HIN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF IOWA
CEDAR RAPIDS DIVISION

UNITED STATES OF AMERICA, Plaintiff, vs. JACOB HUGHES and HUGHES HOME CARE, INC. d/b/a SYNERGY HOMECARE, Defendants.	)	No. 26-CR-00048 **INDICTMENT** Counts 1-10 18 U.S.C. § 1347, 18 U.S.C. § 2(b): Health Care Fraud Forfeiture

The Grand Jury charges:

Counts 1-10

Health Care Fraud

Introduction

At all times relevant to this Indictment:

1. The United States Department of Veterans Affairs ("VA") administered the Veterans Community Care Program to provide health care to veterans in their communities outside of the VA system if certain requirements were met. *See* 38 U.S.C. § 1703. The VA was responsible for authorizing and referring veterans' care under the Program.

2. Eligible veterans received health care through the Veterans Community Care Program from area providers. Under the Program, the providers cared for veterans on the VA's behalf, and the VA paid the providers for doing so.

3. The health care services veterans received through the Veterans Community Care Program included home health care. Home health care was intended to allow eligible chronically ill or disabled veterans of any age to remain in their homes. The types of home health care available through the program included, but were not limited to, home health aide services, palliative care, respite care, and hospice care.

4. To participate in the Veterans Community Care Program, health care providers contracted with third-party administrators. The third-party administrators managed national networks of care providers and administered claims for the VA. Care providers were required to comply with the program rules and policies mandated by the VA and the third-party administrators.

5. The VA referred eligible veterans to the care providers. The referrals stated the type of care, and how much care, was authorized for each veteran. After providing approved health care services, care providers submitted claims for payment to the third-party administrators. The third-party administrators paid the claims, and the VA reimbursed the third-party administrators for the payments to the providers.

6. Defendant HUGHES HOME CARE, INC. d/b/a SYNERGY HOMECARE ("SYNERGY") was a community care provider that provided home health care to veterans in the Northern District of Iowa and elsewhere.

7. Defendant JACOB HUGHES was the majority owner and operator of defendant SYNERGY.

8. On or about March 22, 2022, defendant JACOB HUGHES executed a Home and Community Based Services Veterans Affairs Community Care Network Provider Agreement on behalf of defendant SYNERGY. Thereafter, beginning no later than on or about May 9, 2022, defendant SYNERGY provided home care to eligible veterans through the Program.

9. Beginning in about May 2022, and continuing to about December 2024, defendant SYNERGY purported to provide home health care to at least twenty chronically ill, disabled, and elderly veterans in the State of Iowa. The diseases the veterans suffered from included chronic obstructive pulmonary disease, Parkinson's, and Alzheimer's. The VA approved the veterans to receive care from home health aides and registered nurses. Defendant SYNERGY submitted claims for this purported care to a third-party administrator at defendant JACOB HUGHES's direction. The claims were subsequently paid by the VA.

10. Defendant JACOB HUGHES is the responsible corporate official for defendant SYNERGY. Further, defendant JACOB HUGHES, on behalf of defendant SYNERGY, was the person responsible for assigning caregivers to veterans, scheduling care, and billing the VA for care.

The Scheme to Defraud

11. Beginning in about October 2022, and continuing through at least about December 2024, in the Northern District of Iowa and elsewhere, defendants JACOB HUGHES and SYNERGY voluntarily and intentionally devised and executed a scheme and artifice to defraud a health care benefit program as defined in 18 U.S.C. § 24(b), specifically, the Veterans Community Care Program, a public

plan, affecting commerce, under which any medical benefit, item, or service is provided to any individual, and to obtain, by means of false and fraudulent pretenses, representations, and promises, money and property owned by, and under the custody and control of, such health care benefit program, in connection with the delivery of and payment for health care benefits, items, and services, and participated in such scheme with knowledge of its fraudulent nature ("the scheme to defraud").

<u>Manner and Means of the Scheme to Defraud</u>

12. It was part of the scheme to defraud that defendants JACOB HUGHES and SYNERGY fraudulently submitted false and fictitious claims for payment to a VA third-party administrator for home health services that were not actually provided. Defendants also fraudulently submitted false and fictitious claims for a greater number of care hours than those actually provided to infirm veterans.

13. For example, Veteran-1 suffered from Alzheimer's, and so the VA authorized defendant SYNERGY to provide respite care services to Veteran-1. It was part of the scheme to defraud that defendants JACOB HUGHES and SYNERGY submitted false and fraudulent claims for services purportedly provided to Veteran-1. The false and fraudulent claims included alleging that twenty-four hours of purported home health aide care, and two hours of registered nurse care, were provided to Veteran-1 on the same date of service. Defendants submitted such fraudulent claims on at least ten occasions with respect to Veteran-1. In fact, on or about August 14, 2024, defendant JACOB HUGHES informed the health aide

caring for Veteran-1 that Veteran-1 could only receive up to six hours of care per visit, and records documenting the hours of care actually provided to Veteran-1 indicated that the aide regularly provided between four and six hours of care per visit.

14. Veteran-2 suffered from mobility issues and required assistance with the activities of daily living. The VA authorized defendant SYNERGY to provide home health aide and homemaker services to Veteran-2. On June 29, 2024, Veteran-2 died, and the home health aide caring for Veteran-2 informed defendant JACOB HUGHES of Veteran-2's death. On or about July 11, 2024, defendants subsequently submitted two false and fraudulent claims for care purported to have been provided to Veteran-2 on July 1, 2024, which was two days after Veteran-2 died.

15. It was also part of the scheme to defraud that defendants JACOB HUGHES and SYNERGY would receive VA funds from the third-party administrator based on the false and fraudulent claims.

16. Finally, it was part of the scheme to defraud that defendant JACOB HUGHES used the fraudulently obtained VA funds to pay for his sports gambling and other personal expenses.

Execution of the Scheme to Defraud

17. **Count 1:** On or about April 17, 2024, defendants JACOB HUGHES and HUGHES HOME CARE, INC. d/b/a SYNERGY HOMECARE submitted a claim to a VA third-party administrator for payment in the amount of $1,418.40 for

purported home health aide services provided to Veteran-3 on April 9, 2024, and April 11, 2024.

18. **Count 2:** On or about July 11, 2024, defendants JACOB HUGHES and HUGHES HOME CARE, INC. d/b/a SYNERGY HOMECARE submitted a claim to a VA third-party administrator for payment in the amount of $1,418.40 for purported for home health aide services provided to Veteran-2 on July 1, 2024.

19. **Count 3:** On or about July 11, 2024, defendants JACOB HUGHES and HUGHES HOME CARE, INC. d/b/a SYNERGY HOMECARE submitted a claim to a VA third-party administrator for payment in the amount of $391.04 for purported skilled registered nurse care provided to Veteran-2 on July 1, 2024.

20. **Count 4:** On or about September 16, 2024, defendants JACOB HUGHES and HUGHES HOME CARE, INC. d/b/a SYNERGY HOMECARE submitted a claim to a VA third-party administrator for payment in the amount of $1,702.08 for purported respite care services provided to Veteran-1 on September 6, 2024.

21. **Count 5:** On or about September 18, 2024, defendants JACOB HUGHES and HUGHES HOME CARE, INC. d/b/a SYNERGY HOMECARE submitted a claim to a VA third-party administrator for payment in the amount of $3,404.16 for purported respite care services provided to Veteran-1 on September 12, 2024 and September 13, 2024.

22. **Count 6:** On or about September 18, 2024, defendants JACOB HUGHES and HUGHES HOME CARE, INC. d/b/a SYNERGY HOMECARE

submitted a claim to a VA third-party administrator for payment in the amount of $391.04 for purported skilled registered nurse provided to Veteran-1 on September 13, 2024.

23. **Count 7:** On or about October 1, 2024, defendants JACOB HUGHES and HUGHES HOME CARE, INC. d/b/a SYNERGY HOMECARE submitted a claim to a VA third-party administrator for payment in the amount of $3,404.16 for purported respite care services provided to Veteran-1 on September 26, 2024 and September 27, 2024.

24. **Count 8:** On or about October 1, 2024, defendants JACOB HUGHES and HUGHES HOME CARE, INC. d/b/a SYNERGY HOMECARE submitted a claim to a VA third-party administrator for payment in the amount of $391.04 for purported skilled registered nurse provided to Veteran-1 on September 27, 2024.

25. **Count 9:** On or about November 7, 2024, defendants JACOB HUGHES and HUGHES HOME CARE, INC. d/b/a SYNERGY HOMECARE submitted a claim to a VA third-party administrator for payment in the amount of $1,418.40 for purported home health aide services provided to Veteran-4 on October 29, 2024, and October 31, 2024.

26. **Count 10:** On or about November 14, 2024, defendants JACOB HUGHES and HUGHES HOME CARE, INC. d/b/a SYNERGY HOMECARE submitted a claim to a VA third-party administrator for payment in the amount of $1,418.40 for purported home health aide services services provided to Veteran-4 on November 5, 2024, and November 7, 2024.

27. This was in violation of Title 18, United States Code, Sections 1347 and 2(b).

Health Care Fraud Forfeiture

28. The allegations contained in Counts 1-10 of this Indictment above are hereby realleged and incorporated by reference for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Sections 981(a)(1)(C) and 982(a)(7), and Title 28, United States Code, Section 2461(c).

29. Upon conviction of the offenses in violation of Title 18, United States Code, Section 1343 as set forth in Counts 1-10 of this Indictment, defendants JACOB HUGHES and HUGHES HOME CARE, INC. d/b/a SYNERGY HOMECARE shall forfeit to the United States of America, pursuant to Title 18, United States Code, Sections 981(a)(1)(C) and 982(a)(7), and Title 28, United States Code, Section 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to the offense, including but not limited to a money judgment of no less than $350,000.

30. If any of the property described above, as a result of any act or omission of a 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 of America shall be entitled to forfeiture of substitute property pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c).

31. All pursuant to Title 18, United States Code, Sections 981(a)(1)(C) and 982(a)(7), and Title 28, United States Code, Section 2461(c).

A TRUE BILL

[redacted] 6-18-26

Grand Jury Foreperson Date

LEIF OLSON
United States Attorney

By:

KYNDRA LUNDQUIST
Assistant United States Attorney

PRESENTED IN OPEN COURT
BY THE
FOREMAN OF THE GRAND JURY

And filed 6/18/26
PAUL DE YOUNG, CLERK