

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
25-CR-20290-RUIZ/LOUIS
Case No. _____

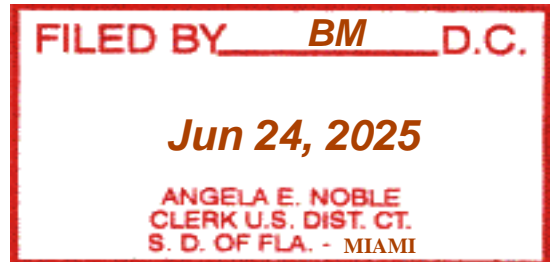
18 U.S.C. § 371
18 U.S.C. § 982(a)(7)

UNITED STATES OF AMERICA

vs.

LAZARO DELGADO,

Defendant.



INFORMATION

The United States Attorney charges that:

GENERAL ALLEGATIONS

At all times relevant to this Indictment:

The Medicare Program

1. The Medicare Program (“Medicare”) was a federal health care program that provided free or below-cost health care benefits to individuals who were sixty-five years of age or older or disabled. The benefits available under Medicare were governed by federal statutes and regulations. The United States Department of Health and Human Services (“HHS”), through its agency the Center for Medicare and Medicaid Services (“CMS”), oversaw and administered Medicare. Individuals who received benefits under Medicare were commonly referred to as Medicare “beneficiaries.”

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

3. Medicare was subdivided into multiple program “parts.” Medicare Part A covered

health care services provided by hospitals, skilled nursing facilities, hospices, and home health agencies. Medicare Part B covered physician services and outpatient care, including an individual's access to durable medical equipment ("DME").

The Medicaid Program

4. The Florida Medicaid Program ("Medicaid") was a partnership between the State of Florida and the federal government that provided health care benefits to certain low-income individuals and families in Florida. The benefits available under Medicaid were governed by federal and state statutes and regulations. Medicaid was administered by CMS and the State of Florida's Agency for Health Care Administration ("AHCA"). Individuals who received benefits under Medicaid were commonly referred to as Medicaid "recipients."

5. Medicaid reimbursed DME companies and other health care providers for items and services rendered to recipients, including DME. To receive payment from Medicaid, providers submitted or caused the submission of claims to Medicaid, either directly or through a Medicaid Managed Care Organization ("MCO").

6. Medicare beneficiaries who were dual-enrolled Medicaid recipients were referred to as "dual-eligible beneficiaries." To receive payment for dual eligible beneficiaries, providers submitted or caused the submission of claims to Medicare and Medicaid, either directly or through a billing company or MCO. Medicare would reimburse the primary cost (80%) and Medicaid would cover the secondary cost (20%) for dual-eligible beneficiaries.

7. Medicaid was funded with both federal and state money, and was a "health care benefit program," as defined by Title 18, United States Code, Section 24(b).

Durable Medical Equipment

8. DME was equipment designed for everyday or extended use and for a medical purpose. Orthotic devices were a type of DME that included rigid and semi-rigid devices, such as knee braces, back braces, shoulder braces, ankle braces, and wrist braces.

9. DME suppliers, physicians, and other health care providers that provided services to beneficiaries were referred to as Medicare “providers.”

10. Medicare reimbursed DME companies and other health care providers for items and services rendered to beneficiaries. To receive payment, providers submitted or caused the submission of claims, either directly or through a billing company.

11. A claim for DME reimbursement was required to set forth, among other things, the beneficiary’s name and unique identification number, the equipment provided to the beneficiary, the date the equipment was provided, the cost of the equipment, and the name and unique physician identification number of the physician who prescribed or ordered the equipment.

12. A claim for DME qualified for reimbursement only if it was medically necessary for the treatment of the beneficiary’s illness or injury, prescribed by a licensed physician, and actually provided to the beneficiary as billed.

13. A “bust out DME fraud” involved a DME company engaged in a fraudulent scheme whereby the participants coordinated the purchase of a health care business through which to conduct the fraud. The scheme operated by using the insurance information for beneficiaries and the National Provider Identifier (“NPI”) for one or more physicians without their knowledge or consent to bill for services that were not medically necessary and/or never provided. The organizers then executed the fraud rapidly in order to maximize billing before the fraud was detected and Medicare, Medicaid, and/or another health insurer shut the billing down.

The Defendant, Related Entities, and Other Persons

14. Bank 1 was a financial institution based in Charlotte, North Carolina.

15. Bank 2 was a financial institution based in Birmingham, Alabama.

16. Hucel Custom Med Inc. (“Hucel”) was a Florida corporation located at 12150 Southwest 128th Court, Suite 211, Miami, Florida, that purportedly provided DME to Medicare beneficiaries and Medicaid recipients.

17. Union Century Group Inc. (“Union”) was a Florida corporation located at 1581 West 49th Street, Suite 278, Hialeah, Florida, which was a shell company that existed only to receive Medicare and Medicaid funds from Hucel.

18. Hucel held bank accounts at Bank 1 ending in 4847 and in 0604, and Union held a bank account at Bank 2 ending in 2936 (collectively, the “Hucel Bank Accounts”).

19. Felix Jesus Romero Gonzalez was a resident of Miami-Dade County, Florida, the listed owner of Hucel and Union, and the sole signatory on the Hucel Bank Accounts.

20. Defendant **LAZARO DELGADO** was a resident of Miami-Dade County, Florida.

Conspiracy to Commit Health Care Fraud
(18 U.S.C. § 371)

21. From in or around January 2022, continuing through in or around July 2022, in Miami-Dade County, in the Southern District of Florida, and elsewhere, the defendant,

LAZARO DELGADO,

did knowingly and willfully, that is, with the intent to further the object of the conspiracy, combine, conspire, confederate, and agree with Felix Jesus Romero Gonzalez and others known and unknown to the United States Attorney to commit an offense against the United States, that is, to knowingly and willfully execute a scheme and artifice to defraud a health care benefit program affecting commerce, as defined in Title 18, United States Code, Section 24(b), that is, Medicare

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

PURPOSE OF THE CONSPIRACY

22. It was the purpose of the conspiracy for the defendant and his co-conspirators to unlawfully enrich themselves by, among other things: (a) submitting and causing the submission of false and fraudulent claims to health care benefit programs; (b) concealing the submission of false and fraudulent claims to health care benefit programs; (c) concealing the receipt of the fraud proceeds; and (d) diverting the fraud proceeds for their personal use and benefit, the use and benefit of others, and to further the conspiracy.

MANNER AND MEANS OF THE CONSPIRACY

The manner and means by which the defendant and his co-conspirators sought to accomplish the object and purpose of the conspiracy included, among others, the following:

23. **LAZARO DELGADO** and his co-conspirators installed Felix Jesus Romero Gonzalez as the nominee owner of Hucel to conceal the true owners' identities.

24. **LAZARO DELGADO** acted as the intermediary between Felix Jesus Romero Gonzalez and the true owners of Hucel.

25. The true owners of Hucel and other co-conspirators used the company to commit a bust out DME fraud. They submitted and caused the submission of false and fraudulent claims to Medicare and Medicaid on behalf of Hucel in the approximate amount of \$9 million for DME that was medically unnecessary and not provided to beneficiaries and recipients as represented.

26. As a result of such false and fraudulent claims, Medicare and Medicaid paid approximately \$1.8 million to Hucel through its corporate bank accounts. Thereafter, some of the

fraud proceeds were transferred to other Hucel Bank Accounts.

27. **LAZARO DELGADO**, Felix Jesus Romero Gonzalez, and their co-conspirators used the proceeds of the fraud for their personal use and benefit, the use and benefit of others, and to further the fraud.

OVERT ACTS

In furtherance of the conspiracy, and to accomplish its object and purpose, at least one co-conspirator committed and caused to be committed, in the Southern District of Florida, at least one of the following overt acts, among others:

1. On or about February 24, 2022, Felix Jesus Romero Gonzalez opened Hucel's corporate bank account at Bank 1 ending in 4847.
2. On or about May 16, 2022, **LAZARO DELGADO** used approximately \$2,000 of fraud proceeds to make a personal purchase using debit card ending in 7728 linked to one of the Hucel Bank Accounts (*i.e.*, the Union Bank 2 account ending in 2936).
3. On or about July 20, 2022, **LAZARO DELGADO** had a phone call on behalf of other co-conspirators with Felix Jesus Romero Gonzalez regarding Romero Gonzalez's withdrawal of funds from one of the Hucel Bank Accounts.

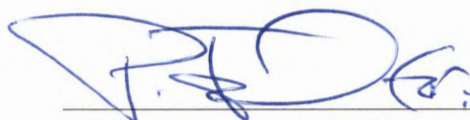
All in violation of Title 18, United States Code, Section 371.

FORFEITURE ALLEGATIONS

1. The allegations contained in this Information are re-alleged and by this reference fully incorporated herein for the purpose of alleging forfeiture to the United States of America of certain property in which the defendant, **LAZARO DELGADO**, has an interest.

2. Upon conviction of Title 18, United States Code, Section 371, as alleged in this Information, the defendant shall forfeit to the United States, any property, real or personal, that constitutes or is derived, directly or indirectly, from gross proceeds traceable to the commission of the offense, pursuant to Title 18, United States Code, Section 982(a)(7).

All pursuant to Title 18, United States Code, Section 982(a)(7) and the procedures set forth in Title 21, United States Code, Section 853, as incorporated by Title 18, United States Code, Section 982(b)(1).

A handwritten signature in blue ink, appearing to read "H. P. O'Byrne", is written over a horizontal line.

HAYDEN P. O'BYRNE
UNITED STATES ATTORNEY

A handwritten signature in blue ink, appearing to read "Eduardo Gardea, Jr.", is written over a horizontal line.

EDUARDO GARDEA, JR.
ASSISTANT UNITED STATES ATTORNEY