

HIV Alliance for Region 2 ("HAART") to collect and process claims. HIP affects interstate commerce.

Company 1 is a Federally Qualified Health Center ("FQHC") and AIDS Service Organization ("ASO") that provides HIV medical care and other health care as well as social services in the New Orleans area. Company 1 is also eligible to receive money from patients from Open Health Care Clinic, which also uses HAART to process claims made to HIP.

The defendant, JAMES, was employed by Company 1 from April 2017 through April 2021. JAMES, a denial specialist in of the billing department of Company 1, was responsible for both submitting claims to HAART on behalf of HIP, and for receiving and accounting for claims checks received from HAART on behalf of HIP. JAMES submitted false claims to HIP via HAART for services never rendered. Company 1 learned of JAMES's scheme in May of 2021, and JAMES resigned shortly thereafter.

On Friday, May 7, 2021, the chief of staff of Company 1 and her team members noticed that JAMES, an employee in the billing department at the Company 1 community health center, had deposited claim reimbursements into her personal bank account. Company 1 staff identified suspicious refund checks that were issued in higher amounts than the usual range of the refund amount for particular services. JAMES forged documents related to claims for reimbursement to make it appear as if several patients at the facility had made cash payments. JAMES then endorsed refund checks intended for patients in her own name.

The refund checks were normally issued when a patient received services at Company 1 and paid out of pocket; then, the supplemental insurance (HIP) would cover the amount paid by the patient. JAMES submitted claims that made it appear as if patients received services at

Company 1 and paid out of pocket for services. HIP via HAART reimbursed for the amount that the patient paid. This would then make the patient eligible to receive a refund check.

As part of the scheme, JAMES would have the Finance Department at Company 1 issue the patient refund check and turn it over to her. JAMES would then deposit the check into her personal bank account.

On or about January 18, 2021, JAMES, transmitted and caused to be transmitted, a claim for services for [REDACTED] provided by Company 1 that had not been performed. JAMES subsequently received a reimbursement check issued to Company 1 totaling \$729.47 which JAMES deposited into her personal bank account.

JAMES also filed claims with HIP to receive supplemental insurance payments to cover patient expenses that are not covered by insurance. JAMES would fill out a claim form and use high paying service codes, some for services which were not offered at Company 1, and submit the claim form to HIP for reimbursement. The claim forms were sent from JAMES's Company 1 email account.

JAMES emailed LAHAP in December 2020 and told LAHAP to mail the checks to her residence. The checks that were sent from LAHAP to JAMES's house were made out to Company 1. JAMES then proceeded to deposit those checks into her personal bank account. JAMES was confronted about the refund checks and agreed to resign on May 10, 2021.

The government and JAMES agree that the loss amount attributable to JAMES is \$29,491.

In sum, the evidence would establish that JAMES committed health care fraud by submitting fraudulent claims for services not rendered.

Limited Nature of Factual Basis


This proffer of evidence is not intended to constitute a complete statement of all facts known by JAMES and/or the Government. Rather, it is a minimum statement of facts intended to prove the necessary factual predicate for her guilty plea. The limited purpose of this proffer is to demonstrate that there exists a sufficient legal basis for the plea of guilty to the charged offense by JAMES.

The above facts come from an investigation conducted by and would be proven at trial by credible testimony from, *inter alia*, Special Agents from the United States Department of Health and Human Services – Office of the Inspector General, other witnesses, and admissible, tangible exhibits.

READ AND APPROVED:


ERIKA JAMES
Defendant

9/30/2022
DATE


ROBERT TOALE
Counsel for Defendant

9/30/22
DATE


J. RYAN McLAREN
Assistant United States Attorney

9/30/22
DATE