

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

UNITED STATES OF AMERICA	:	CRIMINAL NO. _____
v.	:	DATE FILED: _____
NEIL H. HOLLANDER LIDIA GARCIA	:	VIOLATIONS: 18 U.S.C. § 1347 (health care fraud – 58 counts) 18 U.S.C. § 1341 (mail fraud - 5 counts) 18 U.S.C. § 1035 (false statements in a health care matter – 20 counts) 18 U.S.C. § 1028A(a)(1)(aggravated identity theft - 27 counts) 18 U.S.C. § 2 (aiding and abetting) Notice of Forfeiture

INDICTMENT

COUNTS ONE THROUGH THIRTY-ONE

(Health Care Fraud)

THE GRAND JURY CHARGES THAT:

At all times relevant to this indictment:

1. Defendant NEIL H. HOLLANDER was a chiropractor licensed to practice in Pennsylvania. He maintained an office and treated patients at Hollander Chiropractic Center, 10014 Sandmeyer Lane, Philadelphia, PA 19116, from approximately 1992 until on or about January 27, 2006. In addition to seeing patients in his office, defendant NEIL H. HOLLANDER saw some patients in a van known as Hollander Mobile Chiropractic Services that traveled to various locations in the vicinity of Philadelphia, Pennsylvania.

2. Independence Blue Cross (“IBC”) is a health insurance company based in Philadelphia, Pennsylvania. IBC is an independent corporation that is part of the Blue Cross and

Blue Shield Organization, which consists of a nationwide federation of independent corporations. IBC provides a variety of managed health care service insurance plans.

3. IBC is a “health care benefit program” as defined in 18 U.S.C. § 24(b).

THE BILLING PROCESS

4. A health care provider who wants to bill IBC for services provided to patients insured by IBC must become a participating provider. To become a participating provider, a practitioner must apply for and receive a provider identification number, complete an application and submit documentation regarding the practitioner’s education, training, and professional history, and undergo a credentialing process and periodic re-credentialing reviews.

5. During the credentialing process, IBC verifies that the provider holds the necessary licenses and certifications and that he is in good standing. It determines whether the provider has hospital privileges and if there are any limitations on those privileges. It determines if the provider has any history of disciplinary actions or complaints and whether the provider maintains necessary professional liability insurance.

6. In its agreement with its participating providers, IBC agrees that it will pay timely-submitted claims for “Covered Services” rendered to patients insured by IBC. To be a “Covered Service,” as defined in the agreement, a service must be medically necessary. IBC may refuse to pay for any service found not to be medically necessary.

7. When a provider submits a claim for payment to IBC for medical services, the claim must include information such as the insured’s name and address, identification number, group number, the date and place of service, and the particular medical procedures or services rendered, which are identified by individual codes. The form used by a provider to

submit such claims is a standard form known in the industry as the Health Care Financing Administration 1500 (HCFA-1500) form or the Centers for Medicare and Medicaid Services 1500 (CMS-1500) form.

8. The codes for medical procedures, called “CPT” codes (Physician’s Current Procedural Terminology), are published by the American Medical Association (AMA). The provider designates on the claim form all the CPT codes for which he or she is claiming reimbursement, and then submits the claim form to the insurance company for payment, either by mail or electronically.

9. There are a series of CPT codes for chiropractic manipulations and adjustments of the spine and other parts of the body. In addition, chiropractors may bill for certain physical therapy treatments. Some of these treatments are classified as “constant attendance modalities,” or “therapeutic procedures,” which require direct one-on-one individual contact with the health care provider throughout the treatment, while others are classified as “supervised modalities,” which do not require direct individual contact with the provider. Constant attendance modalities and therapeutic procedures are billed according to the length of time for which the treatment is administered. The procedures are billed in 15-minute increments; if the treatment is rendered for less than 8 minutes, it may not be billed.

10. The physical therapy modalities for which a chiropractor may seek insurance reimbursement include, among others, mechanical traction, for which the CPT code is 97012; manual electrical stimulation, for which the CPT code is 97032; therapeutic exercise, for which the CPT code is 97110; and neuromuscular reeducation, for which the CPT code is 97112. Manual electrical stimulation, CPT code 97032, is a constant attendance modality billable in 15-

minute increments. Therapeutic exercise and neuromuscular reeducation, CPT codes 97110 and 97112, are therapeutic procedures billable in 15-minute increments.

THE DEFENDANT'S BILLING PRACTICES

11. Defendant NEIL H. HOLLANDER recorded patient visits on pre-printed forms called "travel cards," which were maintained for each patient. A member of defendant HOLLANDER's office staff wrote the date of the patient's visit on the travel card. Next to the date, defendant HOLLANDER wrote a series of one- or two-letter codes, representing chiropractic manipulations and treatments administered to the patient on that date. The travel cards contained spaces for defendant HOLLANDER to make notes on the patient's progress and to record results of periodic progress examinations.

12. After filling in the letter codes pertaining to the treatments purportedly administered to the patients, defendant NEIL H. HOLLANDER gave the travel cards to Lidia Garcia (charged elsewhere in this indictment).

13. Based on the travel cards, Lidia Garcia entered information into a computer, which generated the claim form described in paragraph 7. The claim form included several items of information, including the provider or supplier's Provider Identification Number, the beneficiary's name, and the CPT procedure code for the type of service rendered. The claim form required the provider or supplier to certify that all of the information on the claim form was accurate.

14. Defendant NEIL H. HOLLANDER then submitted the claim form by mail to IBC for reimbursement.

15. If IBC approved the claim, it paid defendant NEIL H. HOLLANDER an amount based on the particular CPT codes billed in the claim.

THE SCHEME TO DEFRAUD

It was part of the scheme that:

16. Defendant NEIL H. HOLLANDER submitted to IBC claim forms listing codes for services that he did not render, or did not render for a length of time sufficient to make that service billable.

17. Defendant NEIL H. HOLLANDER regularly billed IBC for performing services such as mechanical traction (CPT code 97012), manual electrical stimulation (CPT code 97032), neuromuscular reeducation (CPT code 97112), and dynamic therapeutic activities (CPT code 97530) in addition to spinal or extra-spinal adjustment, when the only treatment he had provided to the patient was the chiropractic adjustment.

18. Defendant NEIL H. HOLLANDER submitted claims to IBC for chiropractic manipulations and time-based services purportedly rendered to patients in the Hollander Mobile Chiropractic Services van on the following dates, when the patients were not inside the van long enough for the time-based services to have been rendered:

<u>Patient</u>	<u>Date</u>	<u>Manipulation codes billed</u>	<u>Non-manipulation codes billed</u>
H.D.	2/8/05	98941 (spinal) 98943 (non-spinal)	97032 (elec. stimulation) 97112 (neuromuscular reeducation) 97530 (dynamic activities)
	2/10/05	98941 (spinal) 98943 (non-spinal)	97032 (elec. stimulation) 97112 (neuromuscular reeducation) 97530 (dynamic activities)

<u>Patient</u>	<u>Date</u>	<u>Manipulation codes billed</u>	<u>Non-manipulation codes billed</u>
	2/15/05	98941 (spinal) 98943 (non-spinal)	97032 (elec. stimulation) 97112 (neuromuscular reeducation) 97530 (dynamic activities)
	2/17/05	98941 (spinal) 98943 (non-spinal)	97032 (elec. stimulation) 97112 (neuromuscular reeducation) 97530 (dynamic activities)
	2/22/05	98941 (spinal) 98943 (non-spinal)	97032 (elec. stimulation) 97112 (neuromuscular reeducation) 97530 (dynamic activities)
	3/3/05	98941 (spinal) 98943 (non-spinal)	97032 (elec. stimulation) 97112 (neuromuscular reeducation) 97530 (dynamic activities)
	4/7/05	98941 (spinal)	97530 (dynamic activities)
	4/12/05	98941 (spinal) 98943 (non-spinal)	97012 (mechanical traction) (x2) 97112 (neuromuscular reeducation) 97530 (dynamic activities)
H.S.	2/22/05	98941 (spinal) 98943 (non-spinal)	97032 (elec. stimulation) 97112 (neuromuscular reeducation) (x2)
	2/24/05	98941 (spinal) 98943 (non-spinal)	97032 (elec. stimulation) 97112 (neuromuscular reeducation) 97530 (dynamic activities)
	3/3/05	98941 (spinal) 98943 (non-spinal)	97032 (elec. stimulation) 97112 (neuromuscular reeducation) 97530 (dynamic activities)
	4/7/05	98941 (spinal) 98943 (non-spinal)	97110(therapeutic exercise) 97112 (neuromuscular reeducation) 97530 (dynamic activities)
	4/12/05	98941 (spinal) 98943 (non-spinal)	97012 (mechanical traction) 97032 (elec. stimulation) 97112 (neuromuscular reeducation) 97530 (dynamic activities)

<u>Patient</u>	<u>Date</u>	<u>Manipulation codes billed</u>	<u>Non-manipulation codes billed</u>
A.M.	2/10/05	98941 (spinal) (x2)	97112 (neuromuscular reeducation) 97530 (dynamic activities)
	2/15/05	98941 (spinal) (x2)	97112 (neuromuscular reeducation) 97530 (dynamic activities)
	3/3/05	98941 (spinal) (x2)	97112 (neuromuscular reeducation) 97530 (dynamic activities)
I.G.	2/10/05	98941 (spinal) 98943 (non-spinal)	97112 (neuromuscular reeducation) 97530 (dynamic activities)
	2/15/05	98941 (spinal) 98943 (non-spinal)	97112 (neuromuscular reeducation) 97530 (dynamic activities)
	2/17/05	98941 (spinal) 98943 (non-spinal)	97112 (neuromuscular reeducation) 97530 (dynamic activities)
	2/22/05	98941 (spinal) 98943 (non-spinal)	97112 (neuromuscular reeducation) 97530 (dynamic activities)
	3/3/05	98941 (spinal) 98943 (non-spinal)	97112 (neuromuscular reeducation) 97530 (dynamic activities)
N.T.	2/8/05	98941 (spinal) 98943 (non-spinal)	97112 (neuromuscular reeducation) 97530 (dynamic activities)
	2/15/05	98941 (spinal) 98943 (non-spinal)	97112 (neuromuscular reeducation) 97530 (dynamic activities)
	2/22/05	98941 (spinal) 98943 (non-spinal)	97112 (neuromuscular reeducation) 97530 (dynamic activities)
	2/24/05	98941 (spinal) 98943 (non-spinal)	97112 (neuromuscular reeducation) 97530 (dynamic activities)
	3/3/05	98941 (spinal) 98943 (non-spinal)	97112 (neuromuscular reeducation) 97530 (dynamic activities)

<u>Patient</u>	<u>Date</u>	<u>Manipulation codes billed</u>	<u>Non-manipulation codes billed</u>
M.L.	2/8/05	98941 (spinal) 98943 (non-spinal)	97032 (elec. stimulation) 97112 (neuromuscular reeducation) 97530 (dynamic activities)
	2/15/05	98941 (spinal) 98943 (non-spinal)	97032 (elec. stimulation) 97112 (neuromuscular reeducation) 97530 (dynamic activities)
	2/17/05	98941 (spinal) 98943 (non-spinal)	97112 (neuromuscular reeducation) (x2) 97530 (dynamic activities)
	2/22/05	98941 (spinal) 98943 (non-spinal)	97032 (elec. stimulation) 97112 (neuromuscular reeducation) 97530 (dynamic activities)
	4/5/05	98941 (spinal) 98943 (non-spinal)	97032 (elec. stimulation) 97112 (neuromuscular reeducation) 97530 (dynamic activities)
	4/7/05	98941 (spinal) 98943 (non-spinal)	97032 (elec. stimulation) 97112 (neuromuscular reeducation) 97530 (dynamic activities)
	4/12/05	98941 (spinal) 98943 (non-spinal)	97032 (elec. stimulation) 97112 (neuromuscular reeducation) 97530 (dynamic activities)
M.W.	2/8/05	98941 (spinal) 98943 (non-spinal)	97032 (elec. stimulation) 97112 (neuromuscular reeducation) 97530 (dynamic activities)
	2/10/05	98941 (spinal) 98943 (non-spinal)	97032 (elec. stimulation) 97112 (neuromuscular reeducation) 97530 (dynamic activities)
	2/15/05	98941 (spinal) 98943 (non-spinal)	97032 (elec. stimulation) 97112 (neuromuscular reeducation) 97530 (dynamic activities)
	2/17/05	98941 (spinal) 98943 (non-spinal)	97112 (neuromuscular reeducation) 97530 (dynamic activities)

<u>Patient</u>	<u>Date</u>	<u>Manipulation codes billed</u>	<u>Non-manipulation codes billed</u>
	2/22/05	98941 (spinal) 98943 (non-spinal)	97032 (elec. stimulation) 97112 (neuromuscular reeducation) 97530 (dynamic activities)
	2/24/05	98941 (spinal) 98943 (non-spinal)	97032 (elec. stimulation) 97112 (neuromuscular reeducation) 97530 (dynamic activities)
	4/12/05	98941 (spinal) 98943 (non-spinal)	97012 (mechanical traction) 97112 (neuromuscular reeducation) 97530 (dynamic activities)
R.V.	7/26/05	98943 (non-spinal)	99204 (new patient visit - moderate complexity) 97112 (neuromuscular reeducation) 97530 (dynamic activities)
	7/28/05	98941 (spinal) 98943 (non-spinal)	97112 (neuromuscular reeducation) 97530 (dynamic activities)
	8/2/05	98941 (spinal)	97112 (neuromuscular reeducation) 97530 (dynamic activities) 97012 (mechanical traction) (x2)
	8/4/05	98941 (spinal) 98943 (non-spinal)	97112 (neuromuscular reeducation) 97530 (dynamic activities) 97012 (mechanical traction)

19. To justify the fraudulent billings and to conceal their fraudulent nature from IBC, defendant NEIL H. HOLLANDER and his employees, including Lidia Garcia, created false medical records relating to the examination and treatment of some of the patients for whom defendant HOLLANDER had submitted fraudulent billings.

20. Relying on the claims submitted by defendant NEIL H. HOLLANDER, IBC issued checks to defendant HOLLANDER for the claimed services.

21. From October, 2002, to February, 2006, defendant NEIL H.

HOLLANDER billed IBC approximately \$ 914,503.19 for treatments that he had not actually rendered to the insured patients. IBC paid HOLLANDER approximately \$ 304,096.28 on those false claims.

22. On or about the dates listed below, in Philadelphia, in the Eastern District of Pennsylvania, and elsewhere, defendant

NEIL H. HOLLANDER

knowingly and willfully executed, and attempted to execute, a scheme and artifice to defraud Independence Blue Cross, a health care benefit program, and to obtain by means of false and fraudulent pretenses, representations and promises, money owned by, or under the custody and control of that health care benefit program, in connection with the delivery of and payment for health care benefits, items and services, and aided and abetted its execution, and attempted to do so, by submitting and causing to be submitted fraudulent health care insurance claims for services purportedly provided to each of the individuals listed below (each claim constituting a separate count of this indictment), which claims were false and fraudulent in that they represented that defendant HOLLANDER had provided treatments to the patients other than chiropractic adjustments when such other treatments had not been provided:

<u>Count</u>	<u>Date of Claim</u>	<u>Patient</u>	<u>Date of patient visit</u>	<u>Codes falsely billed</u>
1	2/16/05	H.D.	2/8/05, 2/10/05	97032, 97112, 97530
2	2/24/05	H.D.	2/15/05, 2/17/05	97032, 97112, 97530
3	3/2/05	H.D.	2/22/05, 2/24/05	97032, 97112, 97530

<u>Count</u>	<u>Date of Claim</u>	<u>Patient</u>	<u>Date of patient visit</u>	<u>Codes falsely billed</u>
4	3/9/05	H.D.	3/3/05	97032, 97112, 97530
5	4/13/05	H.D.	4/7/05	97530
6	4/21/05	H.D.	4/12/05	97012, 97112, 97530
7	3/2/05	H.S.	2/22/05, 2/24/05	97032, 97112
8	3/9/05	H.S.	3/3/05	97032, 97112, 97530
9	4/13/05	H.S.	4/7/05	97110, 97112, 97530
10	4/21/05	H.S.	4/12/05	97012, 97032, 97112, 97530
11	2/22/05	A.M.	2/10/05	97112, 97530
12	3/10/05	A.M.	2/15/05	97112, 97530
13	3/14/05	A.M.	3/3/05	97112, 97530
14	2/22/05	I.G.	2/10/05	97112, 97530
15	3/10/05	I.G.	2/15/05, 2/17/05	97112, 97530
16	3/7/05	I.G.	2/22/05	97112, 97530
17	3/14/05	I.G.	3/3/05	97112, 97530
18	2/22/05	N.T.	2/8/05	97112, 97530
19	3/10/05	N.T.	2/15/05	97112, 97530
20	3/7/05	N.T.	2/22/05, 2/24/05	97112, 97530
21	3/14/05	N.T.	3/3/05	97112, 97530
22	2/16/05	M.L.	2/8/05	97032, 97112, 97530
23	2/24/05	M.L.	2/15/05, 2/17/05	97032, 97112, 97530
24	3/2/05	M.L.	2/22/05	97032, 97112, 97530
25	4/13/05	M.L.	4/5/05, 4/7/05	97032, 97112, 97530
26	4/21/05	M.L.	4/12/05	97032, 97112, 97530
27	2/16/05	M.W.	2/8/05, 2/10/05	97032, 97112, 97530
28	2/24/05	M.W.	2/15/05, 2/17/05	97032, 97112, 97530

<u>Count</u>	<u>Date of Claim</u>	<u>Patient</u>	<u>Date of patient visit</u>	<u>Codes falsely billed</u>
29	3/2/05	M.W.	2/22/05, 2/24/05	97032, 97112, 97530
30	4/21/05	M.W.	4/12/05	97012, 97112, 97530
31	8/15/05	R.V.	7/26/05, 7/28/05, 8/2/05, 8/4/05	97112, 97530, 97112

All in violation of Title 18, United States Code, Sections 1347 and 2.

COUNTS THIRTY-TWO THROUGH THIRTY-SIX

(Mail Fraud)

THE GRAND JURY FURTHER CHARGES THAT:

INTRODUCTION

1. Paragraphs 1 through 15 of Counts 1 through 31 are incorporated here.

THE SCHEME TO DEFRAUD

2. Between in or about June, 2002, and in or about February, 2006, defendant

NEIL H. HOLLANDER

devised and intended to devise a scheme to defraud Independence Blue Cross, and to obtain money and property from Independence Blue Cross by means of knowingly false and fraudulent pretenses, representations, and promises.

3. It was the object of the scheme described in paragraph 2 for defendant NEIL H. HOLLANDER to submit fraudulent claims for reimbursement to Independence Blue Cross in connection with the provision of chiropractic treatments by defendant HOLLANDER to patients whom IBC had insured.

MANNER AND MEANS

4. It was part of the scheme to defraud that defendant NEIL H. HOLLANDER engaged in the manner and means described in paragraphs 16-21 of Counts 1 through 31 of this indictment.

5. On or about the dates listed below (each date constituting a separate count of this indictment), in Philadelphia, in the Eastern District of Pennsylvania, and elsewhere, defendant

NEIL H. HOLLANDER,

for the purpose of executing the scheme and artifice described above, and aiding and abetting its execution, and attempting to do so, knowingly caused to be delivered by United States mail, according to the directions thereon, checks addressed to the defendant from IBC in payment of defendant HOLLANDER's false and fraudulent claims, as follows:

COUNT	DATE OF MAILING	CHECK NUMBER	AMOUNT OF CHECK
32	3/4/05	3100871757	\$ 1,125.80
33	3/18/05	3100894677	\$ 1,287.00
34	3/25/05	3100906370	\$ 1,500.10
35	8/25/05	3101201217	\$ 21,096.60
36	11/23/05	3101473710	\$ 2,405.00

All in violation of Title 18, United States Code, Sections 1341 and 2.

COUNTS THIRTY-SEVEN THROUGH FIFTY-SIX

(False Documentation)

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1 through 21 of Counts 1 through 31 are incorporated here.
2. On or about November 16, 2005, in connection with an audit of defendant NEIL H. HOLLANDER, IBC served on defendant HOLLANDER a demand for patient files for twenty patients. In response to IBC's demand, HOLLANDER created false records for some of these patients, and provided these falsified files to IBC, in an effort to justify his fraudulent claims for these patients.
3. Defendant NEIL H. HOLLANDER's practice was to record patient visits on pre-printed forms called "travel cards," which were maintained for each patient. In addition to the date of the patient's visit, the travel cards contained coded notations by defendant HOLLANDER representing chiropractic manipulations and treatments purportedly administered to the patient on that date.
4. Defendant NEIL H. HOLLANDER had available to him a type of form called the "SOAP" form. "SOAP" is an acronym for Subjective, Objective, Assessment, and Plan. The SOAP form contains areas to report the patient's description of his symptoms, the doctor's observations upon examination of the patient, the doctor's assessment of the patient, and the treatment plan. During the period relevant to this indictment, defendant HOLLANDER rarely used the SOAP form.
5. After receiving IBC's demand for patient files, defendants NEIL H. HOLLANDER and LIDIA GARCIA, and others known to the grand jury, created SOAP forms

for the patients whose files had been demanded by IBC. The SOAP forms were backdated to appear as if they were written on each date on which the particular patient had seen defendant HOLLANDER. The false SOAP forms were placed in the patient files and produced to IBC.

6. On or about November 29, 2005, in Philadelphia, in the Eastern District of Pennsylvania, and elsewhere, defendants

**NEIL H. HOLLANDER
and
LIDIA GARCIA,**

in a matter involving Independence Blue Cross, a health care benefit program, knowingly and willfully made materially false, fictitious, and fraudulent statements and representations, in connection with the delivery of and payment for health care benefits, items, and services, in that, in connection with an audit by IBC of defendant HOLLANDER's claims, defendants HOLLANDER and GARCIA presented to IBC false, fraudulent, and fictitious records as to each of the patients' medical records set forth below (each patient's file constituting a separate count of this indictment), representing that such records were true records of visits made at or near the time of the visit, when, as defendants HOLLANDER and GARCIA knew, they had just created these fraudulent records solely to present to IBC in an attempt to justify defendant HOLLANDER's fraudulent billings:

<u>Count</u>	<u>Patient</u>
37	S.A.
38	M.B.
39	B.A.
40	M.K.

<u>Count</u>	<u>Patient</u>
41	L.G.
42	K.O.
43	M.W.
44	R.Z.
45	A.M.
46	A.C.
47	R.V.
48	J.L.
49	N.R.
50	D.W.
51	C.B.
52	M.C.
53	H.D.
54	C.F.
55	E.N.
56	H.S.

All in violation of Title 18, United States Code, Section 1035.

COUNTS FIFTY-SEVEN THROUGH EIGHTY-THREE

(Health Care Fraud)

THE GRAND JURY FURTHER CHARGES THAT:

At all times relevant to this indictment:

1. Paragraphs 1 through 7 of Counts 1 through 31 are incorporated here.
2. Defendant LIDIA GARCIA was employed by Neil H. Hollander (charged elsewhere in this indictment) to perform billing, administrative, and clerical work relating to the management of Hollander Chiropractic Center.
3. Advanced Diagnostic Alternatives Corp. (“ADA”) is a Pennsylvania corporation incorporated on or about April 2, 2002. Its registered address is 7423 Alma Street, 2nd floor, Philadelphia, PA 19111, which was the residential address of defendant LIDIA GARCIA.
4. Defendant LIDIA GARCIA is the president of ADA.
5. Defendant LIDIA GARCIA formed ADA for the purpose of billing insurers, including IBC, for nerve conduction velocity studies performed by defendant GARCIA on patients of chiropractors Neil H. Hollander and another person known to the Grand Jury who is identified here as P.R.
6. A nerve conduction velocity study is a test used to evaluate the function of the motor and sensory nerves of the human body. Although a technician may perform the study, a neurologist must evaluate the results of the study. Doctors of chiropractic medicine are not qualified to evaluate nerve conduction velocity studies.

7. The administration of the nerve conduction velocity study and the interpretation of the results by the neurologist are billed together under one CPT code for each test. One unit may be billed for each nerve tested. Tests on motor nerves and sensory nerves are billed separately.

8. Only participating providers may bill IBC for services rendered to persons insured by IBC. Each participating provider is assigned a Provider Identification Number (“PIN”) for use in billing IBC.

9. A group practice of participating providers who wish to bill IBC under a single PIN may apply for an Assignment Account. If the request for Assignment Account is approved, IBC will issue an Assignment Account PIN. Bills for services provided by any member of the Assignment Account may be submitted under the Assignment Account PIN; however, each bill must identify the individual practitioner who provided the services (called the “performing provider”) by his or her individual PIN. Assignment Accounts may also be obtained by an individual participating provider who has formed a professional corporation and wishes to bill under the name of the corporation, or by a participating provider who employs other participating providers in his practice.

10. All providers included in an Assignment Account must be participating providers with IBC. An Assignment Account may not bill IBC for services provided by a non-participating provider.

11. Requests for Assignment Accounts with IBC were processed by Highmark Blue Shield for IBC.

12. On or about August 7, 2002, defendant LIDIA GARCIA submitted a request for an Assignment Account in the name of “Advanced Diagnostic Alternatives Corporation.”

13. Defendant LIDIA GARCIA was not a participating provider with IBC. ADA did not employ any persons who were participating providers with IBC.

14. The Request for Assignment Account submitted by defendant LIDIA GARCIA identified R.B. as the provider in the Assignment Account.

15. R.B., an individual known to the Grand Jury, is a medical doctor in Philadelphia, Pennsylvania, who specializes in the practice of neurology. At all relevant times, R.B. has been a participating provider with IBC.

16. R.B. was not employed by ADA.

17. R.B. agreed to evaluate nerve conduction velocity studies performed by ADA at a fee of \$115 for each evaluation.

18. R.B. agreed to permit ADA to use R.B.’s name and PIN on ADA’s Request for Assignment Account, and to use R.B.’s PIN to identify her as the performing provider when billing for nerve conduction velocity studies evaluated by R.B.

19. R.B. did not agree to allow defendant LIDIA GARCIA or ADA to use R.B.’s PIN as the “performing provider” on bills for nerve conduction velocity studies that R.B. did not evaluate. R.B. was not aware that anyone other than R.B. evaluated nerve conduction velocity studies for ADA.

20. On or about August 19, 2002, ADA was advised that it was approved as an Assignment Account and was assigned a Group Number.

21. Between approximately September, 2002 and February, 2006, using ADA's Group Number as the billing provider, defendant LIDIA GARCIA submitted bills to IBC for approximately 164 nerve conduction velocity studies administered to approximately 135 patients.

22. On some of the bills that defendant LIDIA GARCIA submitted to IBC on behalf of ADA, defendant GARCIA used ADA's Group Number as the PIN for the performing provider, as well as the billing provider. On other bills, defendant GARCIA used R.B.'s PIN as the identifying number for the performing provider.

23. Defendant LIDIA GARCIA submitted some nerve conduction velocity studies to R.B. for evaluation; however, most of the nerve conduction velocity studies that defendant GARCIA performed were evaluated by a neurologist in Florida who is known to the Grand Jury and identified for purposes of this indictment as R.N.

24. R.N. was not a participating provider with IBC.

25. R.N. charged \$55 to ADA for evaluating a nerve conduction velocity study, whereas R.B. charged \$115 for each evaluation.

26. Defendant LIDIA GARCIA typically billed IBC \$1,200 for each nerve conduction velocity study on a patient, which included tests on more than one nerve. IBC typically paid ADA approximately \$480 for each nerve conduction velocity study.

27. By using R.B.'s PIN, defendant LIDIA GARCIA falsely identified R.B. as the "performing provider" on numerous bills submitted to IBC for nerve conduction velocity studies that were evaluated by R.N.

28. Defendant LIDIA GARCIA did not disclose to IBC that nerve conduction velocity studies billed by ADA under R.B.'s provider identification number were evaluated by R.N., a non-participating provider.

29. If IBC had known that the nerve conduction velocity studies were evaluated by a non-participating provider, IBC would not have paid ADA for those studies.

30. From in or about September, 2002, through in or about October, 2005, defendant LIDIA GARCIA billed IBC approximately \$ 174,960 for nerve conduction studies reviewed by R.N. For those claims, IBC paid ADA approximately \$ 51,980.79.

31. On or about each of the dates listed below, in Holland, in the Eastern District of Pennsylvania, and elsewhere, defendant

LIDIA GARCIA

knowingly and willfully executed a scheme and artifice to defraud Independence Blue Cross, a health care benefit 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, and aided and abetted the execution of the scheme, by submitting and causing to be submitted a fraudulent health care insurance claim for services purportedly provided to each of the individuals listed below, in the approximate amounts listed below (each claim constituting a separate count of this indictment), which claims were fraudulent in that they represented falsely that services had been provided by R.B., when, to the extent that services were rendered by a licensed medical provider, they were rendered by R.N.:

<u>Count</u>	<u>Patient</u>	<u>Date of services</u>	<u>Amount Billed</u>
57	B.W.	2/9/05	\$1,200
58	W.M.	2/14/05	\$1,200
59	W.B.	2/17/05	\$1,200
60	R.S.	2/21/05	\$1,200
61	C.B.	2/21/05	\$1,200
62	M.W.	3/3/05	\$1,200
63	H.D.	3/3/05	\$1,200
64	R.C.	3/3/05	\$1,200
65	K.O.	3/17/05	\$1,200
66	M.K.	3/17/05	\$1,200
67	Z.B.	3/21/05	\$1,200
68	J.K.	3/21/05	\$1,200
69	I.B.	3/21/05	\$1,200
70	A.R.	3/21/05	\$1,200
71	C.L.	3/24/05	\$1,200
72	C.C.	3/24/05	\$1,200
73	M.C.	4/13/05	\$1,200
74	J.B.	4/13/05	\$1,200
75	H.S.	4/14/05	\$1,200
76	D.W.	4/14/05	\$1,200
77	S.C.	4/19/05	\$1,200
78	D.U.	4/19/05	\$1,200
79	D.M.	4/19/05	\$1,200
80	J.D.	4/19/05	\$1,200
81	C.F.	5/19/05	\$1,200

<u>Count</u>	<u>Patient</u>	<u>Date of services</u>	<u>Amount Billed</u>
82	M.B.	5/19/05	\$1,200
83	S.A.	5/19/05	\$2,400

In violation of Title 18, United States Code, Sections 1347 and 2.

COUNTS EIGHTY-FOUR THROUGH ONE HUNDRED AND TEN

(Aggravated Identity Theft)

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1 through 30 of Counts 57 through 83 are incorporated here.
2. On or about the dates specified below, in Holland, in the Eastern District of Pennsylvania, and elsewhere, defendant

LIDIA GARCIA

knowingly and without lawful authority used a means of identification of another person, that is, the Provider Identification Number (“PIN”) of R.B. during and in relation to a health care fraud offense in violation of Title 18, United States Code, Section 1347.

<u>Count</u>	<u>Patient</u>	<u>Approximate date of claim</u>	<u>Amount Billed</u>
84	B.W.	2/9/05	\$1,200
85	W.M.	2/14/05	\$1,200
86	W.B.	2/17/05	\$1,200
87	R.S.	2/21/05	\$1,200
88	C.B.	2/21/05	\$1,200
89	M.W.	3/3/05	\$1,200
90	H.D.	3/3/05	\$1,200
91	R.C.	3/3/05	\$1,200
92	K.O.	3/17/05	\$1,200
93	M.K.	3/17/05	\$1,200
94	Z.B.	3/21/05	\$1,200
95	J.K.	3/21/05	\$1,200

<u>Count</u>	<u>Patient</u>	<u>Approximate date of claim</u>	<u>Amount Billed</u>
96	I.B.	3/21/05	\$1,200
97	A.R.	3/21/05	\$1,200
98	C.L.	3/24/05	\$1,200
99	C.C.	3/24/05	\$1,200
100	M.C.	4/13/05	\$1,200
101	J.B.	4/13/05	\$1,200
102	H.S.	4/14/05	\$1,200
103	D.W.	4/14/05	\$1,200
104	S.C.	4/19/05	\$1,200
105	D.U.	4/19/05	\$1,200
106	D.M.	4/19/05	\$1,200
107	J.D.	4/19/05	\$1,200
108	C.F.	5/19/05	\$1,200
109	M.B.	5/19/05	\$1,200
110	S.A.	5/19/05	\$2,400

In violation of Title 18, United States Code, Section 1028A(a)(1), (c)(5).

NOTICE OF FORFEITURE

THE GRAND JURY FURTHER CHARGES THAT:

1. As a result of the violations of Title 18, United States Code, Section 1347, set forth in this indictment, defendant

NEIL H. HOLLANDER

shall forfeit to the United States of America any property that constitutes or is derived from gross proceeds traceable to the commission of such offenses, including, but not limited to, the sum of \$ 304,096.28.

2. If any of the property subject to forfeiture, 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

it is the intent of the United States, pursuant to Title 18, United States Code, Section 982(b), incorporating Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendant up to the value of the property subject to forfeiture.

All pursuant to Title 18, United States Code, Section 982(a)(7).

NOTICE OF FORFEITURE

THE GRAND JURY FURTHER CHARGES THAT:

1. As a result of the violations of Title 18, United States Code, Section 1347, set forth in this indictment, defendant

LIDIA GARCIA

shall forfeit to the United States of America any property that constitutes or is derived from gross proceeds traceable to the commission of such offenses, including, but not limited to, the sum of \$ 51,980.79.

2. If any of the property subject to forfeiture, 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

it is the intent of the United States, pursuant to Title 18, United States Code, Section 982(b), incorporating Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendant up to the value of the property subject to forfeiture.

All pursuant to Title 18, United States Code, Section 982(a)(7).

A TRUE BILL:

GRAND JURY FOREPERSON

**MICHAEL L. LEVY
UNITED STATES ATTORNEY**