

FILED

1:23-cr-00237
Judge Franklin U. Valderrama
Judge Gabriel A. Fuentes

ee APR 19 2023

THOMAS G. BRUTON
CLERK, U.S. DISTRICT COURT

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA)	No.
)	
v.)	Violation: Title 18, United States
)	Code, Sections 1347
RICHARD W. PITTS,)	
TAMMIE J. PITTS, and)	
CHARLO G. JORDAN)	

COUNTS ONE THROUGH EIGHT

The SPECIAL OCTOBER 2022 GRAND JURY charges:

1. At times material to this Indictment:

a. American Warriors, Inc. (“AWI”) was a not-for-profit corporation organized under the laws of Illinois. AWI purported to provide psychotherapy services for residents of senior living facilities in the Chicago area, and was enrolled as a provider with Medicare.

b. Defendants RICHARD W. PITTS and TAMMIE J. PITTS were the two principals of AWI and were listed as “owner” and “manager,” respectively, in AWI’s Medicare enrollment. At times, RICHARD W. PITTS and TAMMIE J. PITTS operated AWI from their residence in Calumet City, Illinois. RICHARD W. PITTS and TAMMIE J. PITTS were not licensed medical providers.

c. Defendant CHARLO G. JORDAN was a Licensed Clinical Social Worker (“LCSW”) in the State of Illinois, and was enrolled as a provider with

Medicare. Beginning on or about February 19, 2020, JORDAN worked as an independent contractor for AWI.

d. Individual A and Individual B were LCSWs in the State of Illinois, and worked at AWI prior to in or around March 2020.

e. Individual C was a medical claims biller who submitted claims to Medicare on behalf of AWI.

f. Medicare was a “health care benefit program” within the meaning of Title 18, United States Code, Section 24(b) that provided free or below cost healthcare benefits to certain eligible beneficiaries, primarily persons sixty-five years of age or older.

g. Medicare required that health care providers, including LCSWs, obtain a National Provider Identifier (“NPI”) number, which is a unique 10-digit identification number that identifies the rendering provider on claims submitted to Medicare.

h. By becoming a participating Medicare provider, enrolled providers, including AWI and JORDAN, agreed to abide by Medicare laws, regulations, and program instructions. Enrolled providers further agreed not to knowingly cause any false or fraudulent claim to be presented for payment by Medicare.

i. To receive reimbursement for a covered service from Medicare, a provider had to submit a claim form with certain information, including information

regarding the Medicare beneficiary; the type of services provided (using a Current Procedural Terminology, or “CPT” code); the diagnosis; the billed amount for the services provided; the provider who provided the services, including the provider’s name and NPI; and a certification that the services for which payment were sought were personally rendered by the listed provider.

j. Psychotherapy, as defined in the CPT manual, is “the treatment for mental illness and behavioral disturbances in which the physician or other qualified health care professional through definitive therapeutic communication attempts to alleviate the emotional disturbances, reverse or change maladaptive patterns of behavior and encourage personality growth and development.”

k. CPT codes 90832 through 90838 were used in reporting and billing for individual psychotherapy services. The specific CPT code depended in part on the length of time spent for the service. CPT code 90837 was for a 60-minute individual (one-on-one) psychotherapy session.

2. Beginning in or around January 2019, and continuing until in or around April 2021, in the Northern District of Illinois, Eastern Division, and elsewhere,

RICHARD W. PITTS,
TAMMIE J. PITTS, and
CHARLO G. JORDAN,

defendants herein, participated in a scheme to defraud a health care benefit program, namely Medicare, and to obtain, by means of materially false and fraudulent pretenses, representations, and promises, money owned by and under the custody

and control of a health care benefit program, in connection with the delivery of and payment for health care benefits and services, as further described below.

3. It was part of the scheme that RICHARD W. PITTS, TAMMIE J. PITTS, and JORDAN, using Medicare beneficiary information that AWI personnel collected from residents of senior living facilities, submitted and caused to be submitted fraudulent claims to Medicare for purported psychotherapy services provided to the beneficiaries when RICHARD W. PITTS, TAMMIE J. PITTS, and JORDAN knew that the services were not provided as stated in the claims.

4. It was further part of the scheme that RICHARD W. PITTS arranged breakfast meetings at senior living facilities in the Chicago area, in order to identify Medicare beneficiaries whose information could be used in support of fraudulent claims submitted by AWI to Medicare.

5. It was further part of the scheme that RICHARD W. PITTS, TAMMIE J. PITTS, JORDAN, and other AWI personnel helped run the breakfast meetings, which were often followed by a guest speaker or group activity. At the breakfast meetings, AWI personnel collected the personal information of the residents attending the breakfasts in order to bill Medicare for services.

6. It was further part of the scheme that, after the onset of the COVID-19 pandemic in or around March 2020, RICHARD W. PITTS, TAMMIE J. PITTS, JORDAN, and other AWI personnel collected telephone contact information from

Medicare beneficiaries residing at senior living facilities so that AWI could continue to submit fraudulent claims for purported telehealth psychotherapy sessions.

7. It was further part of the scheme that RICHARD W. PITTS recruited and paid Licensed Clinical Social Workers, including Individual A, Individual B, and JORDAN, to allow AWI to list the Licensed Clinical Social Worker as the provider in claims submitted by AWI to Medicare for purported psychotherapy services.

8. It was further part of the scheme that RICHARD W. PITTS, TAMMIE J. PITTS, and JORDAN signed forms used in support of the claims AWI submitted to Medicare for purported psychotherapy services, knowing that the information in the forms was false.

9. It was further part of the scheme that RICHARD W. PITTS, TAMMIE J. PITTS, and JORDAN caused the forms used in support of the claims AWI submitted to Medicare to falsely state that TAMMIE J. PITTS, RICHARD W. PITTS, JORDAN, and other AWI personnel had rendered a one-hour individual psychotherapy session with a Medicare beneficiary, knowing that such services had not been provided to the Medicare beneficiary.

10. It was further part of the scheme that RICHARD W. PITTS, TAMMIE J. PITTS, and JORDAN caused the forms used in support of the claims AWI submitted to Medicare to falsely state that JORDAN was the "Supervising Practitioner" of a one-hour individual psychotherapy session with a Medicare

beneficiary, when RICHARD W. PITTS, TAMMIE J. PITTS, and JORDAN knew that no psychotherapy had been provided to the Medicare beneficiary.

11. It was further part of the scheme that JORDAN signed forms used in support of the claims AWI submitted to Medicare that falsely indicated that JORDAN had supervised and rendered psychotherapy sessions that purportedly occurred on dates before JORDAN began working for AWI.

12. It was further part of the scheme that JORDAN electronically signed forms used in support of the claims AWI submitted to Medicare that falsely indicated that JORDAN had rendered and supervised psychotherapy sessions that purportedly occurred on dates when AWI personnel were not allowed to enter the senior living facilities due to COVID-19 restrictions and did not have telephone contact information for the Medicare beneficiaries.

13. It was further part of the scheme that RICHARD W. PITTS and TAMMIE J. PITTS sent the forms used to support AWI's Medicare billing to Individual C, knowing that the information in the forms was false, and directed Individual C to submit claims to Medicare based on the forms.

14. It was further part of the scheme that RICHARD W. PITTS, TAMMIE J. PITTS, and JORDAN caused AWI to fraudulently obtain approximately \$1,164,624.61 from Medicare for purported psychotherapy services that had not been provided as stated in the claims.

15. It was further part of the scheme that RICHARD W. PITTS and TAMMIE J. PITTS used the proceeds of the scheme for personal expenses.

16. It was further part of the scheme that RICHARD W. PITTS, TAMMIE J. PITTS, and JORDAN concealed, misrepresented, and hid, and caused to be concealed, misrepresented, and hidden, the existence, purpose, and acts done in furtherance of the scheme.

17. On or about the dates set forth below, in the Northern District of Illinois, Eastern Division, and elsewhere,

RICHARD W. PITTS,
TAMMIE J. PITTS, and
CHARLO G. JORDAN,

defendants herein, did knowingly and willfully execute and attempt to execute the above-described scheme by submitting and causing to be submitted a claim to a health care benefit program, namely Medicare, for psychotherapy services that were not actually provided as stated on the claim:

COUNT	CLAIM DATE RECEIVED	CLAIM DATE OF SERVICE	PATIENT	CPT CODE	DEFENDANT
1	2/18/19	2/1/19	M.M.	90837	RICHARD W. PITTS TAMMIE J. PITTS
2	2/18/19	2/8/19	L.L.	90837	RICHARD W. PITTS TAMMIE J. PITTS
3	3/13/19	2/25/19	M.W.	90837	RICHARD W. PITTS
4	10/3/19	7/23/19	P.C.	90837	RICHARD W. PITTS TAMMIE J. PITTS

5	3/24/20	2/10/20	A.S.	90837	RICHARD W. PITTS TAMMIE J. PITTS CHARLO G. JORDAN
6	4/7/20	3/18/20	B.Y.	90837	RICHARD W. PITTS TAMMIE J. PITTS CHARLO G. JORDAN
7	4/21/20	4/16/20	I.R.	90837	RICHARD W. PITTS TAMMIE J. PITTS CHARLO G. JORDAN
8	3/30/21	3/24/21	G.W.	90837	RICHARD W. PITTS TAMMIE J. PITTS CHARLO G. JORDAN

In violation of Title 18, United States Code, Section 1347.

FORFEITURE ALLEGATION

The SPECIAL OCTOBER 2022 GRAND JURY further alleges:

1. Upon conviction of an offense in violation of Title 18, United States Code, Section 1347, as set forth in this Indictment,

RICHARD W. PITTS and
TAMMIE J. PITTS,

defendants herein, shall forfeit to the United States of America any property that constitutes and is derived, directly and indirectly, from the gross proceeds traceable to the commission of the offense, as provided in Title 18, United States Code, Section 982(a)(7).

2. The property to be forfeited includes, but is not limited to, a personal money judgment in the amount of approximately \$1,164,624.61.

3. If any of the property described above, as a result of any act or omission by a defendant: cannot be located upon the exercise of due diligence; has been transferred or 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, the United States of America shall be entitled to forfeiture of substitute property, as provided in Title 21, United States Code Section 853(p).

A TRUE BILL:

FOREPERSON

ACTING UNITED STATES ATTORNEY