18 U.S.C. § 2]

[DEFENDANT PARKINSON]

12. The Grand Jury realleges paragraphs 1 through 6 and 8 of this Indictment here.

13. On or about the dates set forth below, in Orange County, California, within the Central District of California, and elsewhere, defendant JOSEPH PARKINSON, together with others known and unknown to the Grand Jury, aiding and abetting each other, knowingly and willfully solicited and received remuneration, including a kickback, bribe, and rebate, namely, the following payments, directly and indirectly, overtly and covertly, in cash and in kind, in return for referring a patient and patronage to a recovery home and clinical treatment facility, each with respect to services covered by a health care benefit program, in and affecting interstate commerce:

COUNT	DATE	PAYMENT	APPROXIMATE AMOUNT
NINE	11/27/2019	Check from Get Real payable to Star Treatment Solutions LLC	\$22,500
TEN	11/29/2019	Check from Healing Path payable to Star Treatment Solutions LLC	\$32,500

COUNTS ELEVEN THROUGH THIRTEEN

[18 U.S.C. § 1956(a)(1)(B)(i); 18 U.S.C. § 2]

[DEFENDANT MAHONEY]

14. The Grand Jury re-alleges paragraphs 1 through 6 and 8 of this Indictment here.

15. On or about the following dates, in Orange County, California, within the Central District of California, and elsewhere, defendant CASEY MAHONEY and others known and unknown to the Grand Jury, conducted, aided and abetted the conducting of, and willfully caused others to conduct, the following financial transactions affecting interstate and foreign commerce, knowing that the property involved in such transactions represented the proceeds of some form of unlawful activity, and which transactions, in fact, involved the proceeds of specified unlawful activity, that is, Conspiracy to Pay, Offer, Solicit, and Receive Illegal Remunerations for Referrals to Clinical Treatment Facilities, in violation of Title 18, United States Code, Sections 371, 220(a)(1), and 220(a)(2), knowing that the transactions were designed, in whole and in part, to conceal and disguise the nature, location, source, ownership, and control of the proceeds of such specified unlawful activity:

COUNT	DATE	TRANSACTION
ELEVEN	8/3/2020	Payment of check from Get Real to Broker 1's mother for \$39,500, falsely labeled with the memo line "Consulting Fee"
TWELVE	9/1/2020	Payment of check from Get Real to Broker 1's mother for \$21,500, falsely labeled with the memo line "Consulting Fee"
THIRTEEN	10/1/2020	Payment of check from Get Real to Broker 1's mother for \$23,000, falsely labeled with the memo line "Consulting Fee"

COUNTS FOURTEEN THROUGH TWENTY-FIVE

[31 U.S.C. §§ 5324(a)(3), (d)(2); 18 U.S.C. § 2]

[DEFENDANT PARKINSON]

16. The Grand Jury re-alleges paragraphs 1 through 6 and 8 of this Indictment here.

17. On or about the following dates, in Orange County, within the Central District of California, and elsewhere, defendant JOSEPH PARKINSON and others known and unknown to the Grand Jury, aiding and abetting each other, knowingly, and for the purpose of evading the reporting requirements of Section 5313(a) of Title 31, United States Code, and the regulations promulgated thereunder, structured, assisted in structuring, and willfully caused to be structured, the following transactions with domestic financial institutions, as part of a pattern of illegal activity involving more than \$100,000 in a 12-month period, and while violating another law of the United States:

COUNT	DATE	TRANSACTIONS
FOURTEEN	6/8/2020	Cash withdrawals of \$6,000 from Parkinson Account 1 and \$9,000 from Parkinson Account 2
FIFTEEN	6/16/2020	Cash withdrawals of \$6,000 from Parkinson Account 1 and \$9,000 from Parkinson Account 2
SIXTEEN	6/18/2020	Cash withdrawals of \$6,000 from Parkinson Account 1 and \$10,000 from Parkinson Account 2
SEVENTEEN	7/2/2020	Cash withdrawals of \$6,000 from Parkinson Account 1 and \$10,000 from Parkinson Account 2
EIGHTEEN	7/6/2020	Cash withdrawals of \$6,000 from Parkinson Account 1 and \$9,500 from Parkinson Account 2
NINETEEN	7/20/2020	Cash withdrawals of \$6,000 from Parkinson Account 1 and \$9,500 from Parkinson Account 2

COUNT	DATE	TRANSACTIONS
TWENTY	7/22/2020	Cash withdrawals of \$5,500 from Parkinson Account 1 and \$9,500 from Parkinson Account 2
TWENTY-ONE	7/29/2020	Cash withdrawals of \$8,000 from Parkinson Account 1 and \$10,000 from Parkinson Account 2
TWENTY-TWO	8/3/2020	Cash withdrawals of \$6,000 from Parkinson Account 1 and \$9,500 from Parkinson Account 2
TWENTY-THREE	8/12/2020	Cash withdrawals of \$5,000 from Parkinson Account 1 and \$9,000 from Parkinson Account 2
TWENTY-FOUR	8/24/2020	Cash withdrawals of \$8,000 from Parkinson Account 1 and \$9,000 from Parkinson Account 2
TWENTY-FIVE	9/8/2020	Cash withdrawals of \$8,000 from Parkinson Account 1 and \$8,500 from Parkinson Account 2

COUNT TWENTY-SIX

[21 U.S.C. §§ 841(a)(1), (b)(1)(C)]

[DEFENDANT PARKINSON]

On or about September 24, 2020, in Orange County, within the Central District of California, defendant JOSEPH PARKINSON knowingly and intentionally possessed with intent to distribute N-phenyl-N-[1-(2-phenylethyl)-4-piperidinyl] propanamide ("fentanyl"), a Schedule II narcotic drug controlled substance.

FORFEITURE ALLEGATION ONE

[18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c)]

1. Pursuant to Rule 32.2 of the Federal Rules of Criminal Procedure, notice is hereby given that the United States of America will seek forfeiture as part of any sentence, pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c), in the event of any defendant's conviction of the offense set forth in Count One of this Indictment.

2. Any defendant, if so convicted, shall forfeit to the United States of America the following:

(a) All right, title, and interest in any and all property, real or personal, constituting, or derived from, any proceeds traceable to the offense; and

(b) To the extent such property is not available for forfeiture, a sum of money equal to the total value of the property described in subparagraph (a).

3. Pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c), a defendant, if so convicted, shall forfeit substitute property, up to the value of the property described in the preceding paragraph if, as the result of any act or omission of the defendant, the property described in the preceding paragraph or any portion thereof (a) cannot be located upon the exercise of due diligence; (b) has been transferred, 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 divided without difficulty.

FORFEITURE ALLEGATION TWO

[18 U.S.C. § 982]

1. Pursuant to Rule 32.2(a) of the Federal Rules of Criminal Procedure, notice is hereby given that the United States will seek forfeiture as part of any sentence, pursuant to Title 18, United States Code, Section 982(a)(1), in the event of any defendant's conviction of any of the offenses set forth in any of Counts Eleven through Thirteen of this Indictment.

2. Any defendant, if so convicted, shall forfeit to the United States of America the following:

(a) Any property, real or personal, involved in such offense, and any property traceable to such property; and

(b) To the extent such property is not available for forfeiture, a sum of money equal to the total value of the property described in subparagraph (a).

3. Pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982(b)(1), and Title 18, United States Code, Section 982(b)(2), a defendant, if so convicted, shall forfeit substitute property, if, by any act or omission of the defendant, the property described in the preceding paragraph, or any portion thereof: (a) cannot be located upon the exercise of due diligence; (b) has been transferred, 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 divided without difficulty. Substitution of assets shall not be ordered, however, where the convicted defendant acted merely as an intermediary who handled but did not retain the property in the

1 course of the money laundering offense unless the defendant, in
2 committing the offense or offenses giving rise to the forfeiture,
3 conducted three or more separate transactions involving a total of
4 \$100,000 or more in any twelve-month period.

FORFEITURE ALLEGATION THREE

[31 U.S.C. § 5317]

1. Pursuant to Rule 32.2(a) of the Federal Rules of Criminal Procedure, notice is hereby given that the United States of America will seek forfeiture as part of any sentence, pursuant to Title 31, United States Code, Section 5317, in the event of any defendant's conviction of the offenses set forth in any of Counts Fourteen through Twenty-Five of this Indictment.

2. Any defendant so convicted shall forfeit to the United States of America the following:

(a) All property, real or personal, involved in the offense and any property traceable thereto; and

(b) To the extent that such property is not available for forfeiture, a sum of money equal to the total value of the property described in subparagraph (a).

3. Pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 31, United States Code, Section 5317(c)(1)(B), a defendant so convicted shall forfeit substitute property, if, by any act or omission of said defendant, the property described in the preceding, or any portion thereof; (a) cannot be located upon the exercise of due diligence; (b) has been transferred, sold to, or deposited with a third party; (c) has been placed beyond the

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jurisdiction of the court; (d) has been substantially diminished in value; or (e) has been commingled with other property that cannot be divided without difficulty.

A TRUE BILL

Foreperson 

TRACY L. WILKISON
Acting United States Attorney



SCOTT M. GARRINGER
Assistant United States Attorney
Chief, Criminal Division

BENJAMIN R. BARRON
Assistant United States Attorney
Chief, Santa Ana Branch Office

JOSEPH S. BEEMSTERBOER
Acting Chief, Fraud Section
U.S. Department of Justice

JUSTIN P. GIVENS
Trial Attorney, Fraud Section
U.S. Department of Justice