

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA)	No.
)	
vs.)	Violation(s): Title 18, United States
)	Code, Section 1341
U.S. OCCUPATIONAL HEALTH, INC.)	

COUNT ONE

The UNITED STATES ATTORNEY charges:

1. At times material to the indictment:

a. U.S. Occupational Health, Inc. (“USOH”) was a corporation organized and operated under the laws of the State of Illinois with a principal place of business at 205 West Randolph Street, Suite 720, Chicago, Illinois. USOH engaged in the business of performing medical examinations and testing for the employees and employee applicants of certain law enforcement authorities and other employers to determine whether the employees and employee applicants were physically fit to perform the duties of their employment and prospective employment.

b. In the City of Chicago (“the City”), all candidates for positions as police officers and firefighters were required to be certified as physically fit for duty. Likewise, police officers were required to be certified as physically fit before being assigned to certain high-risk units, including the marine unit and the bomb and arson unit. The purpose of this certification requirement was, among other things, to protect the safety of the officers and firefighters by ensuring that they were fit to perform the physical demands of the job, protect the public safety by ensuring that persons in public safety positions were physically capable of performing their duties, and reduce the likelihood of future medical and disability claims against the City by ensuring that only physically fit personnel were in these potentially physically demanding jobs.

c. In or about 1999, after issuing a request for proposals, the City awarded USOH a contract to perform medical examinations and testing of candidates and personnel of the Chicago Police Department (“CPD”), the Chicago Fire Department (“CFD”), and other City departments. In exchange for a fee, USOH agreed to provide comprehensive medical examinations, including certain medical tests for these candidates and personnel, and then to provide the results of those examinations and testing to the City in order for the City to determine whether these candidates and personnel were physically fit to perform the duties of the positions they held or were seeking to hold.

d. USOH’s agreement with the City required that USOH perform comprehensive medical examinations and testing of CPD and CFD personnel and candidates including comprehensive pulmonary function studies; cardiology tests, including electrocardiograms (“EKGs”); and chest and spinal x-rays; and that board-certified specialists review and certify the test results. Specifically, the City required that a board-certified specialist in the area of pulmonology interpret the results of pulmonary function studies performed at USOH, a board-certified cardiologist interpret the results of EKGs and stress tests performed at USOH, and a board-certified radiologist interpret the results of x-rays taken at USOH. The City required, as set forth in the written contract, that these board-certified physicians have academic ranking or standing, be affiliated with a medical teaching institution in Illinois, and have the capability to testify as an expert witness at a hearing in order to support their interpretations of the tests.

e. In order to become board-certified in a specific area of medicine, a physician had to undergo a rigorous process of testing and peer evaluation administered by specialists in the area, in addition to completing the years of schooling, fulfilling the residency requirements, and

passing the exams necessary to practice medicine in a particular state. Board-certified specialists were also required to participate in continuing education to keep current with the latest advances in medical science and technology in their specialties and to pass period oral and written examinations to demonstrate competency in order to maintain their board-certification.

f. The agreement between USOH and the City was reduced to writing and executed on or about September 22, 1999. The written contract expired on or about June 30, 2001 and allowed for three one-year extensions through June 30, 2004. Following expiration of the written contract, USOH continued to perform medical examinations for the City for which it sought and received reimbursement at the rates provided in the contract even though no written contract was then in effect.

2. From in or about September 1999, and continuing until in or about October 2005, at Chicago, in the Northern District of Illinois, and elsewhere,

U.S. OCCUPATIONAL HEALTH, INC.,

defendant herein, devised, intended to devise, and participated in a scheme to defraud and to obtain money and property from the City of Chicago by means of materially false and fraudulent pretenses, representations, and promises, and material omissions, which scheme is further described below.

3. It was part of the scheme that USOH falsely represented and caused its employees to falsely represent to the City that the results of pulmonary function studies, EKG testing, and x-rays taken at USOH had been reviewed and interpreted by board-certified specialists in the areas of pulmonology, cardiology, and radiology when, in fact, the results of those tests and x-rays had not been examined by board-certified specialists in those areas.

4. It was further part of the scheme that, in order to make it falsely appear that the results

of pulmonary function studies performed at USOH had been reviewed by a board-certified pulmonologist, USOH used and caused its employees to use a signature stamp bearing the signature of Doctor A, a board-certified pulmonologist, to stamp reports interpreting the results of pulmonary function studies performed upon CPD and CFD personnel and candidates when, in fact, as USOH personnel knew, Doctor A did not review or interpret the results of these pulmonary function studies.

5. It was further part of the scheme that, in order to make it falsely appear that the results of EKG testing at USOH had been reviewed by a board-certified cardiologist, officers and employees of USOH used and caused its employees to use a signature stamp bearing the signature of Doctor B, a board-certified cardiologist, to stamp reports interpreting the results of EKG testing performed upon CPD and CFD personnel and candidates when, in fact, as USOH personnel knew, Doctor B did not review or interpret the results of these EKG tests.

6. It was further part of the scheme that, in order to make it falsely appear that the results of x-rays taken at USOH had been reviewed by a board-certified radiologist, officers and employees of USOH used and caused its employees to use the name of Doctor C, a board-certified radiologist, in signing reports interpreting the results of x-rays performed upon CPD and CFD personnel and candidates when, in fact, as USOH personnel knew, Doctor C did not review or interpret the results of these x-rays.

7. It was further part of the scheme that USOH sent and caused its employees to send reports containing false representations -- namely, that the results of the pulmonary function studies, EKG tests, and x-rays performed at USOH had been reviewed and interpreted by board-certified specialists -- to the medical sections of the CPD and CFD.

8. It was further part of the scheme that, following the expiration of the written contract

between USOH and the City, in order to cause the City to falsely believe that USOH was performing services for the City in the same manner that it had under the terms of the written contract, USOH continued to make and continued to cause employees of USOH to make false representations to the City regarding the review and interpretation by Doctors A, B, and C of pulmonary function studies, EKG tests, and x-rays performed at USOH in connection with the comprehensive medical examinations and testing performed upon CPD and CFD personnel and candidates.

9. It was further part of the scheme that, on or about June 13, 2005, USOH conducted a medical examination of Individual A at the request of the CFD and, in connection with this examination, performed pulmonary function studies, an EKG, and an x-ray. Following completion of the examination, for the purpose of securing payment from the City, USOH sent and caused its employees to send reports to the CPD's Medical Section falsely representing that the results of the pulmonary function studies, EKG testing, and x-rays had been reviewed by board-certified specialists in the areas of pulmonology, cardiology, and radiology, namely, Doctors A, B, and C, when, in fact, the results of these tests and x-rays had not been examined by Doctors A, B, and C.

10. It was part of the scheme that, from in or about September 1999 to in or about October 2005, USOH examined and tested in excess of 10,000 candidates and personnel of the CPD and CFD and, as a result of the false representations made by USOH and its employees, caused the City pay USOH for services that had not been performed by USOH.

11. It was further part of the scheme that USOH did misrepresent, conceal, hide, and caused to be misrepresented, concealed, and hidden, acts done in furtherance of the scheme and the purposes of those acts.

12. On or about October 20, 2005, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

U.S. OCCUPATIONAL HEALTH, INC.,

defendant herein, for the purpose of executing the aforesaid scheme and attempting so to do, knowingly caused to be delivered by United States mail according to the directions thereon an envelope containing a check made payable to USOH in the amount of \$41,596.00, which check represented payment by the City of Chicago for examinations of applicants and employees of the Chicago Fire Department, including Individual A;

In violation of Title 18, United States Code, Section 1341.

UNITED STATES ATTORNEY