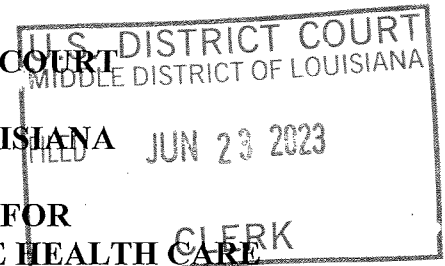


UNITED STATES DISTRICT COURT

MIDDLE DISTRICT OF LOUISIANA

**BILL OF INFORMATION FOR
CONSPIRACY TO PAY AND RECEIVE HEALTH CARE
KICKBACKS AND FORFEITURE ALLEGATIONS**



UNITED STATES OF AMERICA	:	CRIMINAL NO. 23- 08-55-SDD-RLB
	:	
<i>versus</i>	:	18 U.S.C. § 371
	:	18 U.S.C. § 982(a)(7)
BILLY BAKER	:	21 U.S.C. § 853(p)
	:	
	:	

THE UNITED STATES ATTORNEY CHARGES:

AT ALL TIMES RELEVANT TO THIS BILL OF INFORMATION:

The Medicare Program

1. The Medicare Program ("Medicare") was a federal health insurance program, affecting commerce, that provided benefits to persons who were 65 years of age and older or disabled.
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 was administered by the United States Department of Health and Human Services, through its agency, the Centers for Medicare and Medicaid Services.
4. Individuals who qualified for Medicare benefits were commonly referred to as "beneficiaries." Each beneficiary was given a unique Medicare identification number.

5. Medicare included coverage under component parts. Medicare Part B covered, among other things, medical services provided by physicians, clinics, laboratories, and other qualified health care providers, such as laboratory testing, that were medically necessary and ordered by qualified health care providers.

6. Medicare would not reimburse providers for claims that were procured through the payment of kickbacks and bribes.

The Defendant and Relevant Entities and Individuals

7. The defendant, **BILLY BAKER**, was a resident of Louisville, Kentucky.

8. Baker Orlandi Ventures LLC d/b/a Partner First was a Florida limited liability company registered on or about January 8, 2015, with its principal place of business in Louisville, Kentucky. Partner First was a purported marketing company that identified and solicited Medicare beneficiary samples and doctors' orders to send to laboratories for a variety of diagnostic testing services. It held an account, ending in x9128, at Bank 1.

9. **BAKER** was the co-owner of Partner First. **BAKER** held himself out as the owner and Chief Executive Officer of Partner First.

10. Acadian Diagnostic Laboratories, LLC ("Acadian") was a Louisiana limited liability company based in Baton Rouge, Louisiana. Acadian was a laboratory that purported to provide diagnostic laboratory services, including toxicology, blood, and cancer genetic testing. Acadian applied for and was enrolled as a Medicare provider. Acadian held an account, ending in x9458, at Bank 2.

11. Terry Steven Wilks, Jr. ("Wilks"), a resident of Baton Rouge, Louisiana, was the co-owner and Chief Executive Officer of Acadian.

12. Kevin Bernard Hanley (“Hanley”), a resident of Prairieville, Louisiana, was the co-owner and Chief Financial Officer of Acadian.

13. Specialty Drug Testing LLC (“Specialty”) was a Louisiana limited liability company based in Monroe, Louisiana. Specialty was a laboratory that purported to provide diagnostic laboratory services, including toxicology, blood, and cancer genetic testing. Specialty applied for and was enrolled as a Medicare provider.

14. George M. “Trey” Fluitt, III (“Fluitt”), a resident of Sterlington, Louisiana, was the co-owner of Specialty.

COUNT 1
Conspiracy to Pay and Receive Health Care Kickbacks
(18 U.S.C. § 371)

15. Paragraphs 1 through 14 of this Bill of Information are re-alleged and incorporated by reference as though fully set forth herein.

16. Beginning in or around January 2016, and continuing through in or around December 2018, in the Middle District of Louisiana, and elsewhere, the defendant,

BILLY BAKER,

did knowingly and willfully, that is with the intent to further the objects of the conspiracy, combine, conspire, confederate, and agree with Wilks, Hanley, Fluitt, and others, known and unknown to the United States Attorney, to commit certain offenses against the United States, that is:

a. to violate Title 42, United States Code, Section 1320a-7(b)(1)(B), by soliciting and receiving any remuneration, including kickbacks and bribes, directly and indirectly, overtly and covertly, in cash and in kind, including by check, wire transfer, and ACH payment, in return for purchasing, leasing, ordering, and arranging for and

recommending purchasing, leasing, and ordering any good, facility, service, and item for which payment may be made in whole and in part under a federal health care program, namely Medicare; and

b. to violate Title 42, United States Code, Section 1320a-7b(b)(2)(B), by offering and paying any remuneration, including kickbacks and bribes, directly and indirectly, overtly and covertly, in cash and in kind, including by check, wire transfer, and ACH payment, to any person to induce such person to purchase, lease, order, and arrange for and recommend purchasing, leasing, and ordering any good, facility, service, and item for which payment may be made in whole and in part under a federal health care program, namely Medicare.

Purpose of the Conspiracy

17. It was the purpose of the conspiracy for **BAKER** and his co-conspirators to unlawfully enrich themselves and others, known and unknown to the United States Attorney, by, among other things: (a) offering, paying, soliciting, and receiving kickbacks and bribes in return for referral of beneficiary samples and doctors' orders for diagnostic testing; (b) submitting and causing the submission of claims to Medicare for diagnostic testing that was obtained through the payment of kickbacks and bribes and therefore not eligible for Medicare reimbursement; and (c) diverting proceeds of the scheme for the personal use and benefit of the defendant and his co-conspirators.

Manner and Means of the Conspiracy

18. The manner and means by which the defendant and his co-conspirators sought to accomplish the objects and purpose of the conspiracy included, among others, the following:

a. In or around December 2015, **BAKER**, on behalf of Partner First, contracted with Acadian to provide purported marketing services, when, in reality, Baker was

paid solely for referring beneficiary samples and doctors' orders to Acadian for a variety of diagnostic testing services. The contract between Acadian and Partner First, which was negotiated by **BAKER**, Wilks, and Hanley, expressly provided that Acadian would pay Partner First \$75 per billable specimen.

b. In or around September 2018, **BAKER**, on behalf of Partner First, contracted with Specialty to provide purported marketing services. However, the contract signed by **BAKER** contained "Exhibit A," a commission schedule directing that **BAKER** would receive 45% of the net proceeds obtained by Specialty on each sample tested and billed to Medicare.

c. As **BAKER** knew, this scheme was designed to maximize referrals to the labs and, in turn, maximize reimbursements by Medicare. On one occasion, while discussing a potential new client with Hanley, **BAKER** texted Hanley, "and we make money off [t]he government."

d. In order to maximize reimbursements by Medicare, **BAKER** used telemarketers and call centers to solicit beneficiaries and obtain specimens for testing.

e. **BAKER** caused the submission, via Acadian, of an amount in excess of approximately \$19.7 million in claims to Medicare for diagnostic testing of beneficiary samples obtained through illegal kickbacks and bribes that were ineligible for Medicare reimbursement. Medicare reimbursed Acadian in excess of approximately \$3.4 million for these false and fraudulent claims.

f. **BAKER** caused the submission, via Specialty, of an amount in excess of approximately \$763,000 in claims to Medicare for diagnostic testing of beneficiary samples obtained through illegal kickbacks and bribes that were ineligible for Medicare reimbursement.

Medicare reimbursed Specialty in excess of approximately \$145,000 for these false and fraudulent claims.

g. In turn, Wilks and Hanley paid **BAKER** approximately \$2,388,595, via interstate wire communication, in kickbacks and bribes for samples and doctors' orders referred by **BAKER** to Acadian, and Fluitt paid approximately \$17,269, via interstate wire communication, in kickbacks and bribes to **BAKER** for samples and doctors' orders referred to Specialty.

Overt Act

19. In furtherance of the conspiracy, and to accomplish its objects and purpose, at least one co-conspirator committed and caused to be committed, in the Middle District of Louisiana and elsewhere, at least the following overt act, among others:

On or about March 20, 2018, Wilks and Hanley offered and paid an illegal kickback and bribe to **BAKER** in exchange for **BAKER's** referral of beneficiary samples and doctors' orders for diagnostic testing at Acadian. The payment was made in the form of a wire transfer from Acadian's account ending in x9458 at Bank 2 to Partner First's account ending in x9128 at Bank 1.

In violation of Title 18, United States Code, Section 371.

FORFEITURE ALLEGATIONS

20. Upon conviction of the offense set forth above, the defendant, **BILLY BAKER**, shall forfeit to the United States pursuant to 18 U.S.C. § 982(a)(7), all property, real and personal, that constitutes or is derived, directly or indirectly, from gross proceeds of the violations, including but not limited to:

- a. Gross proceeds of the offense in an account held by Bank 1 in the name of Partner First ending in x9128.
- b. A sum of money equal to the amount of the gross proceeds of the offense.

19. If any of the above-described forfeitable property, 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;

it is the intent of the United States, pursuant to 21 U.S.C. § 853(p) as incorporated by 18 U.S.C. § 982(b), to seek forfeiture of any other property of the defendant up to the value of the forfeitable property described above.

DATE: 6/23/23

UNITED STATES OF AMERICA, by


RONALD C. GATHE, JR.

UNITED STATES ATTORNEY


KRISTEN L. CRAIG

ASSISTANT UNITED STATES ATTORNEY


SAMANTHA STAGIAS

TRIAL ATTORNEY

CRIMINAL DIVISION, FRAUD SECTION
U.S. DEPARTMENT OF JUSTICE

Criminal Cover Sheet**U.S. District Court**

Place of Offense:

Matter to be sealed:

☐ Yes☒ NoCity: Baton Rouge

Related Case Information:

County/Parish: East Baton Rouge

Superseding _____ Docket Number _____

Same Defendant _____ New Defendant _____

*Investigating Agency: HHIG

Magistrate Case Number: _____

Search Warrant Case No.: _____

*Agent: Wes Root

R 20/ R 40 from District of: _____

Any Other Related Cases: _____

Defendant Information:Defendant Name: Billy Baker

Alias: _____

Address: _____

Birthdate: _____ SS #: _____ Sex: _____ Race: _____ Nationality: _____

U.S. Attorney Information:AUSA: Kristen L. CraigBar #: LBN 32565Interpreter: ☐ Yes ☒ No

List language and/or dialect: _____

Location Status:

Arrest Date _____

_____ Already in Federal Custody as of _____

_____ Already in State Custody

_____ On Pretrial Release

U.S.C. Citations:Total # of Counts: 1

<u>Code</u>	<u>Description of Offense Charged</u>	<u>Count(s)</u>	<u>Petty/ Misdemeanor/ Felony</u>
<u>18 U.S.C. § 371</u>	<u>Conspiracy to Pay and Receive Health Care Kickbacks</u>	<u>1</u>	<u>F</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

(May be continued on second sheet)

Date: 6/23/23 Signature of AUSA: KCR