

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF GEORGIA
SAVANNAH DIVISION

FILED
U.S. DISTRICT COURT
AUGUSTA DIV.

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UNITED STATES OF AMERICA)
)
) INFORMATION NO.
v.)
) 18 U.S.C. § 371
) Conspiracy
SEAN YANES)

CR420-086

THE UNITED STATES ATTORNEY CHARGES THAT:

Introduction

At all times material to this Information:

1. Beginning no earlier than January 2015, the exact date being unknown, and continuing thereafter until no later than January 2018, Sean Yanes, 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 and other health care benefit programs that led to over \$10 million in fraudulent claims being submitted for compounded prescription creams and various forms of laboratory testing.

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. 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.

4. 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

5. The allegations of paragraphs 1 through 4 of this Information are hereby realleged and incorporated as if fully set forth herein.

6. Beginning no earlier than January 2015, the exact date being unknown, and continuing thereafter until no later than January 2018, within the Southern District of Georgia and elsewhere, Yanes did knowingly and willfully combine, conspire, confederate, and agree with others known and unknown, including B.O’D., J.O’D., D.G., to commit one or more offenses against the United States, that is, the

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 New Jersey, NJ Rev Stat § 2C:21-10, 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

7. It was the purpose of the conspiracy for Yanes 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

8. It was part of the conspiracy that, beginning at least as early as January 2015, the exact date being unknown, and continuing thereafter until no later than January 2018, Yanes, B.O'D., J.O'D., D.G., and others, known and unknown, were part of a scheme to defraud the Medicare, Medicaid, and Tricare programs, among others, by offering and/or receiving kickbacks related to prescriptions and/or orders for compounds, genetic testing, and toxicology testing:

- a. During the relevant time period, Yanes, worked as a sales representative for Company 1, located primarily in New Jersey, managed by B.O'D., J.O'D., D.G.. Company 1 was one of a series of

entities set up by to execute the conspiracy, all jointly operated and managed by B.O'D., J.O'D., D.G..

- b. To carry out this scheme, Company 1 recruited sales representatives, like Yanes and others known and unknown, in exchange for a percentage of whatever was paid for those prescriptions, to solicit medical professionals within the Southern District of Georgia, and elsewhere, to write prescriptions and/or orders for compounds and lab testing, which could then be sold by Company 1.
- c. Some of the patients had private insurance and others had insurance through the Medicare, Medicaid, and Tricare programs.
- d. The co-conspirators knew that medical professionals owed a fiduciary duty to their patients.
- e. To encourage additional prescriptions and orders, Company 1, through Yanes, J.O'D., D.G., and other individuals known and unknown, conferred, or offered or agreed to confer to physicians a benefit, directly and indirectly, in exchange for prescriptions and/or orders for compounds and laboratory testing.
- f. After the physicians signed prescriptions and orders, Company 1 would direct the prescriptions and orders to be sent to specific labs and pharmacies with which Company 1 had negotiated arrangements.

- g. In exchange for receiving the prescriptions and orders, these labs and pharmacies would pay Company 1 a percentage of the payment received from private and public insurers.
- h. Company 1 would then pay Yanes, and its other sales representatives, a percentage (in the form of a commission) of the money received from the labs and pharmacies for both private and public insurance patients.
- i. B.O'D., J.O'D., D.G., and others known and unknown, retained a percentage of the kickbacks received from the pharmacies and labs for themselves.
- j. For his role in the conspiracy, Yanes received a percentage of the profit from Company 1 in exchange for recruiting medical professionals to submit prescriptions and/or orders to Company 1.
- k. Although certain claims continued to be submitted and other individuals continued with the scheme for which Yanes received some payment, Yanes largely withdrew from an active role in the conspiracy around the start of 2016.

Overt Acts

9. Among the overt acts on behalf of Company 1 to further the conspiracy, Yanes, for example, knowingly and willfully conferred, or offered or agreed to confer a benefit to Physician A, a resident of the Southern District of Georgia, to sign orders for Medicare and other insured patients.

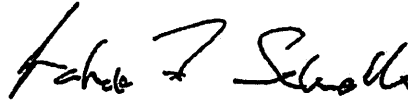
10. Yanes used facilities in interstate or foreign commerce, with intent to

otherwise promote, manage, establish, carry on, or facilitate the promotion, management, establishment, or carrying on this scheme, including internet-based programs used to transmit medical records that could be sent to pharmacies and labs located outside of the State of Georgia, in violation of Title 18, United States Code, Section 1952(a)(3).


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



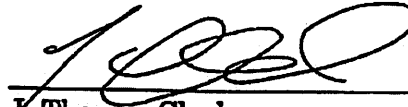
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