

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA

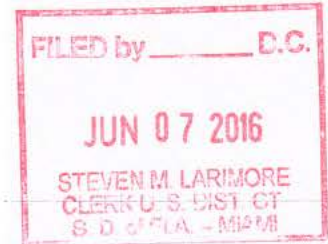
Case No. **16-20425** CR-LENARD  
18 U.S.C. § 1349  
18 U.S.C. § 371  
18 U.S.C. § 982(a)(7) /GOODMAN

UNITED STATES OF AMERICA

vs.

ARTURO RODRIGUEZ,

Defendant.



INDICTMENT

The Grand Jury charges that:

GENERAL ALLEGATIONS

At all times material to this Indictment:

The Medicare Program

1. The Medicare Program (“Medicare”) was a federally funded program that provided free or below-cost health care benefits to certain individuals, primarily the elderly, blind, and disabled. The benefits available under Medicare were governed by federal statutes and regulations. The United States Department of Health and Human Services, through its agency, the Centers for Medicare and Medicaid Services (“CMS”), oversaw and administered Medicare. Individuals who received benefits under Medicare were commonly referred to as Medicare “beneficiaries.”

2. Medicare programs covering different types of benefits were separated into different program “parts.” Part D of Medicare (the “Medicare Part D Program”) subsidized the costs of prescription drugs for Medicare beneficiaries in the United States. The Medicare Part D Program

was enacted as part of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 and went into effect on January 1, 2006.

3. In order to receive Part D benefits, a beneficiary enrolled in a Medicare drug plan. Medicare drug plans were operated by private companies approved by Medicare. Those companies were often referred to as drug plan “sponsors.” A beneficiary in a Medicare drug plan could fill a prescription at a pharmacy and use his or her plan to pay for some or all of the prescription.

4. A pharmacy could participate in Part D by entering a retail network agreement directly with a plan or with one or more Pharmacy Benefit Managers (“PBMs”). Each PBM acted on behalf of one or more Medicare drug plans. Through a plan’s PBM, a pharmacy could join the plan’s network. When a Part D beneficiary presented a prescription to a pharmacy, the pharmacy submitted a claim either directly to the plan or to the PBM that represented the beneficiary’s Medicare drug plan. The plan or PBM determined whether the pharmacy was entitled to payment for each claim and periodically paid the pharmacy for outstanding claims. The drug plan’s sponsor reimbursed the PBM for its payments to the pharmacy.

5. A pharmacy could also submit claims to a Medicare drug plan to whose network the pharmacy did not belong. Submission of such out-of-network claims was not common and often resulted in smaller payments to the pharmacy by the drug plan sponsor.

6. Medicare, through CMS, compensated the Medicare drug plan sponsors. Medicare paid the sponsors a monthly fee for each Medicare beneficiary of the sponsors’ plans. Such payments were called capitation fees. The capitation fees were adjusted periodically based on various factors, including the beneficiary’s medical conditions. In addition, in some cases where a

sponsor's expenses for a beneficiary's prescription drugs exceeded that beneficiary's capitation fee, Medicare reimbursed the sponsor for a portion of those additional expenses.

7. Medicare and Medicare drug plan sponsors were "health care benefit program[s]," as defined by Title 18, United States Code, Section 24(b).

**The Defendant, Related Companies and Individuals**

8. Olympia Discount, Corp. ("Olympia") was a Florida corporation that did business in Miami-Dade County, purportedly providing prescription drugs to Medicare beneficiaries.

9. Trump Wholesale Pharmaceutical, Inc. ("Trump") was a Florida Corporation that purported to do business as a prescription drug wholesaler in Miami-Dade County from April 2009 until March 2012.

10. Heradri Corp. was a Florida corporation.

11. Defendant **ARTURO RODRIGUEZ**, a resident of Miami-Dade County, was the owner, operator, registered agent and president of Olympia.

12. Co-Conspirator A, a resident of Miami-Dade County, was an operator of Olympia.

13. Co-Conspirator B, a resident of Miami-Dade County, was an operator of Olympia.

14. Co-Conspirator C, a resident of Miami-Dade County, cashed checks and paid patient recruiters on behalf of Olympia.

15. Blanca Castro, a resident of Miami-Dade County, was the owner and operator of Trump.

**COUNT 1**  
**Conspiracy to Commit Health Care Fraud and Wire Fraud**  
**(18 U.S.C. § 1349)**

1. Paragraphs 1 through 15 of the General Allegations section of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

2. From in or around December of 2009, and continuing through in or around December of 2013, in Miami-Dade County, in the Southern District of Florida, and elsewhere, the defendant,

**ARTURO RODRIGUEZ,**

did willfully, that is with the intent to further the objects of the conspiracy, and knowingly combine, conspire, confederate and agree with others known and unknown to the Grand Jury, including Blanca Castro, Co-Conspirator A, Co-Conspirator B, and Co-Conspirator C, to commit offenses against the United States, that is:

a. to knowingly and willfully execute a scheme and artifice to defraud a health care benefit program affecting commerce, as defined in Title 18, United States Code, Section 24(b), that is, Medicare and Medicare drug plan sponsors, 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, said health care benefit programs, in connection with the delivery of and payment for health care benefits, items, and services, in violation of Title 18, United States Code, Section 1347; and

b. to knowingly and with the intent to defraud, devise and intend to devise a scheme and artifice to defraud, and for obtaining money and property by means of materially false and fraudulent pretenses, representations, and promises, knowing the pretenses, representations and promises were false and fraudulent when made, and for the purpose of executing the scheme and artifice, did knowingly transmit and cause to be transmitted, by means of wire communication in interstate commerce, certain writings, signs, signals, pictures and sounds, in violation of Title 18, United States Code, Section 1343.

### PURPOSE OF THE CONSPIRACY

3. It was a purpose of the conspiracy for the defendant and his co-conspirators to unlawfully enrich themselves by, among other things: (a) submitting and causing the submission of false and fraudulent claims to health care benefit programs; (b) concealing the submission of false and fraudulent claims to health care benefit programs, and the receipt and transfer of fraud proceeds; and (c) diverting fraud proceeds for their personal use and benefit, the use and benefit of others, and to further the fraud.

### MANNER AND MEANS OF THE CONSPIRACY

The manner and means by which the defendant and his co-conspirators sought to accomplish the objects and purpose of the conspiracy included, among other things, the following:

4. **ARTURO RODRIGUEZ**, and his co-conspirators, including Co-Conspirator B and Co-Conspirator C, offered and paid kickbacks and bribes to individuals, in return for referring Medicare beneficiaries to serve as patients at Olympia.

5. **ARTURO RODRIGUEZ**, and his co-conspirators, including Co-Conspirator A and Co-Conspirator B, purchased prescription drug invoices from Trump which falsely represented that Olympia had purchased prescription drugs from Trump, when, in fact they did not.

6. **ARTURO RODRIGUEZ**, and his co-conspirators, including Co-Conspirator A and Co-Conspirator B, submitted, and caused the submission of claims, via interstate wires, that falsely and fraudulently represented that various health care benefits, primarily prescription drugs, were medically necessary, prescribed by a doctor, and had been provided to Medicare beneficiaries by Olympia.

7. As a result of such false and fraudulent claims, Medicare and Medicare drug plan sponsors, through their PBMs, made over-payments funded by the Medicare Part D Program to Olympia in the approximate amount of \$2,666,768.

8. **ARTURO RODRIGUEZ** and his co-conspirators used the proceeds from the false and fraudulent Medicare Part D claims for their own use, the use and benefit of others, and to further the fraud.

All in violation of Title 18, United States Code, Section 1349.

**COUNT 2**  
**Conspiracy to Defraud the United States and Pay Health Care Kickbacks**  
**(18 U.S.C. § 371)**

1. Paragraphs 1 through 15 of the General Allegations section of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

2. From in or around December of 2009, and continuing through in or around December of 2013, in Miami-Dade County, in the Southern District of Florida, and elsewhere, the defendant,

**ARTURO RODRIGUEZ,**

did willfully, that is, with the intent to further the objects of the conspiracy, and knowingly combine, conspire, confederate and agree with others known and unknown to the Grand Jury, including Blanca Castro, Co-Conspirator A, Co-Conspirator B, and Co-Conspirator C, 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 the Medicare program in violation of Title 18, United States Code, Section 371; and to commit certain offenses against the United States, that is:

- b. to violate Title 42, United States Code, Section 1320a-7b(b)(2)(A), by knowingly and willfully offering and paying any remuneration, including kickbacks and bribes, directly and indirectly, overtly and covertly, in cash and in kind, to 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 and in part by a Federal health care program, that is, Medicare and Medicare drug plan sponsors.

#### **PURPOSE OF THE CONSPIRACY**

3. It was the purpose of the conspiracy for the defendant and his co-conspirators to unlawfully enrich themselves by: (1) offering and paying kickbacks and bribes in return for referring Medicare beneficiaries to serve as patients at Olympia; and (2) submitting and causing the submission of claims to Medicare and Medicare drug plan sponsors for medical items and services, primarily prescription drugs, that Olympia purportedly provided to those beneficiaries.

#### **MANNER AND MEANS OF THE CONSPIRACY**

The manner and means by which the defendant and his co-conspirators sought to accomplish the objects and purpose of the conspiracy included, among others, the following:

4. **ARTURO RODRIGUEZ**, and his co-conspirators, including Co-Conspirator A, Co-Conspirator B, and Co-Conspirator C, offered and paid kickbacks and bribes to individuals, in return for referring Medicare beneficiaries to serve as patients at Olympia.

5. Co-Conspirator C deposited checks drawn on the corporate account of Olympia into the account of Heradri Corp. Co-conspirator C then made cash withdrawals corresponding to these deposits in order to pay patient recruiters and Medicare beneficiaries.

6. **ARTURO RODRIGUEZ**, and his co-conspirators, including Co-Conspirator A and Co-Conspirator B, caused Olympia to submit claims to Medicare and Medicare drug plan sponsors, for medical items and services, primarily prescription drugs, purportedly provided to Medicare beneficiaries by Olympia.

7. Medicare and Medicare drug plan sponsors paid Olympia based upon claims for medical items and services purportedly provided to Medicare beneficiaries by Olympia.

### OVERT ACTS

In furtherance of the conspiracy, and to accomplish its objects and purpose, at least one co-conspirator committed and caused to be committed, in the Southern District of Florida, at least one of the following overt acts, among others:

1. On or about February 2, 2011, **ARTURO RODRIGUEZ** signed check number 1442, drawn on the corporate account of Olympia ending in x4614 and made payable to Heradri Corp., in the approximate amount of \$2,320.

2. On or about February 2, 2011, **ARTURO RODRIGUEZ** caused Co-Conspirator B to deliver check number 1442, drawn on the corporate account of Olympia ending in x4614 and made payable to Heradri Corp., in the approximate amount of \$2,320.

3. On or about August 10, 2011, **ARTURO RODRIGUEZ**, in response to an audit request, provided a list of the prescription drug wholesalers, including Trump, to CVS Caremark.

4. On or about November 21, 2011, **ARTURO RODRIGUEZ** opened a corporate bank account at JP Morgan Chase for Olympia ending in x7913.

5. On or about April 18, 2012, **ARTURO RODRIGUEZ**, in response to an audit request, provided a list of the prescription drug wholesalers that purportedly sold drugs to Olympia, including Trump, to CVS Caremark.



6. On or about April 17, 2013, Co-Conspirator B delivered check number 1423, drawn on the corporate account of Olympia ending in x7913 and made payable to Heradri Corp., in the approximate amount of \$2,320.

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

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

1. The allegations contained in this Indictment are re-alleged and incorporated by reference as though fully set forth herein for the purpose of alleging forfeiture to the United States of America of certain property in which the defendant, **ARTURO RODRIGUEZ**, has an interest.

2. Upon conviction of a violation of Title 18, United States Code, Section 371 or 1349, as alleged in this Indictment, the defendant 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 the offense pursuant to Title 18, United States Code, Section 982(a)(7).

3. Upon conviction of a conspiracy to violate Title 18, United States Code, Section 1343, as alleged in this Indictment, the defendant shall forfeit to the United States any property, real or personal, which constitutes or is derived from proceeds traceable to the commission of the offense pursuant to Title 18, United States Code, Section 981(a)(1)(C).

4. The property subject to forfeiture includes a money judgment in the amount of approximately \$2,666,768 in United States currency, which sum represents the value of the gross proceeds traceable to the commission of the violations alleged in this Indictment.

5. If any of the property described above, as a result of any act or omission of any 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 of America to seek forfeiture of substitute property pursuant to Title 21, United States Code, Section 853(p), including but not limited to the following:

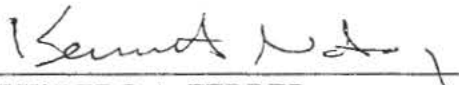
- 1) the real property located at 2241 SW 136 CT, Miami, Florida, titled in the name of Arturo Rodriguez; and
- 2) the real property located at 11350 SW 5 Street, Miami, Florida, titled in the name of Arturo Rodriguez.

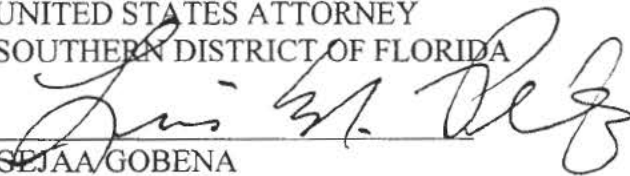
All pursuant to Title 18, United States Code, Section 982(a)(7) and the procedures set forth in Title 21, United States Code, Section 853.

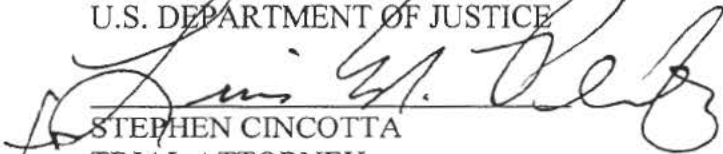
A TRUE BILL,



FOREPERSON

  
WIFREDO A. FERRER  
UNITED STATES ATTORNEY  
SOUTHERN DISTRICT OF FLORIDA

*to*   
GEJAA GOBENA  
DEPUTY CHIEF  
CRIMINAL DIVISION, FRAUD SECTION  
U.S. DEPARTMENT OF JUSTICE

  
STEPHEN CINCOTTA  
TRIAL ATTORNEY  
CRIMINAL DIVISION, FRAUD SECTION  
U.S. DEPARTMENT OF JUSTICE