

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

UNITED STATES OF AMERICA

Plaintiff

v.

Case:2:16-cr-20437
Judge: Cleland, Robert H.
MJ: Patti, Anthony P.
Filed: 06-16-2016 At 04:12 PM
INDI SEALED v SEALED (SK)

D-1 JACKLYN PRICE,
D-2 MUHAMMAD QAZI, and
D-3 MILLICENT TRAYLOR,

VIO: 18 U.S.C. § 1349
18 U.S.C. § 1347
18 U.S.C. § 2
18 U.S.C. § 371
18 U.S.C. § 982

Defendants.

INDICTMENT

THE GRAND JURY CHARGES:

General Allegations

At all times relevant to this Indictment:

The Medicare Program

1. The Medicare program was a federal health care program providing benefits to persons who were over the age of 65 or disabled. Medicare was administered by the Centers for Medicare and Medicaid Services (CMS), a federal agency under the United States Department of Health and Human Services. Individuals who received 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. The Medicare program included coverage under different components, including hospital insurance (“Part A”) and medical insurance (“Part B”). Part A covered physical therapy, occupational therapy, and skilled nursing services if a facility was certified by CMS as meeting certain requirements. Part B of the Medicare Program covered the cost of physicians’ services and other ancillary services not covered by Part A. The physical therapy, occupational therapy, physicians’ services and other services at issue in this Indictment were covered by Part A and Part B.

4. National Government Services was the CMS intermediary for Medicare Part A in the state of Michigan. Wisconsin Physicians Service was the CMS contracted carrier for Medicare Part B, which included home visits, in the state of Michigan. Wisconsin Physicians Service was the CMS-contracted carrier for Medicare Part B, in the state of Michigan. TrustSolutions, LLC was the program safeguard contractor for Medicare Part A and Part B in the State of Michigan until April 24, 2012, when it was replaced by Cahaba Safeguard Administrators LLC (“Cahaba”). On April 10, 2015, AdvanceMed replaced Cahaba as the Program Safeguard Contractor.

5. By becoming a participating provider in Medicare, enrolled providers agreed to abide by the policies and procedures, rules, and regulations governing reimbursement. In order to receive Medicare funds, enrolled providers, together with their authorized agents, employees, and contractors, were required to abide by all the provisions of the Social Security Act, the regulations promulgated under the Act, and applicable policies, procedures, rules, and regulations issued by CMS and its authorized agents and contractors.

6. Upon certification, the medical provider, whether a clinic or an individual, was assigned a provider identification number for billing purposes (referred to as a PIN). When the medical provider rendered a service, the provider submitted a claim for reimbursement to the Medicare contractor/carrier that included the PIN assigned to that medical provider. When an individual medical provider was associated with a clinic, Medicare Part B required that the individual provider number associated with the clinic be placed on the claim submitted to the Medicare contractor.

7. Health care providers were given and provided with online access to Medicare manuals and services bulletins describing proper billing procedures and billing rules and regulations. Providers could only submit claims to Medicare for services they rendered and providers were required to maintain patient records to verify that the services were provided as described on the claim form.

8. In order to receive reimbursement for a covered service from Medicare, a provider was required to submit a claim, either electronically or using a form (*e.g.*, a CMS-1500 form or UB-92) containing the required information appropriately identifying the provider, patient, and services rendered.

9. A home health agency was an entity that provided health services, including but not limited to skilled nursing, physical and occupational therapy, and speech pathology services to homebound patients.

The Home Health Agency

10. United Home Health Care, Inc. (“United”) was a Michigan corporation doing business at 751 East Nine Mile Road, #2, Ferndale, Michigan, 48220. United was a home health agency that purportedly provided in-home physical therapy, occupational therapy, speech pathology, and/or skilled nursing services to patients. United was a Medicare provider and submitted claims directly to Medicare.

The Physician Businesses

11. Patient Choice Internal Medicine, P.C. (“Patient Choice”) was a corporation doing business at 6339 Woodhall, Detroit, Michigan 48224, and 5555 Conner Street, Suite 2074, Michigan 48213. Patient Choice was a Medicare provider and submitted claims directly to Medicare.

12. Metro Mobile Physicians P.C. (“Metro Mobile”) was a corporation doing business at 5555 Conner Street, Suite 2074, Detroit, Michigan 48123. Metro Mobile was a Medicare provider and submitted claims directly to Medicare.

The Defendants

13. JACKLYN PRICE, a resident of Macomb County, Michigan, was the owner, controller and manager of Metro Mobile and Patient Choice.

14. MUHAMMAD QAZI, a resident of Oakland County, Michigan, was the owner, controller and manager of United.

15. MILLICENT TRAYLOR, M.D., a resident of Oakland County, Michigan was an unlicensed physician and an employee of Metro Mobile, Patient Choice and United.

Count 1

(18 U.S.C. § 1349—Health Care Fraud Conspiracy)

**D-1 JACKLYN PRICE
D-2 MUHAMMAD QAZI
D-3 Dr. MILLICENT TRAYLOR**

16. Paragraphs 1 through 15 of the General Allegations section of this Indictment are realleged and incorporated by reference as though fully set forth herein.

17. From in or around January 15, 2011, continuing through the present, the exact dates being unknown to the Grand Jury, in Wayne County and Oakland County, in the Eastern District of Michigan, and elsewhere, the defendants,

JACKLYN PRICE, MUHAMMAD QAZI and Dr. MILLICENT TRAYLOR did willfully and knowingly combine, conspire, confederate, and agree with each other and others, known and unknown to the Grand Jury, to violate Title 18, United States Code, Section 1347, that is, to execute a scheme and artifice to defraud a health care 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, said health care benefit program, in connection with the delivery of and payment for health care benefits, items, and services.

Purpose of the Conspiracy

18. It was a purpose of the conspiracy for defendants JACKLYN PRICE, MUHAMMAD QAZI and Dr. MILLICENT TRAYLOR and others to unlawfully enrich themselves by, among other things, (a) submitting and causing the submission of false and fraudulent claims to Medicare; (b) offering and paying kickbacks and bribes in the forms of cash payments and prescription narcotics to Medicare beneficiaries for the purpose of such beneficiaries arranging for the use of their Medicare beneficiary numbers by the conspirators as the bases of claims filed for outpatient and home health services; and (c) diverting proceeds of the fraud for the personal use and benefit of the defendants and their co-conspirators.

Manner and Means

19. The manner and means by which the defendants and their co-conspirators sought to accomplish the purpose of the conspiracy included, among others, the following:

20. JACKLYN PRICE would incorporate Metro Mobile and Patient Choice and MUHAMMAD QAZI would incorporate United.

21. JACKLYN PRICE and MUHAMMAD QAZI would certify to Medicare that they would comply with all Medicare rules and regulations, including that they would not knowingly present or cause to be presented a false or fraudulent claim for payment by Medicare and would refrain from violating the federal anti-kickback statute.

22. MUHAMMAD QAZI and MILLICENT TRAYLOR would pay and cause the payment of kickbacks to Medicare beneficiaries in exchange for signatures from those beneficiaries on documents reflecting home health services purportedly provided by United that were not medically necessary and not rendered.

23. JACKLYN PRICE would provide and cause to be provided prescriptions for medically unnecessary controlled substances, including oxycodone, to Medicare beneficiaries, and would submit claims for services

purportedly provided by Metro Mobile and Patient Choice that were medically unnecessary and not provided to those beneficiaries.

24. MUHAMMAD QAZI would pay kickbacks and bribes to JACKLYN PRICE in the form of checks drawn on JPMorgan Chase Bank account xxxxx9919, held in the name of United Home Health Care, Inc., in exchange for referring Medicare beneficiaries and providing Medicare beneficiary information from Metro Mobile and Patient Choice that were later used to bill for services purportedly provided by United.

25. JACKLYN PRICE, MILLICENT TRAYLOR and others would illicitly use the name and provider information of licensed physicians on patient referrals to United for home health services that were medically unnecessary and never provided.

26. JACKLYN PRICE, MUHAMMAD QAZI, MILLICENT TRAYLOR, and other co-conspirators would falsify, fabricate, alter, and would cause the falsification, fabrication, and alteration of Metro Mobile, Patient Choice and United medical records, including home health certifications and plans of care, therapy notes, evaluations, recertifications, and discharges to support claims for home health care services that were obtained through kickbacks and bribes, medically unnecessary, and were never provided.

27. JACKLYN PRICE, MUHAMMAD QAZI, and MILLICENT TRAYLOR would submit and cause the submission of false and fraudulent claims to Medicare for home health care and other physician services purportedly provided by Metro Mobile, Patient Choice, and United in an amount exceeding \$10,878,000.

All in violation of Title 18, United States Code, Section 1349.

Count 2
(18 U.S.C. § 371—Conspiracy)

D-1 JACKLYN PRICE
D-2 MUHAMMAD QAZI

28. Paragraphs 1 through 15 and 20 through 27 of this Indictment are realleged and incorporated by reference as though fully set forth herein.

29. From in or around January 15, 2011 and continuing through the present, the exact dates being unknown to the Grand Jury, in Wayne County and Oakland County, in the Eastern District of Michigan, and elsewhere, the defendant, MUHAMMAD QAZI, and others did willfully, and knowingly combine, conspire, confederate and agree with others, known and unknown to the Grand Jury, to commit certain offenses against the United States, that is,

(a) to violate Title 42, United States Code, Section 1320a-7b(b)(2)(A) by knowingly and willfully offering or paying any remuneration (including any kickback, bribe, or rebate) directly or indirectly, overtly or covertly, in

cash or in kind in return for referring an individual to a person for the furnishing or arranging for the furnishing of any item or service for which payment may be made in whole or in part by Medicare, a Federal health care program as defined in Title 18, United States Code, Section 24(b); and

(b) to violate Title 42, United States Code, Section 1320a-7b(b)(1)(A) by knowingly and willfully soliciting or receiving any remuneration (including any kickback, bribe, or rebate) directly or indirectly, overtly or covertly, in cash or in kind in return for referring an individual to a person for the furnishing or arranging for the furnishing of any item or service for which payment may be made in whole or in part by Medicare, a Federal health care program as defined in Title 18, United States Code, Section 24(b).

Purpose of the Conspiracy

30. It was a purpose of the conspiracy for MUHAMMAD QAZI, JACKLYN PRICE, and their co-conspirators to unlawfully enrich themselves by offering, paying, soliciting, and receiving kickbacks and bribes in exchange for the use of Medicare beneficiaries' numbers to submit and cause the submission of home health care and other physician services purportedly provided by Metro Mobile, Patient Choice, and United.

Manner and Means

31. The manner and means by which the defendants sought to accomplish the purpose of the conspiracy included, among other things:

32. MUHAMMAD QAZI and others would enter into a scheme to pay kickbacks to Medicare beneficiaries and to submit claims to Medicare for home health services purportedly rendered to those recruited beneficiaries.

33. MUHAMMAD QAZI would pay kickbacks and bribes to JACKLYN PRICE in the form of checks drawn on JPMorgan Chase Bank account xxxxx9919, held in the name of United Home Health Care, Inc., in exchange for referring Medicare beneficiaries and sharing Medicare beneficiary information.

34. MUHAMMAD QAZI would submit or cause the submission of claims to Medicare through United for home health care services that were purportedly provided to the recruited beneficiaries and using the beneficiary information provided by JACKLYN PRICE.

Overt Acts

35. In furtherance of the conspiracy, and to accomplish its purposes and objects, at least one of the conspirators committed, or caused to be committed, in the Eastern District of Michigan, the following overt acts, among others:

36. On or about December 11, 2015, MUHAMMAD QAZI submitted, and caused to be submitted, a claim to Medicare for services purportedly rendered to D.B., who had received a cash kickback from MUHAMMAD QAZI.

37. On or about May 29, 2014, MUHAMMAD QAZI submitted, and caused to be submitted, a claim to Medicare for services purportedly rendered to H.R., who had received a cash kickback from MUHAMMAD QAZI.

38. On or about September 3, 2014, MUHAMMAD QAZI paid a kickback to JACKLYN PRICE in the form of a check drawn on JPMorgan Chase Bank account xxxxx9919, held in the name of United Home Health Care, Inc., for “consulting fee,” in exchange for referring Medicare beneficiaries and providing Medicare beneficiary information.

39. On or about July 6, 2015, MUHAMMAD QAZI paid a kickback to JACKLYN PRICE in the form of a check drawn on JPMorgan Chase Bank account xxxxx9919, held in the name of United Home Health Care, Inc., for “consulting,” in exchange for referring Medicare beneficiaries and providing Medicare beneficiary information.

All in violation of Title 18, United States Code, Section 371.

Counts 3-4
(18 U.S.C. §§ 1347 and 2—Health Care Fraud)

D-1 JACKLYN PRICE

40. Paragraphs 1 through 27 of this Indictment are realleged and incorporated by reference as though fully set forth herein.

41. On or about the dates enumerated below, in Wayne County and Oakland County, in the Eastern District of Michigan, and elsewhere, JACKLYN PRICE, in connection with the delivery of and payment for health care benefits, items, and services, did knowingly and willfully execute, and attempt to execute, a scheme and artifice to defraud a health care 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, in connection with the delivery of and payment for health care benefits, items, and services.

Purpose of the Scheme and Artifice

42. It was the purpose of the scheme and artifice for the defendant and her coconspirators to unlawfully enrich themselves through the submission of false and fraudulent Medicare claims for outpatient services that were medically unnecessary and not performed.

The Scheme and Artifice

43. Paragraphs 16 through 27 of Count 1 of this Indictment are realleged and incorporated by reference as though fully set forth herein as a description of the scheme and artifice.

Acts in Execution of the Scheme and Artifice

44. On or about the dates specified as to each count below, in Wayne County, in the Eastern District of Michigan, and elsewhere, the defendant, in connection with the delivery of and payment for health care benefits, items, and services, did knowingly and willfully execute, and attempt to execute, the above-described scheme and artifice to defraud a health care benefit program affecting commerce, 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 said healthcare benefit program:

Count	Defendant	Medicare Beneficiary	Company Billing	Approximate Date of Service	Description of Items Billed	Amount Paid by Medicare
3	D-1 JACKLYN PRICE	H.R.	Patient Choice	May 6, 2015	Office Visit (Code: 99215)	\$114.07
4	D-1 JACKLYN PRICE	D.B.	Patient Choice	May 6, 2015	Office Visit (Code 99214)	\$83.33

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

Counts 5-6
(18 U.S.C. §§ 1347 and 2—Health Care Fraud)

D-2 MUHAMMAD QAZI

45. Paragraphs 1 through 27 of this Indictment are realleged and incorporated by reference as though fully set forth herein.

46. On or about the dates enumerated below, in Wayne County and Oakland County, in the Eastern District of Michigan, and elsewhere, MUHAMMAD QAZI, in connection with the delivery of and payment for health care benefits, items, and services, did knowingly and willfully execute, and attempt to execute, a scheme and artifice to defraud a health care 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, in connection with the delivery of and payment for health care benefits, items, and services.

Purpose of the Scheme and Artifice

47. It was the purpose of the scheme and artifice for the defendant and his coconspirators to unlawfully enrich themselves through the submission of false and fraudulent Medicare claims for home health services that were medically unnecessary and not performed.

The Scheme and Artifice

48. Paragraphs 16 through 27 of Count 1 of this Indictment are realleged and incorporated by reference as though fully set forth herein as a description of the scheme and artifice.

Acts in Execution of the Scheme and Artifice

49. On or about the dates specified as to each count below, in Wayne County and Genesee County, in the Eastern District of Michigan, and elsewhere, the defendant, aided by others, in connection with the delivery of and payment for health care benefits, items, and services, did knowingly and willfully execute, and attempt to execute, the above-described scheme and artifice to defraud a health care benefit program affecting commerce, 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 said health care benefit program:

Count	Defendant	Medicare Beneficiary	Approximate Date of Service	Description of Items Billed	Amount Paid by Medicare
5	D-2 MUHAMMAD QAZI	H.R.	October 9, 2014 – December 7, 2014	Episode of Home Health Care	\$2,883.85
6	D-2 MUHAMMAD QAZI	D.B.	October 18, 2014 – December 5, 2014	Episode of Home Health Care	\$3,613.15

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

Forfeiture Allegations

(18 U.S.C. § 982(a)(7) and/or 18 U.S.C. § 981 with 28 U.S.C. § 2461)

50. The above allegations contained in this Indictment are incorporated by reference as if set forth fully herein for the purpose of alleging forfeiture pursuant to the provisions of 18 U.S.C. § 982(a)(7) and/or 18 U.S.C. § 981 with 28 U.S.C. § 2461.

51. As a result of the violations of 18 U.S.C. §§ 371, 1347, 1349 and/or 42 U.S.C. § 1320a-7b, as set forth in this Indictment, defendants JACKLYN PRICE, MUHAMMAD QAZI, and MILLICENT TRAYLOR shall forfeit to the United States any property, real or personal, that constitutes or is derived from, gross proceeds traceable to the commission of such violations, pursuant to 18 U.S.C. § 982(a)(7) and/or 18 U.S.C. § 981 with 28 U.S.C. § 2461.

52. Substitute Assets: If the property described above as being subject to forfeiture, as a result of any act or omission of 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 that cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to 21 U.S.C. § 853(p) as incorporated by 18 U.S.C. § 982(b), to seek to forfeit any other property of the defendants up to the value of the forfeitable property described above.

53. Money Judgment: A sum of money equal to at least \$10.2 million in United States currency, or such amount as is proved at trial in this matter, representing the total amount of gross proceeds obtained as a result defendants' violations, as alleged in this Indictment.

THIS IS A TRUE BILL.

s/Grand Jury Foreperson
Grand Jury Foreperson

BARBARA L. MCQUADE
United States Attorney

s/Wayne F. Pratt

WAYNE F. PRATT
Chief, Health Care Fraud Unit
Assistant United States Attorney
211 W. Fort Street, Suite 2001
Detroit, Michigan 48226
(313) 226-2548
wayne.pratt@usdoj.gov

s/Gejaa T. Gobena

GEJAA T. GOBENA
Deputy Chief
Criminal Division, Fraud Section
U.S. Department of Justice
1400 New York Avenue, N.W., Third
Floor
Washington, D.C. 20005
(202) 305-1310
(313) 226-0831
gejaa.gobena@usdoj.gov

s/Drew Bradylyons

DREW BRADYLYONS
Trial Attorney
Criminal Division, Fraud Section
U.S. Department of Justice
1400 New York Avenue, N.W., Third
Floor
Washington, D.C. 20005
(202) 262-7809
drew.bradylyons@usdoj.gov

Date: June 16, 2016

ORIGINAL

United States District Court
Eastern District of Michigan**Criminal Case Cover**Case: 2:16-cr-20437
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NOTE: It is the responsibility of the Assistant U.S. Attorney signing this form to complete

Reassignment/Recusal Information This matter was opened in the USAO prior to August 15, 2008 []

Companion Case Information	Companion Case Number:
This may be a companion case based upon LCrR 57.10 (b)(4) ¹ :	Judge Assigned:
☐ Yes ☒ No	AUSA's Initials: DB

Case Title: USA v. JACKLYN PRICE, ET AL.**County where offense occurred :** Wayne**Check One:** ☒ **Felony** ☐ **Misdemeanor** ☐ **Petty**

☒ Indictment/___ Information --- **no prior complaint.**

___ Indictment/___ Information --- based upon prior complaint [Case number:]

___ Indictment/___ Information --- based upon LCrR 57.10 (d) [Complete Superseding section below]

Superseding Case Information**Superseding to Case No:** _____ **Judge:** _____

- ☐ Original case was terminated; no additional charges or defendants.
- ☐ Corrects errors; no additional charges or defendants.
- ☐ Involves, for plea purposes, different charges or adds counts.
- ☐ Embraces same subject matter but adds the additional defendants or charges below:

Defendant name**Charges****Prior Complaint (if applicable)****Please take notice that the below listed Assistant United States Attorney is the attorney of record for the above captioned case.**June 16, 2016

Date


 DREW BRADYLYONS
 Trial Attorney
 Criminal Division, Fraud Section
 211 West Fort Street, Suite 2001
 Detroit, MI 48226-3220
 Cell: (202) 262-7809
 Office: (313) 226-0248
 drew.bradylyons@usdoj.gov

¹ Companion cases are matters in which it appears that (1) substantially similar evidence will be offered at trial, (2) the same or related parties are present, and the cases arise out of the same transaction or occurrence. Cases may be companion cases even though one of them may have already been terminated.