

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA	:	Hon. Madeline Cox Arleo
	:	
v.	:	Crim. No. 23-512(MCA)
	:	
DEVON BURT	:	Count 1:
	:	18 U.S.C. § 1349 (Conspiracy to
	:	Commit Health Care Fraud)
	:	
	:	Count 2:
	:	18 U.S.C. § 371 (Conspiracy to
	:	Commit Extortion)

INFORMATION

The defendant having waived in open court prosecution by Indictment, the United States Attorney for the District of New Jersey charges:

COUNT 1
(Conspiracy to Commit Health Care Fraud)

1. Unless otherwise indicated, at all times relevant to this Information:

Background

a. Defendant DEVON BURT was a resident of Pennsylvania and an employee of the National Railroad Passenger Corporation (“Amtrak”).

b. Amtrak was a passenger railroad service that operated a nationwide rail network.

c. Amtrak provided its employees with health insurance (the “Amtrak health care plan”), which insured participating Amtrak employees who paid premiums through monthly payroll deductions. Amtrak’s health care plan was a “health care benefit program,” as defined by 18 U.S.C. § 24(b).

d. The Amtrak health care plan reimbursed providers of medical services, including physicians and medical clinics that treated Amtrak health care plan participants.

e. The Amtrak health care plan required providers to submit claim forms to receive reimbursement for medical services provided to Amtrak health care plan participants. Among other information, providers were required to include in the claim forms: (1) the Amtrak health care plan participant's name and ID number; (2) the type of service provided; (3) the date the service was provided; (4) the charge for the service; (5) the diagnosis; and (6) the provider's name and/or identification number.

f. The Amtrak health care plan paid only medically necessary claims for patients covered under the health care plan. To encourage patients to receive cost-effective and medically necessary treatments, the Amtrak health care plan required participants to pay co-insurance, co-payments, and deductibles.

g. Punson Figueroa, a co-conspirator not charged in this Information, was an acupuncturist residing in New York.

The Conspiracy

2. From in or around 2019 through in or around June 2022, in the District of New Jersey, and elsewhere, defendant

DEVON BURT

did knowingly and intentionally conspire and agree with Figueroa and others to execute a scheme and artifice to defraud the National Railroad Passenger Corporation (Amtrak) Healthcare Plan, a health care benefit program as defined under Title 18, United States Code, Section 24(b), and to obtain, by means of false

and fraudulent pretenses, representations, and promises, money and property owned by, and under the custody and control of said health care benefit program, in connection with the delivery of and payment for health care benefits, items, and services, contrary to Title 18, United States Code, Section 1347.

Goal of the Conspiracy

3. The goal of the conspiracy was for Defendant BURT and his co-conspirators to profit by submitting false and fraudulent claims to the Amtrak health care plan for services that were either not provided or medically unnecessary.

Manner and Means of the Conspiracy

4. It was part of the conspiracy that:

a. Defendant BURT and others agreed to engage in a scheme to bill the Amtrak health care plan for false and fraudulent claims for services that either were not provided or were medically unnecessary.

b. BURT, Figueroa, and others recruited Amtrak employees who were Amtrak health care plan participants to the scheme and bribed them to participate. Figueroa also paid kickbacks to Amtrak employees for recruiting additional Amtrak health care plan participants to participate in the scheme.

c. Defendant BURT agreed with Figueroa and others to permit BURT's personal and insurance information, and the personal and insurance information of his family members, to be used for false and fraudulent billing to the Amtrak health care plan for services that BURT and his co-conspirators knew were not going to be provided.

d. In return for allowing this personal and insurance information to be used for false and fraudulent billing, defendant BURT received cash payments from Figueroa and others.

e. Defendant BURT received additional cash payments from Figueroa and others in return for recruiting other Amtrak employees to participate in the scheme.

f. As a result of the false and fraudulent claims that BURT caused to be submitted to the Amtrak health care plan on behalf of himself, his family members, and others he recruited to participate in the scheme, Amtrak paid reimbursements of at least approximately \$959,072 to Figueroa and other co-conspirators. BURT then personally received at least approximately \$181,128.88 from Figueroa and other co-conspirators in return for his participation in the scheme.

In violation of Title 18, United States Code, Section 1349.

COUNT 2
(Conspiracy to Commit Extortion)

5. The allegations contained in Paragraphs 1, 3, and 4 are realleged here. Unless otherwise indicated, at all times relevant to this Information:

Background

6. Provider-1 was a resident of Florida and a provider of medical services. Provider-1 was a co-conspirator not named in this Information.

7. Hallum Gelzer was a resident of New Jersey and was a co-conspirator not named in this Information.

The Conspiracy

8. From in or around April 2022 to in or around June 2022, in the District of New Jersey and elsewhere, the defendant

DEVON BURT

knowingly and intentionally agreed with Gelzer and others, known and unknown, to commit an offense against the United States, namely, with intent to extort money from Provider-1, to transmit in interstate and foreign commerce any communication, namely telephone calls and text messages from BURT and Gelzer in New Jersey and Pennsylvania to Provider-1 in Florida, such communications containing threats to injure Provider-1, contrary to Title 18, United States Code, Section 875(b).

Manner and Means of the Conspiracy

9. It was part of the conspiracy that:

a. Provider-1, BURT, and Gelzer were participants in a scheme to defraud insurance providers, including the Amtrak health care plan, by submitting and causing to be submitted false and fraudulent claims for services that were not provided or were medically unnecessary.

b. Provider-1, BURT, and Gelzer recruited patients with health insurance, including Amtrak employees, to participate in the scheme. In return for the patients allowing their personal and insurance information to be used for fraudulent billing, Provider-1 paid them a portion of the reimbursements Provider-1 and others received from the insurance companies.

c. BURT and Gelzer recruited patients to the scheme and facilitated payments to patients. Provider-1 paid Burt and Gelzer bribes and kickbacks in return for recruiting and referring patients for participation in the scheme.

d. BURT and Gelzer believed that Provider-1 had received reimbursement payments from health insurance companies and owed BURT and Gelzer part of the money in return for their participation in the scheme.

e. BURT and Gelzer agreed to intimidate and threaten Provider-1 to induce Provider-1 to pay Gelzer several thousand dollars.

f. BURT and Gelzer agreed that Gelzer would contact Provider-1 by telephone and claim that a patient was demanding that Provider-1 pay the patient several thousand dollars in return for the patient's participation in the scheme.

g. BURT and Gelzer agreed that BURT would pose as the patient in telephone calls to Provider-1.

h. BURT and Gelzer threatened Provider-1 in telephone calls and text messages that Provider-1 would be injured if Provider-1 did not pay the money to Gelzer.

Overt Acts

10. In furtherance of the conspiracy and to achieve its illegal objectives, BURT and others committed, and caused to be committed, the following overt acts in the District of New Jersey and elsewhere:

a. On or about May 27, 2022, Gelzer, who at that time was in New Jersey, contacted Provider-1 in Florida by telephone and told him that a patient was upset because Provider-1 owed the patient money and Provider-1 was living in a "million dollar home." Gelzer said that the patient was connected to people that would "come and see you asap" if Provider-1 did not pay the money and that the patient was "not playing." Gelzer told Provider-1 that the patient had come to see

Gelzer in East Orange, New Jersey and that the patient had displayed a gun in his pants.

b. Later, on or about May 27, 2022, Gelzer initiated a three-way call between Provider-1 in Florida, Gelzer in New Jersey, and BURT in Pennsylvania. Posing as the patient, BURT claimed that Provider-1 had treated him and his family members at Provider-1's Jersey City, New Jersey office. BURT, continuing to pose as the patient, then threatened to come to Provider-1's home address, stating what BURT believed to be Provider-1's address by house number, street, city, and state. BURT said to Provider-1, "I know where you're at, you can't run, so hand my fucking money, I'm connected, so hand my money." BURT also said to Provider-1: "[W]hatever your life means to you, if your life ain't worth \$5,100, all right then, we can discontinue this conversation." BURT told Provider-1 that if Gelzer did not get the money from Provider-1, "I'll send somebody to your house."

c. Gelzer, who at the times listed below was in New Jersey, sent Provider-1, then in Florida, the following text messages on the following dates and times:

Approx. Date	Approx. Time	Message
5/31/22	6:05:01 PM	Hey do me a favor get this dude his money pls been calling me allday [sic] threatening to something its getting annoying now
5/31/22	6:05:36 PM	He want 2000 upfront the rest in payments every week
5/31/22	6:06:53 PM	Be smart with this cat he really do walk around with heat
6/6/22	8:44:53 PM	Hey wassup this dude just hit me up saying send something asap if u think its a game he will show u he's not a game

In violation of Title 18, United States Code, Section 371.

FORFEITURE ALLEGATIONS

1. The allegations contained in this Information are realleged here for the purpose of alleging forfeiture, pursuant to 18 U.S.C. § 982(a)(7).


2. Upon conviction of the conspiracy offense alleged in Count 1 of this Information, defendant BURT shall forfeit to the United States pursuant to 18 U.S.C. § 982(a)(7), all of his right, title, and interest in all property BURT obtained that constitutes or is derived, directly or indirectly, from gross proceeds traceable to the violation of 18 U.S.C. § 1349 charged in Count 1 of this Information, which is a Federal health care offense, including, but not limited to, a sum of money equal to \$181,128.88.

SUBSTITUTE ASSETS PROVISION **(Applicable to All Forfeiture Allegations)**

3. If any of the above-described forfeitable property, as a result of any act or omission of the defendant:

- (a) cannot be located upon the exercise of due diligence;
- (b) has been transferred or sold to, or deposited with, a third person;
- (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 subdivided without difficulty;

the United States shall be entitled to forfeiture of substitute property, pursuant to 21 U.S.C. § 853(p), as incorporated by 18 U.S.C. § 982(b).


PHILIP R. SELLINGER
United States Attorney

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UNITED STATES OF AMERICA

v.

DEVON BURT

INFORMATION FOR

18 U.S.C. § 1349

18 U.S.C. § 371

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