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U.S. DISTRICT COURT
EASTERN DISTRICT
OF NEW YORK

SCJ/RAZ:WPC/EEA/FTB
F.#2013R01395

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

-----X

UNITED STATES OF AMERICA

- against -

SYED IMRAN AHMED,

Defendant.

-----X

THE GRAND JURY CHARGES:

I N D I C T M E N T

CR 14 - 00277

Cr. No.

(T. 18, U.S.C., §§ 982(a)(1),
982(a)(7), 1035, 1347, 1957(a),
1957(b), 2 and 3551 et seq.; T.
21, U.S.C., § 853(p))

IRIZARRY, J.

POLLAK, M.J.

INTRODUCTION

At all times relevant to this Indictment, unless otherwise indicated:

I. Background

A. The Medicare Program

1. The Medicare program ("Medicare") was a federal health care program providing benefits to persons aged 65 or older 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." Physicians who provided services to beneficiaries or ordered that services be provided to beneficiaries were referred to as "rendering physicians."

2. Medicare was a "health care benefit program," as defined by Title 18, United States Code, Section 24(b).

3. Medicare included coverage under two primary components, hospital insurance ("Medicare Part A") and medical insurance ("Medicare Part B"). Medicare Part B covered, among other things, the costs of certain surgical procedures. Generally, Medicare Part B covered these costs only if, among other requirements, they were medically necessary and performed by a physician.

4. Medical providers, including physicians, submitted a Medicare Enrollment Application to Medicare to participate in Medicare and bill for claims. Medical providers certified to participate in Medicare, whether clinics or individuals, were assigned a provider identification number ("PIN") or provider transaction access number ("PTAN") for billing purposes. After a medical provider rendered a service, the provider was required to use its assigned PIN/PTAN when submitting a claim for reimbursement to Medicare.

5. To receive payment from Medicare for a covered service, a medical provider was required to submit a claim, either electronically or in writing. The claim was required to include information identifying the medical provider, the patient and the services rendered. Medical providers were authorized to submit claims to Medicare only for services they

actually rendered and were required to maintain patient records verifying the provision of services. By submitting a claim, the provider certified, among other things, that the services were rendered to the patient and were medically necessary.

6. Providers submitted claims to Medicare using billing codes, also called Current Procedural Terminology or "CPT" codes, which were numeric codes referring to specific descriptions of the medical services provided to beneficiaries.

B. Relevant Services Covered by Medicare

7. Medicare covered the costs of surgical procedures related to the incision and drainage of abscesses, fluid-filled sacs and blood collections. Medicare also covered the costs of surgical procedures related to the removal of infected muscle or tissue - sometimes referred to as debridement procedures.

8. Specifically, Medicare covered the costs of the incision-and-drainage and debridement procedures associated with the CPT codes listed in the chart below (among others):

CPT Code	Description of Procedure
11005	Removal of infected skin, muscle, or tissue of abdomen
21501	Incision and drainage of abscess or blood accumulation in soft tissues of neck or chest
22015	Drainage of abscess of lower spine or sacrum
26990	Drainage of abscess or blood accumulation in pelvis or hip joint
27030	Incision of hip joint with drainage

CPT Code	Description of Procedure
27301	Drainage of abscess or blood collection at thigh or knee region
27603	Drainage of abscess or blood collection at lower leg or ankle
27604	Drainage of infected fluid-filled sac (bursa) of leg or ankle
28001	Drainage of fluid-filled sac (bursa) of foot
28002	Drainage of fluid-filled sac (bursa) of foot - below fascia
28003	Drainage of multiple fluid-filled sacs (bursa) of foot

9. The reimbursement amounts that Medicare paid medical providers for performing these surgical procedures included payment for medical services related to those procedures, such as preoperative and postoperative care. The surgical procedures and all related medical services were required to be bundled together to form what is referred to as a "global surgical package." Medicare provided a single payment for all medical services that were bundled together in the global surgical package for a period of time called the "global period."

10. A medical provider was not permitted to bill separately for medical services during the global period unless such services were wholly unrelated to post-operative care or were performed under certain special, defined circumstances. For example, a provider could bill separately for medical services provided during the global period if those services

necessitated an unplanned, return trip to an operating room to address complications stemming from the original procedure.

11. The global period for each of the procedures listed in the chart above is ninety days, except for the procedure identified by CPT code 11005, which has a global period of one day only (the day the procedure is performed) and CPT Codes 28001 and 28002, which have global periods of ten days, respectively.

C. The Defendant

12. The defendant SYED IMRAN AHMED was a physician practicing in Brooklyn and Long Island, New York. AHMED was certified to participate in Medicare under his individual PIN/PTAN. From January 1, 2011 through December 12, 2013, AHMED used his PIN/PTAN to submit and cause the submission of approximately \$85 million in claims to Medicare for procedures associated with the CPT Codes listed above in Paragraph 8. Medicare paid approximately \$7.3 million for these claims.

II. The Fraudulent Scheme

13. From approximately January 2011 through December 2013, the defendant SYED IMRAN AHMED submitted and caused the submission of false and fraudulent claims to Medicare for incision-and-drainage and wound debridement surgical procedures that were not rendered.

14. The defendant SYED IMRAN AHMED also submitted and caused the submission of false and fraudulent claims to Medicare for incision-and-drainage and wound debridement surgical procedures that were billed as though they had taken place as part of an unplanned, return trip to an operating room when in fact the procedures, if performed at all, were not performed in an operating room.

15. In connection with the submission of false and fraudulent claims to Medicare described in paragraphs 13 and 14, the defendant SYED IMRAN AHMED also prepared false medical documents, including but not limited to lists of procedures and services that he had purportedly performed for beneficiaries that had either not been performed or had not been performed in an operating room when listed as though they had been.

III. Money Laundering - The Defendant's Money Transfers

16. As a result of the fraudulent scheme described in paragraphs 13 and 14, Medicare electronically deposited reimbursement funds into a bank account identified by the number ****5668 (the "5668 Account") that the defendant SYED IMRAN AHMED had opened at a domestic bank in 2008. After approximately \$7.3 million from Medicare had been deposited into the 5668 Account (the vast majority of which constituted proceeds of the fraudulent scheme), AHMED, knowing that the funds derived from the fraudulent scheme, entered into two

separate financial transactions in September 2013 by which he transferred the funds to other accounts. One of the accounts to which he transferred the funds was located abroad and the other was opened by him at another bank in the United States and identified by the account number ****8506 (the "8506 Account").

COUNT ONE
(Health Care Fraud)

17. The allegations contained in paragraphs 1 through 16 are realleged and incorporated as if fully set forth in this paragraph.

18. In or about and between January 2011 and December 2013, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendant SYED IMRAN AHMED did knowingly and willfully execute and attempt to execute a scheme and artifice to defraud Medicare, a health care benefit program, 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, items and services.

(Title 18, United States Code, Sections 1347, 2 and 3551 et seq.)

COUNTS TWO THROUGH FOUR

(False Statements Relating to Health Care Matters)

19. The allegations contained in paragraphs 1 through 16 are realleged and incorporated as though fully set forth in this paragraph.

20. On or about the dates identified below, within the Eastern District of New York and elsewhere, the defendant SYED IMRAN AHMED in matters involving one or more health care benefit programs, including Medicare, did knowingly and willfully (a) falsify, conceal and cover up by trick, scheme and device material facts, and (b) make materially false, fictitious and fraudulent statements and representations, and make and use materially false writings and documents, knowing the same to contain materially false, fictitious and fraudulent statements and entries, in connection with the delivery of and payment for health care benefits, items and services, in that the defendant prepared lists of procedures purportedly performed by him on certain patients for the purposes of indicating which procedures should be billed to Medicare and which (1) falsely indicated that the defendant provided services that were not actually rendered, and (2) falsely indicated that surgical procedures had been performed by him as part of an unplanned, return trip to an operating room when in fact they had not, as set forth below:

Count	Beneficiary	Service Date and Services Identified
TWO	R.M., an individual whose identity is known to the Grand Jury	7/18/11: Drainage of abscess of lower spine or sacrum; drainage of abscess or blood collection at lower leg or ankle; drainage of multiple fluid-filled sacs (bursa) of foot (right foot); drainage of multiple fluid-filled sacs (bursa) of foot (left foot) - all listed with note indicating performed as part of unplanned return trip to operating room
THREE	V.V., an individual whose identity is known to the Grand Jury	1/11/13: Drainage of abscess of lower spine or sacrum; drainage of abscess or blood collection at thigh or knee region; drainage of abscess or blood collection at lower leg or ankle; drainage of fluid-filled sac (bursa) of foot (right foot); drainage of fluid-filled sac (bursa) of foot (left foot) - all listed with note indicating performed as part of unplanned return trip to operating room
FOUR	J.D., an individual whose identity is known to the Grand Jury	11/8/2011: Removal of infected skin, muscle or tissue of abdomen - listed with note indicating performed as part of unplanned return trip to operating room

(Title 18, United States Code, Sections 1035, 2 and 3551 et seq.)

COUNTS FIVE AND SIX
(Money Laundering - Unlawful Monetary Transactions)

21. The allegations contained in paragraphs 1 through 16 are realleged and incorporated as though fully set forth in this paragraph.

22. On or about September 9, 2013, within the Eastern District of New York and elsewhere, the defendant SYED IMRAN

AHMED did knowingly and intentionally engage and attempt to engage in monetary transactions, specifically, a wire transfer and a check deposit, in and affecting interstate commerce, in criminally derived property that was of a value greater than \$10,000 and that was derived from specified unlawful activity, specifically, health care fraud, in violation of Title 18, United States Code, Section 1347, and false statements relating to health care matters, in violation of Title 18, United States Code, Section 1035, knowing that the property involved in such monetary transactions represented the proceeds of some form of unlawful activity, as follows:

Count	Amount	Transaction
FIVE	\$1,000,000	Wired or caused the wiring of funds from the 5668 Account to bank account at bank located in Dubai, UAE (beneficiary: Syed I Ahmed; beneficiary ID: ****3002)
SIX	\$1,000,000	Deposited or caused the depositing of check number 446338, drawn on the 5668 Account on behalf of Syed Ahmed, into the 8506 Account

(Title 18, United States Code, Sections 1957(a), 1957(b), 2 and 3551 et seq.)

CRIMINAL FORFEITURE ALLEGATION
AS TO COUNTS ONE THROUGH FOUR

23. The United States hereby gives notice to the defendant that, upon his conviction of any of the offenses charged in Counts One through Four, the government will seek forfeiture in accordance with Title 18, United States Code,

Section 982(a)(7), which requires any person convicted of such offenses to forfeit any property, real and personal, which constitutes or is derived, directly or indirectly, from gross proceeds traceable to such offenses, including, but not limited to:

(a) the real property and premises located at 222 Brookville Road, Muttontown, New York, 11545, together with all of its respective appurtenances, improvements, fixtures, attachments, easements and furnishings;

(b) all funds on deposit in the 5668 Account, held in the name of Syed Imran Ahmed, in the amount of \$142,299.73, more or less, and all proceeds traceable thereto;

(c) all funds on deposit in TD Bank account no. ****9981, held in the name of Syed Imran Ahmed Foundation, Inc., in the amount of \$288,520, more or less, and all proceeds traceable thereto;

(d) all funds on deposit in the 8506 Account, held in the name of Syed Imran Ahmed, in the amount of \$20,889.12, more or less, and all proceeds traceable thereto;

(e) all funds on deposit in Signature Bank account no. ****0558, held in the name of Fawad, Ghias and Imran, LLC, in the amount of \$529,996.08, more or less, and all proceeds traceable thereto;

(f) all funds on deposit in JP Morgan Chase Bank account no. ****0366, held in the name of Urban Comprehensive Medical Care, P.C., in the amount of \$5,715.18, more or less, and all proceeds traceable thereto;

(g) all funds on deposit in Pershing LLC retirement fund account no. ****2751, held in the name of Syed Imran Ahmed and another individual, in the amount of \$517,217.00, more or less, and all proceeds traceable thereto; and

(h) all Medicare funds held by National Government Services due and payable to Syed Imran Ahmed, in the amount of \$19,643.08, more or less, and all proceeds traceable thereto.

24. 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 Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of such defendant up to the value of the forfeitable property described in this forfeiture allegation.

(Title 18, United States Code, Section 982(a)(7);

Title 21, United States Code, Section 853(p))

CRIMINAL FORFEITURE ALLEGATION
AS TO COUNTS FIVE AND SIX

25. The United States hereby gives notice to the defendant that, upon his conviction of either of the offenses charged in Counts Five and Six, the government will seek forfeiture in accordance with Title 18, United States Code, Section 982(a)(1), of any property, real or personal, involved in such offenses, or any property traceable to such property, including but not limited to:

(a) all funds on deposit in the 5668 Account, held in the name of Syed Imran Ahmed, in the amount of \$142,299.73, more or less, and all proceeds traceable thereto;

(b) all funds on deposit in the 8506 Account, held in the name of Syed Imran Ahmed, in the amount of \$20,889.12, more or less, and all proceeds traceable thereto.

26. 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;

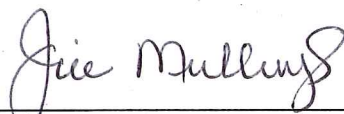
(d) has been substantially diminished in value; or

(e) has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of such defendant up to the value of the forfeitable property described in this forfeiture allegation.

(Title 18, United States Code, Section 982(a)(1); Title 21, United States Code, Section 853(p))

A TRUE BILL



Deputy FOREPERSON

LORETTA E. LYNCH
UNITED STATES ATTORNEY
EASTERN DISTRICT OF NEW YORK

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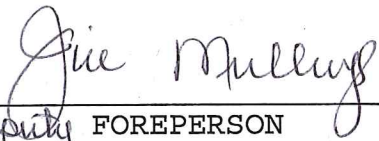
(d) has been substantially diminished in value; or

(e) has been commingled with other property which cannot be divided without difficulty;


it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of such defendant up to the value of the forfeitable property described in this forfeiture allegation.

(Title 18, United States Code, Section 982(a)(1); Title 21, United States Code, Section 853(p))

A TRUE BILL


Deputy FOREPERSON

LORETTA E. LYNCH
UNITED STATES ATTORNEY
EASTERN DISTRICT OF NEW YORK

BY: 
ACTING UNITED STATES ATTORNEY
PURSUANT TO 28 C.F.R. C.131

