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U.S. DISTRICT COURT E.D.N.Y.
* JUNE 12, 2026 *
BROOKLYN OFFICE

JRS/TJT:PJC
F. #2022R00297

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK
- X

UNITED STATES OF AMERICA

- against -

ZAKIA NOREEN KHATTAK,

Defendant.

- X

INDICTMENT

Cr. No. 26-CR-176
(T. 18, U.S.C., §§ 371, 982(a)(7), 982(b)(1), 1349, 2, 3147(1) and 3551 et seq.; T. 21, U.S.C., § 853(p); T. 42, U.S.C. § 1320a-7b(b)(1)(A))

Judge Margo K. Brodie
Magistrate Judge Peggy Cross-Goldenberg

THE GRAND JURY CHARGES:

INTRODUCTION

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

I. Medicaid

1. Medicaid was a federal and state health care program that provided benefits to individuals and families who met specified financial and other eligibility requirements, and certain other individuals who lacked adequate resources to pay for medical care. The Centers for Medicare and Medicaid Services ("CMS"), a federal agency under the United States Department of Health and Human Services, was responsible for overseeing Medicaid in participating states, including New York State. Individuals who received benefits under Medicaid were referred to as "recipients."

2. Medicaid was a "health care benefit program," as defined by Title 18, United States Code, Section 24(b), and as referenced in Title 18, United States Code, Section 1347, and was a "Federal health care program," as defined by Title 42, United States Code, Section 1320a-7b(f).

3. Medicaid was a health and long-term care coverage program jointly financed by states and the federal government pursuant to the Social Security Act of 1965. Each state established and administered its own Medicaid program and determined the type, amount, duration and scope of services covered within broad federal guidelines.

4. Medicaid covered the costs of medical services and products ranging from routine preventive medical care for children to institutional care for the elderly and disabled. Service providers were authorized to submit claims to Medicaid only for services they actually rendered and were required to maintain patient records verifying the provision of services. By submitting a claim, the provider certified, among other things, that the services were rendered to the patient and were medically necessary, and were not rendered as a result of kickbacks or bribes.

5. Medicaid in New York State ("New York Medicaid") was administered by the New York State Department of Health (the "New York DOH"). The New York DOH approved certain managed long-term care ("MLTC") plans to provide managed care to New York Medicaid recipients with long-lasting health issues or disabilities. Each MLTC plan had its own network of health care providers. New York Medicaid managed care providers who were within an MLTC network did not bill Medicaid directly, but instead billed the MLTC plan for services provided to their recipients.

6. New York Medicaid MLTC services included social adult day care services. The term "social adult day care" ("SADC") described a structured program that provided older adults with functional impairments socialization, supervision, personal care and nutrition services in a protective setting. An SADC center would, for example, provide a space where its members can congregate and socialize by talking, playing card or board games, listen

to music, sing karaoke or participate in other activities under the supervision of SADC center staff who are trained to provide assistance to people with mobility and other health issues. Healthy meals, as well as transportation to and from the day care, may have also been provided.

7. Medicaid and the MLTC plans paid for claims only if the items or services were medically reasonable, medically necessary, documented, provided as represented and not induced by illegal kickbacks and bribes.

II. The Defendant and Relevant Entities and Individuals

8. The defendant ZAKIA NOREEN KHATTAK was a marketer and recruiter for Healthy Adult Daycare LLC ("Healthy Adult") and Apna Adult Daycare of Brighton LLC ("Apna"). KHATTAK was also the owner of ZNK Life Transformation Services Inc. ("ZNK Life"). ZNK Life maintained a bank account ending in 4482 (the "ZNK Life Account") at Financial Instituion-1, an entity the identity of which is known to the Grand Jury. KHATTAK was the sole signatory on the ZNK Life Account.

9. On or about March 18, 2025, the defendant ZAKIA NOREEN KHATTAK was indicted by a grand jury sitting in the Eastern District of New York and charged with conspiracy to commit health care fraud, in violation of Title 18, United States Code, Section 1349; conspiracy to defraud the United States and pay and receive health care kickbacks, in violation of Title 18, United States Code, Section 371; receiving health care kickbacks, in violation of Title 42, United States Code, Section 1320a-7b(b)(1)(A); and conspiracy to commit money laundering, in violation of Title 18, United States Code, Section 1956(h), all occurring in or prior to July 2024, in connection with her participation in (a) a scheme to defraud New York Medicaid through (i) the payment of illegal kickbacks and bribes to New York Medicaid recipients in connection with the enrollment in SADC services, and (ii) the receipt of illegal

kickbacks and bribes for the referral of New York Medicaid recipients for SADC services, and (b) laundering proceeds derived from that scheme.

10. Healthy Adult was an SADC center located in Brooklyn, New York.

11. Apna was an SADC center located in Brooklyn, New York.

12. Co-Conspirator-1, an individual whose identity is known to the Grand Jury, owned Healthy Adult.

13. Co-Conspirator-2, an individual whose identity is known to the Grand Jury, was a Healthy Adult employee.

14. Healthy Adult and Apna were registered as New York Medicaid managed care providers and were providers of SADC services for New York Medicaid MLTC plans. Healthy Adult maintained a bank account ending in 8539 (the "Healthy Adult Account") at Financial Institution-2, an entity the identity of which is known to the Grand Jury. Co-Conspirator-1 was the sole signatory on the Healthy Adult Account.

III. The Fraudulent Scheme

15. In or about and between September 2024 and November 2025, the defendant ZAKIA NOREEN KHATTAK, together with others, engaged in a scheme whereby KHATTAK and others (a) paid kickbacks and bribes, including in the form of cash, to New York Medicaid recipients to induce them to enroll in SADC services at Healthy Adult and Apna, (b) received kickbacks and bribes in exchange for the referral of New York Medicaid recipients to Healthy Adult and Apna, and (c) submitted and caused the submission of false and fraudulent claims to New York Medicaid MLTC plans for SADC services that were not provided and/or were induced by the payment and receipt of illegal kickbacks and bribes.

16. In furtherance of the scheme, the defendant ZAKIA NOREEN KHATTAK entered into a written marketing agreement with Co-Conspirator-1 whereby KHATTAK agreed to receive "reimbursement from Healthy Adult . . . as their marketer" and to be "equality [sic] accountable for the mistakes that Health Adult Daycare LLC or the misconduct that the company holds [sic]," "[t]hese practices includ[ing] fraud, waste and abuse of billing, kickbacks or illegal act[s]."

17. In exchange for illegal kickbacks and bribes, the defendant ZAKIA NOREEN KHATTAK referred New York Medicaid recipients to Healthy Adult and Apna. Most members KHATTAK referred to Healthy Adult and Apna were paid illegal cash kickbacks and bribes by Healthy Adult and Apna staff to maintain enrollment at Healthy Adult and Apna. As a marketer and recruiter, KHATTAK ensured the completion of fictious sign-in sheets that falsely indicated that the New York Medicaid recipients she referred had attended Healthy Adult and Apna as billed, when, in fact, the New York Medicaid recipients had not attended Healthy Adult and Apna as billed. Indeed, most of the New York Medicaid recipients who were enrolled at Healthy Adult and Apna did not actually receive SADC services or visit Healthy Adult and Apna on the purported dates of service as claimed to New York Medicaid and the MLTC plans.

18. To disguise the scheme, the defendant ZAKIA NOREEN KHATTAK received payments through various companies she controlled, including ZNK Life, that gave the appearance of legitimate business. Following KHATTAK's March 2025 indictment, KHATTAK further disguised the scheme by receiving kickback payments for illegal referrals in cash.

19. In or about and between September 2024 and November 2025, the defendant ZAKIA NOREEN KHATTAK, together with others, caused Healthy Adult and Apna to submit claims to MLTC plans in the amount of approximately $3.5 million for services that were not provided, were not provided as billed and/or were induced by the payment of illegal cash kickbacks and bribes, for which Healthy Adult and Apna were paid approximately $3.5 million.

COUNT ONE
(Conspiracy to Commit Health Care Fraud)

20. The allegations contained in paragraphs one through 19 are realleged and incorporated as if fully set forth in this paragraph.

21. In or about and between September 2024 and November 2025, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, while on release pursuant to an order of the United States District Court for the Eastern District of New York, dated March 19, 2025, issued under Title 18, United States Code, Section 3142, the defendant ZAKIA NOREEN KHATTAK, together with others, did knowingly and willfully conspire to execute a scheme and artifice to defraud a health care benefit program as defined in Title 18, United States Code, Section 24(b), to wit: New York Medicaid, 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, New York Medicaid, all 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, 3147(1) and 3551 et seq.)

COUNT TWO
(Conspiracy to Defraud the United States and Pay and Receive Health Care Kickbacks)

22. The allegations contained in paragraphs one through 19 are realleged and incorporated as if fully set forth in this paragraph.

23. In or about and between September 2024 and November 2025, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, while on release pursuant to an order of the United States District Court for the Eastern District of New York, dated March 19, 2025, issued under Title 18, United States Code, Section 3142, the defendant ZAKIA NOREEN KHATTAK, together with others, did knowingly and willfully conspire:

(a) to defraud the United States by cheating the United States government and one or more of its departments and agencies out of money and property, and by impairing, impeding, obstructing and defeating through deceitful and dishonest means, the lawful government functions of CMS, an agency of the United States, in its administration and oversight of New York Medicaid;

(b) to solicit and receive remuneration, including kickbacks and bribes, directly and indirectly, overtly and covertly, in cash and in kind, in return for referring one or more individuals, to wit: New York Medicaid recipients, for the furnishing and arranging for the furnishing of one or more items and services for which payment may have been made in whole and in part under a Federal health care program, contrary to Title 42, United States Code, Section 1320a-7b(b)(1)(A);

(c) to offer and pay remuneration, including kickbacks and bribes, directly and indirectly, overtly and covertly, in cash and in kind, to one or more persons to induce such persons to purchase, lease, order and arrange for and recommend purchasing, leasing and ordering one or more goods, facilities, services and items for which payment may have been made in whole and in part under a Federal health care program, contrary to Title 42, United States Code, Section 1320a-7b(b)(2)(B).

24. In furtherance of the conspiracy and to effect its objects, within the Eastern District of New York and elsewhere, the defendant ZAKIA NOREEN KHATTAK, together with others, did commit and cause the commission of, among others, at least one of the following:

OVERT ACTS

(a) On or about August 14, 2024, KHATTAK signed a signature card opening the ZNK Life Account.

(b) On or about February 8, 2025, KHATTAK and Co-Conspirator-1 signed a marketing agreement.

(c) On or about March 19, 2025, Co-Conspirator-1 issued a check from the Healthy Adult Account to ZNK Life in the amount of $8,888.02.

(d) On or about March 23, 2025, Co-Conspirator-1 issued a check from the Healthy Adult Account to ZNK Life in the amount of $8,887.23.

(Title 18, United States Code, Sections 371, 3147(1) and 3551 et seq.)

COUNTS THREE THROUGH FOUR
(Receiving Health Care Kickbacks)

25. The allegations contained in paragraphs one through 19 are realleged and incorporated as if fully set forth in this paragraph.

26. On or about the dates set forth below, within the Eastern District of New York and elsewhere, while on release pursuant to an order of the United States District Court for the Eastern District of New York, dated March 19, 2025, issued under Title 18, United States

Code, Section 3142, the defendant ZAKIA NOREEN KHATTAK, together with others, did knowingly and willfully solicit and receive remuneration, including kickbacks and bribes, directly and indirectly, overtly and covertly, in cash and in kind, in return for referring one or more individuals, to wit: New York Medicaid recipients, for the furnishing and arranging for the furnishing of one or more items and services for which payment may have been made in whole and in part under a Federal health care program, to wit: New York Medicaid, as set forth below:

Count	Approximate Date	Kickback
THREE	March 19, 2025	Check #100212 from the Healthy Adult Account payable to ZNK Life in the amount of $8,888,02.
FOUR	March 23, 2025	Check #100213 from the Healthy Adult Account payable to ZNK Life in the amount of $8,887.23.

(Title 42, United States Code, Section 1320a-7b(b)(1)(A); Title 18, United States Code, Sections 2, 3147(1) and 3551 et seq.)

CRIMINAL FORFEITURE ALLEGATION

27. The United States hereby gives notice to the defendant that, upon her conviction of any of the offenses 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.

28. 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))

A TRUE BILL

s/

FOREPERSON

By David Pitluck, Assistant U.S. Attorney
JOSEPH NOCELLA, JR.
UNITED STATES ATTORNEY
EASTERN DISTRICT OF NEW YORK

by Patrick J. Campbell, DOJ Trial Attorney
LORINDA LARYEA
CHIEF, FRAUD SECTION
CRIMINAL DIVISION
U.S. DEPARTMENT OF JUSTICE

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INFORMATION SHEET

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

26-CR-176
Judge Margo K. Brodie
Magistrate Judge Peggy Cross-Goldenberg

1. Title of Case: United States v. Zakia Noreen Khattak

2. Related Magistrate Docket Number(s): ______

3. Arrest Date: 6/15/2026

4. Nature of offense(s): ☒ Felony
   ☐ Misdemeanor

5. Related Cases - Title and Docket No(s). (Pursuant to Rule 50.3.2 of the Local E.D.N.Y. Division of Business Rules): United States v. Khattak, No. 24-CR-409 (NCM)

6. Projected Length of Trial: Less than 6 weeks ☒
   More than 6 weeks ☐

7. County in which crime was allegedly committed: Brooklyn
   (Pursuant to Rule 50.1(d) of the Local E.D.N.Y. Division of Business Rules)

8. Was any aspect of the investigation, inquiry and prosecution giving rise to the case pending or initiated before March 10, 2012.[1] ☐ Yes ☒ No

9. Has this indictment/information been ordered sealed? ☒ Yes ☐ No

10. Have arrest warrants been ordered? ☒ Yes ☐ No

11. Is there a capital count included in the indictment? ☐ Yes ☒ No

JOSEPH NOCELLA, JR.
United States Attorney

By: /s/Patrick J. Campbell
Patrick J. Campbell
DOJ Trial Attorney
(202) 262-7067

[1] Judge Brodie will not accept cases that were initiated before March 10, 2012.

Rev. 10/04/12