

UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Criminal No. 17-  
 :  
 v. : 18 U.S.C. § 1349  
 :  
 ANDRES AYALA : INFORMATION

The defendant having waived in open court prosecution by indictment, the Acting United States Attorney for the District of New Jersey charges:

**COUNT ONE**  
**(Conspiracy to Commit Health Care Fraud)**

1. At all times relevant to this Information:
  - a. Nueva Vida Behavioral Center of New Jersey, Inc. (“Nueva Vida”) was a New Jersey nonprofit corporation with offices in Camden, New Jersey;
  - b. Cesar Tavera was the Executive Director of Nueva Vida; and
  - c. Defendant ANDRES AYALA was a resident of Cherry Hill, New Jersey and purported to be a mental health counselor at Nueva Vida.
2. At all relevant times, the Medicaid Program was a jointly funded, federal-state health insurance program that provided certain health benefits to the disabled, as well as to individuals and families with low income and resources. The federal government provided matching funds to Medicaid and ensured that states complied with minimum standards in the administration of the program.
3. In New Jersey, Medicaid (“NJ Medicaid”) was administered by the New Jersey Department of Human Services and predecessor agencies. NJ Medicaid was a “health care benefit program” as defined in 18 U.S.C. § 24(b).

4. Payment of a claim by NJ Medicaid was conditioned upon certification by a provider that the claims and underlying transactions billed by the provider complied with all applicable law, regulations, program instructions, and conditions of participation in NJ Medicaid.

5. Nueva Vida held itself out as a provider of outpatient mental health and psychiatric services to the Camden community. The majority of Nueva Vida's patients were Medicaid beneficiaries.

6. From 2006 forward, Nueva Vida entered into Medicaid provider agreements with the New Jersey Department of Human Services and predecessor agencies in which Nueva Vida agreed to comply with all applicable federal and state laws, regulations, and policies. Cesar Tavera signed those Medicaid provider agreements as Executive Director of Nueva Vida.

7. Under New Jersey law and Medicaid rules, a provider such as Nueva Vida could bill NJ Medicaid for outpatient mental health services only if the person who provided the mental health services was authorized by law to provide mental health services and appropriately credentialed. For nonprofit organizations, the person providing the mental health services had to either (a) be licensed to provide mental health services, or (b) have at least a master's degree in a recognized mental health discipline. If the person had a master's degree from an institution outside the United States, those qualifications had to be verified through an accrediting organization before the person could provide services and NJ Medicaid could be billed for those services.

8. Nueva Vida regularly submitted bills to NJ Medicaid claiming that Nueva Vida provided mental health treatment to its Medicaid patients. Nueva Vida personnel prepared bills on computers using billing software and then submitted claims electronically to NJ Medicaid.

9. Cesar Tavera supervised and directed the personnel preparing bills submitted to NJ Medicaid.

10. Cesar Tavera supervised and directed the persons at Nueva Vida who purported to provide mental health therapy.

11. Defendant ANDRES AYALA, Cesar Tavera, and their co-conspirators obtained money from NJ Medicaid through billings that included false and fraudulent statements claiming that:

- a. patients received mental health therapy in sessions that did not occur;
- b. patients received mental health therapy from individuals qualified under NJ Medicaid rules, when, in fact, mental health therapy was provided by individuals who were not licensed or otherwise qualified to provide mental health therapy;
- c. individual mental health therapy was provided to patients who, in fact, received group therapy; and
- d. 45 minutes or more of mental health therapy was provided to patients who, in fact, received less than 45 minutes of therapy.

12. From in or about January 2010 through in or about August 2016, in Camden County, in the District of New Jersey, and elsewhere, defendant

**ANDRES AYALA**

did knowingly and willfully conspire and agree with Cesar Tavera and others to execute a scheme and artifice to defraud a health care benefit program, namely, NJ Medicaid, and to obtain, by means of false and fraudulent pretenses, representations, and promises, money and property owned by, or under the custody and control of, NJ Medicaid, in connection with the

delivery of and payment for health care benefits, items, and services, contrary to Title 18, United States Code, Section 1347.

**Object of the Conspiracy**

13. It was the object of the conspiracy that defendant ANDRES AYALA, Cesar Tavera, and their co-conspirators submitted and caused to be submitted bills to NJ Medicaid that falsely represented services provided to Medicaid beneficiaries in order to obtain money from NJ Medicaid.

**Manner and Means of the Conspiracy**

14. It was part of the conspiracy that defendant ANDRES AYALA, Cesar Tavera, and their co-conspirators caused Nueva Vida to submit bills to NJ Medicaid falsely claiming that:

- a. mental health services were provided to patients in sessions that, in fact, never occurred;
- b. mental health services were provided to several patients in individual sessions, each of which was billed at the higher rate for individual therapy, when, in fact, the patients received group therapy;
- c. mental health services were provided by therapists licensed or otherwise qualified under NJ Medicaid rules to provide those services, when, in fact, the persons providing the mental health services were not licensed or otherwise qualified under NJ Medicaid rules to provide mental health services; and
- d. mental health services were provided in sessions lasting at least 45 minutes, when, in fact, the patients received less than 45 minutes of therapy.

15. It was further part of the conspiracy that defendant ANDRES AYALA, Cesar Tavera, and their co-conspirators prepared and caused to be prepared false records purporting to document mental health services that were not provided as described in the false records.

**Acts Furthering the Conspiracy**

16. In furtherance of the conspiracy and to effect its objects, its members committed and caused to be committed numerous acts, including, for example, the following acts:

- a. In 2016, defendant ANDRES AYALA caused Nueva Vida billing personnel to bill NJ Medicaid for mental health services that were not provided.
- b. In 2016, defendant ANDRES AYALA caused Nueva Vida billing personnel to bill NJ Medicaid for a 45 minute therapy session, when in fact the therapy session lasted for less than 25 minutes.

In violation of Title 18, United States Code, Section 1349.

  
WILLIAM E. FITZPATRICK  
Acting United States Attorney

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