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IN CLERKS OFFICE

UNITED STATES DISTRICT COURT  
DISTRICT OF MASSACHUSETTS

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U.S. DISTRICT COURT  
DISTRICT OF MASS.

UNITED STATES OF AMERICA

v.

(1) JESSICA JONES and  
(2) ELIZABETH PUTULIN,

Defendants

) Criminal No.  
)  
)

) Violation:  
)  
)

) Count One: Conspiracy  
) (18 U.S.C. § 1349)  
)

) Forfeiture Allegation:  
) (18 U.S.C. § 982(a)(7))  
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INFORMATION

At all times relevant to this Information:

General Allegations and Relevant Individuals

1. The defendants, Jessica Jones ("JONES"), Elizabeth Putulin ("PUTULIN"), Juan Camilo Perez Buitrago, a/k/a J.C. Perez, (hereinafter, "Perez"), and others known and unknown ran more than two dozen shell companies<sup>1</sup> that submitted and received payment for millions of dollars in false and fraudulent Medicare claims for durable medical equipment ("DME").

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<sup>1</sup> The companies included Alleviate Supply; Alpine Medical, Inc.; Altec Medical Supply Inc.; Armor Supply; Dermaclinical, Inc.; DermaTech, Inc.; Easy Health Braces, Inc.; E-Core Med, Inc.; Envision Bracing; Georgia Bracing Center, Inc.; Healthcare, Inc.; Integumentary Center, Inc.; Lumbar Store; Medtech, Inc.; Montana Med Supply; National Prescription Corp.; Optum Telemed, Inc.; Orthatech, Inc.; Orthofit Bracing, Inc.; Patella Medical, Inc.; Posture Store, Inc.; Prohealth Braces, Inc.; Skin Relief Supply, Inc.; Spinal Med, Inc.; Tequesta Bracing; The Brace Depot, Inc.; U.S. Mobility, Inc.; US Pharmacy Corp.; US Pharmacy, Inc.; Veltar Health Care Corp.; and Vermont Skin Specialist, Inc. (collectively, the "Shell Companies").

2. Perez was the corporate officer of ten Shell Companies, including US Pharmacy Corp., which was incorporated in Massachusetts on or about February 20, 2014, and listed a principal office at 210 Park Avenue, Suite 289, Worcester, Massachusetts 01609.

3. JONES was an employee who worked for Perez from in or about January 2014 through December 2016.

4. PUTULIN was an employee who worked for Perez from in or about November 2016 through August 2019.

#### Medicare Coverage of Durable Medical Equipment

5. The Medicare Program (“Medicare”) is a federally-funded health care program providing benefits to individuals who are sixty-five years of age or older, or disabled. 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. Medicare is a “health care benefit program” as defined in 18 U.S.C. § 24(b). Individuals who qualify for Medicare benefits are commonly referred to as Medicare “beneficiaries.”

6. Medicare is subdivided into multiple Parts. Medicare Part A covers health services provided by hospitals, skilled nursing facilities, hospices, and home health agencies. Medicare Part B covers physician services and outpatient care, including an individual’s access DME. Medicare Part C plans are Medicare health plans administered by private insurance companies (e.g., Aetna, Humana, and United Healthcare) that contract to provide Medicare beneficiaries the services provided by Medicare Part A and Part B plans, in addition to other benefits. CMS makes fixed, monthly payments to the private insurance companies that

administer Medicare Part C plans, and in turn, the private insurance companies pay for beneficiaries' eligible claims.

7. DME is equipment that: (1) can withstand repeated use; (2) is primarily and customarily used to serve a medical purpose; (3) generally is not useful to a person in the absence of an illness or injury; and (4) is appropriate for use in the home. DME includes: ankle, arm, back, knee, and shoulder braces; compression sleeves; and ultraviolet light therapy systems.

8. Medicare and private insurance companies administering Medicare Advantage plans reimburse DME providers for prescribed, medically-necessary DME. The doctor or practitioner prescribing the DME is often known as the "prescriber." Typically, the prescriber will examine the beneficiary and write a prescriber's order for DME, which is submitted to a DME provider. The DME provider delivers the DME to the beneficiary and submits a claim to the Medicare Advantage sponsor for reimbursement. The DME provider must maintain a copy of the prescriber's order in the Medicare beneficiary's file to support the insurance claim. To seek reimbursement from Medicare, a DME supplier must submit a claim containing, amongst other fields: (a) beneficiary's name; (b) beneficiary's address; (c) beneficiary's insurance I.D. number; (d) benefit item or service supplied to the beneficiary; (e) name of the prescriber; (f) prescriber's address; and (g) beneficiary's date of service.

### Overview of the Scheme to Defraud the Medicare Program

9. In the District of Massachusetts and elsewhere, JONES, PUTULIN, Perez, and others known and unknown conspired to and did defraud the Medicare program by submitting and receiving payments for false and fraudulent claims that were not prescribed to the beneficiary, not delivered to the Medicare beneficiary, or both. JONES worked with Perez and others known and unknown from approximately January 2014 through December 2016, and during that time, aided and abetted Perez in submitting \$25.6 million in false and fraudulent claims, and receiving more than \$8.7 million in payments. PUTULIN worked with Perez and others known and unknown from approximately November 2016 through December 31, 2018, and during that time, aided and abetted Perez in submitting \$82 million in false and fraudulent claims, and receiving more than \$22 million in payments.

### Object and Purpose of the Conspiracy

12. The object of the conspiracy was to commit health care fraud. The principal purpose of the scheme was to enrich Perez, JONES, PUTULIN, and others known and unknown by defrauding Medicare.

### Manner and Means of the Conspiracy and Scheme to Defraud

10. Among the manner and means by which JONES, PUTULIN, Perez, and others carried out the conspiracy and the scheme to defraud were the following:

- a. JONES, PUTULIN, Perez, and others incorporated or caused others to incorporate the Shell Companies in more than a dozen states, including Massachusetts.
- b. JONES, PUTULIN, Perez, and others opened and maintained, or caused others to open and maintain, P.O. Boxes at UPS Stores that: (a) served as the physical address of



the Shell Companies; and (b) were used to receive payments and correspondence related to the false and fraudulent Medicare claims.

c. JONES, PUTULIN, Perez, and others bought, or caused others to buy, patient referrals containing personal and medical data about Medicare beneficiaries from foreign and domestic call centers. JONES, PUTULIN, Perez, and others provided a script for call centers to use when contacting Medicare beneficiaries. The Medicare beneficiaries were often told that they would receive ankle, arm, back, knee, and/or shoulder braces "at little to no cost." The call centers collected the Medicare beneficiary's personal and medical data including: (a) beneficiary's name; (b) beneficiary's address; (c) beneficiary's insurance I.D. number; (d) name of beneficiary's doctor; and (e) beneficiary's doctor's address. The call centers did not ask Medicare beneficiaries if they had a prescriber's order or prescription for the DME. At Perez's direction, JONES and PUTULIN coordinated with foreign and domestic call centers, including paying the foreign and domestic call centers a fixed fee, for the Medicare beneficiaries' personal and medical data.

d. JONES, PUTULIN, and others verified the patient referrals purchased from foreign and domestic call centers by listening to recordings provided by call centers and using a medical clearinghouse called MVP to check the beneficiaries' insurance status.

e. JONES, PUTULIN, and others prepared spreadsheets for Perez containing patients' verified personal and medical data, which Perez then used to submit false and fraudulent claims. Perez submitted false information about the referring prescribers. Perez also re-used beneficiary data, submitting multiple claims for many beneficiaries, often using different

Shell Companies. Perez, for example, submitted more than 1,000 Medicare claims for beneficiaries who died before the date of service listed on their claims.

f. JONES, Perez, and others tried to procure prescriber's orders for some DME claims submitted to insurance companies by working with an individual referred to hereinafter as Person 1. Person 1 obtained signed prescriber's orders for some beneficiaries, but many other providers refused to sign prescriber's orders for the claimed DME. JONES, PUTULIN, Perez, and others did not wait for a signed prescriber's order before submitting a DME claim to a beneficiary's insurance company. In fact, the vast majority of the claims submitted by Perez were not supported by a prescriber's order or prescriptions.

g. JONES and others received and tracked payments from insurance companies for DME claims. JONES and others ordered DME for some, but not all, beneficiaries whose insurance companies paid the Shell Companies. JONES and others did not order DME for beneficiaries whose insurance companies denied the claim.

h. JONES, PUTULIN, and others received and reviewed correspondence from insurance companies, including requests for beneficiaries' prescriber's orders and medical records. In response to insurance companies' requests, JONES, PUTULIN, and others provided screenshots from the Shell Companies' internal database, but could not provide the requested prescriber's orders or medical records for the DME claims. On Perez's directions, PUTULIN shredded many of these letters from insurance companies.

i. JONES, PUTULIN, and others answered regular calls from Medicare beneficiaries who received DME that they did not request and did not want.

Acts in Furtherance of the Conspiracy and Scheme to Defraud

11. In furtherance of the conspiracy and to accomplish its objectives, JONES, PUTULIN, and their co-conspirators committed the following acts in the District of Massachusetts and elsewhere:

a. On or about June 16, 2014, JONES signed up for an account with UnitedHealthcareOnline.com that allowed JONES and her co-conspirators to check claim status, submit claims, and receive electronic payments.

b. On or about August 24, 2014, JONES suggested that Perez remove Person 1's access to the Shell Companies' internal database to prevent Person 1 from seeing that some beneficiaries were receiving DME even though their prescriber had not signed prescriber orders.

Also, [Person 1] can see when braces are shipped, I think we should ask [the database administrator] to take that off of what [Person 1] can see [in the database] bc [Person 1] mentioned it in an email about a brace being shipped but no [prescriber order].

c. On or about March 9, 2015, JONES received an email from Person 1 attaching signed prescriber's orders for two beneficiaries. Person 1 reported that the prescribers for eight other beneficiaries refused to sign the requested prescriber's orders, some writing back, "NO PT DON'T WANT," "NO DO NOT FILL OR GIVE TO PATIENT," and "[This doctor] does not prescribe these." Another prescriber verbally stated to Person 1 that the patient "passed away a few weeks ago." JONES sent the signed and unsigned prescriber's orders to Perez, who submitted multiple claims for the denied beneficiaries, including the deceased beneficiary.

d. On or about August 19, 2016, JONES sent detailed instructions to a new call center describing the types of patient referrals she and her co-conspirators wanted, as well as instructions for submitting patient referrals and invoices for payment.



e. On or about October 26, 2016, JONES wrote to Perez about correspondence received from United Healthcare about two DME claims submitted by the Shell Companies.

I have two audits for [UnitedHealthcare for] two different patients but to be sent to the same [UnitedHealthcare representative]. One patient we shipped and the other we didn't... typically I don't send [patient] profile shots [from the Shell Companies' internal database] if we don't ship the brace but since I have to send the one bc we did ship should I also sent the one that we didn't ship? Otherwise it could look weird that we sent notes for one and not other?

Perez ordered JONES to only respond to the audit for the beneficiary to whom they shipped a brace.

f. On or about November 7, 2016, shortly after PUTULIN began working for Perez, PUTULIN received instructions about how to answer calls from Medicare beneficiaries who received braces that they did not request and did not want. PUTULIN was provided the following directions:

General Inbound Script for Patients:

Good afternoon thank you for calling (Alpine/Brace Depot/Georgia Bracing), this is (FAKE NAME) How may I help you?

[Patient]: I received a brace I didn't order/I want to return a brace etc...  
I'm so sorry, let me check your file to see what exactly went wrong-may I have your home phone number and full name? ... It looks like you received a call on the (date), do you remember to speaking with any agents?

[Patient]: Yes and I told them I didn't want it/ No, no one called me/ I get a million [of] these calls

Again I apologize for the inconvenience, I can do a couple things for you today. First I'm going to schedule a Fedex pick up for the brace. Please make sure the brace IS back inside the box, and the box is tapped [sic] well. Fedex will provide postage, and return label. They will arrive within 3 business days. I will also be adding your number to the [Do Not Call] list so no other agents can contact you.



g. On or about March 22, 2017, PUTULIN warned call centers that worked with Perez not to call Medicare beneficiaries using a phone number that had been flagged as fraudulent:

Hi everyone,

To any of the call centers using this number- please DISCONTINUE using the outbound phone number (214) 269-8783. The phone number has been reported and flagged as a fraudulent.  
Please pass this along to all call center agents ASAP.  
Thank you!

h. On or about January 23, 2018, PUTULIN sent Perez a spreadsheet containing the personal and medical data for approximately 50 Medicare beneficiaries. On or about January 23, 2018, Perez submitted DME claims for the Medicare beneficiaries listed in the spreadsheet provided by PUTULIN earlier that day, including multiple claims for the exact same types of DME, despite not having any physician prescriptions for those beneficiaries.

i. On or about May 23, 2018, PUTULIN notified Perez of a complaint from a Medicare beneficiary who was billed multiple times for the same DME. She wrote:

Patient's daughter called from Police Station as she was filing a police report for fraud. Says her mother received a back brace last year (which they did not call in for until now) and another brace last week. I informed her that we had a recording for the brace her mother received last year, but she still had many questions as to WHY it was billed again this year. Told her we'll have this reversed ASAP, put her on DNC, and that we'll be mailing out a refund check.

COUNT ONE  
Conspiracy  
(18 U.S.C. § 1349)

The United States Attorney alleges:

12. The United States Attorney re-alleges and incorporates by reference paragraphs 1-11 of this Information.

13. Between in or about January 2014 and December 2016, in the District of Massachusetts, and elsewhere, the defendant,

(1) JESSICA JONES,

conspired with others known and unknown to commit health care fraud, that is, to knowingly and willfully execute, and attempt to execute, a scheme and artifice to defraud a health care benefit program and to obtain the money or property owned by, or under the custody or control of, a health care benefit program by means of false or fraudulent pretenses, representations, and promises, in violation of Title 18, United States Code, Section 1347.

All in violation of Title 18, United States Code, Section 1349.

COUNT TWO  
Conspiracy  
(18 U.S.C. § 1349)

The United States Attorney further alleges:

14. The United States Attorney re-alleges and incorporates by reference paragraphs 1-11 of this Information.

15. Between in or about November 2016 and December 31, 2018, in the District of Massachusetts, and elsewhere, the defendant,

(2) ELIZABETH PUTULIN,

conspired with others known and unknown to commit health care fraud, that is, to knowingly and willfully execute, and attempt to execute, a scheme and artifice to defraud a health care benefit program and to obtain the money or property owned by, or under the custody or control of, a health care benefit program by means of false or fraudulent pretenses, representations, and promises, in violation of Title 18, United States Code, Section 1347.

All in violation of Title 18, United States Code, Section 1349.

FORFEITURE ALLEGATION  
(18 U.S.C. § 982(a)(7))

16. Upon conviction of one or more of the offenses in violation of Title 18, United States Code, Section 1349, set forth in Counts 1 and 2 of this Information, the defendants,

(1) JESSICA JONES, and  
(2) ELIZABETH PUTULIN

shall forfeit to the United States, pursuant to Title 18, United States Code, Section 982(a)(7), any property, real or personal, which constitutes or is derived, directly or indirectly, from gross proceeds traceable to the offenses.

17. If any of the property described in Paragraph 16, above, as being forfeitable pursuant to Title 18, United States Code, Section 982(a)(7), as a result of any act or omission of the defendants --

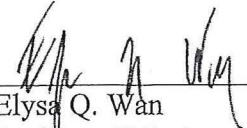
- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the Court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be divided without difficulty;

it is the intention of the United States, pursuant to Title 18, United States Code, Section 982(b), incorporating Title 21, United States Code, Section 853(p), to seek forfeiture of any other property of the defendants up to the value of the property described in Paragraph 16 above.

All pursuant to Title 18, United States Code, Section 982(a)(7).



ANDREW E. LELLING  
UNITED STATES ATTORNEY

By:   
Elysa Q. Wan  
Assistant U.S. Attorney

Date: September 29, 2020