

FILED
VANESSA L. ARMSTRONG, CLERK

APR -3 2019

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF KENTUCKY
AT LOUISVILLE

U.S. DISTRICT COURT
WEST'N DIST. KENTUCKY

UNITED STATES OF AMERICA

v.

IJAZ MAHMOOD

INDICTMENT

NO. 3:19-cr-59-CHB

18 U.S.C. § 2

18 U.S.C. § 982

18 U.S.C. § 1347

18 U.S.C. § 1349

21 U.S.C. § 843(a)(2)

21 U.S.C. § 846

21 U.S.C. § 853

The Grand Jury charges:

GENERAL ALLEGATIONS

At all times material to this Indictment:

The Defendant, Co-Conspirators, and Related Companies

1. Ijaz Mahmood M.D. PLC ("Mahmood MD"), incorporated on or about February 8, 2011, was a clinic located at 1239 Woodland Drive, Suite 105, Elizabethtown, Kentucky.
2. Individual 1, a resident of Hardin County, was an office administrator at Mahmood MD.
3. Defendant **IJAZ MAHMOOD**, a resident of Jefferson County Kentucky, was a medical doctor and the owner and operator of Mahmood MD.

COUNT 1

(Conspiracy to Commit Health Care Fraud and Wire Fraud)

1. The General Allegations section of this Indictment is re-alleged and incorporated by reference as though fully set forth herein.

The Conspiracy

2. Beginning on or about January 1, 2015, and continuing through on or about February 28, 2019, in the Western District of Kentucky, and elsewhere, the Defendant, **IJAZ MAHMOOD**, did willfully and knowingly combine, conspire, confederate, and agree with Individual 1 and others, known and unknown to the Grand Jury, to commit certain 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, TRICARE, Medicaid, Anthem and other commercial health care benefit programs, 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 that 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 **IJAZ MAHMOOD** and his co-conspirators to unlawfully enrich themselves by, among other things: (a) submitting and causing the submission of false and fraudulent claims to Medicare, TRICARE, Medicaid, Anthem and other commercial health care benefit programs for services that were medically unnecessary, not eligible for reimbursement, and never provided; (b) concealing the submission of false and fraudulent claims to Medicare, TRICARE, Medicaid, Anthem and other commercial health care benefit programs; 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

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

a. It was part of the conspiracy that **IJAZ MAHMOOD** directed Mahmood MD staff, including individuals not licensed to practice medicine, to perform medical services on patients, including infusions.

b. It was further part of the conspiracy that **IJAZ MAHMOOD** directed Mahmood MD staff to perform medical services on patients when he was not present and when he was not in a position to supervise the services.

c. It was further part of the conspiracy that **IJAZ MAHMOOD** allowed unlicensed Mahmood MD staff to provide prescriptions for controlled substances to patients when **IJAZ MAHMOOD** was away from his medical practice, using pre-signed blank prescription forms.

d. It was further part of the conspiracy that **IJAZ MAHMOOD** directed Individual 1 to bill various health care benefit programs for these services listing **IJAZ MAHMOOD** as the provider.

e. It was further part of the conspiracy that **IJAZ MAHMOOD** and his co-conspirators would and did submit and cause the submission of claims to Medicare, TRICARE, Medicaid, Anthem and other commercial health care benefit programs via interstate wires, that falsely and fraudulently represented various health care benefits, primarily physician services or services to be provided under the supervision of a physician, were medically necessary and validly provided to beneficiaries.

f. It was further part of the conspiracy that as a result of such false and fraudulent claims, Medicare, TRICARE, Medicaid, Anthem and other commercial health care benefit programs made overpayments to **IJAZ MAHMOOD** and Mahmood MD.

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

The Grand Jury further charges:

COUNTS 2 – 5
(Health Care Fraud)

1. The General Allegations section of this Indictment is re-alleged and incorporated by reference as though fully set forth herein.

2. Beginning on or about January 1, 2015, and continuing through on or about February 28, 2019, in the Western District of Kentucky, and elsewhere, the Defendant, **IJAZ MAHMOOD**, aided and abetted by others, known and unknown to the Grand Jury, 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 health care benefit

program affecting commerce, as defined in Title 18, United States Code, Section 24(b), that is, Medicare, TRICARE, Medicaid, Anthem and other commercial health care benefit programs, 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.

Purpose of the Scheme and Artifice

3. It was a purpose of the scheme and artifice for **IJAZ MAHMOOD** and his co-conspirators to unlawfully enrich themselves by, among other things: (a) submitting and causing the submission of false and fraudulent claims to Medicare, TRICARE, Medicaid, Anthem and other commercial health care benefit programs, for services that were medically unnecessary, not eligible for reimbursement, and never provided; (b) concealing the submission of false and fraudulent claims to Medicare, TRICARE, Medicaid, Anthem and other commercial health care benefit programs; 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 Scheme and Artifice

4. The allegations contained in the Manner and Means section of Count One of the Indictment are re-alleged and incorporated by reference as though fully set forth herein as a description of the scheme and artifice.

Acts in Execution or Attempted Execution of the Scheme and Artifice

5. On or about the dates set forth below, in the Western District of Kentucky, and elsewhere, the defendant, **IJAZ MAHMOOD**, in connection with the delivery of and payment for health care benefits, items, and services, did knowingly and willfully execute, and attempt to execute, the above-described 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, TRICARE,

Medicaid, Anthem and other commercial health care benefit programs, 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 that the defendant submitted and caused the submission of false and fraudulent claims, seeking the identified dollar amounts, representing that the services were medically necessary and validly provided services to beneficiaries:

<u>Count</u>	<u>Approximate Date</u>	<u>Beneficiary</u>	<u>Procedure Code Billed</u>	<u>Amount Billed</u>	<u>Claim Number</u>
2	Sept. 9, 2016	K.M.	96361	\$675	662816253565940
3	Jan. 11, 2017	M.J.	99215	\$350	662817011724350
4	Mar. 30, 2018	D.S.	96365	\$150	662818092347050
5	Mar. 30, 2018	B.S.	96365	\$150	662818092347040

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

The Grand Jury further charges:

COUNT 6

(Conspiracy to Illegal Use DEA Registration Number Issued to Another)

1. The General Allegations section of this Indictment is re-alleged and incorporated by reference as though fully set forth herein.
2. Beginning on or about June 1, 2015 and continuing through on or about February 28, 2019, in the Western District of Kentucky, and elsewhere, the Defendant, **IJAZ MAHMOOD**, did knowingly and intentionally combine, conspire, confederate and agree with other persons, known and unknown to the Grand Jury, to use a registration number belonging to another person in the course of dispensing and distributing Schedule II, III, and IV controlled substances, to wit: **IJAZ MAHMOOD** pre-signed controlled substance prescriptions for his office staff, including

Individual 1, who did not have DEA registrations numbers assigned to them, to use while he was away from his medical practice.

In violation of Title 21, United States Code, Sections 843(a)(2) and 846.

NOTICE OF FORFEITURE

1. The Grand Jury re-alleges Counts 1 through 6 of this Indictment, as set forth above, and incorporates the counts by reference as if the same were fully set forth herein.

2. If convicted of any violation of Title 18, United States Code, Sections 1347 and 1349; and Title 21, United States Code, Sections 843 and 846; **IJAZ MAHMOOD**, the defendant, shall forfeit to the United States any property constituting or derived from any proceeds obtained, directly or indirectly, as the result of any such violation, and any property used or intended to be used, in any manner or part, to commit or to facilitate the commission of such violation.

Pursuant to Title 18, United States Code, Sections 982(a)(2)(B) and (7), and Title 21, United States Code, Section 853.

A TRUE BILL.


FOREPERSON

Russell M. Coleman

RUSSELL M. COLEMAN
UNITED STATES ATTORNEY

Robert Zink by Alexander Kroner

ROBERT ZINK
CHIEF
CRIMINAL DIVISION, FRAUD SECTION
U.S. DEPARTMENT OF JUSTICE

Joseph Beemsterboer by Alexander Kroner

JOSEPH BEEMSTERBOER
DEPUTY CHIEF
CRIMINAL DIVISION, FRAUD SECTION
U.S. DEPARTMENT OF JUSTICE

RMC:JRA:AK:032819

UNITED STATES OF AMERICA v. IJAZ MAHMOOD

PENALTIES

Count 1:	NM 20 yrs/\$250,000 fine/both/NM 3 yrs. Supervised Release
Counts 2-5:	NM 10 yrs./\$250,000 fine/both/NM 3 yrs. Supervised Release (each count)
Count 6:	NM 4 yrs./\$250,000 fine/both/NM 1 yr. Supervised Release

Forfeiture

NOTICE

ANY PERSON CONVICTED OF AN OFFENSE AGAINST THE UNITED STATES SHALL BE SUBJECT TO SPECIAL ASSESSMENTS, FINES, RESTITUTION & COSTS.

SPECIAL ASSESSMENTS

18 U.S.C. § 3013 requires that a special assessment shall be imposed for each count of a conviction of offenses committed after November 11, 1984, as follows:

Misdemeanor:	\$ 25 per count/individual	Felony:	\$100 per count/individual
	\$125 per count/other		\$400 per count/other

FINES

In addition to any of the above assessments, you may also be sentenced to pay a fine. Such fine is due immediately unless the court issues an order requiring payment by a date certain or sets out an installment schedule. You shall provide the United States Attorney's Office with a current mailing address for the entire period that any part of the fine remains unpaid, or you may be held in contempt of court. 18 U.S.C. § 3571, 3572, 3611, 3612

Failure to pay fine as ordered may subject you to the following:

1. **INTEREST** and **PENALTIES** as applicable by law according to last date of offense.

For offenses occurring after December 12, 1987:

No **INTEREST** will accrue on fines under \$2,500.00.

INTEREST will accrue according to the Federal Civil Post-Judgment Interest Rate in effect at the time of sentencing. This rate changes monthly. Interest accrues from the first business day following the two week period after the date a fine is imposed.

PENALTIES of:

10% of fine balance if payment more than 30 days late.

15% of fine balance if payment more than 90 days late.

2. Recordation of a **LIEN** shall have the same force and effect as a tax lien.
3. Continuous **GARNISHMENT** may apply until your fine is paid.

18 U.S.C. §§ 3612, 3613

If you **WILLFULLY** refuse to pay your fine, you shall be subject to an **ADDITIONAL FINE** of not more than the greater of \$10,000 or twice the unpaid balance of the fine; or **IMPRISONMENT** for not more than 1 year or both. 18 U.S.C. § 3615

RESTITUTION

If you are convicted of an offense under Title 18, U.S.C., or under certain air piracy offenses, you may also be ordered to make restitution to any victim of the offense, in addition to, or in lieu of any other penalty authorized by law. 18 U.S.C. § 3663

APPEAL

If you appeal your conviction and the sentence to pay your fine is stayed pending appeal, the court shall require:

1. That you deposit the entire fine amount (or the amount due under an installment schedule during the time of your appeal) in an escrow account with the U.S. District Court Clerk, or
2. Give bond for payment thereof.

18 U.S.C. § 3572(g)

PAYMENTS

If you are ordered to make payments to the U.S. District Court Clerk's Office, certified checks or money orders should be made payable to the Clerk, U.S. District Court and delivered to the appropriate division office listed below:

LOUISVILLE: Clerk, U.S. District Court
106 Gene Snyder U.S. Courthouse
601 West Broadway
Louisville, KY 40202
502/625-3500

BOWLING GREEN: Clerk, U.S. District Court
120 Federal Building
241 East Main Street
Bowling Green, KY 42101
270/393-2500

OWENSBORO: Clerk, U.S. District Court
126 Federal Building
423 Frederica
Owensboro, KY 42301
270/689-4400

PADUCAH: Clerk, U.S. District Court
127 Federal Building
501 Broadway
Paducah, KY 42001
270/415-6400

If the court finds that you have the present ability to pay, an order may direct imprisonment until payment is mad

FORM DBD-34
JUN.85

No. _____

UNITED STATES DISTRICT COURT

Western District of Kentucky

At Louisville

THE UNITED STATES OF AMERICA

vs.

IJAZ MAHMOOD

INDICTMENT

Count 1

Conspiracy to Commit Health Care Fraud and Wire Fraud

18 U.S.C. § 1349

Counts 2-5

Health Care Fraud

18 U.S.C. §§1347 and 2

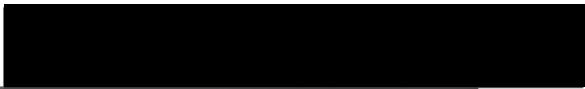
Count 6

*Conspiracy to Illegal Use DEA
Registration Number Issued to Another*

21 U.S.C. § 843(a)(2) and 846

Forfeiture

A true bill.



Foreperson

FILED

Filed in open court this 3rd day of April, 2019.

APR - 3 2019

U.S. DISTRICT COURT *Clerk*

WESTN DIST. KENTUCKY

Bail, \$