

FILED

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION

2020 SEP 25 PM 4:00
CLERK, US DISTRICT COURT
MIDDLE DISTRICT FLORIDA
TAMPA, FLORIDA

UNITED STATES OF AMERICA

v.

CASE NO. 8:20 cr 293 T 35 TGW
18 U.S.C. § 371

CHARLES BURRUSS

INFORMATION

The United States Attorney charges:

COUNT ONE
(Conspiracy – 18 U.S.C. § 371)

A. Introduction

At times material to this Information:

The Conspirators and Their Enterprises

The Ever Prime Faction

1. Ever Prime Concepts, Inc. (“Ever Prime”) was a “management” company located in San Diego, California. Ever Prime was principally owned and controlled by ARDALAAN ADAMS (a/k/a “Armani Adams”) and the defendant, CHARLES BURRUSS, who operated and managed the company with other conspirators, including Ever Prime’s CFO I.K. These individuals are collectively referred to herein as the “Ever Prime Faction.”

2. The Ever Prime Faction controlled, owned, held financial interests in, and managed numerous Medicare-enrolled DME supply companies in the Middle District of Florida and elsewhere. The companies sold braces, meaning “durable medical equipment” or “DME.” Those supply companies—hereinafter, collectively the “DME Fronts”—included, but were not limited to, the following entities::

DME Front Name	Medicare ID/NPI	Reported Address
Absolute Comfort Medical	7703200001	11350 66th Street, North, Suite 107 Largo, FL 33773
Advanced Medical Supply LLC	7636320001	41530 Enterprise Circle South, Suite 201 Temecula, CA 92590 (formerly 1301 Seminole Boulevard, Suite 142, Largo, FL 33770)
American Bracing Solutions Inc.	7662740001	1301 Seminole Boulevard, Suite 141 Largo, FL 33770
Back Braces Plus Inc.	7653850001	9365 US Highway 19 North, Suite A Pinellas Park, FL 33782
Belle Oak Bracing, Inc.	7698410001	3900 Belle Oak Blvd., Suite 101 Largo, FL 33771
Bracing Partners, Inc.	7661490001	9950 W Van Buren St, Suite 115 Avondale, AZ, 85323 (formerly 1301 Seminole Boulevard, Suite 115, Largo, FL 33770)
Campbell Medical Supply, Inc.	7714020001	11350 66th Street, North, Suite 101 Largo, FL 33773
Caring For Your Pain Bracing, Inc.	7663950001	8800 49th Street North, Suite 209 Pinellas Park, FL 33782
CP Bracing Supply, Inc.	7666130001	801 W Bay Drive, Suite 505 Largo, FL 33770
Discovery Medical Supply, Inc.	7609580001	1301 Seminole Boulevard, Suite 117 Largo, FL 33770

First Stop Medical Supply, Inc.	7666200001	8800 49th Street North, Suite 309 Pinellas Park, FL 33782
Holiday Medical Solutions, Inc.	7711320001	2435 US Highway 19, Suite 310 Holiday, FL 34691
Jackson Medical Supply, Inc.	7673230001	801 W Bay Drive, Suite 515 Largo, FL 33770
Jaime Medical, Inc.	7718400001	11350 66th St. N, Unit 101 Largo, FL 33773
Layne Medical Supply, Inc.	7691340001	39047 County Road 54, Zephyrhills, FL 33542
LJH Medical Solutions, Inc.	7666180001	801 W Bay Dr., Suite 504 Largo, FL 33770
Lucky Medical Supply, Inc.	7666990001	14004 Roosevelt Blvd, Suite 612 Clearwater, FL 37762
Mainlands Medical, Inc.	7707430001	9371 US Hwy 19 North, Suite D Pinellas Park, FL
SST Medical Solutions, Inc.	7729020001	801 W Bay Dr., Suite 605 Largo, FL 33770
Sunshine Medical Solutions	7696110001	6148 Lee Hwy, Suite 203 Chattanooga, TN 37421
Tower Medical Supply, Inc.	7708660001	905 E Martin Luther King Jr Dr., Suite 216, Tarpon Springs, FL 34689
Tree Top Medical Inc.	7699030001	9365 US Hwy 19 North, Suite A2 Pinellas Park, FL 33782
Wellness Medical Solutions Inc.	7695070001	99 NW 183rd Street., Suite 224C4 N. Miami Beach, FL 33169
Westside Medical Bracing, Inc.	7691160001	39029 County Road 54, Zephyrhills, FL 33542

The Regency Faction

3. Regency, Inc. (“Regency”) was a DME billing and consulting company in Largo, Florida. Regency was owned and operated by K.W., who resided in Pinellas County, Florida. K.W. and others at Regency are collectively referred to as the Regency Faction.

4. Regency’s consulting services included, among other things, the creation and sale of “turn-key” DME supply companies to clients. As part of this service, Regency generally assisted clients with the accreditation and Medicare-enrollment processes. The Ever Prime Faction used these services to establish numerous DME Fronts, including as specified in paragraph 2.

5. Other members of the Regency Faction included M.K. and S.P., who resided in Pinellas County, Florida, and helped K.W. manage and operate Regency.

6. In or about March 2018, the Regency Faction incorporated Magic Medical Inc. (“Magic Medical”) as a purported DME drop-shipping company in Largo, Florida. Magic Medical was non-operational.

The Medicare Program

7. The Medicare Program (“Medicare”) was a federal health care benefit program that provided items and services to individuals who were (a) age 65 or older, (b) had certain disabilities, or (c) had end-stage renal disease.

Individuals who received Medicare benefits were called “beneficiaries.”

8. Medicare was administered by the Centers for Medicare and Medicaid Services (“CMS”), which was an agency of the United States Department of Health and Human Services (“HHS”).

9. To help administer Medicare, CMS contracted with private insurance companies called “Medicare Administrative Contractors” or “MACs.” MACs performed many functions, such as processing Medicare claims or enrolling suppliers into the Medicare program. In performing such functions, MACs were assigned to particular geographical “jurisdictions.” For DME claims, they were called Jurisdictions A, B, C, and D.

10. Medicare was made up of several component “parts” that covered different items and services. Medicare Part A, for example, covered inpatient hospital stays. Medicare Part B covered, among other items and services, outpatient care and supplies—including, pertinently, orthotic devices.

11. Orthotic devices included items such as knee braces, back braces, shoulder braces, wrist braces, and other braces. Such orthotic devices were referred to as “durable medical equipment” or “DME.” Under Medicare Part B, as detailed later, beneficiaries could only receive Medicare-covered DME (such as braces) from “suppliers” that were enrolled in Medicare.

12. Medicare claims for DME were processed by two MACs: (i) CGS Administrators, LLC (“CGS”), and (ii) Noridian Healthcare Solutions (“Noridian”). Together, CGS and Noridian are referred to herein as the “DME MACs.”

Medicare Part B Enrollment: The Form CMS-855S

13. A different MAC, Palmetto GBA, LLC (“Palmetto”), handled the enrollment of DME suppliers into Medicare. Palmetto was the single entity responsible for, among other duties, issuing or revoking Medicare supplier billing privileges for DME suppliers. Palmetto was also referred to as the National Supplier Clearinghouse (“NSC”) MAC for DME suppliers.

14. To enroll in Medicare Part B, DME suppliers were required to submit a completed enrollment application—meaning the “Form CMS-855S”—to Medicare. The Form CMS-855S listed many standards necessary to obtain and to retain Medicare billing privileges as a DME supplier.

15. Pursuant to those standards, DME suppliers were required to provide complete and accurate information on the Form CMS-855S and, further, report any changes to such information to the NSC MAC within 30 days. The standards for DME suppliers also included the following requirements:

- a. An authorized individual (one whose signature is binding) must sign the application for billing privileges;
- b. DME suppliers were prohibited from direct solicitation to Medicare beneficiaries;
- c. DME suppliers had to fill orders from their own inventory or, otherwise, were to contract with another company for the purchase of items to fill orders;
- d. DME suppliers had to maintain a staffed physical facility accessible to the public at least thirty hours per week, with visibly posted hours of operation;
- e. DME suppliers must disclose any person having ownership, financial or control interest in the supplier DME;
- f. DME suppliers must not convey or reassign a supplier number (i.e., the supplier may not sell or allow another entity to use its Medicare billing number); and
- g. All DME suppliers must be accredited by a CMS-approved accreditation organization in order to receive and retain a supplier billing number.

Owners and Managers of DME Suppliers

16. The Form CMS-855S required applicants to disclose to Medicare any individual or organization with an ownership interest, a financial interest, or managing control of a DME supplier. This included (i) anyone with 5% or more of an ownership stake, either direct or indirect, in the DME supplier; (ii) anyone with a partnership interest in the DME supplier, regardless of the percentage of ownership, (iii) any organizations with “managing control” over

the DME supplier, as well as (iv) any and all “managing employees.”

17. “Managing employee” was defined on the Form CMS-855S (and elsewhere) as any general manager, business manager, administrator, director, or other individual who exercised operational or managerial control over, or who, directly or indirectly, conducted the day-to-day operations of the DME supplier. This included anyone under contract or through some other arrangement, whether or not the individual was a “W-2 employee” of the DME supplier.

18. The Form CMS-855S also called for extensive information regarding those who owned, managed, and/or controlled (financially or otherwise) the DME supplier. This information included the mandatory disclosure of “Adverse Legal Actions,” which was defined to include, among other things, any federal or state felony conviction within 10 years.

Certification by Authorized Official

19. Finally, the Form CMS-855S required the signature of an “authorized official.” The act of signing, or authorizing such signing, bound the DME supplier and official(s) to abide by all “laws, regulations, and program instructions” for Medicare. It also bound and certified the DME supplier and official(s) to the following terms, among others:

I agree to abide by the Medicare laws, regulations and program instructions that apply to me or to the organization listed in Section 1B of this application. The Medicare laws, regulations, and program instructions are available through the fee-for-service contractor. I understand that payment of a claim by Medicare is conditioned upon the claim and the underlying transaction complying with such laws, regulations and program instructions[,] including, but not limited to, the Federal Anti-Kickback Statute, 42 U.S.C. section 1320a-7b(b)[.]

I will not knowingly present or cause to be presented a false or fraudulent claim for payment by Medicare, and will not submit claims with deliberate ignorance or reckless disregard of their truth or falsity.

On-Site “BOC” and Medicare Inspections

20. To enroll in Medicare, DME suppliers were required to complete an accreditation process by an organization approved by CMS. One CMS-approved organization that could perform such accreditation was known as the Board of Certification/Accreditation or the “BOC.” The BOC had a set of standards that DME suppliers had to meet for accreditation, which were tested at on-site inspections and random re-inspections.

21. The NSC MAC also conducted surprise on-site inspections for Medicare enrollment, which helped verify the information disclosed in the Form CMS-855S and supporting documents. DME supplier responses to the NSC MAC’s on-site inspections were recorded, in part, on a Site Investigation for Suppliers of Durable Medical Equipment, Prosthetics, Orthotics and Supplies, Form CMS-R-263. An authorized site inspector would interview staff seeking, among other information, a complete list of all owners and managers (as defined previously) and, further, whether they or any of their

relatives owned other medical entities.

22. The NSC MAC inspection also involved a review of any on-site DME inventory. DME suppliers that did not maintain their own inventory could be asked to produce a contract with a third-party vendor, such as a DME “drop-shipping” company.

23. Further, the NSC MAC inspection inquired about marketing efforts including, pertinently, direct solicitation or the utilization of any third-party to solicit beneficiaries’ referrals via telephone.

24. Finally, all Medicare-enrolled DME suppliers were subject to random re-inspections. During a re-inspection, an inspector could make the same inquiries noted above, request supporting documentation, and seek follow up information from the DME supplier. Failure to comply could result in the suspension or revocation of Medicare billing privileges.

DME Suppliers’ Unique Identification Numbers: NPIs and PTANs

25. To bill Medicare, the DME supplier required two unique identification numbers: (i) a “National Provider Identifier” or “NPI,” and (ii) a “Provider Transaction Access Number” or “PTAN.” To issue NPIs, CMS developed the National Plan and Provider Enumeration System, which assigned NPIs to providers, including DME suppliers.

26. For PTANs, the NSC MAC was the entity responsible for issuing

such identifiers to DME suppliers, but only after approving their Forms CMS-855S, meaning the Medicare enrollment application. With both the PTAN and the NPI, DME suppliers could submit claims and receive payments from Medicare for braces and other equipment.

DME Claims Submission under Medicare Part B

27. Claims for DME supplies could be submitted for payment to the MAC through an “Electronic Data Interchange (“EDI”) system. EDI was a computer-to-computer electronic exchange of business documents using a standard format. Pertinently, EDI allowed a DME supplier the ability to transmit Electronic Media Claims (“EMC”) to a Medicare in a compliant format. Medicare, in turn, required that a DME supplier complete a Common Electronic Data Interchange (“CEDI”) agreement for EDI services with the DME MACs. The CEDI agreement, in electing to submit Medicare claims electronically, required the DME supplier to agree to several terms and conditions. Such terms and conditions included the following requirements:

- a. That it will be responsible for all Medicare claims submitted to CMS or a designated CMS contractor by itself, its employees, or its agents;
- b. That it will submit claims only on behalf of those Medicare beneficiaries who have given their written authorization to do so, and to certify that required beneficiary signatures, or legally authorized signatures on behalf of beneficiaries, are on file;

- c. That it will submit claims that are accurate, complete, and truthful;
- d. That it will affix the CMS-assigned unique identifier number (submitter ID) of the provider on each claim electronically transmitted to the A/B MAC, CEDI, or other contractor if designated by CMS;
- e. That the CMS-assigned unique identifier number (submitter identifier) or NPI constitutes the provider's legal electronic signature and constitutes an assurance by the provider that services were performed as billed; and
- f. That it will acknowledge that all claims will be paid from Federal funds, that the submission of such claims is a claim for payment under the Medicare program, and that anyone who misrepresents or falsifies or causes to be misrepresented or falsified any record or other information relating to that claim that is required pursuant to this agreement may, upon conviction, be subject to a fine and/or imprisonment under applicable Federal law.

28. Both methods of filing claims required the submission of certain information relating to a specific patient or beneficiary. The information necessary for a DME claim included:

- a. the type of service provided, identified by an "HCPCS" code (meaning "Healthcare Common Procedure Coding System");
- b. the date of service or supply;
- c. the referring physician's NPI;
- d. the charge for such services;

- e. patient's diagnosis;
- f. the NPI and PTAN for the DME entity seeking reimbursement; and
- g. certification by the DME provider that the supplies are medically necessary.

29. Further, before submitting a claim for an orthotic brace to the DME MAC, a supplier was required to have on file the following:

- a. written documentation of a verbal order or a preliminary written order from a treating physician;
- b. a detailed written order from the treating physician;
- c. information from the treating physician concerning the beneficiary's diagnosis;
- d. any information required for the use of specific modifiers;
- e. a beneficiary's written assignment of benefits; and
- f. proof of delivery of the orthotic brace to the beneficiary.

30. Finally, under Medicare Part B, providers were not permitted to routinely waive copayments, which were the portion of the cost of an item paid by a beneficiary.

Proper Telehealth Services for Medicare Beneficiaries

31. Telemedicine was a means of connecting patients to providers via a telecommunication technology, such as video-conferencing. Telemedicine companies hired physicians and other providers to furnish telemedicine

services to individuals. Telemedicine companies typically paid “treating providers” a fee to consult with patients. In order to generate revenue, telemedicine companies typically either billed the Medicare program or other health insurance program, or offered a membership program to patients.

32. Some telemedicine companies offered membership programs to patients who signed a contract for telemedicine services, paid a set dollar amount per month, and paid a fee each time the patient had a telemedicine encounter with one of its providers.

33. Medicare Part B covered expenses for specified telehealth services if certain requirements were met. These requirements included, among others: (a) that the beneficiary was typically located in a rural area (meaning, outside a “Metropolitan Statistical Area” or in a rural health professional shortage area); (b) that the services were delivered via an interactive audio- and video-telecommunications system; and (c) that the beneficiary was at a practitioner’s office or a specified medical facility—not at home—during the telehealth service furnished by a remote practitioner.

CHAMPVA

34. The Civilian Health and Medical Program of the Department of Veterans Affairs (“CHAMPVA”) was a federal health benefit program. CHAMPVA was a comprehensive health care program in which the VA

shared the cost of covered health care services and supplies with eligible beneficiaries. The eligible categories for CHAMPVA beneficiaries were the spouses or children of veterans who had been rated permanently and totally disabled for a service-connected disability and the surviving spouse or child of a veteran who died from a VA-rated service-connected disability. In general, the CHAMPVA program covered most health care services and supplies that were medically and psychologically necessary. CHAMPVA was always the secondary payer to Medicare and reimbursed beneficiaries for costs that Medicare did not cover. Health care claims must have first been sent to Medicare for processing. Medicare electronically forwarded claims to CHAMPVA after Medicare had processed them. For Medicare supplemental plans, CHAMPVA processed the remaining portion of the claim after receiving Medicare's explanation of benefits.

B. The Conspiracy

35. Beginning in or about October 2017, and continuing until in or about April 2019, in the Middle District of Florida and elsewhere, the defendant,

CHARLES BURRUSS,

did knowingly and willfully combine, conspire, confederate, and agree with ARDALAAN ADAMS (a/k/a “Armani Adams”) and with others, including K.W., S.P., and M.K., to:

- a. defraud the United States by impeding, impairing, obstructing, and defeating the lawful functions of HHS, through its agency CMS, in the administration of the Medicare Part B, by deceit, craft, and trickery; and
- b. commit the following offenses against the United States:
 - (i) making false statements relating to health care matters, in violation of 18 U.S.C. § 1035;
 - (ii) health care fraud, in violation of 18 U.S.C. § 1347; and
 - (iii) offering and paying remuneration, in violation of 42 U.S.C. § 1320a-7b(b)(2).

C. Manner and Means of the Conspiracy

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

a. It was a part of the conspiracy that the Ever Prime Faction conspirators would and did offer and pay illegal bribes through intermediaries—including purported “marketing” companies—to medical practitioners to sign and to prescribe DME brace orders under the guise of “telemedicine.” The purported “marketing” companies included, among others, Global One Medical Solutions LLC (“Global One”), Unique Media Connections (“Unique”), Cure Healthcare, Inc. (“Cure”), and SKF Enterprises LLC (“SKF”).

b. It was further a part of the conspiracy that the purported “marketing” companies would and did electronically transmit, or caused the transmission of, signed DME brace orders, which were secured through illegal bribes (the “illegal DME claims”), to the Ever Prime Faction conspirators.

c. It was further a part of the conspiracy that the Ever Prime Faction conspirators would and did disguise and conceal the nature of these transactions, which were illegal bribes, using sham marketing agreements and fraudulent invoices, which falsely identified the charges as, for example, “marketing services” or “search engine optimization.”

d. It was further a part of the conspiracy that the Ever Prime Faction and the Regency Faction conspirators would and did acquire and create numerous DME Fronts located in the Middle District of Florida and

elsewhere for the purpose of, among others, spreading illegal DME claims across many entities to evade Medicare scrutiny.

e. It was further a part of the conspiracy that the Ever Prime Faction and the Regency Faction conspirators would and did conceal from Medicare and others, that ADAMS and BURRUSS owned, controlled, held financial interests in, and managed the DME Fronts, including through Ever Prime, which was a “management” and holding company. The methods of concealment included:

i. listing straw owners on Medicare enrollment applications (*i.e.*, Forms CMS-855S), Florida corporate records, and other documents related to the DME Fronts;

ii. making or causing to be made false statements during and in relation to inspections up for and on behalf of Medicare about the ownership and management of the Ever Prime Faction’s DME Fronts;

iii. opening bank accounts for the Ever Prime Faction’s DME Fronts (hereinafter, the “DME Front Bank Accounts”) using the names and identities of straw owners as authorized signors;

iv. mimicking, or causing to be mimicked, signatures of the straw owners, including through electronic signatures, stamps, and other means, to conduct financial transactions using funds in the DME Front Bank Accounts; and

v. providing ADAMS and/or BURRUSS access to the DME Front Bank Accounts to conduct financial transactions.

f. It was further a part of the conspiracy that Regency

Faction conspirators created a fake, non-operational DME drop-shipping company named “Magic Medical.”

g. It was further a part of the conspiracy that, to dupe inspectors so as to secure Medicare-billing privileges for the DME Fronts, the Regency Faction and the Ever Prime Faction conspirators would and did:

- i. execute sham inventory contracts between the Ever Prime Faction’s DME Fronts and Magic Medical;
- ii. create bogus patient records for fictitious patients for the Ever Prime Faction’s DME Fronts; and
- iii. present, or cause the presentation of, sham inventory contracts, bogus patient records, and other false and misleading information during and in connection with inspections.

h. It was further a part of the conspiracy that the Ever Prime Faction conspirators would not and did not routinely collect copayments from Medicare beneficiaries.

i. It was further a part of the conspiracy that the Ever Prime Faction and the Regency Faction conspirators would and did direct, or cause to be directed, Medicare and CHAMPVA payments for the illegal DME claims to the DME Front Bank Accounts.

j. It was further a part of the conspiracy that the Ever Prime Faction conspirators would and did submit, or caused the submission of, over approximately \$343 million of illegal DME claims to Medicare and other

federal health benefit programs, including CHAMPVA, through the DME Fronts listed in paragraph 2, resulting in payments of over approximately \$180 million.

k. It was further a part of the conspiracy that the Ever Prime Faction conspirators would and did transfer, or caused the transfer of, millions of dollars from the DME Front Bank Accounts to other accounts held or controlled by ADAMS, BURRUSS, and others, to promote and to perpetuate the scheme and for other purposes; and

l. It was further part of the conspiracy that the conspirators would and did participate in meetings, perform various acts, and make statements to accomplish the objects of and to conceal the conspiracy.

D. Overt Acts

37. In furtherance of the conspiracy, and to effect its objects, the defendant and other conspirators committed the following overt acts, among others, in the Middle District of Florida and elsewhere:

a. On or about the dates set forth below, each of which constitutes a separate overt act, one or more Ever Prime Faction conspirators transferred, or caused the transfer of, funds from bank accounts under their control to accounts maintained and controlled by the Regency Faction conspirators to purchase DME Fronts:

Overt Act	On or About Date	Receiving Account	Approx. Amount	DME Front
a.1	January 11, 2018	K.W., BB&T -3432	\$60,000	Advanced Medical Supply
a.2	March 7, 2018	Regency, WF -6768	\$30,000	Back Braces Plus
a.3	April 10, 2018	Regency, WF -6768	\$30,000	American Bracing Solutions
a.4	May 2, 2018	Regency, WF -6768	\$30,000	CP Bracing Supply
a.5	May 4, 2018	Regency, WF -6768	\$30,000	Lucky Medical Supply
a.6	May 4, 2018	Regency, WF -6768	\$30,000	LJH Medical Solutions
a.7	June 12, 2018	Regency, WF -6768	\$30,000	Jackson Medical Supply

b. On or about the dates set forth below, each of which constitutes a separate overt act, one or more Ever Prime Faction and/or Regency Faction conspirators signed, or caused the signing of, Forms CMS-855S (meaning the Medicare enrollment application), for the DME Fronts, which, among other things, bound the DME supplier and its officials to abide by all “laws, regulations, and program instructions” for Medicare, including “the Federal Anti-Kickback Statute, 42 U.S.C. section 1320a-7b(b)”:

Overt Act	On or About Date of Signature	Ever Prime Faction DME Front
b.1	July 24, 2018	Absolute Comfort Medical
b.2	October 6, 2017	Advanced Medical Supply LLC
b.3	January 24, 2018	American Bracing Solutions Inc.
b.4	January 2, 2018	Back Braces Plus Inc.

b.5	June 23, 2018	Belle Oak Bracing, Inc.
b.6	January 24, 2018	Bracing Partners, Inc.
b.7	November 5, 2018	Campbell Medical Supply, Inc.
b.8	January 24, 2018	Caring For Your Pain Bracing, Inc.
b.9	February 6, 2018	CP Bracing Supply, Inc.
b.10	June 7, 2017	Discovery Medical Supply, Inc.

c. On or about the dates set forth below, each of which constitutes a separate overt act, one of more Ever Prime Faction conspirators paid illegal bribes in the approximate amounts listed below to purported “marketing” companies as inducements, direct and indirect, to cause medical practitioners to sign and to prescribe DME brace orders:

Overt Act	On or About Date	Source Account	Purported “Marketing” Company	Approx. Amount
c.1	March 16, 2018	Advanced Medical, WF -5136	SKF, TD -2658	\$11,040
c.2	March 16, 2018	Discovery Medical, JPMC -6270	SKF, TD -2658	\$15,930
c.3	September 21, 2018	CP Bracing Supply, JPMC -1873	Unique, WF -3200	\$50,000
c.4	October 12, 2018	Discovery Medical, JPMC -6270	Cure, JPMC -1709	\$195,375
c.5	October 19, 2018	Layne Medical, JPMC -6270	Cure, JPMC -1709	\$79,300
c.6	December 21, 2018	Back Braces Plus, JPMC -5912	Unique, WF -3200	\$125,000

d. On or about the dates set forth below, each of which constitutes a separate overt act, one or more Ever Prime Faction conspirators

submitted, or caused the submission of illegal DME claims, which were procured through illegal bribes, to Medicare and/or CHAMPVA:

Overt Act	On or About Date Service	Beneficiary	Approx. Amount Paid	Claim Number	Ever Prime Faction DME Front
d.1	December 17, 2018	A.L.	\$869.63	18352712625000	Absolute Comfort
d.2	September 28, 2018	C.W.	\$607.93	18274713962000	Advanced Medical
d.3	September 13, 2018	H.P.	\$666.38	18257717053000	American Bracing
d.4	May 29, 2018	R.P.	\$929.37	18151742618000	Back Braces Plus
d.5	December 17, 2018	D.H.	\$607.93	18353712480000	Belle Oak
d.6	November 8, 2018	J.M.	\$869.63	18316714135000	Bracing Partners
d.7	August 14, 2018	M.S.	\$607.93	18227713092000	Caring For Your Pain
d.8	July 20, 2018	E.A.	\$797.85	18204712726000	CP Bracing
d.9	March 5, 2018	M.C.	\$869.63	18072714001000	Discovery Medical
d.10	September 25, 2018	E.G.	\$869.63	18269713885000	Jackson Medical

e. On or about January 16, 2018, Ever Prime Faction conspirator, I.K., executed a signature card for a JPMC business bank account (-9502) for the DME Front Lucky Medical Supply, Inc. as its purported “president.”

f. In or about February 2018, conspirator ADAMS received and, in turn, paid, a fraudulent invoice in the amount of \$125,000 from Global One, a purported “marketing” company owned and controlled, in whole or in part, by conspirator P.T. The falsified invoice from Global One stated that the \$125,000 was for “marketing services,” when, in truth, the charges were for the sale of illegal DME claims that had been induced by bribing medical

practitioners.

g. In or about May 2018, the Ever Prime Faction conspirators received a falsified invoice from Cure, a purported “marketing” company owned and controlled by S.G. and others, in the amount of \$30,000 for “search engine optimization” and other services, when, in truth, the charges were for the Ever Prime Faction conspirators’ purchase of illegal DME claims that had been induced by bribing medical practitioners.

h. In or about January 2018, the Ever Prime Faction and the Regency Faction conspirators executed, or caused the execution of, a sham contract between the DME Front Jackson Medical Supply and the fake, non-operational drop-shipping company Magic Medical.

i. In or about September 2018, the Ever Prime Faction conspirators caused the execution of a sham “stock purchase agreement” to transfer control of the DME Front Wellness Medical Solutions, Inc. from the Regency Faction conspirators to the Ever Prime Faction conspirators in exchange for approximately \$80,000.

All in violation of 18 U.S.C. § 371.

FORFEITURE

1. The allegations contained in Count One of this Information are realleged and incorporated by reference for the purpose of alleging forfeitures

pursuant to the provisions of 18 U.S.C. § 982(a)(7).

2. Upon conviction of any or all of the violations alleged in Count One, the defendant shall forfeit to the United States of America, pursuant to 18 U.S.C. § 982(a)(7), any and all property, real or personal which constitutes or is derived, directly or indirectly, from proceeds traceable to the commission of the offense.

3. The property to be forfeited includes, but is not limited to, at least \$180,444,783, which represents the proceeds obtained by the defendant as a result of the offenses, and the following assets which constitute proceeds traceable to the commission of the offense:

- a. Approximately \$869,859.98 seized from Wells Fargo Bank account number 2813610439, held in the name of Absolute Comfort Medical;
- b. Approximately \$1,025,453.76 seized from JPMorgan Chase Bank account number 288108076, held in the name of Advanced Medical Supply, LLC;
- c. Approximately \$22,159.91 seized from JPMorgan Chase Bank account number 227791859, held in the name of American Bracing Solutions;
- d. Approximately \$830,447.58 seized from JPMorgan Chase Bank account number 227791859, held in the name of American Bracing Solutions;
- e. Approximately \$817,788.98 seized from JPMorgan Chase Bank account number 227185912, held in the name of Back Braces Plus;

- f Approximately \$32,291.64 seized from JPMorgan Chase Bank account number 227185912, held in the name of Back Braces Plus;
- g Approximately \$3,613.64 seized from JPMorgan Chase Bank account number 285851157, held in the name of Belle Oak Bracing;
- h Approximately \$1,037,986.71 seized from JPMorgan Chase Bank account number 285851157, held in the name of Belle Oak Bracing;
- i Approximately \$7,692.80 seized from JPMorgan Bank account number 229897209, held in the name of Bracing Partners, Inc.;
- j Approximately \$262,100.99 seized from JPMorgan Chase Bank account number 229897209, held in the name of Bracing Partners, Inc.;
- k Approximately \$508,806.42 seized from JPMorgan Chase Bank account number 228352131, held in the name of Caring for Your Pain Bracing;
- l Approximately \$1,491,690.90 seized from JPMorgan Chase Bank account number 252611873, held in the name of CP Bracing Supply, Inc.;
- m Approximately \$20,502.20 seized from JPMorgan Chase Bank account number 228526270, held in the name of Discovery Medical Supply;
- n Approximately \$870,385.03 seized from JPMorgan Chase Bank account number 228526270, held in the name of Discovery Medical Supply;
- o Approximately \$939,125.08 seized from JPMorgan Chase Bank account number 233569596, held in the name of First Stop Medical Supply Inc.;

- p. Approximately \$867,468.57 seized from JPMorgan Chase Bank account number 935025291, held in the name of Jackson Medical Supply, Inc.;
- q. Approximately \$54,340.15 seized from JPMorgan Chase Bank account number 935025291, held in the name of Jackson Medical Supply, Inc.
- r. Approximately \$656.92 seized from JPMorgan Bank account number 935260518, held in the name of LJH Medical Solutions;
- s. Approximately \$1,479,027.06 seized from JPMorgan Chase Bank account number 935260518, held in the name of LJH Medical Solutions;
- t. Approximately \$268,045.76 seized from JPMorgan Chase Bank account number 935179502, held in the name of Lucky Medical Supply, Inc.;
- u. Approximately \$292.26 seized from JPMorgan Chase Bank account number 935179502, held in the name of Lucky Medical Supply, Inc.;
- v. Approximately \$828,765.87 seized from JPMorgan Chase Bank account number 285871825, held in the name of Mainlands Medical;
- w. Approximately \$799,226.38 seized from JP Morgan Chase bank account 357297669, held in the name of SST Medical Solutions Inc.;
- x. Approximately \$1,022,695.79 seized from Wells Fargo Bank account number 2617109521, held in the name of Tree Top Medical Inc.;
- y. Approximately \$487,409.64 seized from JPMorgan Chase Bank account number 276115919, held in the name of Wellness Medical Solutions, Inc.;

- z. Approximately \$616,559.40 seized from Wells Fargo Bank account number 5130704850, held in the name of Westside Medical Bracing, Inc.;
- aa. Approximately \$1,520,988.47 held by CMS for fraudulent claims submitted by Absolute Comfort Medical;
- bb. Approximately \$774,710.47 held by CMS for fraudulent claims submitted by Advanced Medical Supply, LLC;
- cc. Approximately \$700,536.69 held by CMS for fraudulent claims submitted by American Bracing Solutions;
- dd. Approximately \$708,646.17 held by CMS for fraudulent claims submitted by Back Braces Plus;
- ee. Approximately \$1,146,963.12 held by CMS for fraudulent claims submitted by Belle Oak Bracing;
- ff. Approximately \$821,141.5 held by CMS for fraudulent claims submitted by Bracing Partners, Inc.;
- gg. Approximately \$960,086.19 held by CMS for fraudulent claims submitted by Campbell Medical Supply, Inc.;
- hh. Approximately \$1,315,051.02 held by CMS for fraudulent claims submitted by Caring For Your Pain Bracing;
- ii. Approximately \$2,133,783.45 held by CMS for fraudulent claims submitted by CP Bracing Supply, Inc.;
- jj. Approximately \$656,349.45 held by CMS for fraudulent claims submitted by Discovery Medical Supply Inc.;
- kk. Approximately \$2,347,500.66 held by CMS for fraudulent claims submitted by First Stop Medical Supply Inc.;

- ll. Approximately \$991,575.03 held by CMS for fraudulent claims submitted by Holiday Medical Solutions, Inc.;
- mm. Approximately \$1,201,992.63 held by CMS for fraudulent claims submitted by Jackson Medical Supply, Inc.;
- nn. Approximately \$980,391.08 held by CMS for fraudulent claims submitted by Layne Medical Supply Inc.;
- oo. Approximately \$1,073,132.71 held by CMS for fraudulent claims submitted by LJH Medical Solutions, Inc.;
- pp. Approximately \$977,786.08 held by CMS for fraudulent claims submitted by Lucky Medical Supply, Inc.;
- qq. Approximately \$1,688,169.99 held by CMS for fraudulent claims submitted by Mainlands Medical;
- rr. Approximately \$1,055,986.37 held by CMS for fraudulent claims submitted by Sunshine Medical Solutions, Inc.;
- ss. Approximately \$666,490.58 held by CMS for fraudulent claims submitted by Tower Medical Supply, Inc.;
- tt. Approximately \$1,816,145.14 held by CMS for fraudulent claims submitted by Tree Top Medical Inc.;
- uu. Approximately \$1,700,544.76 held by CMS for fraudulent claims submitted by Wellness Medical Solutions Inc.;
- vv. Approximately \$ 2,293,725.51 held by CMS for fraudulent claims submitted by Westside Medical Bracing, Inc.;

- ww. Approximately \$6,453.41 seized from Wells Fargo Bank account number 6326633200, held by Unique Medical Group;
- xx. Approximately \$57,813.91 seized from Wells Fargo Bank account number 3063336337, held by Media Lead Kings; and
- yy. Approximately \$720,930.94 seized from JPMorgan Chase Bank account number 259721709, held by Cure Healthcare, Inc.

4. If any of the property described above, as a result of any act or omission of the defendant:

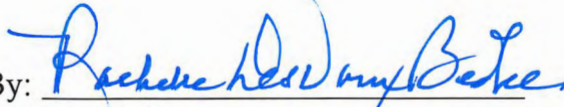
- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be divided without difficulty,

the United States of America shall be entitled to forfeiture of substitute property under the provisions of 21 U.S.C. § 853(p), as incorporated by 18 U.S.C. § 982(b)(1).

MARIA CHAPA LOPEZ
United States Attorney

By: 

Kristen A. Fiore
Assistant United States Attorney

By: 

for Jay G. Trezevant
Assistant United States Attorney
Chief, Economic Crimes Section