

**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF GEORGIA  
SAVANNAH DIVISION**

<b>UNITED STATES OF AMERICA</b>	)	
	)	
	)	<b>INFORMATION NO.</b> 4:20cr-028
v.	)	
	)	<b>18 U.S.C. § 371</b>
	)	<b>Conspiracy</b>
<b>SCOTT M. HIRSCH</b>	)	

**THE UNITED STATES ATTORNEY CHARGES THAT:**

Introduction

At all times material to this Information:

1. Beginning no earlier than June 2018 and continuing through February 2020, Scott M. Hirsch, together with known and unknown co-conspirators, in the Southern District of Georgia and elsewhere, conspired to engage in an international fraud and kickback scheme targeted at the Medicare program that led to over \$6 million in fraudulent claims being submitted by JI Medical, Inc., a company under Hirsch’s control, for orthotic braces and ultraviolet wands.

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 June 2018, the exact date being unknown, and continuing thereafter until at least in or about February 2020, within the Southern District of Georgia and elsewhere, Hirsch 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 knowingly and willfully offering or paying any remuneration (including any kickback, bribe, or rebate) directly or indirectly, overtly or covertly, in cash or in kind to any person to induce such person to refer an individual to a person for the furnishing or arranging for the furnishing of any item or service for which payment may be made in whole or in part under a Federal health care program, all in violation of Title 42, United States Code, Section 1320a–7b(b).

Purpose of the Conspiracy

8. It was the purpose of the conspiracy for Hirsch 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 June 2018, the exact date being unknown, and continuing thereafter until at least in or about February 2020, Hirsch and others were part of a nationwide “telemedicine” scheme:

- a. During the relevant time period, Hirsch, with others, owned and operated companies located in Texas and elsewhere that were a part of a nationwide “telemedicine” scheme.
  - b. Individuals known and unknown to Hirsch developed a scheme that targeted the Medicare program to obtain millions of dollars in reimbursement for orthotics, ultraviolet wands, and other items.
  - c. Individuals known and unknown to Hirsch, and with no involvement by Hirsch, obtained the identities and insurance information of Medicare and other elderly patients through a series of call centers.
  - d. Individuals known and unknown to Hirsch sought to sell this information to durable medical equipment companies, located within numerous districts across the country.
  - e. Hirsch, together with individuals known and unknown to him who were located in numerous districts across the country, sought to purchase orders so that he could ultimately bill Medicare and other payors for items ordered in the prescriptions and orders.
10. For his role in the scheme, Hirsch, together with individuals known and unknown to him who were located in numerous districts across the country, solicited physicians to write orders for orthotics, ultraviolet wands, and other items so that the items could be billed to Medicare and other Federal health care programs, in exchange for a payment to these physicians.

11. Hirsch and his co-conspirators knew that physicians owed a fiduciary duty to any patient they “treated,” even through a “telemedicine” arrangement, and knew that it was illegal to offer or pay any remuneration in exchange for orders that could be paid for by a Federal health care program.

12. Individuals known and unknown to Hirsch knowingly and willfully offered or paid remuneration to physicians in return for arranging for the furnishing of any item or service for which payment may be made under a Federal health care program, including arranging for the furnishing of ultraviolet wands for patients M.P. and D.H., who were Medicare beneficiaries and residents of the Southern District of Georgia, whose orders for ultraviolet wands Hirsch purchased in or around October 2018.

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

14. As part of this scheme and with the purpose of carrying out or accomplishing an object of the conspiracy, Hirsch directly or indirectly unlawfully and willfully purchased patient information and orders for such patients, unlawfully obtained from the physician, using a company in California.

Overt Acts

15. Individuals known and unknown to Hirsch knowingly and willfully offered or paid remuneration to physicians in return for arranging for the furnishing of any item or service for which payment may be made under a Federal health care program, including arranging for the furnishing of ultraviolet wands for patients M.P. and D.H., who were Medicare beneficiaries and residents of the Southern District of Georgia, whose orders for ultraviolet wands Hirsch purchased in or around October 2018.

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


17. As part of this scheme and with the purpose of carrying out or accomplishing an object of the conspiracy, Hirsch directly or indirectly unlawfully and willfully purchased patient information and orders for such patients, unlawfully obtained from the physician, using a company in California.

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

*(signatures on following page)*

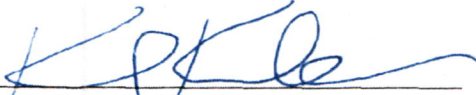


Bobby L. Christine  
United States Attorney

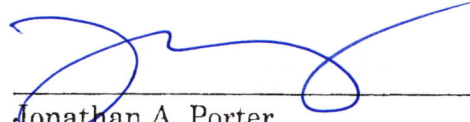


J. Thomas Clarkson  
Assistant United States Attorney  
\*Lead Counsel

with  
express  
permission  
JAP



Karl Knoche  
Assistant United States Attorney  
Chief, Criminal Division



Jonathan A. Porter  
Assistant United States Attorney  
\*Co-lead Counsel