



UNITED STATES DISTRICT COURT

FOR THE CENTRAL DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,

Plaintiff,

v.

EUGENE RICHARD DORSEY,

Defendant.

No. 8:26-cr-00088-SPG

I N F O R M A T I O N

[18 U.S.C. § 1347: Health Care
Fraud; 18 U.S.C. § 982: Criminal
Forfeiture]

The United States charges:

[18 U.S.C. §§ 1347, 2(b)]

A. INTRODUCTORY ALLEGATIONS

At times relevant to this Information:

1. Defendant EUGENE RICHARD DORSEY was a psychiatrist licensed with the State of California.

2. Defendant DORSEY, together with Co-Schemer-1, a medical doctor, saw patients at the offices of Western Orthopaedic Surgical Associates (WOSA), also known as "South County Orthopaedic Associates (SCOA)," a medical practice that operated and had offices in Laguna Hills, Corona, and Santa Ana, California.

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1 The FECA Program

2 3. The Federal Employees' Compensation Act, Title 5, United
3 States Code, Sections 8101, et seq. ("FECA"), provided compensation
4 benefits to civilian employees of the United States for wage-loss
5 disability due to a traumatic injury or occupational disease
6 sustained while working as a federal employee.

7 4. FECA was a "health care benefit program" as defined by
8 18 U.S.C. § 24(b) that affected commerce. Benefits available
9 pursuant to FECA were administered by the Office of Workers'
10 Compensation Programs ("OWCP"), a component of the United States
11 Department of Labor ("DOL").

12 5. A wage-loss disability claimant was required to return to
13 work (including limited duty or part-time work) as soon as the
14 claimant was able.

15 6. DOL-OWCP relied on health care providers to help assess
16 when a disability claimant was able to return to work or if a
17 claimant needed to continue receiving benefits under FECA, including
18 provider's care, medications, psychotherapy, and a percentage of his
19 or her regular pay.

20 7. To become eligible to receive reimbursement from DOL-OWCP
21 for providing health care services to claimants pursuant to FECA, a
22 health care provider was required to apply for and obtain a provider
23 number. A provider was required to satisfy all applicable federal
24 and state licensure and regulatory requirements that applied to their
25 specific provider type. All charges for health care services by the
26 provider were required to be supported by medical evidence.

27 8. If DOL-OWCP approved a health care provider's application,
28 an enrolled health care provider would obtain reimbursement by

1 submitting claimant bills on a standard billing form known as HCFA-
2 1500 ("Health Insurance Claim Form"). The health care provider had
3 to itemize services for each date separately and use American Medical
4 Association Current Procedural Terminology ("CPT") codes to describe
5 the services performed. The provider was required to sign the claim
6 form to certify that the information on the form was true, correct,
7 and complete, and the services identified on the form "were medically
8 indicated and necessary for the health of the patient and were
9 personally furnished by [the provider]." The claim form also stated
10 that by signing the claim, the provider understood "that any false
11 claims, statements or documents, or concealment of a material act,
12 may be prosecuted under applicable Federal or State laws."

13 B. THE SCHEME TO DEFRAUD

14 9. Beginning no later than in or around December 2020, and
15 continuing through at least in or around December 2025, in Orange and
16 Riverside Counties, within the Central District of California, and
17 elsewhere, defendant DORSEY, together with Co-Schemer-1 and others
18 known and unknown to the United States, knowingly, willfully, and
19 with intent to defraud, executed, and willfully caused to be executed
20 a scheme and artifice: (a) to defraud a health care benefit program,
21 namely, FECA, as to material matters in connection with the delivery
22 of and payment for health care benefits, items, and services; and (b)
23 to obtain money from FECA by means of material false and fraudulent
24 pretenses, representations, and promises, and the concealment of
25 material facts in connection with the delivery of and payment for
26 health care benefits, items, and services.

1 C. MEANS TO ACCOMPLISH THE SCHEME TO DEFRAUD

2 10. The fraudulent scheme operated, in substance, as follows:

3 a. Defendant DORSEY and Co-Schemer-1 were enrolled
4 providers with DOL-OWCP.

5 b. Defendant DORSEY and Co-Schemer-1 would falsify their
6 reports from the examination of a claimant so that the claimant would
7 qualify for worker's compensation under FECA, even though they knew
8 the claimant did not have a qualifying disability or injury.

9 Defendant DORSEY and Co-Schemer-1 knew that the claimant was likely
10 to submit the false report to DOL-OWCP to claim eligibility for FECA.

11 c. After a claimant was accepted into FECA based on the
12 false report, defendant DORSEY and Co-Schemer-1 would submit, and
13 cause persons working in the WOSA offices to submit, false and
14 fraudulent claims to DOL-OWCP for services that were reimbursed at a
15 higher rate than the services defendant DORSEY and Co-Schemer-1 had
16 in fact provided, a practice known as "upcoding."

17 11. As a result of the scheme, between in or about December
18 2020 and December 2025, defendant DORSEY submitted and willfully
19 caused the submission of false and fraudulent claims to DOL-OWCP that
20 resulted in DOL-OWCP making overpayments to WOSA in the amount of
21 approximately \$622,259.29. From in or about 2022 through 2025,
22 defendant DORSEY submitted and willfully caused the submission of
23 false and fraudulent claims to private insurance companies that
24 resulted in their making overpayments to WOSA in the amount of
25 approximately \$1,209,203.56.

26 D. EXECUTION OF THE SCHEME TO DEFRAUD

27 12. On or about March 6, 2025, in Orange County, within the
28 Central District of California, defendant DORSEY, together with

1 others known and unknown to the United States, knowingly and
2 willfully executed, and willfully caused the execution of, the
3 fraudulent scheme described above by writing an examination report
4 for a claimant that defendant DORSEY knew contained false statements.
5 Defendant DORSEY intended for the claimant to submit defendant
6 DORSEY's report to DOL-OWCP so that the claimant would fraudulently
7 qualify for worker's compensation under FECA.

1 FORFEITURE ALLEGATION

2 [18 U.S.C. § 982]

3 1. Pursuant to Rule 32.2(a), Fed. R. Crim. P., notice is
4 hereby given that the United States will seek forfeiture as part of
5 any sentence, pursuant to Title 18, United States Code, Section
6 982(a)(7), in the event of the defendant's conviction of the offense
7 set forth in this Information.

8 2. The defendant, if so convicted, shall forfeit to the United
9 States of America the following:

10 (a) All right, title, and interest in any and all
11 property, real or personal, that constitutes or is derived, directly
12 or indirectly, from the gross proceeds traceable to the commission of
13 any offense of conviction; and

14 (b) To the extent such property is not available for
15 forfeiture, a sum of money equal to the total value of the property
16 described in subparagraph (a).

17 3. Pursuant to Title 21, United States Code, Section 853(p),
18 as incorporated by Title 18, United States Code, Section 982(b), any
19 defendant so convicted shall forfeit substitute property, up to the
20 total value of the property described in the preceding paragraph if,
21 as a result of any act or omission of said defendant, the property
22 described in the preceding paragraph, or any portion thereof (a)
23 cannot be located upon the exercise of due diligence; (b) has been
24 transferred, sold to or deposited with a third party; (c) has been
25 placed beyond the jurisdiction of the Court; (d) has been

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1 substantially diminished in value; or (e) has been commingled with
2 other property that cannot be divided without difficulty.

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4
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Acting Attorney General

6 BILAL A. ESSAYLI
7 First Assistant United States Attorney

8 

9 JENNIFER L. WAIER
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