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2			9/16/2020 CENTRAL DISTRICT OF CALIFORNIA			
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8	IINTTED STATES	S DISTRICT COLL	P.T.			
9	UNITED STATES DISTRICT COURT  FOR THE CENTRAL DISTRICT OF CALIFORNIA					
LO	SOUTHERN DIVISION					
L1	September 2019 Grand Jury					
L2	UNITED STATES OF AMERICA,	$_{\rm No.}$ 8:20-cr-00				
L3	Plaintiff,	INDICT				
_4	v.					
L5	TAREK GREISS,	[18 U.S.C. § 371: Conspiracy; 18 U.S.C. § 220(a)(2): Illegal Remunerations for Referrals to Clinical Treatment Facilities; 18 U.S.C. § 982(a)(7): Criminal				
L6	Defendant.					
L7		Forfeiture]	(3.7(7) 3.2			
L8		•				
L9	The Grand Jury charges:					
20	COUNT ONE					
21	[18 U.S.C. § 371]					
22	A. INTRODUCTORY ALLEGATIONS					
23	At times relevant to this Indictment:					
24	1. Defendant TAREK GREISS operated a purported non-profit					
25	corporation and substance abuse treatment facility located in Costa					
26	Mesa, California ("Company A").					
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- 2. Defendant GREISS also operated another corporation and substance abuse treatment facility affiliated with Company A and located in Costa Mesa, California ("Company B").
- 3. SeKe, Inc. ("SeKe") was a corporation located in Tustin, California, that referred individuals to substance abuse treatment facilities, including Company A and Company B, in return for monetary kickbacks.
- 4. Co-conspirator 1 and Co-conspirator 2 were "patient brokers" who worked for SeKe.
- 5. "Detox" referred to the specialized and reimbursable medical care of a patient whose dependence on drugs was so severe that the abrupt discontinuation of or decrease in drug use could have led to dangerous withdrawal symptoms.
- 6. Detox and substance abuse treatment facilities were "clinical treatment facilities," as defined in Title 18, United States Code, Section 220(e)(2), and were regulated under state and federal law.
- 7. Company A and Company B serviced patient populations that received health care benefits through, among other entities, Cigna, Aetna, Beacon, Blue Cross Blue Shield of Ohio and Illinois, United Healthcare, UBH Rios, and Highmark of Pennsylvania (the "insurance companies"). The insurance companies were "health care benefit programs," as defined in Title 18, United States Code, Section 24(b), and Title 18, United States Code, Section 220(e)(3).

## B. OBJECT OF THE CONSPIRACY

8. Beginning no later than on or about November 6, 2018, and continuing to at least on or about April 3, 2019, in Orange County, within the Central District of California, and elsewhere, defendant

GREISS conspired with Co-conspirator 1 and others known and unknown to the Grand Jury to knowingly and intentionally commit an offense against the United States, namely, Illegal Remunerations for Referrals to Clinical Treatment Facilities, in violation of Title 18, United States Code, Sections 220(a)(1),(2).

# C. MANNER AND MEANS OF THE CONSPIRACY

- 9. The object of the conspiracy was to be accomplished, in substance, as follows:
- a. Defendant GREISS, on behalf of Company A, would enter into a sham contract with SeKe that: (1) required fixed, monthly payments from Company A to SeKe; (2) purportedly prohibited payments from Company A to SeKe based on the "volume or value" of SeKe's patient referrals; and (3) was designed to conceal the nature of the kickback payments following the passage of the federal Eliminating Kickbacks in Recovery Act of 2018.
- b. Defendant GREISS would pay tens of thousands of dollars in kickbacks to SeKe on a monthly basis, which payments were intended to induce referrals of individuals to Company A and Company B and as compensation in exchange for individuals using the services of Company A and Company B.
- c. Company A and Company B would bill and subsequently be reimbursed by the insurance companies for drug treatment purportedly given to admitted patients that SeKe had referred in exchange for the payment of kickbacks by defendant GREISS. Specifically, Company A and Company B billed approximately \$1,574,780 to the insurance companies, and were collectively paid approximately \$357,762.

### D. OVERT ACTS

10. In furtherance of the conspiracy and to accomplish the objects of the conspiracy, on or about the following dates, defendant GREISS, and others known and unknown to the Grand Jury, committed various overt acts in Orange County, within the Central District of California, and elsewhere, including, but not limited to, at least one of the following:

Overt Act No. 1: On or about November 6, 2018, during a phone conversation, defendant GREISS discussed with Co-conspirator 1 the need for a "fixed agreement" in light of new laws prohibiting payments for patient referrals.

Overt Act No. 2: In or around November or December 2018, defendant GREISS entered into a purported "Marketing Services Agreement" on behalf of Company A, which agreement: had been signed by Co-conspirator 2, on behalf of SeKe; had an "effective date" of October 1, 2018, shortly before the Eliminating Kickbacks in Recovery Act of 2018 became effective; required monthly payments of \$30,000 from Company A to SeKe; and included a false provision that prohibited these payments from being based on the "volume or value" of any referrals provided by SeKe.

Overt Act No. 3: On or about January 2, 2019, defendant GREISS transferred approximately \$15,000 in kickbacks from Company A's Bank of America checking account to SeKe to induce referrals of individuals to Company A and Company B.

Overt Act No. 4: On or about January 15, 2019, defendant GREISS transferred approximately \$15,000 in kickbacks from Company A's Bank of America checking account to SeKe to induce referrals of individuals to Company A and Company B.

Overt Act No. 5: On or about February 1, 2019, defendant GREISS transferred approximately \$15,000 in kickbacks from Company A's Bank of America checking account to SeKe to induce referrals of individuals to Company A and Company B.

Overt Act No. 6: On or about February 15, 2019, defendant GREISS transferred approximately \$15,000 in kickbacks from Company A's Bank of America checking account to SeKe to induce referrals of individuals to Company A and Company B.

Overt Act No. 7: On or about March 1, 2019, defendant GREISS transferred approximately \$15,000 in kickbacks from Company A's Bank of America checking account to SeKe to induce referrals of individuals to Company A and Company B.

Overt Act No. 8: On or about March 15, 2019, defendant GREISS transferred approximately \$15,000 in kickbacks from Company A's Bank of America checking account to SeKe to induce referrals of individuals to Company A and Company B.

Overt Act No. 9: On or about March 18, 2019, during a telephone conversation, defendant GREISS discussed with Coconspirator 1, who, unbeknownst to defendant GREISS, was then cooperating with law enforcement, the monetary value of approximately 19 individuals referred to Company A and Company B by SeKe -- which values were based on the kinds of reimbursable drug treatment the individuals were eligible for and received -- and credited those values against the payments previously made to SeKe under the Marketing Services Agreement.

Overt Act No. 10: On or about April 3, 2019, during a telephone conversation, defendant GREISS told Co-conspirator 1 that defendant GREISS "was hungry for admissions," that he was low on

detox-eligible patients, and that he would "rather get admissions" than be paid back the money that defendant GREISS had previously transferred to SeKe for patient referrals.

#### COUNTS TWO THROUGH SEVEN

[18 U.S.C. §§ 220(a)(2), 2(b)]

- 11. The Grand Jury realleges paragraphs 1 through 7 and 9 through 10 of this Indictment here.
- 12. On or about the dates set forth below, in Orange County, within the Central District of California, and elsewhere, defendant GREISS knowingly and willfully offered to pay, paid, and caused to be offered and paid remuneration, including a kickback, bribe, and rebate, namely, the following payments, directly and indirectly, overtly and covertly, in cash and in kind, (1) to induce a referral of an individual to a clinical treatment facility with respect to services covered by a health care benefit program, and (2) in exchange for an individual using the services of a clinical treatment facility with respect to services covered by a health care benefit program, each in and affecting interstate and foreign commerce:

COUNT	DATE	PAYMENT	APPROXIMATE AMOUNT
TWO	1/2/19	Electronic Transfer from Company A's Bank of America checking account to SeKe.	\$15,000
THREE	1/15/19	Electronic Transfer from Company A's Bank of America checking account to SeKe.	\$15,000
FOUR	2/1/19	Electronic Transfer from Company A's Bank of America checking account to SeKe.	\$15,000
FIVE	2/15/19	Electronic Transfer from Company A's Bank of America checking account to SeKe.	\$15,000
SIX	3/1/19	Electronic Transfer from Company A's Bank of America checking account to SeKe.	\$15,000

1	SEVEN	3/15/19	Electronic Transfer from Company A's	\$15,000
2			Bank of America checking account to SeKe.	
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#### FORFEITURE ALLEGATION

[18 U.S.C. 982(a)(7)]

- 1. Pursuant to Rule 32.2 of the Federal Rules of Criminal Procedure, notice is hereby given to defendant TAREK GREISS ("Defendant") that the United States will seek forfeiture as part of any sentence in accordance with Title 18, United States Code, Section 982(a)(7), in the event of Defendant's conviction under any of Counts One through Seven of this Indictment.
- 2. Defendant shall forfeit to the United States the following property:
- a. all right, title and interest in any and all property, real or personal, constituting, or derived from, any gross proceeds obtained, directly or indirectly, as a result of any offense set forth in any of Counts One through Seven of this Indictment including, without limitation, approximately \$176,548.00 in U.S. currency seized by law enforcement officers during the execution of a search warrant on or about July 26, 2019, in Costa Mesa, California; and
- b. a sum of money equal to the total value of the property described in subparagraph a above.
- 3. Pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982(b), Defendant shall forfeit substitute property, up to the value of the property described in the preceding paragraph if, as the result of any act or omission of Defendant, the property described in the preceding paragraph or any portion thereof (a) cannot be located upon the exercise of due diligence; (b) has been transferred, sold to, or deposited with a third party; (c) has been placed beyond the

jurisdiction of the court; (d) has been substantially diminished in 1 value; or (e) has been commingled with other property that cannot be 3 divided without difficulty. 4 5 6 7 8 9 NICOLA T. HANNA United States Attorney 10 11 12 BRANDON D. FOX Assistant United States Attorney 13 Chief, Criminal Division 14 BENJAMIN R. BARRON Assistant United States Attorney 15 Chief, Santa Ana Branch Office 16 JENNIFER L. WAIER Assistant United States Attorney 17 Deputy Chief, Santa Ana Branch Office 18 DANIEL S. LIM Assistant United States Attorney 19 Santa Ana Branch Office 20 DANIEL KAHN Acting Chief, Fraud Section 21 United States Department of Justice 22 CLAIRE YAN Trial Attorney, Fraud Section 23 United States Department of Justice 24 25 26 27

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A TRUE BILL

Foreperson