

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN

United States of America,

Plaintiff,

v.

D-1 ATHEIR AMARRAH
D-2 NIHAD ALFALAHAT, aka
NEHAD ALFALAHAT, aka NIHAD
AL-FALAHAT
D-3 ZOE-ANN MCDONALD, aka
ZOANN MCDONALD
D-4 LANA MURAD
D-5 NEERAN ISSAK, aka NIERAN
ISSAK

Defendants.

Case: 5:17-cr-20464
Judge: Levy, Judith E.
MJ: Stafford, Elizabeth A.
Filed: 07-06-2017 At 04:15 PM
SEALED MATTER (LH)

VIO: 18 U.S.C. § 371
42 U.S.C. § 1320a-7b
18 U.S.C. § 982

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 two primary components, 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.

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. 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 as the Zone Program Integrity Contractor (ZPIC). The ZPIC is the contractor charged with investigating fraud, waste and abuse. Cahaba was replaced by AdvanceMed in May 2015.

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/or 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. Medicare only covered services that were both medically necessary and rendered.

10. Medicare only covered home health services, if:

- a. the Medicare beneficiary is under the care of a doctor and receiving services under a plan of care established and reviewed regularly by a doctor;
- b. the Medicare beneficiary needs, and a doctor certifies that the beneficiary needs, one or more of the following: (i) Intermittent skilled nursing care; (ii) Physical therapy; (iii) Speech-language pathology services; or (iv) Continued occupational therapy;
- c. the home health agency must be approved by Medicare (Medicare-certified); and
- d. the Medicare beneficiary is homebound, and a doctor certifies that the Medicare beneficiary is homebound.

11. Medicare does not cover home health service procured by kickbacks.

The Companies

12. Prompt Care Home Health Services (“Prompt”) was a Michigan corporation doing business at 6431 Inkster Road, Suite 126, Bloomfield Hills, Michigan 48301.

13. Prompt is a home health agency that purportedly provided in-home physical therapy, occupational therapy, speech pathology, and/or skilled nursing services to patients. Prompt is a Medicare provider and submitted claims directly to Medicare.

14. Rizwan Qadir MD PC (“RQMDPC”) was a Michigan corporation that purportedly provided neurological services to patients. RQMDPC was a Medicare provider and submitted claims directly to Medicare.

15. Murad Home Health Care, was a Michigan corporation that was owned by LANA MURAD.

The Defendants and Co-Conspirators

16. ATHEIR AMARRAH, a resident of Oakland County, Michigan, was the owner, operator and registered agent of Prompt.

17. NIHAD ALFALAHAT, a resident of Macomb County, Michigan, was a patient recruiter.

18. ZOE ANN MCDONALD, a resident of Oakland County, Michigan, was a patient recruiter.

19. LANA MURAD, a resident of Oakland County, Michigan, was a patient recruiter.

20. NEERAN ISSAK, a resident of Macomb County, Michigan, was a patient recruiter.

COUNT 1

Conspiracy To Pay and Receive Healthcare Kickbacks
(18 U.S.C. § 371)

D-1 ATHEIR AMARRAH
D-2 NIHAD ALFALAHAT
D-3 ZOE ANN MCDONALD
D-4 LANA MURAD
D-5 NEERAN ISSAK

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

22. From in or around March 2013, and continuing through in or about March 2017, the exact dates being unknown to the Grand Jury, in the Eastern District of Michigan, and elsewhere, defendants ATHEIR AMARRAH, NIHAD ALFALAHAT, ZOE ANN MCDONALD, LANA MURAD, and NEERAN ISSAK, did willfully and knowingly combine, conspire, confederate, and agree with each other, and others known and unknown to the Grand Jury, to commit certain offenses against the United States, that is,

- a. To defraud the United States by impairing, impeding, obstructing, and

defeating through deceitful and dishonest means, the lawful government functions of the Department of Health and Human Services in its administration and oversight of the Medicare program; 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), and

c. 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, in check, 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

23. It was a purpose of the conspiracy for defendant ATHEIR AMARRAH, NIHAD ALFALAHAT, ZOE ANN MCDONALD, LANA

MURAD, and NEERAN ISSAK, and their co-conspirators to unlawfully enrich themselves by: (1) offering, paying, soliciting, and receiving kickbacks and bribes in return for Medicare beneficiary referrals to Prompt to serve as patients; and (2) submitting and causing the submission of claims to Medicare for purported home health services provided to those recruited beneficiaries.

Manner and Means

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

25. ATHEIR AMARRAH would pay kickbacks and bribes in the form of cash or checks to NIHAD ALFALAHAT, ZOE ANN MCDONALD, LANA MURAD, NEERAN ISSAK, Johnny Younan, and others in exchange for Medicare beneficiary information, which was used to support claims to Medicare on behalf of Prompt.

26. NIHAD ALFALAHAT, ZOE ANN MCDONALD, LANA MURAD, NEERAN ISSAK, Johnny Younan, and others would pay kickbacks, bribes and other inducements to Medicare beneficiaries in exchange for their information.

27. ATHEIR AMARRAH would then use the Medicare beneficiary information to submit claims to Medicare for purported services provided to these patients.

Overt Acts

28. 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:

29. On or about October 18, 2013, ATHEIR AMARRAH signed Prompt check #1861 in the approximate amount of \$500 made payable to ZOEANN MCDONALD.

30. On or about February 24, 2015, ATHEIR AMARRAH signed Prompt check #2163 in the approximate amount of \$4800 made payable to MURAD HOME HEALTH CARE.

31. On or about August 20, 2015, ATHEIR AMARRAH signed Prompt check #5024 in the approximate amount of \$1600 made payable to NIHAD ALFALAHAT.

32. On or about October 2, 2015, ATHEIR AMARRAH signed Prompt check #1020 in the approximate amount of \$1600 made payable to NEERAN ISSAK.

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

COUNTS 2-5

Payment or Receipt of Kickbacks in Connection with a
Federal Health Care Program
(42 U.S.C. § 1320a-7b(b)(1)(A))

D-1 ATHEIR AMARRAH

D-2 NIHAD ALFALAHAT

D-3 ZOE ANN MCDONALD
D-4 LANA MURAD
D-5 NEERAN ISSAK

33. Paragraphs 1 through 32 of this Indictment are realleged and incorporated by reference as though fully set forth herein.

34. On or about the dates enumerated below, in the Eastern District of Michigan and elsewhere, defendant ATHEIR AMARRAH, NIHAD ALFALAHAT, ZOE ANN MCDONALD, LANA MURAD, and NEERAN ISSAK did knowingly and willfully solicit, offer, pay and receive remuneration, that is kickbacks and bribes, directly and indirectly, overtly and covertly, in the forms of checks and cash, to or from a person in order to induce them to refer an individual to a person for the furnishing and arranging for the furnishing of any item or service for which payment may be made in whole or in part under a Federal health care program as defined in Title 18 United States Code, Section 24(b), that is, Medicare, as set forth below:

Count	Defendants	Approximate Date of Payment	Amount	Description
2	D-1 ATHEIR AMARRAH D-3 ZOE ANN MCDONALD	October 18, 2013	\$500	Check # 1861 from Prompt to ZOE ANN MCDONALD
3	D-1 ATHEIR AMARRAH D-4 LANA MURAD	February 24, 2015	\$4800	Check # 2163 from Prompt to MURAD HOME HEALTH CARE
4	D-1 ATHEIR AMARRAH D-2 NIHAD ALFALAHAT	August 20, 2015	\$1600	Check # 5024 from Prompt to NIHAD ALFALAHAT

Count	Defendants	Approximate Date of Payment	Amount	Description
5	D-1 ATHEIR AMARRAH D-2 NEERAN ISSAK	October 2, 2015	\$1600	Check # 1020 from Prompt to NEERAN ISSAK

Forfeiture Allegations
(18 U.S.C. § 982)

35. The above allegations contained in this Indictment are incorporated by reference as if set forth fully herein for the purpose of alleging forfeiture against all defendants pursuant to the provisions of Title 18, United States Code, Section 982.

36. Upon being convicted of violating Title 18, United States Code, Section 371, and/or Title 42, United States Code, Sections 1320a-7b, as set forth in this Indictment, the convicted defendant(s) shall forfeit to the United States all property, real and personal, which constitutes or is derived, directly or indirectly, from gross proceeds traceable to such violation(s), pursuant to Title 18, United States Code, Section 982(a)(7).

37. **Forfeiture Money Judgment:** The United States shall also seek the imposition of a personal forfeiture money judgment against the defendants in an amount up to the value of the gross proceeds obtained as a result of defendants' violations of Title 18, United States Code, Section 371 and Title 42, United States Code, Sections 1320a-7b.

38. Substitute Assets: Pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982(b), the defendants shall forfeit substitute property, if by any act or omission of the defendants, property subject to forfeiture: (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 value; or (e) has been commingled with other property which cannot be divided without difficulty.

THIS IS A TRUE BILL

s/GRAND JURY FOREPERSON
GRAND JURY FOREPERSON

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Date: July 6, 2017

ORIGINAL

United States District Court Eastern District of Michigan	Criminal Case Co
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Case: 5:17-cr-20464
 Judge: Levy, Judith E.
 MJ: Stafford, Elizabeth A.
 Filed: 07-06-2017 At 04:15 PM
 SEALED MATTER (LH)

NOTE: It is the responsibility of the Assistant U.S. Attorney signing this form to con

Companion Case Information	Companion Case Number:
This may be a companion case based upon LCrR 57.10 (b)(4) ¹ :	Judge Assigned:
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	AUSA's Initials: <u>AM</u>

Case Title: USA v. Atheir Amarrah, et al.

County where offense occurred : Oakland County, Macomb County

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: _____

- 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:

<u>Defendant name</u>	<u>Charges</u>	<u>Prior Complaint (if applicable)</u>
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Please take notice that the below listed Assistant United States Attorney is the attorney of record for the above captioned case.

July 6, 2017 ✓
Date



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¹ Companion cases are matters in which it appears that (1) substantially similar evidence will be offered at trial, or (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.