

DG/TD:MGD
F. #2021R00969

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK
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UNITED STATES OF AMERICA

INFORMATION

- against -

LYN BALLENER,

Defendant.

Cr. No. 21-600 (AMD)
(T. 18, U.S.C., §§ 982(a)(7),
982(b)(1), 1349 and 3551 et seq.;
T. 21, U.S.C., § 853(p))

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THE UNITED STATES CHARGES:

INTRODUCTION

At all times relevant to this Information, unless otherwise indicated:

I. Background

A. The New York State No-Fault Automobile Insurance Program

1. Since 1974, New York State has maintained a “no-fault” liability automobile insurance coverage program (“No-Fault Insurance”) for automobile drivers insured within the state.

2. New York’s No-Fault Insurance law required automobile insurance companies (the “No-Fault Insurers”) to automatically pay automobile insurance claims for certain types of motor vehicle accidents, provided the claims were legitimate and below a particular injury or damages threshold. This process was intended to resolve automobile claims without apportioning blame or fault for the accident, thereby avoiding the costs associated with

an extended investigation of the accident or protracted litigation between the parties and their insurance companies.

3. Under New York's Comprehensive Motor Vehicle Insurance Reparations Act and the regulations promulgated thereto, all automobile insurers operating in the State of New York were required to provide No-Fault Insurance benefits to insured drivers. No-Fault Insurance benefits included up to \$50,000 per insured for necessary expenses that were incurred for health care items and services, including medical services.

4. The New York State No-Fault Insurance Program qualified as a "health care benefit program," as defined by Title 18, United States Code, Section 24(b).

B. The Defendant and Relevant Entity

5. The defendant LYN BALLENER was a physical therapist who was licensed by the State of New York.

6. Go Flex Rehab Physical Therapy, P.C. ("Go Flex") was a professional corporation owned by the defendant LYN BALLENER. Go Flex purported to provide medical services, including diagnostic testing, to individuals within the Eastern District of New York.

II. The Fraudulent Scheme

7. In or about and between December 2019 and August 2021, the defendant LYN BALLENER, together with others, agreed to execute and executed a fraudulent scheme in which claims were submitted and caused to be submitted to various No-Fault Insurers for diagnostic testing, even though such services were not medically necessary, not provided as billed, were procured by kickbacks and otherwise did not qualify for reimbursement.

8. In particular, the defendant LYN BALLENER, together with others, agreed to submit, and cause the submission of, false and fraudulent claims to No-Fault Insurers

reflecting that diagnostic testing had been provided to No-Fault Insurance beneficiaries, when in fact the testing had not been conducted by BALLENER. Specifically, the claims falsely and fraudulently represented that the diagnostic testing had been provided by BALLENER on behalf of Go Flex when, in fact, BALLENER had not evaluated or even met the No-Fault Insurance beneficiaries on whose behalf such claims were submitted.

9. In furtherance of the scheme, the defendant LYN BALLENER, together with others, falsified various records pertaining to the provision of medical services, including but not limited to patient medical records, and caused such records to be falsified, to reflect, among other things, that medical services had been and would be provided by BALLENER or under her supervision, when in fact no such services were provided by her or supervised by her.

CONSPIRACY TO COMMIT HEALTH CARE FRAUD

10. The allegations contained in paragraphs one through nine are realleged and incorporated as if fully set forth in this paragraph.

11. In or about and between December 2019 and August 2021, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendant LYN BALLENER, together with others, did knowingly and willfully conspire to execute a scheme and artifice to defraud No-Fault Insurers providing benefits as part of the New York State No-Fault Insurance Program, a health care benefit program, as that term is defined under Title 18, United States Code, Section 24(b), and to obtain, by means of one or more materially false and fraudulent pretenses, representations and promises, money and property owned by, and under the custody and control of, such No-Fault Insurers, in connection with the

delivery of and payment for health care benefits, items and services, contrary to Title 18, United States Code, Section 1347.

(Title 18, United States Code, Sections 1349 and 3551 et seq.)

CRIMINAL FORFEITURE ALLEGATION

12. The United States hereby gives notice to the defendant that, upon her conviction of the offense charged herein, the government will seek forfeiture in accordance with Title 18, United States Code, Section 982(a)(7), which requires any person convicted of a federal health care offense to forfeit property, real or personal, that constitutes, or is derived directly or indirectly from, gross proceeds traceable to the commission of such offense.

13. 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 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 intent of the United States, pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982(b)(1), to seek forfeiture of any

other property of the defendant up to the value of the forfeitable property described in this forfeiture allegation.

(Title 18, United States Code, Sections 982(a)(7) and 982(b)(1); Title 21, United States Code, Section 853(p))



BREON PEACE
UNITED STATES ATTORNEY
EASTERN DISTRICT OF NEW YORK

/s Joseph S. Beemsterboer/mgd

JOSEPH S. BEEMSTERBOER
ACTING CHIEF, FRAUD SECTION
CRIMINAL DIVISION
U.S. DEPARTMENT OF JUSTICE