

11

ORIGINAL

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

UNITED STATES OF AMERICA

v.

DAISY BARLOW-SMITH,

Case: 2:16-cr-20445
Judge: Edmunds, Nancy G.
MJ: Grand, David R.
Filed: 06-20-2016 At 09:50 AM
INFO USA V BARLOW-SMITH (BG)

VIO.: 18 U.S.C. § 1347

Defendant.

_____ /

INFORMATION

THE UNITED STATES OF AMERICA CHARGES:

General Allegations

At all times relevant to this Information:

The Medicare Program

1. The Medicare program was a federal health care program providing benefits to persons who were over the age of 65 or disabled. Medicare was administered by the Centers for Medicare and Medicaid Services ("CMS"), a federal agency under the United States Department of Health and Human Services. Individuals who received benefits under Medicare were referred to as Medicare "beneficiaries."

2. Medicare was a “health care benefit program,” as defined by 18 U.S.C. § 24(b).

3. The Medicare program included coverage under two primary components, hospital insurance (Part A) and medical insurance (Part B). Part B of the Medicare program covered the costs of physicians’ services and other ancillary services not covered by Part A.

4. Physician services, physical therapy services, and psychotherapy services are provided in both an office and/or home setting and are covered by Medicare Part B. Under Medicare Part B, services must be medically necessary and provided by licensed physicians or otherwise qualified medical professionals.

5. The claims at issue in this Information were submitted under Part B of the Medicare program.

6. Wisconsin Physicians Service was the CMS contracted carrier for Medicare Part B in the State of Michigan. Cahaba Safeguard Administrators was the program integrity contractor for Medicare Part B in the State of Michigan until on or about April 10, 2015, when it was replaced by AdvanceMed.

7. By becoming a participating provider in Medicare, providers agree to abide by the policies and procedures, rules, and regulations governing Medicare reimbursement. To receive Medicare funds, enrolled providers, together with their authorized agents, employees, and contractors, are required to abide by all the

provisions of the Social Security Act, the regulations promulgated under the Act, and applicable policies and procedures, rules, and regulations, issued by CMS and its authorized agents and contractors.

8. Upon certification, the medical provider, whether a clinic or an individual, was assigned a provider identification number for billing purposes (referred to as a PIN). When the medical provider rendered a service, the provider submitted a claim for reimbursement to the Medicare contractor/carrier that included the PIN assigned to that medical provider. A Medicare claim was required to set forth, among other things, the beneficiary's name, the date the services were provided, the cost of the services, and the name and identification number of the physician or other health care provider who had ordered the services.

9. Health care providers were given and provided with online access to Medicare manuals and services bulletins describing proper billing procedures and billing rules and regulations.

10. Health care providers could only submit claims to Medicare for medically necessary services that they rendered. Medicare regulations required health care providers to maintain complete and accurate patient medical records to verify that the services were provided as described in the claim. These records

were required to be sufficient to permit Medicare, through its contractors, to review the appropriateness of Medicare payments made to the health care provider.

11. To receive reimbursement for a covered service from Medicare, a provider was required to submit a claim, either electronically or using a form, containing the required information appropriately identifying the provider, patient, and services rendered, among other information.

The Defendant, Relevant Entities, and Individuals

12. Advanced Billing Solutions, LLC (“ABS”) was a Medicare billing company located at 17200 West 10 Mile Road, Southfield, Michigan 48075.

13. Psych to Site Wellness Program Inc. (“PTS”) was an adult day center registered at the following address: 17200 West 10 Mile Road, Suite 204, Southfield, Michigan 48075.

14. Care Choice Adult Program, Inc. (“Care Choice”) was an adult day center registered at the following address: 17200 West 10 Mile Road, Suite 205, Southfield, Michigan 48075.

15. DBS Strategic Consulting Services, LLC (“DBS”) was a consulting business registered at the following address: 3303 Woodstock Drive, Detroit, Michigan 48221.

16. Defendant DAISY BARLOW-SMITH, a resident of Wayne County, was a licensed social worker in Michigan who owned and controlled DBS. DAISY BARLOW-SMITH was enrolled as a participating provider with Medicare.

17. Person A, a resident of Oakland County, co-owned PTS, and was a co-incorporator and registered agent of Care Choice.

18. Person B, a resident of Douglas County, Georgia, was the owner and registered agent of ABS, and was the biller for services purportedly provided by PTS and Care Choice. Person B was also the co-owner, co-incorporator, director, and secretary of PTS, and a co-incorporator of Care Choice.

COUNT 1

Health Care Fraud (18 U.S.C. §§ 1347 and 2)

19. Paragraphs 1 through 18 of the General Allegations section of this Information are re-alleged and incorporated by reference as though fully set forth herein.

20. From at least in or around August 2013, and continuing through December 2015, the exact dates being unknown, in Wayne and Oakland Counties, in the Eastern District of Michigan, and elsewhere, the defendant DAISY BARLOW-SMITH, in connection with the delivery of and payment for health care benefits, items, and services, did knowingly and willfully execute, and attempt to execute, a scheme and artifice to defraud a federal health care benefit program

affecting commerce, as defined in Title 18, United States Code, Section 24(b), that is, Medicare, and to obtain, by means of materially false and fraudulent pretenses, representations, and promises, money and property owned by, and under the custody and control of Medicare, in connection with the delivery of and payment for health care benefits, item and services.

Purpose of Scheme or Artifice

21. It was a purpose of the scheme or artifice for DAISY BARLOW-SMITH to unlawfully enrich herself by, among other things: (a) causing the submission of false and fraudulent claims to Medicare; (b) concealing the submission of false and fraudulent claims to Medicare and the receipt and transfer of the proceeds from the fraud; and (c) diverting proceeds of the fraud for her personal use and benefit of herself and others.

The Scheme and Artifice

The manner and means by which DAISY BARLOW-SMITH sought to accomplish the object and purpose of the scheme or artifice included, among others, the following:

22. DAISY BARLOW-SMITH would allow Person A and Person B, through PTS and Care Choice, to submit false and fraudulent claims to Medicare under DAISY BARLOW-SMITH'S provider number for psychotherapy services that were medically unnecessary and/or not provided.

23. DAISY BARLOW-SMITH falsified and fraudulently fabricated medical records for psychotherapy services purportedly provided at PTS and Care Choice that were medically unnecessary and/or not provided.

24. DAISY BARLOW-SMITH submitted and caused the submission of false and fraudulent claims to Medicare for psychotherapy services purportedly provided at PTS and Care Choice in an amount exceeding \$3,000,000.

Acts in Execution or Attempted Execution of the Scheme and Artifice

25. On or about the dates set forth below, in Wayne and Oakland Counties, in the Eastern District of Michigan, DAISY BARLOW-SMITH in connection with the delivery and payment for health care benefits, items, and services, did knowingly and willfully execute, or attempt to execute, the above described scheme and artifice by submitting or causing the submission of false and fraudulent claims seeking the identified dollar amounts and representing that DBS provided services to Medicare beneficiaries, including:

Medicare Beneficiary	Service	Provider	Submission Date	Date of Service	Billed Amt
I.A.	CPT 90837 - Psychotherapy	DAISY BARLOW-SMITH	12/27/2013	12/20/2013	\$145.00
J.C.	CPT 90837 - Psychotherapy	DAISY BARLOW-SMITH	12/27/2013	12/20/2013	\$145.00
W.C.	CPT 90837 - Psychotherapy	DAISY BARLOW-SMITH	9/24/2014	5/05/2014	\$145.00

All in violation of Title 18, United States Code, Sections 1347 and 2.

CRIMINAL FORFEITURE
(18 U.S.C. §§ 981, 982; 28 U.S.C. § 2461)

26. The above allegations are re-alleged and incorporated by reference as if set forth fully herein for the purpose of alleging forfeiture pursuant to the provisions of Title 18, United States Code, Sections 981 and 982, and Title 28, United States Code, Section 2461.

27. As a result of the violation of Title 18, United States Code, Section 1347, as set forth in this Information, defendant DAISY BARLOW-SMITH shall forfeit to the United States any property, real or personal, that constitutes or is derived, directly or indirectly, from gross proceeds traceable to the commission of such violations, pursuant to 18 U.S.C. § 982(a)(7) and 18 U.S.C. § 981(a)(1)(C), as incorporated by 28 U.S.C. § 2461.

28. Substitute Assets: If the property described above as being subject to forfeiture, 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 that cannot be subdivided 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) and/or 28 U.S.C. § 2461, to seek to forfeit any other property of defendant, up to the value of the forfeitable property described above.

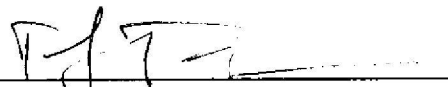
29. Money Judgment: The government shall also seek a forfeiture money judgment from the defendant for a sum of money representing the total amount of proceeds obtained as a result of defendant's violations of 18 U.S.C. § 1347, as alleged in this Information.

Respectfully submitted,

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Dated: June 20, 2016

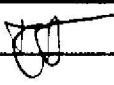
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United States District Court Eastern District of Michigan	Criminal Case Cov
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NOTE: It is the responsibility of the Assistant U.S. Attorney signing this form to complete it accurately in all respects.

Reassignment/Recusal Information This matter was opened in the USAO prior to August 15, 2008 []

Companion Case Information	Companion Case Number:
This may be a companion case based upon LCrR 57.10 (b)(4) ¹ :	Judge Assigned:
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	AUSA's Initials: 

Case Title: USA v. Daisy Barlow-Smith

County where offense occurred : Oakland and Wayne Counties

Check One: Felony Misdemeanor Petty

Indictment/ Information -- no prior complaint.
 Indictment/ Information --- based upon prior complaint (Case number: _____)
 Indictment/ Information --- based upon LCrR 57.10 (d) [Complete Superseding section below].

Superseding Case Information


Superseding to Case No: _____ Judge: _____

- Original case was terminated; no additional charges or defendants.
- Corrects errors; no additional charges or defendants.
- Involves, for plea purposes, different charges or adds counts.
- Embraces same subject matter but adds the additional defendants or charges below:

<u>Defendant name</u>	<u>Charges</u>	<u>Prior Complaint (if applicable)</u>
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Please take notice that the below listed Assistant United States Attorney is the attorney of record for the above captioned case.

6/20/2016
Date



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¹ Companion cases are matters in which it appears that (1) substantially similar evidence will be offered at trial, (2) the same or related parties are present, and the cases arise out of the same transaction or occurrence. Cases may be companion cases even though one of them may have already been terminated.