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CLERK U.S. DISTRICT COURT  
CENTRAL DIST. OF CALIF.  
LOS ANGELES

BY: \_\_\_\_\_

UNITED STATES DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA

January 2015 Grand Jury

UNITED STATES OF AMERICA,

Plaintiff,

v.

OXANA LOUTSEIKO,  
aka "Oxana Loutseyko,"  
CHRISTIAN HERNANDEZ,  
aka "Cristian Hernandez," and  
MARIA ESPINOZA,

Defendants.

No. CR **CR15-0330**

I N D I C T M E N T

[18 U.S.C. § 1349:  
Conspiracy to Commit Health  
Care Fraud; 18 U.S.C. § 371:  
Conspiracy to Pay and  
Receive Health Care  
Kickbacks]

The Grand Jury charges:

COUNT ONE

[18 U.S.C. § 1349]

A. INTRODUCTORY ALLEGATIONS

At all times relevant to this Indictment:

The Conspirators

1. Defendant OXANA LOUTSEIKO, also known as ("aka")  
"Oxana Loutseyko" ("LOUTSEIKO"), was a general manager of Mauran

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1 Ambulance Service, Inc. ("Mauran"), an ambulance transportation  
2 company located in San Fernando, California.

3 2. Defendant CHRISTIAN HERNANDEZ, aka "Cristian  
4 Hernandez," ("HERNANDEZ") was a Dispatch Supervisor for Mauran.

5 3. Co-conspirator CC-1 was the co-owner and co-operator  
6 of Mauran.

7 4. Co-conspirator CC-2 was the co-owner and co-operator  
8 of Mauran.

9 The Medicare Program

10 5. The Medicare Program ("Medicare") was a federal health  
11 care benefit program, affecting commerce, which provided  
12 benefits to individuals who were over the age of 65 or disabled.  
13 Medicare was administered by the Centers for Medicare and  
14 Medicaid Services ("CMS"), a federal agency under the United  
15 States Department of Health and Human Services. Medicare was a  
16 "health care benefit program" as defined by Title 18, United  
17 States Code, Section 24(b).

18 6. Medicare was subdivided into multiple parts. Medicare  
19 Part B covered, among other things, ambulance services.

20 7. Individuals who qualified for Medicare benefits were  
21 commonly referred to as "Medicare beneficiaries." Each Medicare  
22 beneficiary was given a Medicare identification number.

23 8. Medicare covered ambulance services only if furnished  
24 to a beneficiary whose medical condition at the time of  
25 transport was such that ambulance transportation was medically  
26 necessary. A patient whose condition permitted transport in any  
27 type of vehicle other than an ambulance did not qualify for  
28 Medicare payment for ambulance services. Medicare payment for

1 ambulance transportation depended on the patient's condition at  
2 the actual time of the transport regardless of the patient's  
3 diagnosis. To be deemed medically necessary for payment, the  
4 patient must have required both the transportation and the level  
5 of service provided.

6 9. Ambulance transportation was only covered when the  
7 patient's condition required the vehicle itself or the  
8 specialized services of the trained ambulance personnel. A  
9 requirement of coverage was that the needed services of the  
10 ambulance personnel were provided and clear clinical  
11 documentation validated their medical need and their provision  
12 in the record of the service, which was usually documentation in  
13 the form a "run-sheet." During an ambulance transport,  
14 Emergency Medical Technicians ("EMTs") are required to complete  
15 a "Patient Care Report" ("PCRs"), often called "run-sheets" or  
16 "run-tickets," in order to document the patient's medical  
17 condition at the time of the transportation, and any relevant  
18 details about the transportation itself.

19 10. In the absence of an emergency condition, ambulance  
20 services were covered only under the following circumstances:  
21 (a) the patient being transported could not be transported by  
22 any other means without endangering the individual's health; or  
23 (b) the patient was before, during, and after transportation,  
24 bed confined. For purposes of Medicare coverage, "bed confined"  
25 meant the patient met all of the following three criteria:  
26 (a) unable to get up from bed without assistance; (b) unable to  
27 ambulate; and (c) unable to sit in a chair (including a  
28 wheelchair).

1 11. A thorough assessment and documented description of  
2 the patient's current medical state was essential for coverage.  
3 All statements about the patient's medical condition or bed  
4 confined status must have been validated in the documentation  
5 using contemporaneous, objective observations and findings.

6 12. For ambulance services to have been covered by  
7 Medicare, the transport must have been to the nearest  
8 institution with appropriate facilities for the treatment of the  
9 illness or injury involved. The term "appropriate facilities"  
10 meant that the institution was generally equipped to provide  
11 care necessary to manage the illness or injury involved.  
12 Covered destinations for non-emergency transports included:  
13 (a) hospitals; (b) skilled nursing facilities; (c) dialysis  
14 facilities; (d) from a skilled nursing facility to the nearest  
15 supplier of medically-necessary services not available at the  
16 skilled nursing facility where the beneficiary was a resident,  
17 including the return trip, when the patient's condition at the  
18 time of transport required ambulance services; and (e) the  
19 patient's residence, but only if the transport was to return  
20 from an appropriate facility and the patient's condition at the  
21 time of transport required ambulance services.

22 13. CMS contracted with Medicare Administrative  
23 Contractors ("MACs") to process claims for payment. The MAC  
24 that processed and paid Medicare Part B claims in Southern  
25 California, starting in October 2007, until August 2013, was  
26 Palmetto GBA. Noridian Administrative Services ("Noridian") was  
27 the MAC in Southern California from approximately September 2013  
28 to the present.

1           14. To bill Medicare for services rendered, a provider  
2 submitted a claim form (Form 1500) to the Medicare contractor  
3 processing claims at that time. When a Form 1500 was submitted,  
4 usually in electronic form, the provider certified: (a) that the  
5 contents of the form were true, correct, and complete; (b) that  
6 the form was prepared in compliance with the laws and  
7 regulations governing Medicare; and (c) that the services being  
8 billed were medically necessary.

9           15. A Medicare claim for payment was required to set  
10 forth, among other things, the following: (a) the beneficiary's  
11 name and unique Medicare identification number; (b) the item or  
12 type of services provided to the beneficiary; (c) the cost of  
13 the item or service being provided; and (d) the name and Unique  
14 Physician Identification Number ("UPIN") and/or the National  
15 Provider Identifier ("NPI") of the physician who prescribed or  
16 ordered the item or service.

17 B.    THE OBJECT OF THE CONSPIRACY

18           16. Beginning in or around January 2009, and continuing  
19 through in or around September 2013, in Los Angeles County,  
20 within the Central District of California, and elsewhere,  
21 defendants LOUTSEIKO and HERNANDEZ, together with others known  
22 and unknown to the Grand Jury, knowingly combined, conspired,  
23 and agreed to commit health care fraud, in violation of Title  
24 18, United States Code, Section 1347.

25 C.    THE MANNER AND MEANS OF THE CONSPIRACY

26           17. The object of the conspiracy was carried out, and to  
27 be carried out, in substance, as follows:

1           a.    On or about February 18, 2009, CC-1 and CC-2  
2 purchased Mauran.

3           b.    On or about April 19, 2009, CC-1 opened a  
4 corporate bank account for Mauran at Bank of America, account  
5 number xxxxx-72132 ("BA Account"). CC-1 was a signatory on this  
6 BA Account.

7           c.    On or about May 7, 2009, CC-1 executed and  
8 submitted an electronic funds transfer agreement ("EFT") to  
9 Medicare, requesting that all future reimbursements from  
10 Medicare be directly deposited into Mauran's BA Account. On  
11 this EFT, defendant LOUTSEIKO is listed as a contact person for  
12 Mauran.

13           d.    On or about July 22, 2010, CC-1 filed a Statement  
14 of Information with the State of California that listed CC-1 as  
15 the Chief Executive Officer, Secretary, Chief Financial Officer,  
16 and Director of Mauran.

17           e.    On or about March 22, 2011, CC-1 executed and  
18 submitted an amended enrollment application to Medicare on  
19 behalf of Mauran. On this application, CC-1 is listed as  
20 President of Mauran, and defendant LOUTSEIKO is designated as a  
21 Delegated Official of Mauran.

22           f.    On or about May 21, 2012, CC-1 filed a Statement  
23 of Information with the State of California that listed CC-1 as  
24 the Chief Executive Officer, Secretary, Chief Financial Officer,  
25 and Director of Mauran.

26           g.    On or about April 18, 2014, CC-1 opened a  
27 corporate bank account for Mauran at Citibank, account number  
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1 xxxxx-14140 (the "Citibank Account"). CC-1 was the sole  
2 signatory on this Citibank Account.

3 h. On or about April 23, 2014, CC-1 executed and  
4 submitted an EFT to Medicare requesting that all future  
5 reimbursements from Medicare be directly deposited into Mauran's  
6 Citibank Account.

7 i. On or about September 22, 2014, CC-1 executed and  
8 submitted an EFT to Medicare requesting that all future  
9 reimbursements from Medicare be directly deposited into Mauran's  
10 BA Account.

11 j. Defendants LOUTSEIKO and HERNANDEZ, together with  
12 others known and unknown to the Grand Jury, thereafter knowingly  
13 provided and caused to be provided ambulance transportation  
14 services, through Mauran, to Medicare beneficiaries knowing that  
15 the beneficiaries' medical conditions did not make the ambulance  
16 transportation services necessary.

17 k. Defendants LOUTSEIKO and HERNANDEZ, together with  
18 others known and unknown to the Grand Jury, instructed Mauran  
19 employees to document a reason purportedly justifying ambulance  
20 transportation services on run-sheets even if such a reason did  
21 not exist.

22 l. Defendant LOUTSEIKO and HERNANDEZ, together with  
23 others known and unknown to the Grand Jury, instructed Mauran  
24 employees not to write certain words, such as "walk" or  
25 "wheelchair" on run-sheets, because Medicare would not pay for  
26 the ambulance transportation services if these words were  
27 present on run-sheets.

1 m. Defendants LOUTSEIKO and HERNANDEZ, together with  
2 others known and unknown to the Grand Jury, knowingly and  
3 willfully submitted, and caused the submission of, false and  
4 fraudulent claims to Medicare on behalf of Mauran for these  
5 medically unnecessary ambulance transportation services.

6 n. As a result of the submission of false and  
7 fraudulent claims that defendants LOUTSEIKO and HERNANDEZ,  
8 together with other known and unknown to the Grand Jury,  
9 submitted and caused to be submitted, Medicare made payments to  
10 Mauran's corporate bank accounts, namely, the BA Account and the  
11 Citibank Account.

12 o. CC-1 and CC-2 then transferred and disbursed, and  
13 caused the transfer and disbursement of, monies from Mauran's BA  
14 Account and the Citibank Account, to themselves and others,  
15 including defendants LOUTSEIKO and HERNANDEZ.

16 p. Defendants LOUTSEIKO and HERNANDEZ, together with  
17 others known and unknown to the Grand Jury, concealed, and  
18 attempted to conceal, their submission of false and fraudulent  
19 claims to Medicare by altering and causing the alteration of  
20 run-sheets and other documentation related to the ambulance  
21 transportation services provided by Mauran.

22 q. Between on or about January 8, 2009, and on or  
23 about September 5, 2013, Mauran submitted to Medicare claims  
24 totaling approximately \$28,429,466 for ambulance transportation  
25 and related services, and Medicare paid Mauran approximately  
26 \$13,656,167 on those claims.





1 the Grand Jury, in return for patient referrals that Mauran  
2 would use to submit claims to Medicare for ambulance  
3 transportation services and other related services.

4 D. OVERT ACTS

5 21. In furtherance of the conspiracy and to accomplish its  
6 object, defendants LOUTSEIKO and ESPINOZA, together with others  
7 known and unknown to the Grand Jury, committed and willfully  
8 caused others to commit the following overt acts, among others,  
9 within the Central District of California and elsewhere:

10 Overt Act No. 1: In or around October 2010, defendant  
11 LOUTSEIKO paid defendant ESPINOZA a cash kickback for patient  
12 referral(s) by defendant ESPINOZA to Mauran.

13 Overt Act No. 2: In or around April 2011, defendant  
14 LOUTSEIKO paid defendant ESPINOZA a cash kickback for patient  
15 referral(s) by defendant ESPINOZA to Mauran.

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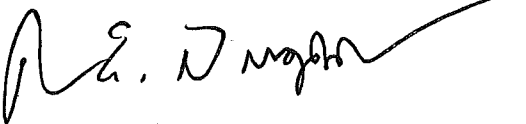
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1 Overt Act No. 3: In or around May 2011, defendant LOUTSEIKO  
2 paid defendant ESPINOZA a cash kickback for patient referral(s)  
3 by defendant ESPINOZA to Mauran.

4  
5 A TRUE BILL

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8 Foreperson

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10 STEPHANIE YONEKURA  
Acting United States Attorney

11 

12  
13 ROBERT E. DUGDALE  
14 Assistant United States Attorney  
Chief, Criminal Division

15 RICHARD E. ROBINSON  
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17 Chief, Major Frauds Section

18 STEPHEN A. CAZARES  
19 Assistant United States Attorney  
Deputy Chief, Major Frauds Section

20 GEJAA GOBENA  
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22 LAURA M.K. CORDOVA  
23 Assistant Chief, Fraud Section  
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25 BLANCA QUINTERO  
26 Trial Attorney, Fraud Section  
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