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F.# 2015R01953

2017 NOV 13 PM 3: 35

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

U.S. DISTRICT COURT
EASTERN DISTRICT
OF NEW YORK

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UNITED STATES OF AMERICA

INDICTMENT

- against -

CR 17- 629

IKECHUKWU UDEOKORO and
AYODEJI FASONU,

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

also known as "Ayodeji
Fasonu-Adegboyejo,"

Defendants.

DONNELLY, J.

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THE GRAND JURY CHARGES:

ORENSTEIN, M.J.

INTRODUCTION

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

I. Background

A. The Medicare and Medicaid Programs

1. The Medicare Program ("Medicare") 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 divided into different "parts." "Part A" of Medicare covered health services provided by hospitals, skilled nursing facilities, hospices and home health agencies. "Part B" of Medicare covered outpatient hospital services and professional

services provided by physicians and other providers; it also covered durable medical equipment (“DME”).

3. “Part C” of Medicare – which was also known as Medicare Advantage – offered beneficiaries the opportunity to secure coverage from private companies (“Contractors”) for many of the same services that were provided by Parts A and B, in addition to certain mandatory and optional supplemental benefits. Under Part C, Contractors that were approved by Medicare offered to eligible beneficiaries Medicare Advantage plans that combined coverage for items and services traditionally covered under Parts A and B into a single insurance plan.

4. To obtain payment for treatment or services provided to a beneficiary enrolled in a Medicare Advantage plan administered through a Contractor, health care providers submitted itemized claim forms to the Contractor. Rather than providing reimbursement for each individual claim submitted by providers to the Contractor, CMS provided fixed, monthly payments for each beneficiary enrolled in a Medicare Advantage plan administered by the Contractor. These monthly payments were referred to as “capitation” payments.

5. The Medicaid Program (“Medicaid”) in New York State was a federally and state funded health care program providing benefits to individuals and families who met specified financial and other eligibility requirements and certain other individuals who lacked adequate resources to pay for medical care. CMS was responsible for overseeing the Medicaid program in participating states, including New York. Individuals who received benefits under Medicaid, like those who received benefits under Medicare, were referred to as “beneficiaries.”

6. In New York State, Medicaid offered a managed care delivery system to provide Medicaid benefits to eligible beneficiaries. The system was called Medicaid Managed Care. Under Medicaid Managed Care, private entities referred to as managed care organizations provided insurance plans covering most Medicaid benefits to eligible beneficiaries in exchange for monthly payments from New York State.

7. CMS developed the National Plan and Provider Enumeration System (“NPES”) to provide unique identifying numbers for health care providers. When a health care provider registered with NPES, it was given a unique National Provider Identifier (“NPI”) number. Information for providers that received NPI numbers was contained in a publicly available database sometimes referred to as the “NPI Registry.”

8. The Healthcare Common Procedure Coding System (“HCPCS”) was a defined set of alphanumeric codes primarily used to identify specific equipment, supplies and medicine and was used by providers to identify products on claims for reimbursement.

B. Private Insurers

9. Various private insurers, including, among others, Healthfirst New York (“Healthfirst”) and The New York State Catholic Health Plan, Inc., d/b/a Fidelis Care New York (“Fidelis”) (collectively, the “Private Insurers”), offered their members the opportunity to enroll in “health care benefit program[s],” as defined by Title 18, United States Code, Section 24(b).

10. The Private Insurers participated in Medicare Part C as Contractors and offered eligible members the opportunity to enroll in Medicare Advantage plans. The Private Insurers also participated in New York’s Medicaid Managed Care plans. The Medicare Advantage plans and New York Medicaid Managed Care plans offered and

administered by the Private Insurers were “health care benefit program[s],” as defined by Title 18, United States Code, Section 24(b).

11. Healthfirst maintained offices in, among other locations, New York, New York, and Fidelis maintained offices in, among other locations, Queens, New York.

II. The Defendants and Related Entities

12. The defendant IKECHUKWU UDEOKORO was the owner of Meik Medical Equipment and Supply, LLC (“Meik”), a New York limited liability company. Meik was located at 1363 Webster Avenue, Store-D, Bronx, New York.

13. Meik registered with the NPPES on or about September 28, 2009. The defendant IKECHUKWU UDEOKORO was listed in the NPI Registry as the “Authorized Official” for Meik with his title identified as “President.” The NPI Registry listed “Durable Medical Equipment & Medical Supplies” as Meik’s primary specialty.

14. The defendant IKECHUKWU UDEOKORO was responsible for, among other things, ordering products on behalf of Meik to be delivered to Private Insurers’ members.

15. The defendant AYODEJI FASONU, also known as “Ayodeji Fasonu-Adegboyejo,” was the business manager at Meik. FASONU was responsible for, among other things, billing on behalf of Meik to Private Insurers.

16. The defendants IKECHUKWU UDEOKORO and AYODEJI FASONU, together with others, submitted and caused the submission of certain claims directly to Healthfirst. At other times, UDEOKORO and FASONU, together with others, submitted claims and caused claims to be submitted to certain of the Private Insurers through an independent practice association (“IPA”), including Academy Orthotics & Prosthetics

IPA (“Academy”) and Integra Partners (“Integra”). Between at least approximately June 2008 and November 2012, Integra maintained offices in Brooklyn, New York.

III. The Fraudulent Scheme

17. Beginning in approximately December 2010 and continuing through at least approximately February 2014, the defendants IKECHUKWU UDEOKORO and AYODEJI FASONU, together with others, engaged in a fraudulent scheme in which they sought unlawfully to enrich themselves by submitting and causing the submission of fraudulent claims for reimbursement to certain of the Private Insurers, directly and through IPAs, including Academy and Integra, for DME purportedly provided by Meik that was not in fact provided to the Private Insurers’ members. The members to whom the DME was purportedly delivered either never received the DME or received different, and far less expensive, products than was billed to the Private Insurers.

18. As part of the scheme, the defendants IKECHUKWU UDEOKORO and AYODEJI FASONU, together with others, submitted and caused the submission of claims for reimbursement to certain Private Insurers for multipositional patient support systems (HCPCS code E0636) and combination sit-to-stand systems (HCPCS code E0637) that Meik purportedly provided to certain of the Private Insurers’ members within the Eastern District of New York and elsewhere. These items of DME were not in fact provided to the Private Insurers’ members. Meik provided either nothing or a far less expensive product, such as a lift chair/recliner, that did not qualify for reimbursement under HCPCS codes E0636 and E0637.

19. From approximately December 2010 through February 2014, the defendants IKECHUKWU UDEOKORO and AYODEJI FASONU, together with others,

submitted and caused to be submitted, and subsequently received payment for, millions of dollars in claims to multiple health care benefit programs, including more than \$3.5 million in claims for DME with HCPCS codes E0636 and E0637.

HEALTH CARE FRAUD

20. The allegations contained in paragraphs one through 19 are realleged and incorporated as if fully set forth in this paragraph.

21. In or about and between December 2010 and February 2014, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendants IKECHUKWU UDEOKORO and AYODEJI FASONU, also known as “Ayodeji Fasonu-Adegboyejo,” together with others, did knowingly and willfully execute and attempt to execute a scheme and artifice to defraud one or more health care benefit programs, as defined in Title 18, United States Code, Section 24(b), to wit: Medicare Advantage plans and Medicaid Managed Care plans administered by Private Insurers, including Healthfirst and Fidelis, 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.

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

CRIMINAL FORFEITURE ALLEGATION

22. The United States hereby gives notice to the defendants that, upon their conviction of the offense charged herein, the government will seek forfeiture in accordance with Title 18, United States Code, Section 982(a)(7), which requires any person convicted of

a federal health care offense to forfeit property, real or personal, that constitutes, or is derived directly or indirectly from, gross proceeds traceable to the commission of such offense.

23. If any of the above-described forfeitable property, as a result of any act or omission of the defendants:

- (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), as incorporated by Title 18, United States Code, Sections 982(b)(1), to seek forfeiture of any

other property of the defendants up to the value of the forfeitable property described in the forfeiture allegation.

(Title 18, United States Code, Sections 982(a)(7) and 982(b)(1); Title 21, United States Code, Section 853(p))

A TRUE BILL

FOREPERSON

BRIDGET M. ROHDE
ACTING UNITED STATES ATTORNEY
EASTERN DISTRICT OF NEW YORK

SANDRA MOSER
ACTING CHIEF, FRAUD SECTION
CRIMINAL DIVISION
U.S. DEPARTMENT OF JUSTICE

No. _____

UNITED STATES DISTRICT COURT

EASTERN *District of* NEW YORK

CRIMINAL DIVISION

THE UNITED STATES OF AMERICA

vs.

*IKECHUKWU UDEOKORO and
AYODEJI FASONU, also known as "Ayodeji Fasonu-Adegboyejo,"*

Defendants.

INDICTMENT

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

A true bill.

/ _____
Foreperson

Filed in open court this _____ *day,*

of _____ *A.D. 20* _____

Clerk

Bail, \$ _____

Andrew Estes, Trial Attorney (718) 254-6250