

USA

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

UNITED STATES OF AMERICA

v.

D-1 SANYANI EDWARDS,
D-2 ANGEL WILLIAMS,

Defendants.

Case:2:12-cr-20268
Judge: Cleland, Robert H.
MJ: Randon, Mark A.
Filed: 04-25-2012 At 04:49 PM
INDI USA V SEALED MATTER (EB)

VIO: 18 U.S.C. § 1347
18 U.S.C. § 1349
18 U.S.C. § 982
18 U.S.C. § 2

INDICTMENT

THE GRAND JURY CHARGES:

General Allegations

At all times relevant to this Indictment:

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 State 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 Title 18, United States Code, Section 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 cost of physicians' services and other ancillary services not covered by Part A. The claims at issue in this indictment were submitted under Part B of the Medicare program.

4. Wisconsin Physicians Service was the CMS-contracted carrier for Medicare Part B, which included psychotherapy services, in the state of Michigan. TrustSolutions, LLC was the Program Safeguard Contractor for Medicare Part A and Part B in the state of Michigan.

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

6. 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 would submit a claim for reimbursement to the Medicare contractor/carrier that includes the PIN assigned to that medical provider. When an individual medical provider was associated with a clinic, Medicare Part B required that the individual provider number associated with the clinic be placed on the claim submitted to the Medicare contractor.

7. Health care providers were given and/or provided with online access to Medicare manuals and services bulletins describing proper billing procedures and billing rules and regulations. Providers could only submit claims to Medicare for services they rendered and providers were required to maintain patient records to verify that the services were provided as described on the claim form.

8. To receive reimbursement for a covered service from Medicare, a provider was required to submit a claim, either electronically or using a form (e.g., a CMS-1500 form or UB-

92), containing the required information appropriately identifying the provider, patient, and services rendered.

9. Funderburg Clinical and Community Services, Inc. (FCCS) was a Michigan corporation that operated, at various times, at 25438 Saint James, Southfield, Michigan 48075, 18349 West 13 Mile Road, Apartment #34, Southfield, Michigan 48076, and 1386 East Jefferson Street, Detroit, Michigan 48207. FCCS was a Medicare provider and submitted claims directly to Medicare.

10. Gerald R. Funderburg, Jr., a resident of Oakland County, Michigan, was an owner and controller of FCCS.

11. SANYANI EDWARDS, a resident of Oakland County, was an acting partner in, and controller of, FCCS.

12. ANGEL WILLIAMS, a resident of Oakland County, Michigan, was an office manager at FCCS.

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

D-1 SANYANI EDWARDS
D-2 ANGEL WILLIAMS

13. Paragraphs 1 through 12 of the General Allegations section of this Indictment are re-alleged and incorporated by reference, as though fully set forth herein.

14. From in or around January 2009, and continuing through in or around April 2011, the exact dates being unknown to the Grand Jury, in Oakland County, in the Eastern District of Michigan, and elsewhere, the defendants, SANYANI EDWARDS and ANGEL WILLIAMS, did willfully and knowingly combine, conspire, confederate and agree with each other and others known and unknown to the Grand Jury, to violate Title 18, United States Code, Section 1347,

that is, to 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 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 program, in connection with the delivery of and payment for health care benefits, items, and service.

Purpose of the Conspiracy

15. It was a purpose of the conspiracy for defendants SANYANI EDWARDS, ANGEL WILLIAMS, and others to unlawfully enrich themselves by, among other things, (a) submitting 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 the personal use and benefit of the defendants and their co-conspirators.

Manner and Means

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

16. Gerald R. Funderburg, Jr. would incorporate FCCS in or around November 2006.

17. Gerald R. Funderburg, Jr. would execute a Medicare provider enrollment application for FCCS in or around September 2009, and would obtain Medicare provider numbers for FCCS and individual Medicare provider numbers for licensed social workers.

18. Without these social workers' knowledge or authorization, Gerald R. Funderburg, Jr., SANYANI EDWARDS, and ANGEL WILLIAMS would bill Medicare using those social

workers' individual provider numbers for services that were medically unnecessary and not provided.

19. Gerald R. Funderburg, Jr. and SANYANI EDWARDS and would control FCCS's day-to-day operations, including paying kickbacks for Medicare beneficiary information and making decisions on what services to bill Medicare using that Medicare beneficiary information.

20. ANGEL WILLIAMS would help control the financial operations of FCCS, including (a) billing claims to Medicare, (b) writing checks, and (c) making other withdrawals used to pay kickbacks and/or withdraw proceeds from the scheme.

21. Between January 2009 and April 2011, Gerald R. Funderburg, Jr., SANYANI EDWARDS, and ANGEL WILLIAMS would submit approximately \$3.32 million in claims for psychotherapy services, and Medicare would pay approximately \$1.45 million on those claims.

22. Gerald R. Funderburg, SANYANI EDWARDS, and ANGEL WILLIAMS would control the bank accounts for FCCS, and would receive proceeds of these Medicare billings through these bank accounts.

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

COUNTS 2-6
(18 U.S.C. §§ 1347 and 2 – Health Care Fraud)

D-1 SANYANI EDWARDS

D-2 ANGEL WILLIAMS

23. Paragraphs 1-12 of the General Allegations section of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

24. On or about the dates enumerated below, at Oakland and Wayne Counties in the Eastern District of Michigan, and elsewhere, the defendants, SANYANI EDWARDS and ANGEL WILLIAMS, and others known and unknown to the Grand Jury, did knowingly and willfully cause to be submitted to Medicare the following false and fraudulent claims for payment:

Count	Beneficiary	ICN	On or About Claim Date	Billing Code/ Procedure	Approximate Amount Billed
2	T. H.	1110133048070	13-May-10	90808 (75-80 minute individual psychotherapy session)	\$102
3	T. H.	1110133048112	13-May-10	90808 (75-80 minute individual psychotherapy session)	\$102
4	T. H.	1810341135080	7-Dec-10	90808 (75-80 minute individual psychotherapy session)	\$100
5	L.F.	181087195870	28-Mar-11	90808 (75-80 minute individual psychotherapy session)	\$100
6	R.C.	1811087194760	28-Mar-11	90808 (75-80 minute individual psychotherapy session)	\$100

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

CRIMINAL FORFEITURE
(18 U.S.C. § 982)

25. The allegations contained in Counts One through Six 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 any property, real or personal obtained by the defendants, that is, SANYANI EDWARDS and ANGEL WILLIAMS, by commission of the offenses charged in Count One through Six, pursuant to the provisions of Title 18, United States Code, Sections 982(a)(1) and 982(a)(7).

26. Pursuant to Title 18, United States Code, Section 982(a)(7), upon conviction of SANYANI EDWARDS or ANGEL WILLIAMS for any of the offenses charged in Counts One through Six of this Indictment, the defendants 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 health care fraud offense and or a conspiracy to commit such an offense. If more than one defendant is convicted of an offense, the defendants so convicted are jointly and severally liable for the amount derived from such offense.

27. If the property described above as being subject to forfeiture pursuant to Title 18, United States Code, Section 982(a)(7), as a result of any act or omission of the defendants:

1. cannot be located upon the exercise of due diligence;
2. has been transferred or sold to, or deposited with, a third party;
3. has been placed beyond the jurisdiction of the Court;
4. has been substantially diminished in value; or
5. has been commingled with other property that cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to seek to forfeit any other property of the defendants up to the listed value.

All pursuant to Title 18, United States Code, Section 982(a)(7).

THIS IS A TRUE BILL.

/s GRAND JURY FOREPERSON
Grand Jury Foreperson

BARBARA L. MCQUADE
UNITED STATES ATTORNEY

s/ WAYNE F. PRATT
WAYNE F. PRATT
Chief, Health Care Fraud Unit
Assistant United States Attorney
211 W. Fort Street, Suite 2001
Detroit, Michigan 48226
(313) 226-2548
Wayne.Pratt@usdoj.gov

/s GEJAA T. GOBENA
GEJAA T. GOBENA
Assistant Chief
Criminal Division, Fraud Section
U.S. Department of Justice
1400 New York Avenue, N.W., Third Floor
Washington, D.C. 20005
(202) 305-1310
(313) 226-0831
Gejaa.Gobena@usdoj.gov

/s WILLIAM G. KANELIS
WILLIAM G. KANELIS
Trial Attorney
Criminal Division, Fraud Section
U.S. Department of Justice
1400 New York Avenue, N.W., Third Floor
Washington, D.C. 20005
(202) 674-5661
william.kanellis2@usdoj.gov

Dated: April 25, 2011