



U.S. Department of Justice

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OWNERS OF TWO CHICAGO HOME HEALTH CARE AGENCIES AND THREE DOCTORS AMONG 10 CHARGED IN ALLEGED MEDICARE KICKBACK SCHEMES

CHICAGO — Ten defendants, including the owners of two Chicago home health care companies and three physicians were indicted today for allegedly participating in two separate schemes to pay and receive cash kickbacks in exchange for the referral of Medicare patients for home health care services, federal law enforcement officials announced. In one case, **Maria Buendia** and **Nixon Encinares**, the owners of Grand Home Health Care, Inc., in Chicago, and seven other defendants allegedly engaged in a fraud scheme involving payment of more than \$1.1 million in cash kickbacks to doctors, social workers, and a registered nurse in exchange for the referral of Medicare patients to Grand. In a second case, **Rogelio Cabrera**, the owner of Romyst Home Health, Inc., in Chicago, was charged alone with allegedly paying at least \$500,000 in cash kickbacks to doctors in exchange for Medicare patient referrals to Romyst.

A federal grand jury returned the charges today in two separate indictments announced by Patrick J. Fitzgerald, United States Attorney for the Northern District of Illinois; Lamont Pugh III, Special Agent-in-Charge of the Chicago Region of the U.S. Department of Health and Human Services, Office of Inspector General; and Robert D. Grant, Special Agent-in-Charge of the Chicago

Office of the Federal Bureau of Investigation.

“The payment of kickbacks in the healthcare arena is illegal. Kickbacks inappropriately influence those involved in the medical decision-making process and often times result in medically unnecessary or poor quality services being provided,” Mr. Pugh said. “As evidenced by today’s indictments, the OIG and our law enforcement partners will not stand by and allow Medicare beneficiaries to be used as pawns for profit.”

All 10 defendants will be arraigned at later dates in U.S. District Court.

Buendia, 49, of Chicago, and Encinares, 43, of Glenview, and seven others were charged in a 42-count indictment with conspiracy to offer and pay kickbacks in exchange for Medicare patient referrals between 2005 and 2011. Three physicians were charged with conspiracy to solicit and receive kickbacks from Buendia and Encinares in exchange for referring Medicare patients to Grand, located at 7435 West Belmont Ave. They are:

- **Dr. Farzana Begum**, 57, of Lincolnwood, who allegedly received approximately \$324,000 in kickbacks in exchange for Medicare patient referrals to Grand from 2006 through 2011. She was charged with one count of conspiracy to solicit and receive kickbacks and three counts of violating the anti-kickback law;
- **Dr. Fauzia Lodhi**, 50, of Lincolnwood, who allegedly received approximately \$77,700 in cash kickbacks from Grand from February 2009 through February 2011. Dr. Lodhi was also charged with accepting two cash kickbacks of \$3,000 and \$3,500 from Individual A on April 1 and April 12, 2011. She was charged with one count of conspiracy to solicit and receive kickbacks and four counts of violating the anti-kickback law; and
- **Dr. Kamal Patel**, 42, of Elk Grove Village, who allegedly received approximately \$28,500 in cash kickbacks from Buendia and Encinares. Dr. Patel was also charged with soliciting and receiving three cash kickbacks of \$1,600, \$1,000, and \$800 from Individual B in May and June 2011. He was charged with one count of conspiracy to solicit and receive kickbacks and six counts of violating the anti-kickback law.

Four other individuals were also charged with soliciting and receiving kickbacks in exchange

for referring patients to Grand, including:

- **Elsa Montallana**, 57, of Orlando, Fla., and formerly of Chicago, a registered nurse, who allegedly received \$13,050 in cash kickbacks for Medicare patient referrals to Grand. She also allegedly received cash kickbacks of \$1,900 and \$1,100 from Individual B in April and June, 2011. She was charged with one count of conspiracy to solicit and receive kickbacks and four counts of violating the anti-kickback law;
- **Georgina Colon**, 48, of Chicago, a social worker, who allegedly received \$4,400 in cash kickbacks for Medicare patient referrals to Grand. She was charged with conspiracy to solicit and receive kickbacks, and three counts of violating the anti-kickback law;
- **David Troncoso**, 36, of Chicago, a social worker, who allegedly received \$3,300 in cash kickbacks in exchange for Medicare patient referrals to Grand. He was charged with one count of conspiracy to solicit and receive kickbacks, and three counts of violating the anti-kickback law; and
- **Tonya Snowden**, 45, of Chicago, a social worker, who allegedly received \$1,800 in cash kickbacks from Encinares and Buendia in exchange for Medicare patient referrals. She was charged with one count of conspiracy to solicit and receive kickbacks and two counts of violating the anti-kickback law.

Cabrera, 75, of Hoffman Estates, is the controlling owner of Romyst Home Health, Inc., located at 8600 West Bryn Mawr Ave., Chicago. Cabrera allegedly paid \$500,000 in cash kickbacks to at least two doctors in exchange for the referral of Medicare patients to Romyst. Cabrera also allegedly paid a \$5,000 kickback to Physician A on May 18, 2011, in exchange for patient referrals to Romyst. He was charged with one count of conspiracy to offer and pay kickbacks, and one count of violating the anti-kickback statute.

Each count of the medical anti-kickback statute carries a maximum penalty of five years in prison and a \$250,000 fine. If convicted, the Court must impose a reasonable sentence under federal statutes and the advisory United States Sentencing Guidelines.

The government is being represented by Assistant U.S. Attorneys Joseph H. Thompson and

Renai S. Rodney.

The public is reminded that charges are not evidence of guilt. The defendants are presumed innocent and are entitled to a fair trial at which the government has the burden of proving guilt beyond a reasonable doubt.

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