

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF GEORGIA
SAVANNAH DIVISION

FILED
John E. Triplett, Acting Clerk
United States District Court
By jbburrell at 5:12 pm, May 11, 2020

UNITED STATES OF AMERICA)
)
) INFORMATION NO. 4:20cr-036
v.)
) 18 U.S.C. § 371
) Conspiracy
PATRICK WOLFE)

THE UNITED STATES ATTORNEY CHARGES THAT:

Introduction

At all times material to this Information:

1. Beginning no earlier than September 2014 and continuing through April 2019, Patrick Wolfe, 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 millions of dollars in fraudulent claims being submitted by Wilmington Island Medical, Inc., which does business as WI Medical, Inc., a Georgia company under Wolfe’s control, for durable medical equipment.

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, such as Humana 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 September 2014, the exact date being unknown, and continuing thereafter until at least in or about April 2019, within the Southern District of Georgia and elsewhere, Patrick Wolfe did knowingly and willfully combine, conspire, confederate, and agree with others known and unknown to commit one or more offense 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 Wolfe 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 September 2014, the exact date being unknown, and continuing thereafter until at least in or about April 2019, Wolfe and others were part of a nationwide kickback scheme:

- a. Individuals known and unknown to Wolfe, and with no involvement by Wolfe, developed a scheme that targeted the Medicare program to obtain millions of dollars in reimbursement for orthotics and other items.
- b. Individuals known and unknown to Wolfe, and with no involvement by Wolfe, obtained the identities and insurance information of Medicare and other elderly patients, commonly referred to as “leads,” through a series of call centers.

10. During the relevant time period, Wolfe, with others, owned and operated a company located in Florida and regularly conducted business from the State of Florida, including WI Medical Inc., together with other co-conspirators.

11. Wilmington Island Medical, which does business as WI Medical, Inc., enrolled in Medicare as based in Wilmington Island, Georgia, within the Southern District of Georgia, and at other times Wolfe operated the company from Florida.

12. Wolfe, together with individuals known and unknown to him located nationwide, including districts located in Georgia, Florida, New Jersey, and California, who sought to sell and purchase “leads” in order to ultimately bill to Medicare Part B, Medicare Part C, and other payors for items ordered for these beneficiaries.

13. Wolfe, together with individuals known and unknown to Wolfe, located in Florida and locations across the country, solicited physicians to write orders for braces and other items so that the items could be billed to Medicare and other federal health program beneficiaries, in exchange for a payment to these physicians.

14. The co-conspirators knew that physicians owed a duty to any patient they “treated,” even through a so-called “telemedicine” arrangement.

15. Wolfe, together with individuals known and unknown to Wolfe, with intent to influence a physician to violate their duty, conferred, offered to confer, or agreed to confer a benefit a small fee per diagnostic “consultation” the physician performed.

16. Wolfe unlawfully conferred a benefit on physicians with intent to violate a statutory or common-law duty those physicians owed to their patients, including P.R., a resident of the Southern District of Georgia, in violation of Fla. Stat. Ann § 838.16.

17. As part of this scheme and with the purpose of carrying out or accomplishing an object of the conspiracy, physicians signed false medical records describing “consultations” of Medicare patients included false certifications regarding examinations never actually conducted and tests never actually performed, all of which was expected and required by Medicare and other federal health benefit programs to pay a claim.

18. As part of this scheme and with the purpose of carrying out or accomplishing an object of the conspiracy, Wolfe directly or indirectly unlawfully and willfully purchased patient information and a false physician order, unlawfully obtained from the physician, using a company located in Florida.

19. From 2014 through 2019, Wolfe and WI Medical, Inc. billed Medicare or Medicare Advantage plans in excess of \$3 million for orthotics, such as back braces.

20. Wolfe 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 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 (one of which was WI Medical Inc., operated personally by Wolfe).

Overt Acts

21. Wolfe unlawfully conferred a benefit on physicians with intent to violate a statutory or common-law duty those physicians owed to their patients, including P.R., a resident of the Southern District of Georgia, in violation of Fla. Stat. Ann § 838.16.

22. As part of this scheme and with the purpose of carrying out or accomplishing an object of the conspiracy, Wolfe directly or indirectly unlawfully and willfully purchased patient information and a false physician order, unlawfully obtained from the physician, using a company located in Florida.

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

[signatures to follow]

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