IN THE UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF VIRGINIA

Alexandria Division

UNITED STATES OF AMERICA

v.

ABDUL REHMAN SIRHANDI,

Defendant.

Case No. 1:26-cr-98

CRIMINAL INFORMATION

THE UNITED STATES ATTORNEY CHARGES THAT:

General Allegations

At all times material to this Information, unless otherwise specified:

Medicare

1. The Medicare Program ("Medicare") was a federally funded program that provided free or below-cost health care benefits to certain individuals, primarily the elderly, blind, and 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 Centers 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 subdivided into multiple program "parts." Medicare Part A covered health 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"), such as orthotic devices and wheelchairs.

3. Individuals who qualified for Medicare benefits were commonly referred to as Medicare "beneficiaries." Each beneficiary was given a unique Medicare beneficiary identification ("MBI") number.

4. Medicare was a "health care benefit program" as defined by Title 18, United States Code, Sections 24(b) and 1347.

Durable Medical Equipment

5. 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 (collectively, "braces").

6. DME suppliers, physicians, and other health care providers that provided services to beneficiaries were referred to as Medicare "providers." To participate in Medicare, providers were required to submit CMS Form 855S, which emphasized the following federal law:

> 18 U.S.C. 1347 authorizes criminal penalties against individuals who knowing and willfully execute, or attempt, to executive a scheme or artifice to defraud any health care benefit program, or to obtain, by means of false or fraudulent pretenses, representations, or promises, any of the money or property owned by or under the control of any, health care benefit program in connection with the delivery of or payment for health care benefits, items, or services. Individuals shall be fined or imprisoned up to 10 years or both. If the violation results in serious bodily injury, an individual will be fined or imprisoned up to 20 years, or both. If the violation results in death, the individual shall be fined or imprisoned for any term of years or for life, or both.

7. CMS Form 855S further required the following certification statement: "I will not knowingly present or cause to be presented a false or fraudulent claim for payment by Medicare, and will not submit claims with deliberate ignorance or reckless disregard of their truth or falsity."

8. CMS Form 855S further required providers to: (i) acknowledge the consequences of health care fraud (18 U.S.C. § 1347) and making false statements relating to health care matters (18 U.S.C. § 1035); (ii) list each person with an ownership and/or managing control interest in the DME supplier; and (iii) certify that the information contained in the form is true, correct, and complete.

9. To receive Medicare funds, enrolled providers agreed to abide by the policies, procedures, rules, and regulations governing reimbursement. Providers were given online access to Medicare manuals and services bulletins describing billing procedures, rules, and regulations.

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

11. To bill Medicare for services rendered, a provider submitted a claim form (Form 1500). When a Form 1500 was submitted, usually in electronic form, the provider certified that (1) the contents of the form were true, correct, and complete; (2) the form was prepared in compliance with the laws and regulations governing Medicare; and (3) the contents of the claim were medically necessary.

12. A Medicare claim for DME reimbursement was required to set forth, among other things, the beneficiary's name and unique MBI 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.

13. A claim for DME submitted to Medicare qualified for reimbursement only if it was medically necessary to the treatment of the beneficiary's illness or injury and prescribed by a physician who has conducted a needs assessment, evaluated, and/or treated the beneficiary.

The Defendant and Relevant Entities

14. Pulse Medical Supply ("Pulse") was a Virginia medical supply company, purporting to provide DME to customers, who needed and requested DME. In June 2023, CMS approved Pulse as a Medicare supplier.

15. Defendant ABDUL REHMAN SIRHANDI, a resident of Virginia, was the CEO and owner of Pulse on Medicare enrollment documents.

16. Despite representing himself as the CEO and owner of Pulse, SIRHANDI agreed with other co-conspirators that those co-conspirators would run the day-to-day operations of Pulse.

17. AB was a resident of Pakistan and ran the day-to-day operations of Pulse with TY and SIRHANDI.

18. TY was a resident of Pakistan and ran the day-to-day operations of Pulse with AB and SIRHANDI.

19. Neither AB nor TY were listed on Pulse documents filed with Medicare or the Commonwealth of Virginia. SIRHANDI agreed to conceal AB and TY's true ownership and control over Pulse.

20. UH was a resident of Texas and a certified public accountant. UH was responsible for incorporating Pulse in Virginia.

COUNT ONE
Conspiracy To Make a False Statement Relating to Health Care Matters
(18 U.S.C. § 371)

21. The allegations in paragraphs 1 through 20 of this Information are realleged and incorporated by reference as though fully set forth herein.

22. From at least as early as in or around December 2022 until April 2024, in the Eastern District of Virginia and elsewhere, the defendant,

ABDUL REHMAN SIRHANDI,

did knowingly and willfully, that is, with the intent to further the objects of the conspiracy, combine, conspire, confederate and agree with others known and unknown to the United States Attorney to commit certain offenses against the United States, that is, to violate Title 18, United States Code, Section 1035(a)(2), by knowingly and willfully making any materially false, fictitious, and fraudulent statements and representations, and making and using any materially false writing and document knowing the same to contain any materially false, fictitious, and fraudulent statement and entry, in connection with the delivery of and payment for health care benefits, items, and services.

Purpose of the Conspiracy

23. It was a purpose of the conspiracy for the defendant and co-conspirators to unlawfully enrich themselves by, among other things: (a) concealing the true ownership and control of Pulse; (b) submitting and causing the submission of false and fraudulent claims to Medicare for DME that was not requested, not medically necessary, and not provided as represented; (c) concealing and causing the concealment of false and fraudulent claims; and (d) diverting fraud proceeds for their personal use and benefit, the use and benefit of others, and to further the fraud ineligible for Medicare reimbursement, and not provided as represented.

Ways, Manner and Means of the Conspiracy

The manner and means by which the defendants and their co-conspirators sought to accomplish the objects and purpose of the conspiracy included, among other things, the following:

24. To conceal the true ownership of Pulse, SIRHANDI worked with UH to register Pulse as a Virginia DME supplier and signed CMS Form 855S to enroll Pulse as a Medicare provider.

25. It was further a part of the conspiracy that although SIRHANDI was the owner on the Medicare paperwork, AB and TY were the true owners of Pulse, responsible for day-to-day operations, such as advertising, marketing, and billing.

26. It was further a part of the conspiracy that from approximately December 2022 until approximately April 2024, AB and TY knowingly conspired with themselves and SIRHANDI to use Pulse to bill Medicare for fraudulent DME claims.

27. It was further a part of the conspiracy that SIRHANDI knew that AB, TY, and Pulse engaged in fraudulent business, but SIRHANDI continued to conceal that AB and TY were the true owners and controllers of Pulse to profit from the fraudulent billing.

28. It was further a part of the conspiracy that between January 2023 and August 2023, SIRHANDI signed paperwork repeatedly and deliberately concealing the true owner of Pulse, which sought to expand Pulse's fraudulent business to include custom-fitted orthotics, which could be billed at a higher rate.

29. It was further a part of the conspiracy that between July 2023 and April 2024, SIRHANDI, AB, TY, and others used Pulse to bill or cause to be billed at least $780,627,47 in fraudulent Medicare claims. Medicare paid Pulse $313,233.65 for those claims. SIRHANDI and others then distributed fraud proceeds to co-conspirators in Pakistan.

30. It was further part of the conspiracy that SIRHANDI profited at least $115,508.14 in the Medicare/DME fraud scheme.

Overt Acts

In furtherance of the conspiracy, and to accomplish its objects and purpose, at least one of the co-conspirators committed and caused to be committed in the Eastern District of Virginia, and elsewhere, at least one of the following overt acts, among others:

31. On or about December 13, 2022, the defendant agreed to represent himself as the registered agent of Pulse Medical Supply to the Commonwealth of Virginia, by using his home address as the principal office location for Pulse.

32. On or about January 14, 2023, the defendant agreed and did represent himself as the owner of Pulse to a third-party accreditor. Accreditation is required to bill Medicare for products and services, such as DME.

33. On or about May 25, 2023, the defendant submitted a falsified Form CMS 855S Medicare Enrollment Application for Pulse and signed the form as Pulse's "Delegated Official." In the form, SIRHANDI acknowledged that a "Delegated Official" cannot delegate their Medicare responsibilities and authority to any other person. In so doing, the defendant intentionally omitted AB, TY, and others as Delegated Officials or employees of Pulse Medical Supply to conceal Pulse's true ownership and operation. SIRHANDI's signature also bound Pulse to Medicare rules. SIRHANDI also affirmed not to cause false claims to be submitted to Medicare and that he read and understood the federal penalties for submitting a false Form CMS 855S, including Title 18, United States Code, Section 1035.

34. On or about July 31, 2023, the defendant entered into a business agreement with a third-party custom-orthotic fitter, which allowed Pulse to charge Medicare a higher rate for custom-fitted DME.

35. On or about August 16, 2023, the defendant resubmitted another falsified Form CMS 855S application for Pulse. In the resubmission, the defendant listed the reason for the update as "Enrolled DMEPOS Supplier is updating their enrollment by adding, deleting, and/or changing information." The defendant once again omitted AB and TY from the application, concealing that they were the true owners and operators of Pulse.

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

FORFEITURE NOTICE

Pursuant to Rule 32.2(a) of the Federal Rules of Criminal Procedure, the defendant, ABDUL REHMAN SIRHANDI, is hereby notified that if convicted of the offense listed in Count One of the Information, the defendant shall forfeit to the United States, pursuant to 18 U.S.C. § 982(a)(7) any property, real or personal, that constitutes or is derived, directly or indirectly, from gross proceeds traceable to the commission of the offense. The property subject to forfeiture includes, but is not limited to, a sum of money in United States currency representing the amount of proceeds traceable to the commission of said offense.

Pursuant to 21 U.S.C. § 853(p), the defendant, ABDUL REHMAN SIRHANDI, shall forfeit substitute property, if, by any act or omission of the defendant, the property referenced above cannot be located upon the exercise of due diligence; has been transferred, sold to, or deposited with a third party; has been placed beyond the jurisdiction of the Court; has been substantially diminished in value; or has been commingled with other property which cannot be divided without difficulty.

(All in accordance with 18 U.S.C. § 982(a)(7); 21 U.S.C. § 853(p); and Fed. R. Crim. P. 32.2.)

Respectfully submitted,

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