

No.11 -

UNITED STATES DISTRICT COURT

Eastern District of Pennsylvania

Criminal Division

THE UNITED STATES OF AMERICA

vs.

TAHIB SMITH ALI

INDICTMENT

Counts

18 U.S.C. § 1347 (health care fraud - 50 counts)

18 U.S.C. § 1035 (false statements in a health care matter - 50 counts)

18 U.S.C. § 1028A (aggravated identity theft - 50 counts)

A true bill.

.....
Foreman

Filed in open court thisday,

ofA.D. 20

.....
Clerk

Bail, \$

.....

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

UNITED STATES OF AMERICA	:	CRIMINAL NO. _____
v.	:	DATE FILED: _____
TAHIB SMITH ALI	:	VIOLATIONS:
		18 U.S.C. § 1347 (health care fraud- 50 counts)
	:	18 U.S.C. § 1035 (false statements in a health care matter - 50 counts)
	:	18 U.S.C. § 1028A (aggravated identity theft - 50 counts)

COUNTS ONE THROUGH FIFTY

(Health Care Fraud)

THE GRAND JURY CHARGES THAT:

At all times material to this indictment:

INTRODUCTION

1. Oasis Holistic Healing Village (“Oasis”), located in Philadelphia, Pennsylvania offered holistic services including chiropractic manipulations, ultrasound treatments and massage.
2. On or about December 23, 2008, defendant TAHIB SMITH ALI, who was not a chiropractor and did not hold any medical certifications or licenses, purchased Oasis from a licensed chiropractor who is known to the Grand Jury and referred to here as “Chiropractor No. 1.”

3. Independence Blue Cross (“IBC”) was a health insurance company based in Philadelphia, Pennsylvania. IBC was 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. 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 submitted claims to IBC for services provided to patients insured by IBC was required to become a participating provider. To become a participating provider, a practitioner was required to 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 would verify that the provider held the necessary licenses and certifications and was in good standing. IBC would determine whether the provider had hospital privileges and if there were any limitations on those privileges. IBC would also determine if the provider had any history of disciplinary actions or complaints and whether the provider maintained necessary professional liability insurance.

6. In its agreement with its participating providers, IBC agreed that it would 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 was required to be medically necessary. IBC would refuse to pay for any service found not to be medically necessary.

7. When a provider submitted a claim for payment to IBC for medical services, the claim was required to 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 were identified by individual codes. The form used by a provider to submit such claims was 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), were published by the American Medical Association (AMA). The provider would designate on the claim form all of the CPT codes for which he or she was claiming reimbursement, and would then submit the claim form to the insurance company for payment, either by mail or electronically.

THE SCHEME TO DEFRAUD

9. From on or about January 1, 2009 or earlier to in or about April 2010, defendant

TAHIB SMITH ALI

knowingly, and willfully executed, and attempted to execute, a scheme or artifice to defraud Independence Blue Cross, 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 this health care benefit program, by submitting false and fraudulent claims for reimbursement.

MANNER AND MEANS

It was part of the scheme that:

10. After purchasing Oasis from Chiropractor No. 1, defendant TAHIB SMITH ALI operated Oasis without a chiropractor on staff from on or about January 1, 2009 until in or about late August 2009. Defendant ALI presented himself to patients as a chiropractor and as a physical therapist. Defendant ALI wore scrubs, accompanied patients inside treatment rooms, and engaged in forms of what he represented to be chiropractic treatment, including muscle stretching and spinal manipulation.

11. Defendant TAHIB SMITH ALI made notations in patient's charts regarding diagnosis and course of treatment, circled the billing codes on patient treatment forms, and then caused more than \$1 million worth of false and fraudulent claims to be submitted to IBC for reimbursement in which he represented that the services were provided by Chiropractor No. 1, who was a licensed chiropractor.

12. In or about late August 2009, defendant TAHIB SMITH ALI hired "Chiropractor No. 2," a chiropractor licensed in Pennsylvania and who is known to the Grand Jury, on a limited part-time basis. Chiropractor No. 2 saw between one to four patients on the limited number of days that she was in the office and was paid \$40 for each patient that she treated. However, defendant ALI submitted claims to IBC for patients treated by Chiropractor No. 2 that falsely stated that these patients had been treated by Chiropractor No. 1.

13. Defendant TAHIB SMITH ALI continued to "treat" patients after he hired Chiropractor No. 2 and continued to submit fraudulent claims to IBC in which he represented that the patients he saw had been treated by Chiropractor No. 1.

14. Defendant TAHIB SMITH ALI also submitted claims to IBC for office visits by patients that had never actually occurred and for treatments that were never actually provided by defendant ALI or any other person.

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

TAHIB SMITH ALI

knowingly and willfully executed a scheme and artifice to defraud 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 purportedly provided to each of the individuals listed below, on the approximate dates listed below (each claim constituting a separate count of this indictment):

COUNT	Patient Initials	Approximate date of fraudulent claim
1 2	S.A.	01/26/2009 02/09/2009
3 4	E.B.	02/03/2009 04/10/2009
5 6	G.B.	01/23/2009 03/06/2009
7 8	B.C.	09/22/2009 11/11/2009
09 10	M.G.	05/29/2009 08/31/2009
11 12	V.G.	09/09/2009 09/14/2009

COUNT	Patient Initials	Approximate date of fraudulent claim
13 14	C.I.	02/12/2009 03/13/2009
15 16	D.J.	06/05/2009 08/06/2009
17 18	A. M.	03/04/2009 03/06/2009
19 20	G.M.	05/28/2009 08/27/2009
21 22	M.M.	02/03/2009 03/13/2009
23 24	T.M.	02/03/2009 03/13/2009
25 26	R.M.	06/03/2009 06/12/2009
27 28	H.N.	09/22/2009 10/21/2009
29 30	J.R.	11/12/2009 02/15/2010
31 32	C.S.	02/25/2009 11/09/2009
33 34	M.S.	08/17/2009 10/26/2009
35 36	M.S.	05/01/2009 05/01/2009
37 38	S.S.	11/03/2009 11/20/2009
39 40	C.T.	03/13/2009 06/22/2009
41 42	D.T.	04/13/2009 05/12/2009
43 44	S.T.	02/25/2009 04/27/2009

COUNT	Patient Initials	Approximate date of fraudulent claim
45 46	M.W.	04/02/2009 04/27/2009
47 48	S.Y.	06/08/2009 07/22/2009
49	S.F.	06/23/2009
50	L.T.	05/21/2009

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

COUNTS FIFTY ONE THROUGH ONE HUNDRED

(False Statements in a Health Care Matter)

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1 through 14 of Count One are incorporated here.
2. On or about each of the dates listed below, in Philadelphia, in the Eastern

District of Pennsylvania, defendant

TAHIB SMITH ALI,

in matters 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 fraudulent billings, defendant ALI created entirely false patient charts by making treatment notes and circling billing codes for chiropractic services in patient's medical records that were not, and could not, be provided by defendant ALI, when, as defendant ALI knew, he was not a licensed chiropractor and had created these false records solely for the purpose of submitting fraudulent billings to Independence Blue Cross in which it was claimed that the services were provided by Chiropractor No. 1, a licensed chiropractor:

COUNT	Patient Initials	Approximate date of false statement
51 52	S.A.	01/23/2009 02/06/2009
53 54	E.B.	01/27/2009 04/09/2009
55 56	G.B.	01/13/2009 03/05/2009

COUNT	Patient Initials	Approximate date of false statement
57 58	B.C.	09/18/2009 11/06/2009
59 60	M.G.	05/29/2009 08/20/2009
61 62	V.G.	08/27/2009 08/31/2009
63 64	C.I.	02/10/2009 02/19/2009
65 66	D.J.	06/04/2009 08/04/2009
67 68	A. M.	02/27/2009 03/05/2009
69 70	G.M.	05/26/2009 08/18/2009
71 72	M.M.	01/30/2009 02/13/2009
73 74	T.M.	01/30/2009 02/13/2009
75 76	R.M.	06/02/2009 06/11/2009
77 78	H.N.	09/08/2009 10/13/2009
79 80	J.R.	11/09/2009 02/15/2010
81 82	C.S.	02/24/2009 11/03/2009
83 84	M.S.	08/14/2009 10/09/2009
85 86	M.S.	04/29/2009 05/01/2009
87 88	S.S.	10/27/2009 11/12/2009
89 90	C.T.	03/13/2009 06/19/2009

COUNT	Patient Initials	Approximate date of false statement
91 92	D.T.	04/09/2009 05/07/2009
93 94	S.T.	02/21/2009 04/24/2009
95 96	M.W.	03/31/2009 04/16/2009
97 98	S.Y.	06/05/2009 07/17/2009
99	S.F.	06/23/2009
100	L.T.	05/19/2009

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

COUNTS ONE HUNDRED AND ONE THROUGH ONE HUNDRED AND FIFTY

(Aggravated Identity Theft)

THE GRAND JURY FURTHER CHARGES THAT:

1. Paragraphs 1 through 14 of Count One are incorporated here.
2. On or about each of the dates listed below, in Philadelphia, in the

Eastern District of Pennsylvania, defendant

TAHIB SMITH ALI,

knowingly and without lawful authority used a means of identification of another person, that is, Chiropractor No.1's name and medical provider identification number, during and in relation to a health care fraud offense in violation of Title 18, United States Code, Section 1347:

COUNT	Patient Initials	Approximate date of fraudulent use of Chiropractor No. 1's name and medical provider information number.
101 102	S.A.	01/26/2009 02/09/2009
103 104	E.B.	02/03/2009 04/10/2009
105 106	G.B.	01/23/2009 03/06/2009
107 108	B.C.	09/22/2009 11/11/2009
109 110	M.G.	05/29/2009 08/31/2009
111 112	V.G.	09/09/2009 09/14/2009

COUNT	Patient Initials	Approximate date of fraudulent use of Chiropractor No. 1's name and medical provider information number.
113 114	C.I.	02/12/2009 03/13/2009
115 116	D.J.	06/05/2009 08/06/2009
117 118	A. M.	03/04/2009 03/06/2009
119 120	G.M.	05/28/2009 08/27/2009
121 122	M.M.	02/03/2009 03/13/2009
123 124	T.M.	02/03/2009 03/13/2009
125 126	R.M.	06/03/2009 06/12/2009
127 128	H.N.	09/22/2009 10/21/2009
129 130	J.R.	11/12/2009 02/15/2010
131 132	C.S.	02/25/2009 11/09/2009
133 134	M.S.	08/17/2009 10/26/2009
135 136	M.S.	05/01/2009 05/01/2009
137 138	S.S.	11/03/2009 11/20/2009
139 140	C.T.	03/13/2009 06/22/2009
141 142	D.T.	04/13/2009 05/12/2009
143 144	S.T.	02/25/2009 04/27/2009

COUNT	Patient Initials	Approximate date of fraudulent use of Chiropractor No. 1's name and medical provider information number.
145 146	M.W.	04/02/2009 04/27/2009
147 148	S.Y.	06/08/2009 07/22/2009
149	S.F.	06/08/2009
150	L.T.	05/21/2009

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

A TRUE BILL:

FOREPERSON


ZANE DAVID MEMEGER
United States Attorney