

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF GEORGIA
SAVANNAH DIVISION

FILED
John E. Triplett, Acting Clerk
United States District Court
By jburrell at 4:18 pm, Jun 10, 2020

UNITED STATES OF AMERICA)
)
) INFORMATION NO. 4:20cr-49
v.)
) 18 U.S.C. § 371
) Conspiracy
DANIEL CRAIG HALLAM)
A/K/A DANIEL CRAIG)

THE UNITED STATES ATTORNEY CHARGES THAT:

Introduction

At all times material to this Information:

1. Beginning no earlier than July 2018 and continuing through March 2020, Daniel Craig Hallam A/K/A Daniel Craig, together with known and unknown co-conspirators, in the Southern District of Georgia and elsewhere, conspired to engage in a fraud and kickback scheme targeted at the Medicare program that led to over \$6 million in fraudulent claims being submitted for orthotic braces and ultraviolet wands that were brokered by Craig and others.

2. The Medicare Program, a “health care benefit program” as defined by 18 U.S.C § 24, is a federally-funded health insurance system for eligible persons 65 years of age and older, and certain disabled persons. Medicare is administered by the Centers for Medicare and Medicaid Services (“CMS”), a federal agency under the United States Department of Health and Human Services.

3. The Medicare Advantage Program, known as Medicare Part C, offers

beneficiaries a managed care option by allowing individuals to enroll in private health plans rather than having their care covered through Medicare Part A and Part B. CMS contracts with Medicare Advantage programs to provide medically necessary health services to beneficiaries; in return, CMS makes monthly payments for enrolled beneficiaries to the Medicare Advantage programs.

4. After receiving a Medicare National Provider Identifier (“NPI”) and Provider Transaction Access Number, a provider can submit bills to Medicare, known as “claims,” in order to obtain reimbursement for items or services provided to Medicare beneficiaries. Claims to Medicare are typically submitted electronically and require certain information, including (a) the Medicare beneficiary’s name and identification number, (b) identification of the benefit, item, or service provided or supplied to the Medicare beneficiary, (c) the billing code for the benefit, item, or service, (d) the date upon which the benefit, item, or health services was provided, and (e) the name and NPI of the medical practitioner who ordered the service, treatment, benefit, or item.

5. To qualify for payment, the health care benefit, item or service must have been ordered by a licensed medical practitioner, medically necessary, provided as billed, and provided in compliance with applicable laws.

COUNT ONE

Conspiracy
18 U.S.C. § 371

6. The allegations of paragraphs 1 through 5 of this Information are hereby realleged and incorporated as if fully set forth herein.

7. Beginning no earlier than July 2018, the exact date being unknown, and continuing thereafter until at least in or about March 2020, within the Southern District of Georgia and elsewhere, Craig did knowingly and willfully combine, conspire, confederate, and agree with others known and unknown to commit one or more offenses against the United States, that is, to use of the mail and a facility in interstate or foreign commerce, with intent to otherwise promote, manage, establish, carry on, or facilitate the promotion, management, establishment, or carrying on, of any unlawful activity, that is, commercial bribery in violation of the laws of the State of Florida, Fla. Stat. Ann. § 838.16, and thereafter performed and attempted to perform acts to promote, manage, establish and carry on, and to facilitate the promotion, management, establishment and carrying on of such unlawful activity, all in violation Title 18, United States Code, Section 1952(a)(3).

Purpose of the Conspiracy

8. It was the purpose of the conspiracy for Craig and others to enrich themselves and maximize profits at the expense of the United States and Medicare patients in the following scheme.

Manner and Means of the Conspiracy

9. It was part of the conspiracy that, beginning at least as early as July 2018, the exact date being unknown, and continuing thereafter until at least in or about March 2020, Craig and others were part of a nationwide “telemedicine” scheme:

- a. During the relevant time period, Craig, with others, owned and operated companies located in Florida and elsewhere that were a part of a nationwide “telemedicine” scheme.
 - b. Individuals known and unknown to Craig developed a scheme that targeted the Medicare program to obtain millions of dollars in reimbursement for ultraviolet wands, among other items.
 - c. Individuals known and unknown to Craig, and with no involvement by Craig, obtained the identities and insurance information of Medicare and other elderly patients through a series of call centers.
 - d. Individuals known and unknown to Craig sought to sell this information to durable medical equipment companies, located within numerous districts across the country.
 - e. Craig, together with individuals known and unknown to him who were located in numerous districts across the country, sought to purchase this information in order to ultimately bill Medicare and other payors for items ordered for these beneficiaries.
10. The co-conspirators knew that physicians owed a fiduciary duty to any patient they “treated,” even through a “telemedicine” arrangement.
11. As part of this scheme and with the purpose of carrying out or accomplishing an object of the conspiracy, but without Craig’s knowledge, physicians signed false medical records describing “consultations” of Medicare patients including

false certifications regarding examinations never actually conducted, all of which was expected and required by Medicare to pay a claim.

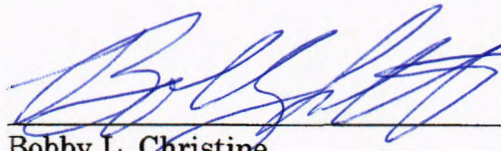
Overt Acts

12. For his role in the conspiracy, Craig received a percentage of the profit from Company 1, a durable medical equipment company, in exchange for supplying “leads” or patient identifications of persons who may want to be ordered certain durable medical equipment such as ultraviolet wands to Company 1, including patients M.P. and D.H., who were Medicare beneficiaries and residents of the Southern District of Georgia, whose orders for ultraviolet wands were supplied to Company 1 and billed to Medicare in or around October 2018, all in violation of Florida, Fla. Stat. Ann. § 838.16.

13. Craig used facilities in interstate or foreign commerce, with intent to otherwise promote, manage, establish, carry on, or facilitate the promotion, management, establishment, or carrying on this “telemedicine” scheme, including internet-based programs used to sign digitally and transmit medical records that could be sent to companies located across the country, including to the ultimate purchasers, all in violation of Title 18, United States Code, Section 1952(a)(3).

All in violation of Title 18, United States Code, Section 371.

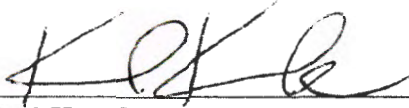
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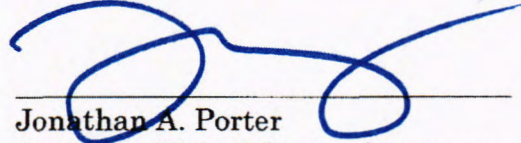
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