

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

UNITED STATES OF AMERICA	:	CRIMINAL NO. 07-250
	:	
v.	:	DATE FILED: May 4, 2007
	:	
RAOUF M.H. KARIMBOCCUS	:	VIOLATION:
	:	18 U.S.C. § 1347 (health care fraud – 1
	:	count)
	:	

INFORMATION

COUNT ONE

THE UNITED STATES ATTORNEY CHARGES THAT:

At all times relevant to this indictment:

THE DEFENDANT AND HIS COMPANY

1. Defendant RAOUF M.H. KARIMBOCCUS was the operator of Bustleton Aqua Therapy & Rehabilitation Center, Inc. (“BAT”), an outpatient physical therapy company with its office at 9869 Bustleton Avenue, in Philadelphia, Pennsylvania.
2. Defendant RAOUF M.H. KARIMBOCCUS was a licensed physical therapist in the Commonwealth of Pennsylvania, and worked as a physical therapist at BAT.
3. Defendant RAOUF M.H. KARIMBOCCUS employed several physical therapy aides. Physical therapy aides are non-licensed personnel usually trained by the physical therapist, whose duties include setting up patients for the physical therapist and applying heat modalities. Defendant KARIMBOCCUS did not employ any physical therapy assistants. Physical therapy assistants are able to perform physical therapy procedures delegated by, and under the supervision of a physical therapist. Because defendant KARIMBOCCUS did not

employ any physical therapy assistants, defendant was the only individual who was able to render any physical therapy services.

THE MEDICARE PROGRAM

4. Medicare (“Medicare” or “the Medicare program”) was a federally funded health insurance program designed to provide medical care to eligible persons, known as “beneficiaries,” who were primarily individuals who were over the age of 65, blind or disabled. Medicare was administered by the Health Care Financing Administration (“HCFA”) and the Center for Medicare and Medicaid Services (“CMS”), agencies of the United States Department of Health and Human Services.

5. Medicare was a “health care benefit program” as defined by 18 U.S.C. § 24(b).

6. HCFA and CMS contracted with private insurance organizations, known as “carriers” or “intermediaries,” to process and pay claims submitted by health care providers or suppliers for reimbursement by Medicare. The carrier responsible for claims for Medicare beneficiaries located in Pennsylvania was HGSAdministrators (“HGSA”).

7. Medicare only paid for claims submitted by providers or suppliers who applied to the carrier, and received, a unique identification number, known as a provider identification number (“PIN”).

8. A health care provider or supplier with a valid PIN could submit claims to the carrier for reimbursement and payment by Medicare for services rendered by the provider or supplier to Medicare beneficiaries.

9. The provider or supplier submitted these claims on a form called the HCFA Form 1500. The Form 1500 required a health care provider or supplier to include several

items of information, including the provider or supplier's PIN number, the beneficiary's name and unique Medicare identification number, and the type of service rendered.

10. The health care provider or supplier was required to identify each particular service rendered to the Medicare beneficiary through a specific numerical code. These codes were contained in the Common Procedure Terminology Manual (the "CPT Manual").

11. If the carrier approved the claim, the amount of reimbursement to the provider or supplier would be determined based on each specific numerical CPT code.

12. Medicare required that the provider or supplier certify that all of the information on the HCFA 1500 claim form was accurate.

13. Medicare provides coverage for medically necessary physical therapy services provided by (i) a physician, as part of his treatment plan; (ii) a physician, as his own professional service or the services of his employees furnished incident-to their professional services; and (iii) a physical therapist in a private practice.

14. Medicare provides coverage for physical therapy services when: (i) the therapy is performed to restore the patient's level of function which has been lost or reduced by illness or injury; (ii) the therapy is reasonable and necessary for the treatment of a patient's condition; and (iii) there is an expectation that the patient's condition will improve significantly in a reasonable and generally predictable period of time.

15. In contrast, physical therapy is not eligible for payment by the Medicare program when: (i) the therapy is performed repetitively to maintain a level of function; (ii) the patient's restoration potential is insignificant in relation to the extent of physical therapy services required to achieve such potential; (iii) it has been determined that expectations will not

materialize; and (iv) the services performed are considered to be part of a general exercise program.

16. There are two kinds of physical therapy CPT codes, codes requiring supervision and codes requiring constant attendance. The codes requiring supervision are 97010, 97012, 97014, 97016, 97018, 97020, 97022, 97024, 97026, 97028, and 97039. The codes requiring constant attendance are 97032, 97033, 97034, 97035, 97036, 97039, 97110, 97112, 97113, 97116, 97124, 97139, 97140, 97150, 97504, 97520, 97530, 97532, 97533, 97535, 97537, 97542, 97545, 97546, and 97770. These constant attendance codes require direct (one-on-one) patient contact by the provider.

THE SCHEME

17. From on or about January 1, 2000 to on or about July 25, 2002, defendant

RAOUF M.H. KARIMBOCCUS

knowingly and willfully executed, or attempted to execute, a scheme or artifice to defraud the Medicare program, and to obtain, by means of false and fraudulent pretenses, representations and promises, money and property owned by, or under the custody or control of the Medicare program by submitting false and fraudulent claims for reimbursement for physical therapy services allegedly rendered to hundreds of individuals.

MANNER AND MEANS

It was part of the scheme that:

18. Defendant RAOUF M.H. KARIMBOCCUS obtained an individual provider identification number (“PIN”) from Medicare on or about October 9, 1998.

19. Defendant RAOUF M.H. KARIMBOCCUS then used this individual PIN to submit false and fraudulent claims to Medicare using a billing agency known to the United States Attorney.

20. From on or about January 1, 2000 to on or about July 25, 2002, defendant RAOUF M.H. KARIMBOCCUS caused the submission of hundreds of claims to Medicare requesting payment for various physical therapy services purportedly rendered to hundreds of individuals.

21. The principal codes used by defendant RAOUF M.H. KARIMBOCCUS were 97032, 97035, 97110, 97112, 97113, and 97140. Each of these codes is billed in units of 15 minutes and requires direct one-on-one patient contact by the providers. For any such CPT code, a provider can bill a single 15 minute unit for treatment greater than or equal to 8 minutes and less than 23 minutes.

22. From in or about January 2000 to in or about July 2002, defendant RAOUF M.H. KARIMBOCCUS billed (i) 271 days where had he actually performed the services he billed, he would have had to have worked in excess of 15 hours per day; (ii) 186 days where had he actually performed the services he billed, he would have had to have worked 20 hours per day; and (iii) 145 days where had he actually performed the services he billed, he would have had to have worked in excess of 24 hours per day.

23. Based on the false and fraudulent claims submitted and caused to be submitted by defendant RAOUF M.H. KARIMBOCCUS under his individual PIN, the Medicare program paid defendant KARIMBOCCUS approximately \$1,318,577.

24. In or about July, 2002, in Philadelphia, in the Eastern District of Pennsylvania, and elsewhere, defendant

RAOUF M.H. KARIMBOCCUS

knowingly and willfully executed a scheme and artifice to defraud a health care benefit program, that is, the Medicare program, and to obtain money and property owned by and under the custody and control of that health care benefit program, by means of false and fraudulent pretenses, representations, and promises, in connection with the delivery of and payment for health care benefits, items and services, by submitting and causing to be submitted fraudulent health care insurance claims for physical therapy services, when defendant knew that neither he nor a licensed physical therapist assistant rendered the amount of physical therapy required to bill under the CPT code billed..

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

/s/ Patrick L. Meehan
PATRICK L. MEEHAN
UNITED STATES ATTORNEY