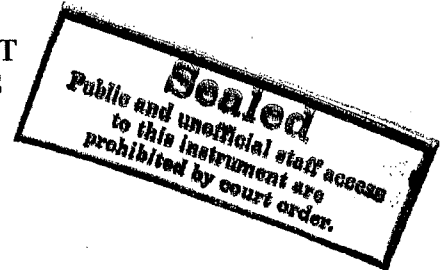


United States Courts
Southern District of Texas
FILED

JUN 11 2015

David A. Bradley, Clerk of Court

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION



UNITED STATES OF AMERICA,

v.

PRECIOUS DESHIELD,

Defendant.

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§

Criminal No.

UNDER SEAL

15 CR 318

INDICTMENT

The Grand Jury charges:

General Allegations

At all times material to this Indictment, unless otherwise specified:

1. The Medicare Program ("Medicare") was a federal healthcare program providing benefits to individuals who were over the age of 65 or disabled. Medicare was administered by the United States Department of Health and Human Services, through its agency, the Centers for Medicare and Medicaid Services ("CMS"). Individuals receiving benefits under Medicare were referred to as Medicare "beneficiaries."

2. Medicare was a "health care benefit program" as defined by Title 18, United States Code, Section 24(b).

3. "Part A" of the Medicare program covered certain eligible home healthcare costs for medical services provided by a home healthcare agency ("HHA") to beneficiaries requiring home health services because of an illness or disability causing them to be homebound. Payments for home healthcare services were typically made directly to a HHA based on claims submitted to the Medicare program for qualifying services that had been provided to eligible beneficiaries, rather than to the beneficiaries.

4. Physicians, clinics, and other healthcare providers, including HHAs that provided services to Medicare beneficiaries, were able to apply for and obtain a Medicare "provider number." A healthcare provider that was issued a Medicare provider number was able to file claims with Medicare to obtain reimbursement for services provided to beneficiaries. A Medicare claim was required to set forth, among other things, the beneficiary's name and Medicare identification number, the services that were performed for the beneficiary, the date the services were provided, the cost of the services, and the name and identification number of the physician or other healthcare provider that ordered the services.

5. The Medicare program paid for home health services only if the patient qualified for home healthcare benefits. A patient qualified for home healthcare benefits only if:

- a. the patient was confined to the home, also referred to as homebound;
- b. the patient was under the care of a physician who specifically determined there was a need for home healthcare and established the Plan of Care (or "POC"); and
- c. the determining physician signed a certification statement specifying that:
 - i. the beneficiary needed intermittent skilled nursing services, physical therapy, or speech therapy;
 - ii. the beneficiary was confined to the home;
 - iii. a POC for furnishing services was established and periodically reviewed; and
 - iv. the services were furnished while the beneficiary was under the care of the physician who established the POC.

6. Medicare regulations required HHAs providing services to Medicare patients to maintain complete and accurate medical records reflecting the medical assessment and diagnoses

of their patients, as well as records documenting actual treatment of the patients to whom services were provided and for whom claims for payment were submitted by the HHA.

7. These medical records were required to be sufficient to permit Medicare, through its contractors, to review the appropriateness of Medicare payments made to the HHA.

8. Medpsych Home Health Care ("Medpsych") was a Texas corporation doing business at 14601 Bellaire Boulevard, Houston, Texas. Medpsych submitted claims to Medicare for home health services.

9. Defendant **PRECIOUS DESHIELD**, a resident of Fort Bend County, Texas, was the owner, director, officer, and administrator of Medpsych.

COUNT 1
Healthcare Fraud
(Violation of 18 U.S.C. §§ 1347 and 2)

10. Paragraphs 1 through 9 are re-alleged and incorporated by reference as if fully set forth herein.

The Scheme to Defraud

11. From in or around 2010 through in or around 2015, the exact dates being unknown to the Grand Jury, in the Houston Division of the Southern District of Texas, and elsewhere, defendant

PRECIOUS DESHIELD

aiding and abetting and aided and abetted by others known and unknown to the Grand Jury, in connection with the delivery of and payment for healthcare benefits, items and services, did knowingly and willfully execute and attempt to execute, a scheme and artifice to defraud a healthcare benefit program affecting commerce, as defined in Title 18, United States Code, Section 24(b), that is, 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 Medicare.

Object of the Scheme to Defraud

12. It was the object of the scheme for defendant **PRECIOUS DESHIELD** to unlawfully enrich herself and others by (a) submitting or causing to be submitted false and fraudulent claims to Medicare, (b) concealing the submission of false and fraudulent claims to Medicare and the receipt and transfer of proceeds from the fraud, and (c) diverting proceeds of the fraud for the personal use and benefit of defendant **PRECIOUS DESHIELD** and others.

Manner and Means of the Scheme to Defraud

13. Defendant **PRECIOUS DESHIELD** maintained a Medicare provider number, which she used to submit claims to Medicare for home health services that were not medically necessary or not provided.

14. Defendant **PRECIOUS DESHIELD** paid individuals to refer Medicare beneficiaries to Medpsych for home health services.

15. Defendant **PRECIOUS DESHIELD** paid Medicare beneficiaries to sign up with Medpsych to receive home health services.

16. Defendant **PRECIOUS DESHIELD** submitted and caused the submission of claims to Medicare for home health services that were not provided to or were not medically necessary. Medicare paid defendant **PRECIOUS DESHIELD** on those claims.

17. From in or about 2010 to in or about 2015, Medpsych billed Medicare approximately \$8.4 million for home health services that it had purportedly provided to Medicare beneficiaries. Medicare paid approximately \$5.7 million on those claims.

18. After Medicare deposited payments into Medpsych's bank account, defendant **PRECIOUS DESHIELD** transferred and caused to be transferred proceeds of the fraud to herself and others.

Execution of the Scheme to Defraud

19. On or about the date set forth in the claim below, defendant **PRECIOUS DESHIELD** aiding and abetting and aided and abetted by others, did knowingly and willfully execute and attempt to execute the aforesaid scheme and artifice to defraud by submitting and causing the submission to Medicare the following false and fraudulent claim: on or about November 23, 2011, the defendant **PRECIOUS DESHIELD** submitted or caused the submission of a claim to Medicare for approximately \$6,264.18 for home health services that Medpsych purportedly provided to Medicare beneficiary W.L. starting on or about September 21, 2011, and Medicare paid approximately \$4,649.14 on that claim.

All in violation of Title 18, United States Code, Sections 1347 and 2.

CRIMINAL FORFEITURE
(18 U.S.C. § 982(a)(7))

20. Pursuant to Title 18, United States Code, Section 982(a)(7), the United States of America gives notice to defendant **PRECIOUS DESHIELD** that upon conviction of Count One in this Indictment, all property, real or personal, that constitutes or is derived, directly or indirectly, from gross proceeds traceable to the commission of such offenses—approximately \$5,748,996.42—is subject to forfeiture.

21. Defendant **PRECIOUS DESHIELD** is notified that upon conviction, a money judgment may be imposed equal to the total value of the property subject to forfeiture.

22. Defendant **PRECIOUS DESHIELD** is notified that if any of the forfeitable property, or any portion thereof, as a result of any act or omission of defendant:

- 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;

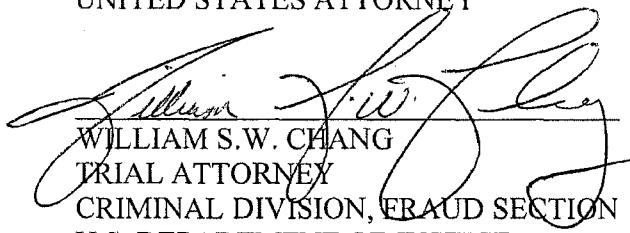
it is the intent of the United States to seek forfeiture of any other property of defendant up to the total value of the property subject to forfeiture, pursuant to Title 21, United States Code, Section 853(p), incorporated by reference in Title 18, United States Code, Section 982(b)(1).

A TRUE BILL

Original Signature on File

FOR REPERKSPIN

KENNETH MAGIDSON
UNITED STATES ATTORNEY



WILLIAM S.W. CHANG
TRIAL ATTORNEY
CRIMINAL DIVISION, FRAUD SECTION
U.S. DEPARTMENT OF JUSTICE