

**FILED**

IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF ILLINOIS

**JUN 19 2018**

CLERK, U.S. DISTRICT COURT  
SOUTHERN DISTRICT OF ILLINOIS  
EAST ST. LOUIS OFFICE

UNITED STATES OF AMERICA )  
)  
Plaintiff, )  
)  
vs. )  
)  
ELIZABETH A. SCHWARZ, )  
FRANK COLEMAN STROEHMER, III )  
)  
Defendants. )

Criminal No. 18-30106-MJR  
Title 18, United States Code, Section 1347

**INDICTMENT**

**THE GRAND JURY CHARGES:**

1. **ELIZABETH A. SCHWARZ** defrauded the State of Illinois Medicaid Home Services Program by falsely causing payments for personal assistant services not actually performed by her personal assistants. **ELIZABETH A. SCHWARZ** took many of the fraudulently obtained payments for herself.

2. **FRANK COLEMAN STROEHMER III**, acting in concert with **ELIZABETH A. SCHWARZ**, defrauded the State of Illinois Medicaid Home Services Program by falsely claiming and receiving payments for personal assistant services which he did not actually perform.

3. The Home Services Program is a Medicaid Waiver Program designed to provide a disabled individual who, with assistance in performing daily living activities in the home, would not require similar care in a nursing home. The Illinois Department of Human Services, Division of Rehabilitation Services (DORS) administers the program. Medicaid Waiver programs enable states to use both state and federal Medicaid funds to pay for services related to medical care that would not ordinarily, be covered under Medicaid. **ELIZABETH A. SCHWARZ** qualified as a beneficiary for services in this program.

4. The State of Illinois pays a personal assistant hourly wages for performance of services for a qualified beneficiary. The qualified beneficiary and the personal assistant must sign an Individual Provider Payment Policies form. The qualified beneficiary must have a Service Plan listing all services to be provided. In order for the personal assistant to receive payment from the State of Illinois, the beneficiary must submit a Home Services Program Time Sheet form listing the hours worked by the personal assistant and signed by both the beneficiary and personal assistant. **FRANK COLEMAN STROEHMER III** was one of the personal assistants employed by **ELIZABETH A. SCHWARZ**.

5. On December 15, 2013, **ELIZABETH A. SCHWARZ** and **FRANK COLEMAN STROEHMER III** signed an Individual Provider Payment Policies form. Among other things, the Individual Provider Payment Policies form states the following:

- *Individual Providers can only be paid for the hours they worked for the customer per the HSP Service Plan. Billing/or hours not worked constitutes Medicaid fraud.*

6. On June 30, 2016, **FRANK COLEMAN STROEHMER III** signed a Waiver Program Provider Agreement form. Among other things, the Waiver Program Provider Agreement form states the following:

- *The provider shall be fully liable for the truth, accuracy, and completeness of all claims for payment submitted electronically or in hard copy. Any false or fraudulent claim or claims or any concealment of a material fact may be prosecuted under applicable Federal and State laws.*

7. From on or about February 1, 2010 through on or about November 30, 2013, in furtherance of a scheme to defraud the Medicaid Home Services Program for the State of Illinois, **ELIZABETH A. SCHWARZ** submitted Home Services Program Time Sheets on which she falsely claimed hours of personal assistant services that were not performed on the dates and times reported on the Home Services Program Time Sheets.

8. From on or about January 14, 2017 though on or about June 12, 2017, in furtherance of a scheme to defraud the Medicaid Home Services Program for the State of Illinois, **ELIZABETH A. SCHWARZ** and **FRANK COLEMAN STROEHMER III** submitted Home Services Program Time Sheets on which they falsely claimed hours of personal assistant services that were not performed on the dates and times reported on the Home Services Program Time Sheets. **ELIZABETH A. SCHWARZ** and **FRANK COLEMAN STROEHMER III** signed each time sheet under the following printed information:

*I certify that the above information is true and in accordance with the Individual Provider Payment Policies (IL488-2252). I understand falsification of any information submitted on this form could lead to criminal prosecution.*

**COUNT 1**

**Healthcare Fraud**

9. Paragraphs 1 through 8 are re-alleged and incorporated in Count I.

10. On various dates from on or about February 1, 2010 through on or about November 30, 2013, in Madison County, within the Southern District of Illinois,

**ELIZABETH A. SCHWARZ**

defendant, did knowingly and willfully execute a scheme to defraud a health care benefit program, affecting interstate commerce as defined in Title 18, United States Code, Section 24(b), namely Medicaid, in connection with the delivery of and payment for health care benefits and services by submitting time sheets which reported hours of services by a personal assistant who had not performed any such services and then diverting to herself the payment for those falsely reported personal assistant services which had not been performed, in violation of Title 18, United States Code, Section 1347.

**COUNT 2**

**Healthcare Fraud**

11. Paragraphs 1 through 8 are re-alleged and incorporated in Count 2.

12. On various dates from on or about January 14, 2017 through on or about June 12, 2017, in Madison County, within the Southern District of Illinois,

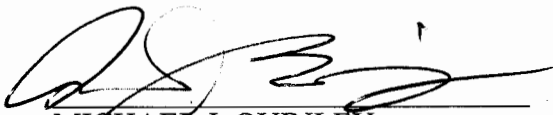
**ELIZABETH A SCHWARZ and  
FRANK COLEMAN STROEHMER, III**


defendants, did knowingly and willfully execute a scheme to defraud a health care benefit program, affecting interstate commerce as defined in Title 18, United States Code, Section 24(b),

namely Medicaid, in connection with the delivery of and payment for health care benefits and services by submitting time sheets reporting hours of services which had not been performed and receiving payment for those falsely reported personal assistant services which had not been performed, in violation of Title 18, United States Code, Section 1347.

[REDACTED]

[REDACTED]

  
MICHAEL J. QUINLEY  
Assistant United States Attorney

  
DONALD S. BOYCE  
United States Attorney

Recommended Bond: \$10,000 unsecured