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**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

United States Courts  
Southern District of Texas  
FILED

JUN 19 2018

David J. Bradley, Clerk of Court

**UNITED STATES OF AMERICA**

v.

**RASHEED KAZZIM,**

**Defendant.**

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**Criminal No.**

**18CR338**

**INDICTMENT**

The Grand Jury charges:

**General Allegations**

At all times material to this Indictment, unless otherwise specified:

1. The Medicare program (Medicare) was a federal healthcare program providing benefits to individuals who were the age of 65, or older, or disabled. Medicare was administered by the United States Department of Health and Human Services, through its agency, the Centers for Medicare and Medicaid Services (CMS). Individuals receiving 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).

3. Medicare was subdivided into different parts. “Part A” of Medicare covered certain eligible home healthcare costs for medical services provided by a home healthcare agency (“HHA”) to beneficiaries requiring home health services because of an illness or disability causing them to be homebound. Payments for home healthcare services were typically made directly to a HHA based on claims submitted to Medicare for qualifying services that had been provided to eligible beneficiaries, rather than to the beneficiaries. “Part B” of the Medicare

covered the cost of physicians' services, outpatient care, and other ancillary services not covered by Part A.

4. Physicians, clinics, and other healthcare providers, including HHAs, that provided services to Medicare beneficiaries were able to apply for and obtain a Medicare provider number. A healthcare provider that was issued a Medicare provider number was able to file claims with Medicare to obtain reimbursement for services provided to beneficiaries. A Medicare claim was required to set forth, among other things, the beneficiary's name and Medicare identification number, the services that were performed for the beneficiary, the date the services were provided, the cost of the services, and the name and identification number of the physician or other healthcare provider that ordered the services.

5. Medicare paid for home healthcare services only if the patient qualified for home healthcare benefits. A patient qualified for home healthcare benefits only if:

- a. the patient was confined to the home, also referred to as homebound;
- b. the patient was under the care of a physician who specifically determined there was a need for home healthcare and established the Plan of Care (POC); and
- c. the determining physician signed a certification statement specifying that:
  - i. the beneficiary needed intermittent skilled nursing services, physical therapy, or speech therapy;
  - ii. the beneficiary was confined to the home;
  - iii. a POC for furnishing services was established and periodically reviewed; and
  - iv. the services were furnished while the beneficiary was under the care of the physician who established the POC.

6. Medicare regulations required HHAs providing services to Medicare patients to maintain complete and accurate medical records reflecting the medical assessment and diagnoses of their patients, as well as records documenting actual treatment of the patients to whom services were provided and for whom claims for payment were submitted by the HHA.

7. These medical records were required to be sufficient to permit Medicare, through its contractors, to review the appropriateness of Medicare payments made to the HHA.

8. Medicare Part B Providers, such as physicians, were reimbursed 80% of the allowed amount covered by Medicare. The Medicare beneficiary was responsible for the coinsurance amount equal to the remaining 20% of the allowed amount. For patients dually eligible for Medicare and Medicaid, Medicaid generally paid the 20% of the allowed amount not covered by Medicare.

9. Defendant **RASHEED KAZZIM**, a resident of Harris County, Texas, was an Owner and the Alternative Administrator at D-Best Nursing Services, Inc. ("D-Best"), a home health agency doing business in Harris County, Texas.

10. Olubunmi Kazzim, a resident of Harris County, Texas, was a Registered Nurse and, as of in or around August 2015, a Family Nurse Practitioner, and an Owner, the Administrator, and Supervisory Nurse at D-Best.

11. Recruiters A, B, and C were patient recruiters for home health agencies, including D-Best.

12. Physicians A, B, and C were physicians licensed to practice medicine in the State of Texas. Physicians A, B, and C certified D-Best patients for home healthcare services.

**COUNT 1**  
**Conspiracy to Defraud the United States and to  
Pay and Receive Health Care Kickbacks  
(18 U.S.C. § 371)**

13. Paragraphs 1 through 12 of this Indictment are realleged and incorporated by reference as if fully set forth herein.

14. From in and around January 2011 through in and around July 2016, the exact dates being unknown, in the Houston Division of the Southern District of Texas, and elsewhere, the Defendant,

**RASHEED KAZZIM**

did knowingly and willfully combine, conspire, confederate, and agree with others known and unknown, to commit certain offenses against the United States, that is,

- a. to defraud the United States by impairing, impeding, obstructing and defeating through deceitful and dishonest means, the lawful government functions of the United States Department of Health and Human Services in its administration and oversight of Medicare, and to commit certain offenses against the United States, that is:
- b. to violate Title 42, United States Code, Section 1320a-7b(b)(1), by knowingly and willfully soliciting and receiving remuneration, specifically kickbacks and bribes, 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 or in part under a Federal health care program, that is, Medicare; and in return for the purchasing, leasing, ordering, and arranging for and recommending the

purchasing, leasing, and ordering of any good, facility, service, and item for which payment may be made in whole and in part under a Federal health care program, that is, Medicare; and

- c. to violate Title 42, United States Code, Section 1320a-7b(b)(2), by knowingly and willfully offering and paying remuneration, specifically kickbacks and bribes, directly and indirectly, overtly and covertly, in cash and in kind to any person to induce such person to refer 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 or in part under a Federal health care program, that is, Medicare; and for the purchasing, leasing, ordering, and arranging for and recommending the purchasing, leasing, and ordering of any good, facility, service, and item for which payment may be made in whole and in part under a Federal health care program, that is, Medicare.

#### **Purpose of the Conspiracy**

15. It was a purpose of the conspiracy for the Defendant **RASHEED KAZZIM**, Olubunmi Kazzim and others to unlawfully enrich themselves by paying kickbacks and bribes in exchange for the referral of Medicare beneficiaries for whom D-Best submitted claims to Medicare.

#### **Manner and Means of the Conspiracy**

The manner and means by which the Defendant **RASHEED KAZZIM**, Olubunmi Kazzim, and others sought to accomplish the purposes and objects of the conspiracy included, among other things, the following:

16. Defendant **RASHEED KAZZIM** and his wife Olubunmi Kazzim maintained a Medicare provider number for D-Best, which they used to submit claims to Medicare for home health services.

17. Defendant **RASHEED KAZZIM** and his coconspirators paid and caused the payment of kickbacks to Recruiters A, B, and C in exchange for the patient recruiters referring Medicare beneficiaries to D-Best for home healthcare.

18. Physicians A, B, and C certified a number of D-Best's patients for home healthcare services. In exchange for Medicare-required paperwork, Defendant **RASHEED KAZZIM** and his coconspirators paid and caused the payment of kickbacks to Physicians A, B, C, and other certifying physicians. Until they received that kickback payment, Physicians A, B, and C withheld signed paperwork that D-Best required before D-Best could bill Medicare for home healthcare services it purportedly provided.

19. Defendant **RASHEED KAZZIM** and his coconspirators paid and caused the payment of kickbacks, often in cash, to Medicare patients in exchange for the patients' allowing D-Best to use their Medicare information to bill Medicare for home healthcare services.

20. From in and around January 2011 through in and around July 2016, D-Best billed Medicare at least \$1,113,558.14 in home healthcare claims that were predicated on illegal kickbacks to patient recruiters, Physicians A, B, and C, and Medicare beneficiaries who purportedly received home healthcare services from D-Best. Medicare paid D-Best approximately \$1,261,023.60 on those claims, which was transferred electronically into an account owned by Defendant **RASHEED KAZZIM** and Olubunmi Kazzim.

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

**Overt Acts**

22. In furtherance of the conspiracy, and to accomplish its objects and purposes, the conspirators committed and caused to be committed, in the Houston Division of the Southern District of Texas, the following overt acts set forth in Counts 2-4 of the Indictment:

- a. On or about March 12, 2014, Defendant **RASHEED KAZZIM** paid or caused the payment of approximately \$1,000 to Recruiter B in exchange for sending Medicare beneficiaries to D-Best for home healthcare services.
- b. On or about January 5, 2015, Defendant **RASHEED KAZZIM** paid or caused the payment of approximately \$1,580 to Recruiter B in exchange for sending Medicare beneficiaries to D-Best for home healthcare services.
- c. On or about July 15, 2015, Defendant **RASHEED KAZZIM** paid or caused the payment of approximately \$600 to Recruiter A in exchange for sending Medicare beneficiaries to D-Best for home healthcare services.

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

**COUNTS 2-4**

**Payment of Health Care Kickbacks  
(42 U.S.C. § 1320a-7b(b)(2), 18 U.S.C. § 2)**

23. Paragraphs 1 through 12 of this Indictment are realleged and incorporated by reference as if fully set forth herein.

24. On or about the dates enumerated below, in the Houston Division of the Southern District of Texas, and elsewhere, the Defendant,

**RASHEED KAZZIM**

did knowingly and willfully offer and pay remuneration, specifically kickbacks and bribes, directly and indirectly, overtly and covertly, 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 or in part under a Federal health care program, that is, Medicare; and for purchasing, leasing, ordering, and arranging for and recommending the purchasing, leasing, ordering, of any good, facility, service, and item for which payment may be made in whole or in part under a Federal health care program, that is, Medicare as set forth below:

<b>Counts</b>	<b>Approximate Date</b>	<b>Approximate Amount</b>	<b>Recipient</b>
2	March 12, 2014	\$1,000.00	Recruiter B
3	January 5, 2015	\$1,580.00	Recruiter B
4	July 15, 2015	\$600.00	Recruiter A

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

**NOTICE OF CRIMINAL FORFEITURE**  
**(18 U.S.C. § 982(a)(7))**

25. Pursuant to Title 18, United States Code, Section 982(a)(7), the United States of America gives notice to Defendant **RASHEED KAZZIM** that upon conviction of any Counts in this Indictment, all property, real or personal, that constitutes or is derived, directly or indirectly, from gross proceeds traceable to the commission of such offenses—at least \$1,261,023.60—is subject to forfeiture.

26. Defendant **RASHEED KAZZIM** is notified that upon conviction, a money judgment may be imposed equal to the total value of the property subject to forfeiture.



27. Defendant **RASHEED KAZZIM** is notified that if any of the forfeitable property, or any portion thereof, as a result of any act or omission of defendant or his co-conspirators cannot be located upon the exercise of due diligence because it:

- a. has been transferred, or sold to, or deposited with a third party;
- b. has been placed beyond the jurisdiction of the Court;
- c. has been substantially diminished in value; or
- d. has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States to seek forfeiture of any other property of defendant up to the total value of the property subject to forfeiture, pursuant to Title 21, United States Code, Section 853(p), incorporated by reference in Title 18, United States Code, Section 982(b)(1).


A TRUE BILL

*1*

Original Signature on File

~~FOREPERSON~~ \_\_\_\_\_ )

RYAN K. PATRICK  
UNITED STATES ATTORNEY

  
\_\_\_\_\_  
CATHERINE WAGNER

ALEZA REMIS  
Trial Attorneys  
Fraud Section, Criminal Division  
U.S. Department of Justice