

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

<b>UNITED STATES OF AMERICA</b>	<b>:</b>	<b>CRIMINAL NO.</b>
<b>v.</b>	<b>:</b>	<b>DATE FILED:</b>
<b>MARK LEVIN</b>	<b>:</b>	<b>VIOLATION:</b>
	<b>:</b>	<b>18 U.S.C. § 1347 (health care fraud - 1</b>
	<b>:</b>	<b>count)</b>
		<b>Notice of forfeiture</b>

**INFORMATION**

**COUNT ONE**

**(Health Care Fraud)**

**THE UNITED STATES ATTORNEY CHARGES THAT:**

**Background**

At all times material to this information:

1. Defendant MARK LEVIN, Michael Karp, charged elsewhere, and another person known to the United States Attorney, were the owners of the Hatfield Athletic Club located at 2420 Bethlehem Pike, in Hatfield, Pennsylvania, Rehab One, a chiropractic and rehabilitation facility located inside the club, and Rehab Two, an exercise facility located in the basement of Levin's home.
2. Raymond Brozek, also charged elsewhere, was a licensed chiropractor, employed by defendant MARK LEVIN and Michael Karp, who provided chiropractic services to clients at Rehab One and Rehab Two.
3. Defendant MARK LEVIN and Michael Karp, as owners of Rehab One, employed a number of unlicensed personnel, including personal trainers, exercise physiologists, and

massage therapists, at Rehab One and Rehab Two, who were supposed to work under the supervision and at the direction of Raymond Brozek.

4. Independence Blue Cross (“IBC”), was “a health care benefits program” as defined by Title 18, United States Code, Section 24(b).

5. IBC provided reimbursement to health care providers who were a party to a Professional Provider Agreement and who submitted claim forms that included several items of information, including the provider or supplier’s Provider Identification Number (“PIN”), the beneficiary’s name, and the procedure code for the type of services rendered. Each procedure code corresponded to a specific medical procedure and the codes were defined in the American Medical Association Physician’s Current Procedure Terminology (“CPT”) Guidebook and the Blue Shield Blue Cross Procedure Terminology Manual (“PTM”).

6. If IBC approved a claim, the amount of reimbursement to the provider was determined based on the procedure codes.

7. IBC reimbursed health care providers, including chiropractors, for certain physical therapy procedure codes that fell into two categories – supervised and direct one-on-one contact with the provider. Among other procedures, IBC reimbursed providers if a chiropractor supervised the following procedures:

- a. 97010 - Application of a modality to one or more areas with hot or cold packs;
- b. 97012 - Application of a modality to one or more areas with mechanical traction; and,

- c. 97014 - Application of a modality to one or more areas with electrical stimulation.

8. Among other procedures, IBC also reimbursed providers if a chiropractor engaged in direct one-on-one contact with a patient for the following procedures:

- a. 97110 - Therapeutic procedure involving exercises to develop strength and endurance, range of motion, and flexibility;
- b. 97116 - Therapeutic procedure involving gait training;
- c. 97124 - Therapeutic procedure involving massage;
- d. 97140 - Manual therapy techniques, including mobilization/manipulation and manual traction; and,
- e. 97530 - Therapeutic activities to improve functional performance.

9. IBC did not reimburse for services that were performed by a health care provider that were not medically necessary and for maintenance or wellness purposes. IBC also did not reimburse health care providers for services provided by a massage therapist, whether employed by or under the supervision of a provider.

10. Rehab One was a party to a Professional Provider Agreement with IBC.

11. Raymond Brozek used an internal, pre-printed form, known in the industry as a superbill, that contained a listing of procedure codes commonly used by a chiropractor, to reflect medical procedures that he purportedly rendered or supervised.

12. Raymond Brozek was responsible for the preparation of the superbills and claims that were submitted to IBC. He was required to certify that all of the information on the claims was accurate.

### The Health Care Fraud Scheme

13. Defendant MARK LEVIN and Michael Karp sought and directed Hatfield Athletic Club employees and others to seek chiropractic services from Raymond Brozek at Rehab One and Rehab Two for treatment that was not medically necessary.

14. Mark Levin escorted Hatfield Athletic Club employees to Rehab One so that they could sign the patient log at Rehab One to make it appear that they had received treatment from defendant RAYMOND BROZEK when, in fact, they had not.

15. Defendant MARK LEVIN and Michael Karp provided Raymond Brozek with forms containing the names of Hatfield Athletic Club employees and family members who purportedly received weekly chiropractic treatment.

16. Raymond Brozek provided chiropractic services to the owners and employees of the Hatfield Athletic Club, as well as others at Rehab One and Rehab Two, that were not medically necessary.

17. Raymond Brozek fraudulently represented on superbills that all of the services provided were medically necessary. He prepared fraudulent superbills for the Hatfield Athletic Club employees who signed Rehab One's patient log but did not receive treatment and for the employees and family members who purportedly received weekly chiropractic treatment. Brozek also completed the forms provided to him by defendant MARK LEVIN and Michael Karp containing the names of Hatfield Athletic Club employees and family members who purportedly received weekly chiropractic treatment or prepared superbills with the information provided to him and included fictitious procedure codes and false representations of patient symptoms and clinical findings.

18. At the direction of defendant MARK LEVIN and Michael Karp and Raymond Brozek, Rehab One employees, including personal trainers, exercise physiologists, and massage therapists, provided services to patients at Rehab One, Rehab Two, and at the homes of defendant LEVIN's friends, that were not supervised by Brozek.

19. Based on the services provided by Rehab One employees at Rehab One, Rehab Two, and at the homes of defendant MARK LEVIN's friends, Raymond Brozek falsely represented on superbills prepared for each patient that he had performed the services so that they would be reimbursable by IBC.

20. Michael Karp submitted the superbills to a billing company under contract with Rehab One. The billing company transferred the information contained on the fraudulent superbills onto an insurance claim form that was submitted to IBC.

21. Defendant MARK LEVIN, along with Michael Karp and Raymond Brozek, caused the submission of billings to IBC which falsely represented that Brozek: (a) performed procedures to patients that were medically necessary; (b) performed all of the procedures billed; and (c) supervised procedures rendered to patients, when, in fact, as defendant LEVIN knew, the services were not provided under defendant Brozek's direct supervision and were provided by his Rehab One and Rehab Two unlicensed personnel.

22. Defendant MARK LEVIN, along with Michael Karp and Raymond Brozek, caused the submission of fraudulent medical bills to IBC totaling approximately \$1.9 million, resulting in payments from IBC totaling approximately \$399,822.

23. From in or about March, 2004 through in or about November, 2006, in the Eastern District of Pennsylvania, defendant

**MARK LEVIN**

knowingly and willfully executed a scheme and artifice to defraud a health care benefit program, that is, Independence Blue Cross, 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 services that were not medically necessary, that were purportedly supervised by a chiropractor or provided directly by a chiropractor when the defendant knew the services were not performed by the chiropractor or any other licensed medical professional, and for services the defendant knew were not reimbursable.

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

**NOTICE OF FORFEITURE**

**THE UNITED STATES ATTORNEY FURTHER CHARGES THAT:**

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

**MARK LEVIN**

shall forfeit to the United States of America any property that constitutes or is derived from gross proceeds traceable to the commission of such offense, as charged in this information, including, but not limited to, the sum of \$399,882.

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
- (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), incorporating Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendant(s) up to the value of the property subject to forfeiture.

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

*Peter F Schenck for*

---

**MICHAEL L. LEVY**  
**UNITED STATES ATTORNEY**