

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

UNITED STATES OF AMERICA	:	CRIMINAL NO. 16- _____
v.	:	DATE FILED: _____
SHEIKH MOHAMMED KHURSHAN	:	VIOLATIONS:
	:	18 U.S.C. § 1343 (wire fraud - 11 counts)
	:	18 U.S.C. § 1347 (health care fraud – 16
	:	counts)
	:	42 U.S.C. § 408(a)(4) (Social Security
	:	fraud - 1 count)
	:	18 U.S.C. § 1001 (false statements – 1
	:	count)
	:	18 U.S.C. § 1542 (false statement in
	:	application for a passport – 1 count)
	:	Notices of forfeiture

INDICTMENT

COUNTS ONE THROUGH ELEVEN

(Wire Fraud)

THE GRAND JURY CHARGES THAT:

INTRODUCTION

At all times relevant to this indictment:

1. The Social Security Administration (“SSA”), an agency of the United States, administered certain government benefit programs, including the Disability Insurance Benefit (“DIB”) program, pursuant to Title 42, United States Code, Sections 401-433.
2. The DIB program was an earned-right program funded through Social

Security wage taxes. When an individual worked, that individual paid taxes on his or her wages into the Social Security trust fund. If that individual became "disabled" and paid sufficient Social Security taxes to become "insured," as those terms were defined for purposes of the Social Security Act, he or she was eligible to receive disability insurance benefits, which were designed to replace part of the individual's earnings lost due to disability.

3. DIB payments continued unless the disabled individual's "disability" improved, or until the disabled individual returned to work or died.

4. The spouse of a person who received DIB benefits could receive spousal insurance benefits if married to a qualified individual entitled to receive DIB benefits.

5. The child of a person who received DIB benefits could receive child insurance benefits if the child is the beneficiary's biological child, adopted child, or dependent stepchild, the child has a parent who is disabled or retired and entitled to Social Security benefits, or a parent who died after having worked long enough in a job where he or she paid Social Security taxes. To be eligible, the child was required to be unmarried, under 18 years of age, or age 18-19 if a full-time student (no higher than grade 12), or over 18 and disabled.

6. If an individual qualified for DIB payments from the Social Security Administration, he or she would be qualified to receive Medicare, and/or Medicaid benefits from the U.S. Department of Health and Human Services after a specified waiting period, which was typically between two and two-and-a-half years from the entitlement date to DIB payments. The Medicare Program, established by the Social Security Act, is a federal health insurance program that provides health care services for persons 65 and older and certain disabled persons. Under this program, certain covered medical expenses are paid by the United States Government for eligible persons. Title XIX of the Social Security Act (the "Medicaid Act") authorizes federal

grants to the States for Medicaid programs to provide medical assistance to persons with limited income and resources. Medicaid programs are administered by states in accordance with federal regulations, and are jointly financed by the federal and state governments.

7. Defendant SHEIKH MOHAMMED KHURSHAN protectively filed for Disability Insurance Benefits from the Social Security Administration on or about May 6, 2004, and completed his application with the SSA on or about June 4, 2004. In his application, defendant KHURSHAN claimed he had become disabled as of January 1, 2004. The Social Security Administration subsequently approved his application for benefits, finding that defendant KHURSHAN was disabled beginning on or about January 1, 2004, with an entitlement date to DIB payments of June 1, 2004.

8. As a result of his receipt of DIB eligibility, defendant SHEIKH MOHAMMED KHURSHAN became entitled to Medicare and Medicaid benefits in or about October 2006.

THE SCHEME TO DEFRAUD

9. From in or about June 2004 through in or about November 2014, defendant

SHEIKH MOHAMMED KHURSHAN

devised and intended to devise a scheme to defraud the Social Security Administration and to obtain money from the SSA in the form of DIB benefits that he was not entitled to receive for himself, his wife, and his children; because he concealed and failed to accurately report to the SSA that he was employed and earning income.

10. It was the object of the scheme described in paragraph 9 for defendant SHEIKH MOHAMMED KHURSHAN to receive approximately \$131,800.90 in DIB payments

for himself, approximately \$3,618 for his wife; and approximately \$9,747.34 in benefits for three dependent children, for a total of approximately \$145,166.24 in SSA benefits that he was not entitled to receive.

MANNER AND MEANS

It was part of the scheme that:

11. Defendant SHEIKH MOHAMMED KHURSHAN protectively filed for DIB payments from the SSA on or about May 6, 2004, and completed his application on or about June 4, 2004, alleging he became disabled on or about January 1, 2004. In completing his application on or about June 4, 2004, defendant KHURSHAN falsely stated that he was unable to work, and was not working at the time of the application. In completing his application, defendant KHURSHAN agreed to notify the Social Security Administration if he went “to work whether as an employee or a self-employed person.”

12. The SSA subsequently approved defendant SHEIKH MOHAMMED KHURSHAN’S DIB application, finding that, based on the representations made in his application, defendant KHURSHAN was disabled and entitled to DIB payments as of his protective filing date, and defendant KHURSHAN began receiving DIB payments for himself; and at various times between in or about June 2008 and in or about June 2014, also received payments for his wife and qualifying children. Defendant KHURSHAN began receiving DIB payments via electronic wire transfer in or about October 2006, into various bank accounts held with TD Bank.

13. From on or about June 4, 2004 through in or about November 2014, defendant SHEIKH MOHAMMED KHURSHAN fraudulently concealed, and failed to report, his work activity to the Social Security Administration. This work activity included, at various

times throughout this time frame: notary, travel, and tax services on his own and through his business, known as “Madina Travels & Tax Service”; and work as a Bengali language interpreter.

14. In or about the winter of 2012, the Social Security Administration received information from the Internal Revenue Service that defendant SHEIKH MOHAMMED KHURSHAN had reported self-employment for tax years 2007, 2008, 2009, and 2010. As a result, the SSA contacted defendant KHURSHAN to verify this work activity.

15. On or about April 3, 2012, defendant SHEIKH MOHAMMED KHURSHAN appeared in a Social Security field office, and falsely stated that he had not worked the self-employment reported by the Internal Revenue Service.

16. Had defendant SHEIKH MOHAMMED KHURSHAN truthfully reported his work activity and income, he would not have been entitled to any DIB payments for himself, his spouse, or his dependent children.

17. From on or about June 4, 2004 through on or about November 3, 2014, in the Eastern District of Pennsylvania and elsewhere, defendant

SHEIKH MOHAMMED KHURSHAN

for the purpose of executing the scheme described above, and attempting to do so, knowingly caused to be transmitted in interstate commerce, by means of wire communication, certain signs, signals and sounds, namely, a wire transfer of funds representing benefit payments from the SSA to the defendant SHEIKH MOHAMMED KHURSHAN as described below (each transfer constituting a separate count of this indictment):

<u>COUNT</u>	<u>APPROXIMATE DATE OF WIRE TRANSFER</u>	<u>DESCRIPTION OF WIRE TRANSFER</u>	<u>PAYMENT FOR</u>
1	May 3, 2011	SSA payment of \$731.00 by wire transfer from Baltimore, Maryland to Kansas City, Missouri, to Philadelphia, Pennsylvania, to East Rutherford, New Jersey, to Portland, Maine, to the Eastern District of Pennsylvania.	Khurshan
2	October 3, 2011	SSA payment of \$731.00 by wire transfer from Baltimore, Maryland to Kansas City, Missouri, to Philadelphia, Pennsylvania, to East Rutherford, New Jersey, to Portland, Maine, to the Eastern District of Pennsylvania.	Khurshan
3	May 3, 2012	SSA payment of \$731.00 by wire transfer from Baltimore, Maryland to Kansas City, Missouri, to Philadelphia, Pennsylvania, to East Rutherford, New Jersey, to Portland, Maine, to the Eastern District of Pennsylvania.	Khurshan
4	October 3, 2012	SSA payment of \$777.00 by wire transfer from Baltimore, Maryland to Kansas City, Missouri, to Philadelphia, Pennsylvania, to East Rutherford, New Jersey, to Portland, Maine, to the Eastern District of Pennsylvania.	Khurshan
5	May 3, 2013	SSA payment of \$790.00 by wire transfer from Baltimore, Maryland to Kansas City, Missouri, to East Rutherford, New Jersey, to Portland, Maine, to the Eastern District of Pennsylvania.	Khurshan

<u>COUNT</u>	<u>APPROXIMATE DATE OF WIRE TRANSFER</u>	<u>DESCRIPTION OF WIRE TRANSFER</u>	<u>PAYMENT FOR</u>
6	October 3, 2013	SSA payment of \$790.00 by wire transfer from Baltimore, Maryland to Kansas City, Missouri, to East Rutherford, New Jersey, to Portland, Maine, to the Eastern District of Pennsylvania.	Khurshan
7	May 2, 2014	SSA payment of \$757.00 by wire transfer from Baltimore, Maryland to Kansas City, Missouri, to East Rutherford, New Jersey, to Portland, Maine, to the Eastern District of Pennsylvania.	Khurshan
8	October 3, 2014	SSA payment of \$757.00 by wire transfer from Baltimore, Maryland to Kansas City, Missouri, to East Rutherford, New Jersey, to Portland, Maine, to the Eastern District of Pennsylvania.	Khurshan
9	January 3, 2014	SSA payment of \$61.00 by wire transfer from Baltimore, Maryland to Kansas City, Missouri, to East Rutherford, New Jersey, to Portland, Maine, to the Eastern District of Pennsylvania.	Spouse
10	April 3, 2013	SSA payment of \$61.00 by wire transfer from Baltimore, Maryland to Kansas City, Missouri, to East Rutherford, New Jersey, to Portland, Maine, to the Eastern District of Pennsylvania.	Child #1
11	January 3, 2013	SSA payment of \$40.00 by wire transfer from Baltimore, Maryland to Kansas City, Missouri, to East Rutherford, New Jersey, to Portland, Maine, to the Eastern District of Pennsylvania.	Child #2

All in violation of Title 18, United States Code, Section 1343.

COUNTS TWELVE THROUGH TWENTY-SEVEN

(Health Care Fraud)

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1 through 16 of Counts One through Eleven of this indictment are realleged here.

2. Medicare has four main components, referred to as Parts A, B, C, and D. Defendant SHEIKH MOHAMMED KHURSHAN received benefits under Parts A, B, and D. Part A covers medically necessary inpatient care in a hospital, skilled nursing facility or psychiatric hospital, hospice care, and home health care. Part B covers outpatient services such as physician and laboratory services. Part D covers prescription drugs. Defendant KHURSHAN was also covered under Medicaid.

3. From in or about October 2006 through in or about June 2014, defendant SHEIK MOHAMMED KHURSHAN received a total benefit of \$178,120.40 in Medicare benefits, and \$3,731.46 in Medicaid Capitation Rates, on the basis of his fraudulent application for, and receipt of, Social Security Disability Insurance Benefits.

4. On or about each of the dates listed below, in the Eastern District of Pennsylvania and elsewhere, defendant

SHEIKH MOHAMMED KHURSHAN

knowingly and willfully executed a scheme and artifice to defraud Medicare, a health care benefit program, through payment of health care services, treatment, and medicines that he was not entitled to receive, which were paid out to providers on his behalf by Medicare in the approximate amounts listed below (each claim constituting a separate count of this indictment):

<u>COUNT</u>	<u>TYPE OF MEDICARE BENEFIT</u>	<u>APPROXIMATE DATE OF CLAIM</u>	<u>APPROXIMATE AMOUNT PAID BY MEDICARE</u>
12	A	06/29/2011	\$100.98
13	A	03/23/2012	\$143.72
14	A	09/03/2013	\$281.24
15	A	05/31/2014	\$81.95
16	B	11/07/2011	\$65.67
17	B	03/27/2012	\$77.06
18	B	03/08/2013	\$109.23
19	B	05/31/2014	\$97.68
20	D	05/10/2011	\$3,221.04
21	D	10/03/2011	\$1,114.42
22	D	06/08/2012	\$3,422.97
23	D	12/06/2012	\$1,190.94
24	D	5/29/2013	\$1,270.38
25	D	12/02/2013	\$1,270.38
26	D	05/01/2014	\$1,286.92

<u>COUNT</u>	<u>TYPE OF MEDICARE BENEFIT</u>	<u>APPROXIMATE DATE OF CLAIM</u>	<u>APPROXIMATE AMOUNT PAID BY MEDICARE</u>
27	D	06/21/2014	\$1,286.92

All in violation of Title 18, United States Code, Section 1347.

COUNT TWENTY-EIGHT

(Social Security Fraud)

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1 through 16 of Counts One through Eleven of this indictment are realleged here.

2. From on or about June 4, 2004 through on or about November 3, 2014, in the Eastern District of Pennsylvania and elsewhere, defendant

SHEIKH MOHAMMED KHURSHAN

in a matter within the jurisdiction of the Social Security Administration ("SSA"), an agency of the executive branch of the United States, knowingly and willfully concealed his work activity from the SSA by failing to report, and making false statements regarding, his work activity and income.

In violation of Title 42, United States Code, Section 408(a)(4).

COUNT TWENTY-NINE

(False Statements)

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1 through 16 of Counts One through Eleven of this indictment are realleged here.

2. On or about April 3, 2012, in the Eastern District of Pennsylvania, defendant

SHEIKH MOHAMMED KHURSHAN

completed a statement for the Social Security Administration, an agency of the United States, and falsely stated that he had not performed self-employment work activity in tax years 2007, 2008, 2009, and 2010, and such information was material to the issuing of DIB payments to defendant KHURSHAN for himself and related family members.

In violation of Title 18, United States Code, Section 1001.

COUNT THIRTY

(False Statement in Application for a Passport)

THE GRAND JURY FURTHER CHARGES THAT:

1. On or about January 29, 2015, on a form incorrectly dated February 29, 2015, in the Eastern District of Pennsylvania and elsewhere, the defendant,

SHEIKH MOHAMMED KHURSHAN

willfully and knowingly made a false statement in an application for a passport with intent to induce and secure for his own use the issuance of a passport under the authority of the United States, contrary to the laws regulating the issuance of such passports and the rules prescribed pursuant to such laws, in that in such application the defendant stated that in completing an application for a new passport due to the passport being “lost or stolen” that “I kept it in my bag, but now I don’t get it;” which defendant KHURSHAN knew to be false.

In violation of Title 18, United States Code, Section 1542.

NOTICE OF FORFEITURE No. 1

(COUNTS ONE THROUGH ELEVEN)

THE GRAND JURY CHARGES THAT:

1. As a result of the violations of Title 18, United States Code, Section 1343, set forth in this information, defendant

SHEIKH MOHAMMED KHURSHAN

shall forfeit to the United States of America:

- (a) any property, real or personal, that constitutes or is derived from proceeds traceable to the commission of such offense; including but not limited to the sum of \$145,166.24.

2. If any of the property subject to forfeiture, 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 28, United States Code, Section 2461(c), incorporating Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendant(s) up to the value of the property subject to forfeiture.

All pursuant to Title 28, United States Code, Section 2461(c), and Title 18,
United States Code, Section 981(a)(1)(C).

NOTICE OF FORFEITURE No.2

(COUNTS TWELVE THROUGH TWENTY-SEVEN)

THE GRAND JURY CHARGES THAT:

1. As a result of the violations of Title 18, United States Code, Section 1347, set forth in this information, defendant

SHEIKH MOHAMMED KHURSHAN

shall forfeit to the United States of America:

(a) any property, real or personal, that constitutes or is derived from gross proceeds traceable to the commission of such offense; including but not limited to the sum of \$178,120.40.

2. If any of the property subject to forfeiture, 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 28, United States Code, Section 2461(c), incorporating Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendant(s) up to the value of the property subject to forfeiture.

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

A TRUE BILL:

GRAND JURY FOREPERSON



ZANE DAVID MEMEGER
United States Attorney