

JUDGE DOW

FILED

EC JUN 21 2018

THOMAS G. BRUTON
CLERK, U.S. DISTRICT COURTUNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

MAGISTRATE JUDGE MASON

UNITED STATES OF AMERICA

vs.

LINDA HAWKINS

INTAKE

EC JUN 22 2018

Case No.

18CR 387

Violations:

Title 18, United States
Code, 371; Title 42,
United States Code,
Section 1320a-
7b(b)(1)(A)**COUNT ONE****RECEIVED**

The SPECIAL FEBRUARY 2017 GRAND JURY charges:

JUN 21 2018

1. At times material to this Indictment:

MICHAEL T. MASON
UNITED STATES MAGISTRATE JUDGE
UNITED STATES DISTRICT COURT**The Medicare Program**

a. The Medicare program was a federal health care program providing benefits to persons who were 65 years of age or older, or disabled. Medicare was administered by the Centers for Medicare and Medicaid Services, a federal agency under the United States Department of Health and Human Services. Individuals who received benefits under Medicare were often referred to as Medicare "beneficiaries."

b. Medicare was a "health care benefit program," as defined in Title 18, United States Code, Section 24(b), and a "Federal health care program," as defined in Title 42, United States Code, Section 1320a-7b.

c. Medicare programs covering different types of benefits were separated into different program parts. Covered benefits under Part A of Medicare included, among other things, medically necessary in-home health care services for persons who were confined to their homes.

CMS contracted with Palmetto GBA to process Medicare claims submitted for home health services in Illinois.

d. A beneficiary was eligible for home health care coverage if, among other conditions, that beneficiary had a condition due to illness or injury that severely restricted his or her ability to leave their place of residence.

e. Medicare typically approved the provision of home health care to beneficiaries who were confined to their homes in 60-day periods. The 60-day periods were referred to as cycles, or episodes of care, and an initial cycle

f. Home health care services were billed to Medicare in 60-day periods known as episodes of care. Medicare reimbursed home health care companies at a higher level for the episode when more services were provided.

g. For a beneficiary to be eligible to receive home health care services covered by Medicare, a physician was required to certify that the patient needed skilled care and was homebound. In addition, the home health agency was required to provide the beneficiary with a comprehensive assessment of the beneficiary's health status, as conducted by a registered nurse. The registered nurse was required to independently assess the beneficiary's homebound status.

h. The comprehensive assessment required by Medicare was also referred to as the Outcome and Assessment Information Set, or OASIS. The health information collected during the comprehensive assessment was required to be reported to Medicare, and Medicare used the information to calculate the amount the home health agency would be paid for the episode of care. Medicare paid the home health agency more for an episode of care when the comprehensive assessment indicated the beneficiary's clinical condition was more severe.

The Defendant and Related Companies

i. Home Health Agency A (HHA-A) was a corporation organized under the laws of the State of Illinois. HHA-A was located in Elk Grove Village, Illinois. HHA-A offered home health care services to Medicare beneficiaries who purportedly were confined to their homes, and through its officers and agents submitted claims to Medicare for reimbursement for home health care services purportedly provided to Medicare beneficiaries.

j. Home Health Agency B (HHA-B) was a corporation organized under the laws of the State of Indiana. HHA-B was located in Highland, Indiana. HHA-B offered home health care services to Medicare beneficiaries who purportedly were confined to their homes, and through its officers and agents submitted claims to Medicare for reimbursement for home health care services purportedly provided to Medicare beneficiaries.

k. Home Health Agency C (HHA-C) was a corporation organized under the laws of the State of Illinois. HHA-C was located in Chicago, Illinois. HHA-C offered home health care services to Medicare beneficiaries who purportedly were confined to their homes, and through its officers and agents submitted claims to Medicare for reimbursement for home health care services purportedly provided to Medicare beneficiaries.

l. Home Health Agency D (HHA-D) was a corporation organized under the laws of the State of Illinois. HHA-D was located in Rolling Meadows, Illinois. HHA-D offered home health care services to Medicare beneficiaries who purportedly were confined to their homes, and through its officers and agents submitted claims to Medicare for reimbursement for home health care services purportedly provided to Medicare beneficiaries.

m. Individual A, a resident of Harvey, Illinois, was a relative of defendant LINDA HAWKINS.

n. Defendant LINDA HAWKINS, was a resident of Robbins, Illinois.

2. Beginning at least as early as May 2009, and continuing through at least in or around June 2016, in the Northern District of Illinois, Eastern Division, and elsewhere,

LINDA HAWKINS,

defendant herein, together with others known and unknown to the Grand Jury, did conspire to knowingly and willfully solicit and receive any remuneration, including kickbacks and bribes, directly and indirectly, overtly and covertly, from home health agencies, including HHA-A, HHA-B, HHA-C, and HHA-D, in return for defendant referring Medicare beneficiaries to the home health agencies for the furnishing and arranging for the furnishing of home health care services for which payment may be made in whole or in part under a Federal health care program, namely, Medicare, in violation of Title 42, United States Code, Section 1320a-7b(b)(1)(A).

Purpose of the Conspiracy

3. It was a purpose of the conspiracy for defendant and her co-conspirators to unlawfully enrich themselves and others, known and unknown, by (i) soliciting and receiving kickbacks in return for referring Medicare beneficiaries to home health agencies to serve as home health patients, (ii) using the referred Medicare beneficiary information to obtain payments from Medicare for home health services purportedly provided to those beneficiaries by the home health agencies, and (iii) concealing the recruitment and referral of Medicare beneficiaries and the solicitation and receipt of kickbacks.

Manner and Means

4. It was part of the conspiracy that defendant and her co-conspirators agreed to unlawfully enrich themselves and others, known and unknown, by (i) soliciting and receiving kickbacks in return for referring Medicare beneficiaries to home health agencies to serve as home

health patients, (ii) using the referred Medicare beneficiary information to obtain payments from Medicare for home health services purportedly provided to those beneficiaries by the home health agencies, and (iii) concealing the recruitment and referral of Medicare beneficiaries and the solicitation and receipt of kickbacks.

5. It was further part of the conspiracy that defendant LINDA HAWKINS recruited Medicare beneficiaries for referral to home health agencies, knowing that many of the beneficiaries were not homebound and did not need all the home health services that were billed to Medicare.

6. It was further part of the conspiracy that defendant LINDA HAWKINS solicited and received over \$75,000 in kickbacks from home health agencies in the form of checks payable to LINDA HAWKINS in exchange for her referral of Medicare beneficiaries to the home health agencies for home health services paid for by Medicare.

7. It was further part of the conspiracy that, in or around February 2011, defendant LINDA HAWKINS added Individual A as a co-signatory on two of her existing bank accounts.

8. It was further part of the conspiracy that, in or around February 2011, home health agencies began making checks out to Individual A instead of LINDA HAWKINS.

9. It was further part of the conspiracy that from February 2011 to June 2016, home HHA-A, HHA-B, HHA-C, and HHA-D together issued over 60 checks to Individual A for a total of over \$100,000.

10. It was further part of the conspiracy that defendant LINDA HAWKINS forged Individual A's endorsement on many of these checks and deposited the checks made out to Individual A into accounts she controlled and used, at least one of which Individual A could not access.

11. It was further part of the conspiracy that defendant LINDA HAWKINS and her co-conspirators submitted to Medicare, and caused to be submitted to Medicare, claims for home health services purportedly provided to the beneficiaries referred to the home health agencies by HAWKINS.

12. It was further part of the conspiracy that defendant LINDA HAWKINS and her co-conspirators caused Medicare to pay the home health agencies based upon claims submitted for home health services purportedly provided to Medicare beneficiaries referred to the home health agencies by defendant LINDA HAWKINS.

13. It was further part of the conspiracy that defendant LINDA HAWKINS and her co-conspirators misrepresented, concealed, hid, and caused to be misrepresented, concealed and hidden, the purpose of the conspiracy and acts done in furtherance of the conspiracy.

14. In furtherance of and to affect the objects of this conspiracy, the defendant and her co-conspirators committed and caused to be committed, in the Northern District of Illinois, at least one of the following overt acts, among others:

15. The following kickback transactions:

Home Health Agency	Approximate Posting Date	Payment Amount
HHA-B	February 2, 2010	\$6,000
HHA-B	February 8, 2010	\$6,720
HHA-A	April 13, 2010	\$1,730
HHA-A	April 16, 2010	\$1,400
HHA-A	September 1, 2010	\$3,500
HHA-B	June 3, 2011	\$7,380

16. The kickback transactions charged in Counts Two through Seven of this Indictment, each of which constitutes an overt act in furtherance of the conspiracy.

In violation of Title 18, United States Code, Section 371.

COUNTS TWO THROUGH SEVEN

The SPECIAL FEBRUARY 2017 GRAND JURY further charges:

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

LINDA HAWKINS,

defendant herein, did knowingly and willfully solicit and receive remuneration, including kickbacks and bribes, as set forth below, directly and indirectly, overtly and covertly, from home health agencies, in return for referring Medicare beneficiaries to the home health agencies for the furnishing and arranging for furnishing of services for which payment may be made in whole or in part under a Federal health care program, namely Medicare:

Count	Home Health Agency	Approximate Posting Date	Payment Amount
2	HHA-D	August 26, 2013	\$1,200
3	HHA-B	October 3, 2014	\$2,000
4	HHA-B	October 3, 2014	\$1,998
5	HHA-C	January 19, 2016	\$600
6	HHA-B	January 22, 2016	\$1,000
7	HHA-B	February 5, 2016	\$3,000

In violation of Title 42, United States Code, Section 1320a-7b(b)(1)(A).

FORFEITURE ALLEGATION

The SPECIAL FEBRUARY 2017 GRAND JURY further alleges:

1. The allegations in Counts One through Seven of this Indictment are realleged and incorporated here for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Section 982(a)(7).

2. As a result of their violations of Title 18, United States Code, Section 371 and Title 42 United States Code, Section 1320a-7b(b)(1)(a), as alleged in the foregoing Indictment,

LINDA HAWKINS,

defendant herein, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 982(a)(7), any and all right, title and interest they may have in any property, real and personal, that constitutes and is derived, directly and indirectly, from gross proceeds traceable to commission of the charged offenses.

3. If any of the forfeitable property described above, as a result of any act or omission by the defendants:

- a. Cannot be located upon the exercise of due diligence;
- b. Has been transferred or sold to, or deposited with, a third party;
- c. Has been placed beyond the jurisdiction of the Court;
- d. Has been substantially diminished in value; or
- e. 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 under the provisions of Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982(b)(1).

All pursuant to Title 18, United States Code, Section 982(a)(7).

A TRUE BILL:

FOREPERSON

UNITED STATES DEPARTMENT OF JUSTICE
CRIMINAL DIVISION, FRAUD SECTION
ACTING CHIEF

UNITED STATES DEPARTMENT OF JUSTICE
CRIMINAL DIVISION, FRAUD SECTION
CHIEF – HEALTH CARE UNIT