ORIGINAL SEALED

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

UNITED STATES OF AMERICA

v.

NEEL VIVEK PAITHANKAR

NO.

3-26CR-311-K

FILED UNDER SEAL

INDICTMENT

The Grand Jury charges:

At all times material to this Indictment:

General Allegations

The Defendant

1. Defendant **Neel Vivek Paithankar ("Paithankar")**, a resident of Texas, was the owner, manager, and operator of VMP Health Care LLC, ("VMP Health Care").

Related Entities

2. VMP Health Care was limited liability company located in Irving, Texas that provided durable medical equipment ("DME") to individuals in the Northern District of Texas and elsewhere. VMP Health Care was approved by Medicare to file claims for reimbursement for covered health care services provided to qualified Medicare beneficiaries. The majority of VMP Health Care's customers were residents of New York, New Jersey, Florida, and Texas.

3. From approximately January 2025 through May 2025, **Neel Vivek Paithankar ("Paithankar")**, acting through VMP Health Care and others, caused the submission of approximately 3,700 health care claims to Medicare which resulted in approximately $2,300,000 billed and approximately $1,200,000 paid across 1,086

beneficiaries for DME which was not medically necessary and attributed to false claims submitted in conjunction with the unauthorized use of medical providers' identifying information.

The Medicare Program Generally

4. The Medicare Program ("Medicare") was a federal government health care benefit program that provided benefits to persons who were 65 years of age or over or younger than 65 with certain disabilities. Medicare was administered by the United States Department of Health and Human Services through its agency, the Centers for Medicare & Medicaid Services ("CMS"). Medicare was divided into multiple "Parts." Medicare "Part B" covered, among other thing, medically necessary physician services, laboratory services, and DME.

5. Medicare, including Medicare Part B, was a "health care benefit program" as defined by 18 U.S.C. § 24(b), that affected interstate commerce.

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

Medicare Covered DME

6. Medicare covered a beneficiary's access to durable medical equipment, prosthetics, orthotics, and supplies ("DME"), such as prefabricated, off-the-shelf knee or back braces, that were medically necessary and ordered by licensed medical doctors or other qualified health care providers.

7. DME Companies—sometimes referred to as Durable Medical Equipment, Orthotics, Prosthetics, and Supplies ("DMEPOS")—and other health care providers that render services or items and seek reimbursement from Medicare must obtain a National Provider Identifier ("NPI"). To obtain an NPI, a provider had to register with a division of CMS called the National Plan and Provider Enumeration System ("NPPES"). A health care provider that received an NPI was able to file claims with Medicare to obtain reimbursement for services or items provided to beneficiaries.

8. To receive Medicare reimbursement, providers had to apply and execute a written provider agreement, known as CMS form 855. The Medicare application was required to be signed by an authorized representative of the provider. The application contained certifications that the provider agreed to abide by the Medicare laws and regulations and that the provider "[would] not knowingly present or cause to be presented a false or fraudulent claim for payment by Medicare, and [would] not submit claims with deliberate ignorance or reckless disregard of their truth or falsity."

9. Providers enrolled with Medicare were also given and provided with online access to Medicare manuals and service bulletins describing proper billing procedures, rules, and regulations.

10. Medicare reimbursed DME companies and other health care providers for items and 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. A Medicare claim for DME reimbursement is required to set forth, among other things, the rendering provider's name and NPI, the beneficiary's name and unique MBI, the equipment provided to the beneficiary, the date the equipment was provided, and the name and NPI number of the physician or authorized medical professional who prescribed or ordered the equipment for the beneficiary.

12. One Medicare manual all providers have online access to is the Program Integrity Manual ("PIM"). Chapter 5 of the PIM covers Rules Concerning DMEPOS Orders Prescriptions. Chapter 5.2, in part, directly states:

> A written order/prescription is a written communication from a treating practitioner that documents the need for a beneficiary to be provided an item of DMEPOS. As used throughout this chapter, treating practitioner means a physician, as defined in section 1861(r)(1) of the Act, or physician assistant, nurse practitioner, or clinical nurse specialist, as those terms are defined in section 1861(aa)(5) of the Act.
>
> All DMEPOS items require a written order/prescription from the treating practitioner for Medicare payment as a condition of payment.
>
> . . .
>
> A supplier must maintain the written order/prescription and the supporting documentation provided by the treating practitioner and make them available to CMS and its contractors upon request.[1]

13. In summary, Medicare rules stated that all DMEPOS equipment billed to the Medicare program must be both medically necessary and accompanied by a legitimate referring order from a qualified medical provider.

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[1] cms.gov/regulations-and-guidance/guidance/manuals/downloads/pim88c05.pdf.

Count One

Conspiracy to Commit Health Care Fraud
[Violation of 18 U.S.C. § 1349 (18 U.S.C. § 1347)]

13. Paragraphs 1 through 12 of this Indictment are realleged and incorporated by reference as though fully set forth herein.

14. From in or around January 2025 and through in or about at least May 2025, the exact dates being unknown to the Grand Jury, in the Northern District of Texas and elsewhere, defendant **Neel Vivek Paithankar**, did knowingly and willfully combine, conspire, confederate, and agree with others known and unknown to the Grand Jury, to commit the offense of health care fraud, in violation of 18 U.S.C. § 1347, that is, to knowingly and willfully devise and execute and attempt to execute a scheme and artifice to defraud a health care benefit program affecting commerce, as defined in 18 U.S.C. § 24(b), that is, Medicare, 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 Medicare in connection with the delivery of, and payment for, health care benefits, items, and services, namely durable medical equipment.

Object of the Conspiracy

15. It was a purpose of the conspiracy for **Neel Vivek Paithankar** and his coconspirators to unlawfully enrich themselves by (a) submitting false and fraudulent claims to Medicare; (b) concealing the submission of false and fraudulent claims to Medicare and the receipt and transfer of proceeds from the fraud; and (c) diverting proceeds of the fraud for the personal use and benefit of the defendant and his coconspirators.

Manner and Means of the Conspiracy

16. The manner and means by which **Neel Vivek Paithankar** and his coconspirators sought to accomplish the purposes of the conspiracy included, but were not limited to the following:

(a) The defendant facilitated the solicitation of Medicare beneficiaries whereby telemarketers or other individuals misleadingly identified themselves as Medicare or health care representatives to obtain individuals' identifying information to induce receipt of DME products and billing via false pretenses.

(b) The defendant, acting through VMP Health Care, used medical providers' identifying information, without authorization, to submit or cause the submission of false claims to Medicare.

(c) The defendant utilized interstate commerce to ship DME products to Medicare beneficiaries who either did not qualify for and/or did not request those products.

(d) The defendant and his coconspirators knowingly and willfully caused the submission of false and fraudulent claims to Medicare on behalf of VMP Health Care for medically unnecessary DME.

(e) The defendant misrepresented his business practices to CMS during regulatory actions.

(f) The defendant paid marketing companies in exchange for patient referrals.

All in violation of 18 U.S.C. § 1349.

Counts Two through Five

Health Care Fraud and Aiding and Abetting
[Violations of 18 U.S.C. §§ 1347 and 2]

17. Paragraphs 1 through 16 of this Indictment are realleged and incorporated by reference as though fully set forth herein.

18. From in or around January 2025 and continuing thereafter until in or around May 2025, in the Northern District of Texas and elsewhere, the defendant **Neel Vivek Paithankar**, aided and abetted by other persons known and unknown to the grand jury, knowingly and willfully executed and attempted to execute the above-described scheme and artifice to defraud a health care benefit program affecting commerce as defined in 18 U.S.C. § 24(b), 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 Medicare, in connection with the delivery of, and payment for, health care benefits, items, and services, namely durable medical equipment.

19. In execution and attempted execution of the scheme and artifice to defraud, defendant **Neel Vivek Paithankar** submitted and caused to be submitted the following false and fraudulent claims for DME based on the alleged dates of service indicated below, each claim constituting a separate count:

Count	Date	Medicare Beneficiary	Description of Services	Medicare Payment
2	February 17, 2025	**G.S.**	DME	$1,506.83
3	March 27, 2025	**D.L.**	DME	$380.56

Count	Date	Medicare Beneficiary	Description of Services	Medicare Payment
4	April 4, 2025	**S.N.**	DME	$1,606.49
5	April 10, 2025	**D.W.**	DME	$589.69

All in violation of 18 U.S.C. §§ 1347 and 2.

Forfeiture Notice
[18 U.S.C. § 981(a)(1)(C); 18 U.S.C. § 982(a)(7); 28 U.S.C. § 2461]

20. Paragraphs 1 through 19 of this Indictment are realleged and incorporated by reference as though fully set forth herein for the purpose of alleging forfeiture to the United States of America of certain property in which the defendant has an interest.

21. Upon conviction of the offense alleged in Count One of this Indictment, defendant **Neel Vivek Paithankar** shall forfeit to the United States of America, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461, any property, real or personal, constituting, or derived from, proceeds obtained directly or indirectly as a result of the offense.

22. Upon conviction for any offense alleged in Counts Two through Five of this Indictment, defendant **Neel Vivek Paithankar** shall forfeit to the United States of America, pursuant to 18 U.S.C. § 982(a)(7), any property, real or personal, constituting, or derived from, gross proceeds obtained directly or indirectly as a result of the offense.

23. If any of the property described above, as a result of any act or omission of the defendant:

(a) cannot be located upon the excise 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 21 U.S.C. § 853(p), as incorporated by 28 U.S.C. § 2461(c).

24. The above-referenced property subject to forfeiture includes, but is not limited to, a "money judgment" constituting the gross proceeds traceable to the offense.

A TRUE BILL

FOREPERSON

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