

FILED  
CLERK

2015 JUN 12 PM 1:25

U.S. DISTRICT COURT  
EASTERN DISTRICT  
OF NEW YORK

SCJ:SSS  
F. # 2014R01445

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK

-----X

UNITED STATES OF AMERICA

- against -

JEFFREY SUH,  
KANG YOUNG CHUNG,  
SOPHIA LIN,  
RICHELLE MUNOZ,  
DOROTHY PANA and  
EMILY SHIM,

Defendants.

-----X

THE GRAND JURY CHARGES:

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

I. Background

A. The Medicare Program

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 ("HHS"). Individuals who received benefits under Medicare were referred to as Medicare "beneficiaries." Physicians who provided services to beneficiaries or ordered that services be provided to beneficiaries were referred to as "rendering physicians."

INDICTMENT

Cr. No. **CR 15 - 300**  
(T. 18, U.S.C., §§ 287, 982(a)(7), 982(b), 1349,  
1519, 2 and 3551 et seq.)

KUNTZ, J.

LEVY, M.J.

2. Medicare was a "health care benefit program," as defined by Title 18, United States Code, Section 24(b).

3. Medicare included coverage under two primary components, hospital insurance ("Medicare Part A") and medical insurance ("Medicare Part B"). Medicare Part B covered the costs of physicians' services and outpatient care, including physical therapy, occupational therapy, chiropractic services and diagnostic tests. Generally, Medicare Part B covered these costs only if, among other requirements, they were medically necessary and ordered by a physician.

4. Medical providers submitted a Medicare Enrollment Application ("Medicare Application") to Medicare to participate in Medicare and bill for claims. The Medicare Application required a provider to provide Medicare with information, such as insurance forms, Internal Revenue Service forms and corporate documents. To electronically receive funds from the Medicare program, providers also submitted Electronic Funds Transfer Authorization Agreements, which listed the bank account where Medicare would deposit reimbursements.

5. Medical providers certified to participate in Medicare, whether clinics or individuals, were assigned a provider identification number ("PIN") or provider transaction access number ("PTAN") for billing purposes. After a medical provider rendered a service, the provider was required to use its assigned PIN/PTAN when submitting a claim for reimbursement to Medicare.

6. Medical providers were authorized to submit claims to Medicare only for services they actually rendered and were required to maintain patient records verifying the provision of services. By submitting a claim, the provider certified, among other things, that the

services were rendered to the patient and were medically necessary.

7. Providers submitted claims to Medicare using billing codes, also called current procedural terminology or “CPT” codes, which were numbers referring to specific descriptions of the medical services provided to beneficiaries.

B. The Relevant Companies and the Defendants

8. Plaza Medi Group, Inc., and New Plaza Group, Inc. (collectively, “Plaza”), were New York corporations conducting business in Flushing, New York. Plaza was not certified to participate in the Medicare program but used medical professionals and their companies that were certified to participate in the Medicare program to submit claims to Medicare for Medicare beneficiaries. Plaza, through the medical professionals and their companies, purported to provide, among other things, physical therapy, occupational therapy and chiropractic treatment to Medicare beneficiaries.

9. 37th Ave Medical PC (“37th Ave”) was a medical clinic certified to participate in the Medicare program. 37th Ave had its own PIN/PTAN and purported to provide, among other things, physical therapy and chiropractic treatment to Medicare beneficiaries and submitted claims to Medicare for such services. 37th Ave was among the companies that Plaza used to submit claims to Medicare for Medicare beneficiaries.

10. My Wellness Health Center, also known as “My Medical Wellness” (hereinafter referred to as “My Wellness”) was not certified to participate in the Medicare program but used medical professionals and their companies that were certified to participate in the Medicare program to submit claims to Medicare for Medicare beneficiaries. My Wellness purported to provide, among other things, physical therapy treatment to Medicare beneficiaries.

11. First Health Marketing Center, LLC, also known as “38th Ave” (“38th Ave”) was a New York corporation conducting business at a location on 38th Avenue in Flushing, Queens. 38th Ave was not certified to participate in the Medicare program but used medical professionals and their companies that were certified to participate in the Medicare program to submit claims to Medicare for Medicare beneficiaries. 38th Ave purported to provide, among other things, physical therapy and occupational therapy treatment to Medicare beneficiaries.

12. The defendant JEFFREY SUH, a resident of Bayside, New York, was the owner of Plaza. SUH was not certified to participate in the Medicare program.

13. The defendant KANG YOUNG CHUNG, a resident of Woodside, New York, was an assistant physical therapist at Plaza and My Wellness. CHUNG was not certified to participate in the Medicare program, and was not licensed as a physical therapist.

14. The defendant SOPHIA LIN, a resident of Rocky Point, New York, was a chiropractor at Plaza. LIN was certified to participate in the Medicare program under a group PIN/PTAN for her company, SVL Chiropractic PC.

15. The defendant RICHELLE MUNOZ, a resident of Brooklyn, New York, was an occupational therapist at Plaza and 38th Ave. MUNOZ was certified to participate in the Medicare program under a group PIN/PTAN for her company, Rich PC.

16. The defendant DOROTHY PANA, a resident of Elmhurst, New York, was a physical therapist at Plaza. PANA was certified to participate in the Medicare program under her two individual PIN/PTANs and under a group PIN/PTAN for her company, Dorothy PT PC.

17. The defendant EMILY SHIM, a resident of Flushing, New York, was the office manager of Plaza and My Wellness. SHIM’s responsibilities included but were not limited

to facilitating the submission of claims to Medicare at Plaza, and submitting claims to Medicare at My Wellness, for services purportedly provided at those locations.

II. The Fraudulent Schemes

A. The Plaza Scheme

18. From approximately December 2010 through June 2013, the defendants JEFFREY SUH, KANG YOUNG CHUNG, SOPHIA LIN, RICHELLE MUNOZ, DOROTHY PANA and EMILY SHIM, together with others, agreed to execute and executed a fraudulent scheme at Plaza through which they unlawfully enriched themselves as follows: (a) they artificially increased demand for medical services by providing Medicare beneficiaries with free goods and services such as massages, lunches, cash-equivalent coupons and recreational classes; (b) required beneficiaries to provide their Medicare numbers to staff members and to see a physician, regardless of medical need, to receive the free, non-medical inducements; and (c) submitted and caused to be submitted to Medicare claims for physical therapy, occupational therapy and chiropractic services even though such services were not medically necessary, were often not provided, and otherwise did not qualify for reimbursement.

19. Contrary to the defendants' representations in claims submitted to Medicare, the defendants SOPHIA LIN, RICHELLE MUNOZ and DOROTHY PANA did not evaluate and did not perform physical therapy, occupational therapy and chiropractic services on Medicare beneficiaries in the amount claimed. Rather, Medicare beneficiaries were typically ushered to unlicensed massage therapists for massages and other free goods and services. In an effort to conceal the fraudulent scheme, the defendants, together with others, completed paperwork reflecting that physical therapy, occupational therapy and chiropractic services had

been provided to the beneficiaries by licensed physical therapists, occupational therapists and chiropractors when, in fact, such services had not been provided and not been provided in the amount claimed. For example, from approximately January 1, 2012 through January 23, 2012, the defendants, together with others, submitted claims to Medicare for physical therapy services performed by PANA or under PANA's supervision on Medicare beneficiaries when, in fact, PANA was outside the United States. As another example, on or about May 22, 2012, the defendants, together with others, submitted a claim to Medicare for chiropractic services performed by LIN on a Medicare beneficiary when, in fact, the beneficiary was outside the United States.

20. As a further part of the fraudulent scheme, the defendants RICHELLE MUNOZ and DOROTHY PANA, together with others, prepared paperwork documenting that electrical stimulation treatments had been performed on Medicare beneficiaries when, in fact, the treatments had not been performed. In sum, the defendants, together with others, submitted approximately \$4 million in claims to Medicare for medical services purportedly rendered to Medicare beneficiaries at Plaza.

B. The My Wellness Scheme

21. From approximately August 2012 through May 2015, the defendants KANG YOUNG CHUNG and EMILY SHIM, together with others, agreed to execute and executed a fraudulent scheme to submit and caused to be submitted to Medicare claims for physical therapy treatment at My Wellness even though such services were not medically necessary and otherwise did not qualify for reimbursement. For example, SHIM billed Medicare for physical therapy services when there was no licensed physical therapist working at My

Wellness. Furthermore, CHUNG purported to perform physical therapy treatment on beneficiaries despite not being licensed to do so.

22. In sum, the defendants KANG YOUNG CHUNG and EMILY SHIM, together with John Doe 1, the physician who owned My Wellness and whose identity is known to the Grand Jury, submitted approximately \$2.7 million in claims to Medicare for physical therapy treatment purportedly rendered to Medicare beneficiaries at My Wellness.

C. The 38th Ave Scheme

23. From approximately August 2013 through May 2014, the defendant RICHELLE MUNOZ, together with others, agreed to execute and executed a fraudulent scheme to submit and caused to be submitted to Medicare claims for occupational therapy treatment at 38th Ave even though such services were not medically necessary, often not provided, and otherwise did not qualify for reimbursement. For example, from approximately August 6, 2013 through September 6, 2013, MUNOZ, together with others, submitted claims to Medicare for occupational therapy services performed by MUNOZ on Medicare beneficiaries when, in fact, MUNOZ was outside the United States. In sum, MUNOZ, through Rich PC, submitted approximately \$800,000 in claims to Medicare for services purportedly rendered to Medicare beneficiaries at 38th Ave.

D. The Obstruction Scheme

24. From approximately December 2010 through June 2013, the defendants JEFFREY SUH, KANG YOUNG CHUNG and EMILY SHIM, together with others, engaged in a fraudulent scheme to obstruct the functions of HHS, which includes ensuring that Medicare funds are used to compensate providers fairly for reasonable and medically necessary services, by

fabricating medical documents to conceal fraudulent claims submitted to Medicare for services that were not medically necessary and often not provided. For example, when a 37th Ave provider received a letter from Medicare in or about December 2011 asking for documentation supporting medical services purportedly performed at 37th Ave and paid for by Medicare between December 1, 2010 and December 31, 2011, SUH directed CHUNG and SHIM to fabricate medical documents in support of purported physical therapy and chiropractic services. CHUNG and SHIM created and signed the phony medical documents that were then submitted to Medicare.

COUNT ONE

(Conspiracy to Commit Health Care Fraud – Plaza)

25. The allegations contained in paragraphs one through twenty-four are realleged and incorporated as if fully set forth in this paragraph.

26. In or about and between December 2010 and June 2013, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendants JEFFREY SUH, KANG YOUNG CHUNG, SOPHIA LIN, RICHELLE MUNOZ, DOROTHY PANA and EMILY SHIM, together with others, did knowingly and willfully conspire to execute a scheme and artifice to defraud 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, Medicare, in connection with the delivery of and payment for health care benefits, items and services at Plaza, contrary to Title 18, United States Code, Section 1347.

(Title 18, United States Code, Sections 1349 and 3551 et seq.)

COUNT TWO

(Conspiracy to Commit Health Care Fraud – My Wellness)

27. The allegations contained in paragraphs one through twenty-four are realleged and incorporated as if fully set forth in this paragraph.

28. In or about and between August 2012 through May 2015, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendants KANG YOUNG CHUNG and EMILY SHIM, together with others, did knowingly and willfully conspire to execute a scheme and artifice to defraud 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, Medicare, in connection with the delivery of and payment for health care benefits, items and services at My Wellness, contrary to Title 18, United States Code, Section 1347.

(Title 18, United States Code, Sections 1349 and 3551 et seq.)

COUNT THREE

(False Claims – 38th Ave)

29. The allegations contained in paragraphs one through twenty-four are realleged and incorporated as if fully set forth in this paragraph.

30. In or about and between August 2013 through May 2014, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendant RICHELLE MUNOZ did knowingly and intentionally make and present claims that occupational therapy services had been performed on Medicare beneficiaries when, in fact, they had not upon

and against an agency of the United States, to wit: the United States Department of Health and Human Services, knowing such claims to be false, fictitious and fraudulent.

(Title 18, United States Code, Sections 287 and 3551 et seq.)

COUNT FOUR

(Falsification of Records in Federal Investigation)

31. The allegations contained in paragraphs one through twenty-four are realleged and incorporated as if fully set forth in this paragraph.

32. In or about and between December 2010 and June 2013, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendants JEFFREY SUH, KANG YOUNG CHUNG and EMILY SHIM, together with others, did knowingly conceal, cover up, falsify and make false entries in a record, document and tangible object, specifically, records relating to the treatment of Medicare beneficiaries, or aided and abetted others to do so, with the intent to impede, obstruct and influence the investigation and proper administration of such matters and in relation to and contemplation of any such matter and case within the jurisdiction of a department and agency of the United States, specifically, the United States Department of Health and Human Services.

(Title 18, United States Code, Sections 1519, 2 and 3551 et seq.)

CRIMINAL FORFEITURE ALLEGATION  
AS TO COUNTS ONE THROUGH THREE

33. The United States hereby gives notice to the defendants charged in Counts One through Three, that, upon their conviction of any of these offenses, the government will seek forfeiture in accordance with Title 18, United States Code, Section 982(a)(7), which requires any person convicted of such offenses to forfeit any property, real and personal, which constitutes or is

derived, directly or indirectly, from gross proceeds traceable to such offense.

34. 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 18, United States Code, Section 982(b)(1), to seek forfeiture of any other property of such defendants up to the value of the forfeitable property described in this forfeiture allegation.

(Title 18, United States Code, Sections 982(a)(7) and 982(b))

 TRUE BILL

\_\_\_\_\_  
FOREPERSON

\_\_\_\_\_  
KELLY T. CURRIE  
ACTING UNITED STATES ATTORNEY  
EASTERN DISTRICT OF NEW YORK

BY:   
ACTING UNITED STATES ATTORNEY  
PURSUANT TO 28 C.F.R. 0.136

No. \_\_\_\_\_

---

---

**UNITED STATES DISTRICT COURT**

EASTERN *District of* NEW YORK

CRIMINAL DIVISION

---

---

THE UNITED STATES OF AMERICA

vs.

*JEFFREY SUH, KANG YOUNG CHUNG, SOPHIA LIN,  
RICHELLE MUNOZ, DOROTHY PANA and EMILY SHIM,*

Defendants.

---

---

**INDICTMENT**

(T. 18, U.S.C., §§ 287, 982(a)(7), 982(b), 1349, 1519, 2 and 3551 et seq.)

*A true bill.*

----- *C* -----

-----  
*Foreperson*

Filed in open court this 12th day,

of June A.D. 20 15

-----  
*Clerk*

Bail, \$ -----  
-----

---

---

*Sylvia Shweder, Assistant U.S. Attorney (718) 254-6092*