

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

United States Courts  
Southern District of Texas  
FILED

*August 12, 2020*

David J. Bradley, Clerk of Court

UNITED STATES OF AMERICA

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v.

Criminal No.

LORETTA ILOCHI,

**4:20-cr-350**

Defendant.

**INFORMATION**

The United States Attorney for the Southern District of Texas charges:

**General Allegations**

At all times material to this Information, unless otherwise specified:

1. The Medicare Program (“Medicare”) was a federal healthcare program providing benefits to individuals who were the age of 65, or older, or disabled. Medicare was administered by the United States Department of Health and Human Services, through its agency, the Centers for Medicare and Medicaid Services (“CMS”). Individuals receiving benefits under Medicare were referred to as Medicare “beneficiaries.”

2. Medicare was a “health care benefit program” as defined by Title 18, United States Code, Section 24(b).

3. Medicare was subdivided into different parts. “Part A” of the Medicare program covered certain eligible home-healthcare costs for medical services provided by a home healthcare agency (“HHA”) to beneficiaries requiring home-health services because of an illness or disability causing them to be homebound. Payments for home-healthcare services were typically made directly to an HHA based on claims submitted to the Medicare program for qualifying services that had been provided to eligible beneficiaries, rather than to the beneficiaries. “Part B” of the

Medicare program covered the cost of physicians' services, outpatient care, and other ancillary services not covered by Part A.

4. Physicians, clinics, and other healthcare providers, including HHAs, that provided services to Medicare beneficiaries, were able to apply for and obtain a Medicare provider number. A healthcare provider that was issued a Medicare provider number was able to file claims with Medicare to obtain reimbursement for services provided to beneficiaries. A Medicare claim was required to set forth, among other things, the beneficiary's name and Medicare identification number, the services that were performed for the beneficiary, the date the services were provided, the cost of the services, and the name and identification number of the physician or other healthcare provider that ordered the services.

5. The Medicare program paid for home healthcare services only if the patient qualified for home healthcare benefits. A patient qualified for home healthcare benefits only if:

- a. the patient was confined to the home, also referred to as homebound;
- b. the patient was under the care of a physician who specifically determined there was a need for home healthcare and established the Plan of Care ("POC"); and
- c. the determining physician signed a certification statement specifying that:
  - i. the beneficiary needed intermittent skilled nursing services, physical therapy, or speech therapy;
  - ii. the beneficiary was confined to the home;
  - iii. a POC for furnishing services was established and periodically reviewed; and
  - iv. the services were furnished while the beneficiary was under the care of the physician who established the POC.

6. Medicare regulations required HHAs providing services to Medicare patients to maintain complete and accurate medical records reflecting the medical assessment and diagnoses of their patients, as well as records documenting actual treatment of the patients to whom services were provided and for whom claims for payment were submitted by the HHA.

7. These medical records were required to be sufficient to permit Medicare, through its contractors, to review the appropriateness of Medicare payments made to the HHA.

8. Defendant **LORETTA ILOCHI**, a resident of Harris County, Texas, was a registered nurse and an owner and the administrator of Destiny Home Health Agency, Inc. (“Destiny”), a home health agency doing business in Harris County, Texas.

9. Patient Recruiter A was a patient recruiter for home health agencies, including Destiny.

10. Dr. Yolanda Hamilton, a resident of Harris County, Texas, was a physician licensed to practice medicine in the State of Texas. Dr. Yolanda Hamilton was the owner and operator of a medical clinic, HMS Health and Wellness Center, PLLC (“HMS Health”), located at 6776 Southwest Freeway, Suite 530, Houston, Texas 77074. Dr. Yolanda Hamilton certified and recertified some of Destiny’s patients for home healthcare services.

11. Dr. Huan Doan Ngo, a resident of Harris County, Texas, was a physician licensed to practice medicine in the State of Texas. Dr. Huan Doan Ngo was the owner and operator of a medical clinic, Hillcroft Family Medical Clinic, PA (“Hillcroft”), located at 11861 South Sam Houston Parkway West, Houston, Texas 77031. Dr. Huan Doan Ngo certified and recertified some of Destiny’s patients for home healthcare services.

**COUNT 1**  
**Conspiracy to Defraud the United States and to  
Pay and Receive Health Care Kickbacks  
(18 U.S.C. § 371)**

12. Paragraphs 1 through 11 of this Information are realleged and incorporated by reference as if fully set forth herein.

13. From in and around June 2012 to in and around July 2016, the exact dates being unknown, in the Houston Division of the Southern District of Texas, and elsewhere, the Defendant,

**LORETTA ILOCHI**

did knowingly and willfully combine, conspire, confederate and agree with others known and unknown, to commit certain offenses against the United States, that is,

a. to defraud the United States by impairing, impeding, obstructing and defeating through deceitful and dishonest means, the lawful government functions of the United States Department of Health and Human Services in its administration and oversight of the Medicare program;

b. to violate Title 42, United States Code, Section 1320a-7b(b)(1), by knowingly and willfully soliciting and receiving remuneration, specifically kickbacks and bribes, directly and indirectly, overtly and covertly, in cash and in kind in return for referring an individual to a person for the furnishing and arranging for the furnishing of any item and service for which payment may be made in whole or in part under a Federal health care program, that is, Medicare; and in return for the purchasing, leasing, ordering, and arranging for and recommending the purchasing, leasing, and ordering of any good, facility, service, and item for which payment may be made in whole and in part under a Federal health care program, that is, Medicare; and

c. to violate Title 42, United States Code, Section 1320a-7b(b)(2), by knowingly and willfully offering to pay and paying remuneration, specifically, kickbacks and bribes, directly and indirectly, overtly and covertly, in return for referring individuals for the furnishing and arranging for the furnishing of any item and service for which payment may be made in whole or in part by Medicare; and for the purchasing, leasing, ordering and arranging for and recommending the purchasing, leasing and ordering of any good, item and service for which payment may be made in whole and in part by a Federal health care program, that is, Medicare.

**Purpose of the Conspiracy**

14. It was a purpose of the conspiracy for the Defendant **LORETTA ILOCHI**, Patient Recruiter A, Dr. Yolanda Hamilton, Dr. Huan Doan Ngo, and their co-conspirators to unlawfully enrich themselves by paying and receiving kickbacks and bribes in exchange for the referral of Medicare beneficiaries for whom Destiny submitted claims to Medicare.

**Manner and Means of the Conspiracy**

The manner and means by which the Defendant **LORETTA ILOCHI**, Patient Recruiter A, Dr. Yolanda Hamilton, Dr. Huan Doan Ngo, and their co-conspirators sought to accomplish the purposes and objects of the conspiracy included, among other things, the following:

15. Defendant **LORETTA ILOCHI** maintained a Medicare provider number for Destiny, which she used to submit claims to Medicare for home health services.

16. Defendant **LORETTA ILOCHI** and her co-conspirators paid and caused the payment of kickbacks to patient recruiters, including their co-conspirator Patient Recruiter A, in exchange for patient recruiters referring Medicare beneficiaries to Destiny for home healthcare without regard to medical necessity.

17. Dr. Yolanda Hamilton, Dr. Huan Doan Ngo, and other physicians certified and recertified some of Destiny's patients for home healthcare services without regard to medical necessity. In exchange for Medicare-required paperwork, Defendant **LORETTA ILOCHI**, Patient Recruiter A, and their co-conspirators paid and caused the payment of kickbacks to Dr. Yolanda Hamilton, Dr. Huan Doan Ngo, and others, often referred to as a "paperwork fee" or "copayment."

18. Defendant **LORETTA ILOCHI** was aware that Patient Recruiter A and others caused the payment of illegal kickbacks to Medicare patients in exchange for the patients allowing Destiny to use their Medicare information to bill Medicare for often medically unnecessary home healthcare services.

19. From in and around June 2012 to in and around July 2016, Destiny billed Medicare approximately \$757,074.34 in home healthcare claims that were predicated on illegal kickbacks to Patient Recruiter A, Dr. Yolanda Hamilton, Dr. Huan Doan Ngo, and Medicare beneficiaries who purportedly received home healthcare services from Destiny. Medicare paid Destiny approximately \$847,525.88 on those claims, which was transferred electronically into an account in the name of Defendant **LORETTA ILOCHI**.

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

**Overt Acts**

20. In furtherance of the conspiracy, and to accomplish its objects and purposes, the conspirators committed and caused to be committed, in the Houston Division of the Southern District of Texas, the following overt acts:

- a. On or about November 20, 2012, Defendant **LORETTA ILOCHI** paid or caused the payment of approximately \$120 to HMS Health in exchange for signing Form

485s and other paperwork certifying or recertifying beneficiaries for home healthcare services for Destiny.

b. On or about December 4, 2012, Defendant **LORETTA ILOCHI** paid or caused the payment of approximately \$240 to HMS Health in exchange for signing Form 485s and other paperwork certifying or recertifying beneficiaries for home healthcare services for Destiny.

c. On or about January 15, 2014, Defendant **LORETTA ILOCHI** paid or caused the payment of approximately \$327 to HMS Health in exchange for signing Form 485s and other paperwork certifying or recertifying beneficiaries for home healthcare services for Destiny.

d. On or about February 28, 2014, Defendant **LORETTA ILOCHI** paid or caused the payment of approximately \$85 via credit card to Dr. Huan Doan Ngo in exchange for signing a Form 485 and other paperwork certifying or recertifying a beneficiary for home healthcare services for Destiny.

e. On or about June 5, 2018, Defendant **LORETTA ILOCHI** paid or caused the payment of approximately \$9,000 via check to Elli-Care Health Support in exchange for the referral of Medicare beneficiaries for home healthcare services.

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

**NOTICE OF CRIMINAL FORFEITURE**  
**(18 U.S.C. § 982(a)(7))**

Pursuant to Title 18, United States Code, Section 982(a)(7), the United States of America gives notice to the Defendant **LORETTA ILOCHI** that, upon conviction all property, real or personal, that constitutes or is derived, directly or indirectly, from gross proceeds traceable to the commission of such offense is subject to forfeiture.

**Money Judgment**

Defendant **LORETTA ILOCHI** is notified that upon conviction, a money judgment may be imposed equal to the total value of the property subject to forfeiture.

**Substitute Assets**

Defendant **LORETTA ILOCHI** is notified that in the event that one or more conditions listed in Title 21, United States Code, Section 853(p) exists, the United States will seek to forfeit any other property of the Defendant up to the total value of the property subject to forfeiture.

RYAN K. PATRICK  
UNITED STATES ATTORNEY

ALLAN MEDINA  
CHIEF, HEALTH CARE FRAUD UNIT  
U.S. DEPARTMENT OF JUSTICE

/s/ Catherine Wagner  
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