

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA) No.
)
 v.) Violation: Title 18, United States
) Code, Section 1347
OMAR GARCIA)

COUNT ONE

The SPECIAL JULY 2018 GRAND JURY charges:

1. At times material to this Indictment:

a. Medicare was a Federal health care benefit program, as defined in Title 18, United States Code, Section 24(b), that provided free and below-cost health care benefits, including, among other things, medically necessary in-home health care services for individuals who received Medicare benefits and were referred to as Medicare beneficiaries.

b. The Centers for Medicare and Medicaid Services, a federal agency within the United States Department of Health and Human Services, administered the Medicare program through its contractors.

c. Enrolled providers of medical services to Medicare beneficiaries were eligible for reimbursement for covered medical services. By becoming a participating provider in Medicare, enrolled providers agreed to abide by the rules, regulations, policies and procedures governing reimbursement.

d. Medicare paid claims for diagnostic tests ordered by a physician such as percutaneous allergen tests (commonly referred to as “prick or scratch allergy tests”), nerve transmission tests, and ultrasounds, but only if, among other criteria, the tests were medically necessary.

e. Defendant OMAR GARCIA was a physician who was licensed in Illinois and was an enrolled provider of medical services to Medicare beneficiaries. GARCIA controlled Finlay Occupational, LLC, a company located in the Northern District of Illinois, as well as a bank account in that entity's name.

f. Individual A and Individual B, with others, controlled Grand Medical Clinic, Inc., a company located in the Northern District of Illinois. Defendant GARCIA worked for Grand Medical, which arranged for physicians, including GARCIA, to provide authorization for diagnostic tests that were performed on Medicare beneficiaries in their homes and to cause those tests to be billed to Medicare.

g. Individual A and Individual B, with others, also controlled US Medical Group, Inc. Defendant GARCIA was the president of US Medical Group, and also a signatory on its bank account.

2. Beginning no later than July 2011 and continuing through February 13, 2015, in the Northern District of Illinois, Eastern Division, and elsewhere,

OMAR GARCIA,

defendant herein, and others, 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 and property 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, which scheme is further described below.

3. It was part of the scheme that defendant GARCIA, and others, submitted, and caused to be submitted, fraudulent claims to Medicare that falsely represented that Medicare beneficiaries, including Beneficiaries PD, TC, MG, SM, LS, JY and JF, had a medical need for

certain diagnostic tests prescribed and authorized by GARCIA and administered in the home, including percutaneous allergen tests, nerve transmission tests, and ultrasounds.

4. It was further part of the scheme that defendant GARCIA prescribed and authorized diagnostic tests after the tests had already been completed, including percutaneous allergen tests, nerve transmission tests, and ultrasounds, for Medicare beneficiaries, knowing that the tests were not medically necessary.

5. It was further part of the scheme that defendant GARCIA, Individual A, Individual B, and others, utilized, and caused to be utilized, various entities, including Grand Medical, Finlay Occupational, and US Medical Group, to reduce the volume of Medical billing submitted by any single entity, and, therefore, minimize the scrutiny of claims made to, and payments made by, Medicare.

6. It was further part of the scheme that defendant GARCIA, Individual A, Individual B, and others, submitted, and caused the submission of, fraudulent claims by Grand Medical, Finlay Occupational, and US Medical Group to Medicare seeking payment for medically unnecessary diagnostic tests prescribed and authorized by GARCIA.

7. It was further part of the scheme that defendant GARCIA, Individual A, Individual B, and others, used and caused to be used, the bank accounts of Grand Medical, Finlay Occupational Health, and US Medical Group to receive payments from Medicare for the medically unnecessary diagnostic tests prescribed and authorized by GARCIA.

8. It was further part of the scheme that defendant GARCIA provided Individual A, Individual B, and others, access to US Medical Group's bank account so that Individual A, Individual B, and others could write checks to GARCIA reflecting his percentage of Medicare

payments, which included payments for the medically unnecessary diagnostic tests prescribed and authorized by GARCIA, as well as checks to entities controlled by Individual A and Individual B.

9. It was further part of the scheme that defendant GARCIA did misrepresent, conceal and hide, and cause to be misrepresented, concealed and hidden, the acts done and the purposes of acts done in furtherance of the scheme.

10. As a result of the scheme, defendant GARCIA, and others, fraudulently obtained, or caused others to fraudulently obtain, and converted to their own use payments made by Medicare on the claims submitted by Grand Medical, Finlay Occupational Health, and US Medical Group for the medically unnecessary diagnostics tests prescribed and authorized by GARCIA.

11. On or about April 18, 2014, in the Northern District of Illinois, Eastern Division, and elsewhere,

OMAR GARCIA,

defendant herein, and others, 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, specifically a claim seeking payment for a percutaneous allergen test that was performed on Beneficiary PD on or about April 3, 2014 that did not qualify for payment because such test was not medically necessary;

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

COUNT TWO

The SPECIAL JULY 2018 GRAND JURY further charges:

1. Paragraphs 1 through 10 of Count One are incorporated here.
2. On or about April 23, 2014, in the Northern District of Illinois, Eastern Division, and elsewhere,

OMAR GARCIA,

defendant herein, and others, 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, specifically a claim seeking payment for a percutaneous allergen test that was performed on Beneficiary TC on or about April 4, 2014 that did not qualify for payment because such test was not medically necessary;

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

COUNT THREE

The SPECIAL JULY 2018 GRAND JURY further charges:

1. Paragraphs 1 through 10 of Count One are incorporated here.
2. On or about May 29, 2014, in the Northern District of Illinois, Eastern Division, and elsewhere,

OMAR GARCIA,

defendant herein, and others, 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, specifically a claim seeking payment for a percutaneous allergen test that was performed on Beneficiary MG on or about May 20, 2014 that did not qualify for payment because such test was not medically necessary;

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

COUNT FOUR

The SPECIAL JULY 2018 GRAND JURY further charges:

1. Paragraphs 1 through 10 of Count One are incorporated here.
2. On or about October 2, 2014, in the Northern District of Illinois, Eastern Division, and elsewhere,

OMAR GARCIA,

defendant herein, and others, 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, specifically a claim seeking payment for a percutaneous allergen test that was performed on Beneficiary SM on or about September 26, 2014 that did not qualify for payment because such test was not medically necessary;

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

COUNT FIVE

The SPECIAL JULY 2018 GRAND JURY further charges:

1. Paragraphs 1 through 10 of Count One are incorporated here.
2. On or about October 16, 2014, in the Northern District of Illinois, Eastern Division, and elsewhere,

OMAR GARCIA,

defendant herein, and others, 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, specifically a claim seeking payment for a percutaneous allergen test that was performed on Beneficiary LS on or about October 13, 2014 that did not qualify for payment because such test was not medically necessary;

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

COUNT SIX

The SPECIAL JULY 2018 GRAND JURY further charges:

1. Paragraphs 1 through 10 of Count One are incorporated here.
2. On or about February 5, 2015, in the Northern District of Illinois, Eastern Division, and elsewhere,

OMAR GARCIA,

defendant herein, and others, 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, specifically a claim seeking payment for a percutaneous allergen test that was performed on Beneficiary JY on or about January 30, 2015 that did not qualify for payment because such test was not medically necessary;

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

A TRUE BILL:

FOREPERSON

UNITED STATES ATTORNEY