

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF FLORIDA  
**25-CR-20287-GAYLES/GOODMAN**

Case No. \_\_\_\_\_

18 U.S.C. § 1956(h)

18 U.S.C. § 982(a)(1)

UNITED STATES OF AMERICA

vs.

ISMARAY ALVAREZ LARZABAL,

Defendant.

\_\_\_\_\_ /

FILED BY BM D.C.

**Jun 18, 2025**

ANGELA E. NOBLE  
CLERK U.S. DIST. CT.  
S. D. OF FLA. - MIAMI

**INDICTMENT**

The Grand Jury 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 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. 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**

7. DME was equipment designed for everyday or extended use and for a medical purpose, such as orthotic devices, collagen dressing, wheelchairs, prosthetic limbs, nebulizers, and oxygen concentrators.

8. Medicare and Medicaid 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.

9. 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.

10. 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.

11. A "bust out fraud" involved a DME or other health care company that engaged in a fraudulent scheme whereby the participants coordinated the purchase of a pre-existing health care business through which to conduct the fraud. The scheme operated by using the insurance information for beneficiaries and the 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 to maximize billing before the fraud was detected and BCBS, Medicare, or Medicaid shut the billing down.

### **The Defendant and Related Entities**

12. DME Company 1 was a Florida corporation located at 777 NW 72nd Avenue, Suite 1127, Miami, Florida, that purportedly provided DME to Medicare and Medicaid recipients.

13. DME Company 2 was a Florida corporation located at 175 Fontainebleau Blvd., Suite 1R7, Miami, Florida, that purportedly provided DME to Medicare beneficiaries and Medicaid recipients.

14. Shell Company 1 was a Florida corporation located at 11347 NW 30 Avenue, Opa Locka, Florida, that was purportedly a remodeling company. Shell Company 1 had a corporate bank account at JPMorgan Chase with an account number ending in x8082 (the “Shell Company 1 Account”).

15. Larzabal Remodeling Services, LLC (“Larzabal Remodeling”) was a Florida corporation located at 509 NE 24th Place, Apt. C, Cape Coral, Florida. Larzabal Remodeling had a corporate bank account at JPMorgan Chase with an account number ending in x5152 (the “Larzabal Remodeling Account”).

16. Defendant **ISMARAY ALVAREZ LARZABAL** was a resident of Lee County, Florida, the registered agent and manager of Larzabal Remodeling, and the sole signer on the Larzabal Remodeling Account.

### **Conspiracy to Commit Money Laundering (18 U.S.C. § 1956(h))**

1. The General Allegations section of this Indictment is re-alleged and incorporated by reference as if fully set forth herein.

2. From in or around July 2022, and continuing until in or around November 2022, in

Miami-Dade County, in the Southern District of Florida, and elsewhere, the defendant,

**ISMARAY ALVAREZ LARZABAL,**

did knowingly and voluntarily combine, conspire, confederate and agree with persons known and unknown to the Grand Jury, to commit money laundering offenses, that is:

(a) to knowingly conduct a financial transaction affecting interstate and foreign commerce, which transaction involved the proceeds of specified unlawful activity, knowing that the property involved in the transaction represented the proceeds of some form of unlawful activity, and knowing that the transaction was designed, in whole and in part, to conceal and disguise the nature, location, source, ownership, and control of the proceeds of specified unlawful activity, in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i); and

(b) to knowingly engage in a monetary transaction affecting interstate and foreign commerce, in criminally derived property of a value greater than \$10,000, and such property having been derived from specified unlawful activity, knowing that the property involved in the monetary transaction was derived from some form of unlawful activity, in violation of Title 18, United States Code, Section 1957(a).

It is further alleged that the specified unlawful activity was health care fraud, in violation of Title 18, United States Code, Section 1347.

**PURPOSE OF THE CONSPIRACY**

3. It was a purpose of the conspiracy for the defendant and her co-conspirators to unlawfully enrich themselves by receiving, concealing, and transferring the proceeds of fraudulent claims submitted by DME Company 1 and DME Company 2 to Medicare and Medicaid into and through the bank accounts of the defendant and her company, Larzabal Remodeling.

### **MANNER AND MEANS OF THE CONSPIRACY**

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

4. From in or around March 2022 through in or around November 2022, DME Company 1 and DME Company 2 engaged in bust out DME fraud schemes. The DME Companies submitted false and fraudulent claims in the approximate amount of \$8 million to Medicare and Medicaid for DME that was medically unnecessary and not provided to Medicare and Medicaid beneficiaries as represented. As a result of such false and fraudulent claims, Medicare and Medicaid paid approximately \$4.7 million to DME Company 1 and DME Company 2.

5. Upon deposit of the fraud proceeds into a DME Company 1 bank account, DME Company 1 transferred approximately \$1.9 million of the fraud proceeds to the Shell Company 1 Account.

6. **ISMARAY ALVAREZ LARZABAL** received checks from Shell Company 1 and DME Company 2, totaling approximately \$615,078 in fraud proceeds, which she deposited into her personal bank accounts and into the Larzabal Remodeling Account. Some of these deposits were in amounts exceeding \$10,000.

7. **ISMARAY ALVAREZ LARZABAL** made numerous cash withdrawals from her personal accounts and the Larzabal Remodeling Account, including in the Southern District of Florida, and wrote numerous checks to others.

8. **ISMARAY ALVAREZ LARZABAL** and her co-conspirators used the laundered fraud proceeds for their personal use and benefit, the use and benefit of others, and to further the conspiracy.

All in violation of Title 18, United States Code, Section 1956(h).

### FORFEITURE ALLEGATIONS

1. The allegations of this Indictment are hereby re-alleged and by this reference fully incorporated herein for the purpose of alleging forfeiture to the United States of certain property in which the defendant, **ISMARAY ALVAREZ LARZABAL**, has an interest.

2. Upon conviction of a violation of Title 18, United States Code, Sections 1956 and/or 1957, as alleged in this Indictment, the defendant shall forfeit to the United States any property, real or personal, involved in such offenses, and any property traceable to such property, pursuant to Title 18, United States Code, Section 982(a)(1).

3. If any of the property subject to forfeiture, as a result of any act or omission of the defendant:

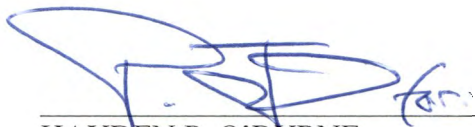
- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be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

the United States shall be entitled to forfeiture of substitute property under the provisions of Title 21, United States Code, Section 853(p).

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

A TRUE BILL

FOREPERSON



HAYDEN P. O'BYRNE  
UNITED STATES ATTORNEY



MARC T. CANZIO  
SPECIAL ASSISTANT UNITED STATES ATTORNEY