

CR 17 351

SCJ/ABS: AE  
F.# 2017R01133

MAUSKOPF, J.

FILED  
CLERK

2017 JUL -5 PM 2: 44

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK

POLLAK, M.J.

U.S. DISTRICT COURT  
EASTERN DISTRICT  
OF NEW YORK

-----X

UNITED STATES OF AMERICA

INDICTMENT

- against -

SUZANNA MELIKSETYAN,

Defendant.

Cr. No. \_\_\_\_\_  
(T. 18, U.S.C., §§ 982(a)(7),  
982(b)(1), 1035(a)(1), 1035(a)(2),  
1347, 1349, 2 and 3551 et seq.; T.  
21, U.S.C., § 853(p))

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THE GRAND JURY CHARGES:

INTRODUCTION

At all times relevant to this Indictment, unless otherwise indicated:

I. Background

A. Medicare Part C

1. The Medicare Program (“Medicare”) 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 (“HHS”). Individuals who received benefits under Medicare were referred to as Medicare “beneficiaries.”

2. The Medicare program was divided into different “parts.” “Part A” of the Medicare program covered health services provided by hospitals, skilled nursing facilities, hospices and home health agencies. “Part B” of the Medicare program covered

outpatient hospital services and professional services provided by physicians and other providers; it also covered durable medical equipment (“DME”).

3. “Part C” of the Medicare program – which is also known as Medicare Advantage – offered beneficiaries the opportunity to secure coverage for many of the same services that were provided by Parts A and B, in addition to certain mandatory and optional supplemental benefits. Private companies (“Contractors”) that were approved by Medicare offered eligible beneficiaries Medicare Advantage plans which combined coverage for items and services traditionally covered under Parts A and B into a single insurance plan.

4. To obtain payment for treatment or services provided to a beneficiary enrolled in a Medicare Advantage plan administered through a Contractor, health care providers submitted itemized claim forms to the Contractor. Rather than reimbursing for each individual claim submitted by providers to the Contractor, CMS provided fixed, monthly payments for each beneficiary enrolled in a Medicare Advantage plan administered by the Contractor. These monthly payments were referred to as “capitation” payments.

B. New York Managed Medicaid Plans

5. The New York State Medicaid Program (“Medicaid”) was a federal and state health care program providing benefits to individuals and families who met specified financial and other eligibility requirements and certain other individuals who lacked adequate resources to pay for medical care. CMS was responsible for overseeing the Medicaid program in participating states, including New York. Individuals who received benefits under Medicaid were similarly referred to as “beneficiaries.”

6. The Medicaid program in New York State offered a managed care delivery system for Medicaid benefits to eligible beneficiaries. The system was called

Medicaid Managed Care. Under Medicaid Managed Care, private entities called managed care organizations provided insurance plans covering most Medicaid benefits to eligible beneficiaries in exchange for monthly payments from the State of New York.

C. The National Plan and Provider Enumeration System

7. CMS developed the National Plan and Provider Enumeration System (“NPES”) to provide unique identifying numbers for health care providers. When a health care provider registered with NPES, it was given a unique National Provider Identifier (“NPI”) number. Information for providers that received NPI numbers was contained in a publicly available database sometimes referred to as the “NPI Registry.”

D. Healthfirst New York

8. Healthfirst New York (“Healthfirst”) was a non-profit government-funded managed care organization with over 900,000 participating members. Healthfirst offered its members different types of government-sponsored insurance plans from which members could select, based on their individual eligibility. Each Healthfirst member was assigned a unique member identification number to facilitate the receipt of and payment for medical services and equipment under whichever insurance plan he or she selected.

9. Healthfirst participated in Medicare Part C as a Contractor and offered eligible members the opportunity to enroll in Medicare Advantage plans. The Medicare Advantage plans offered and administered by Healthfirst were “health care benefit program[s],” as defined by Title 18, United States Code, Section 24(b).

10. Healthfirst also participated in New York’s Medicaid Managed Care program and offered its eligible members the opportunity to enroll in its Medicaid Managed Care plans. The New York Medicaid Managed Care plans offered and administered by

Healthfirst were “health care benefit program[s],” as defined by Title 18, United States Code, Section 24(b).

11. To manage the costs of administering both Medicare Advantage plans and Medicaid Managed Care plans, Healthfirst developed and maintained a network of over 24,000 approved health care providers to which it directed its members for the provision of medical services and DME.

E. Healthfirst’s Pre-Approval Process

12. DME providers and other health care providers who were part of Healthfirst’s approved network billed Healthfirst directly for the cost of any DME and related benefits, items and services that were provided to individual members who were covered under either Medicare Advantage plans or Medicaid Managed Care plans. To obtain payment for DME provided to a Healthfirst member enrolled in a Medicare Advantage plan or Medicaid Managed Care plan administered by Healthfirst, a provider had to submit an itemized claim form to Healthfirst.

13. Health care providers would submit a claim related to the provision of DME to Healthfirst using a form that included, among other things, the beneficiary’s name; the name, address and Tax Identification Number of the DME provider; and the DME provided to the beneficiary.

14. In certain situations, DME providers could request that Healthfirst approve the submission of a claim for reimbursement for DME provided to a Healthfirst member prior to any claim actually being submitted. DME providers obtained the pre-approval by placing a telephone call to a Healthfirst operator and relaying certain information about the DME that had been or was to be provided to an individual Healthfirst

member. A Healthfirst operator would then give the DME provider an authorization code to reference on the claim form that was later submitted seeking reimbursement. The authorization code was claim-specific, meaning that each claim for reimbursement associated with DME provided to a Healthfirst beneficiary had its own unique authorization code. DME providers referenced the authorization code in the reimbursement claim form that was subsequently submitted to Healthfirst for payment.

15. To obtain an authorization code, DME providers were required to provide certain information to the Healthfirst operator, including, but not limited to, the following: (a) the member identification number of the Healthfirst member to which the DME has been or was to be provided; (b) the name, telephone number, fax number and Tax Identification Number of the DME provider; (c) the item code associated with the DME to be provided; and (d) the number of units of DME that was to be provided. After this information was conveyed, the Healthfirst operator would give the DME provider an authorization code that was to be referenced on the reimbursement claim form that the DME provider subsequently submitted to Healthfirst.

16. If a reimbursement claim included a previously-issued authorization code, Healthfirst issued the payment via check to the DME provider at the address listed on the reimbursement claim form, or, in situations in which the provider had completed an electronic funds transfer (“EFT”) authorization form with Healthfirst, Healthfirst issued the payment via direct deposit to the bank account designated by the provider in the EFT agreement.

II. The Defendant and Related Entities

17. The defendant SUZANNA MELIKSETYAN operated purported companies named A and O Medical Supply, Home Aid Surgical Products, Home Medical Care and Buy Rite Supplies.

18. A and O Medical Supply listed with the NPPES an address of 315 Flatbush Avenue, Suite 533, Brooklyn, New York, within the Eastern District of New York. A and O Medical Supply registered with the NPPES on or about January 31, 2013. The defendant SUZANNA MELIKSETYAN was identified in the NPI registry as the “Authorized Official” for A and O Medical Supply with her title identified as “CEO.”

19. Home Aid Surgical Products listed with the NPPES an address of 315 Flatbush Avenue, Suite 533, Brooklyn, New York, within the Eastern District of New York. Home Aid Surgical Products registered with the NPPES on or about January 31, 2013. “Mrs. Suzann Meliketyan” was identified in the NPI registry as the “Authorized Official” for Home Aid Surgical Products with her title identified as “CEO.”

20. Home Medical Care listed with the NPPES an address of 101 West 23rd Street, Suite 295, New York, New York. Home Medical Care registered with the NPPES on or about October 15, 2012. The defendant SUZANNA MELIKSETYAN was identified in the NPI registry as the “Authorized Official” for Home Medical Care with her title identified as “CEO.”

21. Buy Rite Supplies was not registered with the NPPES but was a “doing business as” name for the defendant SUZANNA MELIKSETYAN, who registered with the NPPES on or about August 27, 2012 and was identified in the NPI registry as a “Provider” and “Sole Proprietor.” MELIKSETYAN was listed in the NPPES as an individual provider

with an address of 2181 Madison Avenue, Apt. 11A, New York, New York. On or about August 30, 2012, MELIKSETYAN opened an account at JPMorgan Chase Bank, N.A., in the name of "SUZANNA MELIKSETYAN DBA BUY RITE SUPPLIES" with a business address of 2181 Madison Avenue, Apt. 11A, New York, New York.

III. The Fraudulent Scheme

22. Beginning in approximately August 2012 and continuing through July 2013, the defendant SUZANNA MELIKSETYAN, together with others, engaged in a fraudulent scheme in which they sought unlawfully to enrich themselves by submitting and causing the submission of fraudulent claims for reimbursement to Healthfirst for DME that was not in fact provided to Healthfirst members.

23. As part of the scheme, the defendant SUZANNA MELIKSETYAN, together with others, operated a series of companies, including, among others, A and O Medical Supply, Home Aid Surgical Products, Home Medical Care and Buy Rite Supplies (collectively, the "Scheme Companies"), which purported to be DME vendors, that they registered with the NPPES and for which they obtained NPI numbers. These vendors were given names that were similar to, but different from, the names of approved DME providers in Healthfirst's network. MELIKSETYAN, together with others, also obtained Tax Identification Numbers from the Internal Revenue Service ("IRS") for the Scheme Companies and opened bank accounts in their names.

24. The defendant SUZANNA MELIKSETYAN, together with others, supplied mailing addresses for the Scheme Companies to the NPPES, the IRS and banks. The Scheme Companies were not approved DME vendors in Healthfirst's network.

25. As part of the scheme, the defendant SUZANNA MELIKSETYAN, together with others, placed telephone calls to Healthfirst and pretended to be representatives of approved DME vendors in Healthfirst's network. On these phone calls, the scheme participants typically used fake names and telephone numbers so as to avoid identifying themselves to the Healthfirst operators who took the calls. When asked by the Healthfirst operators to identify the companies from which they were calling, the scheme participants fraudulently gave the Tax Identification Numbers and, in some instances, the names of approved DME vendors in Healthfirst's network.

26. The scheme participants then provided to the operators identifying information for Healthfirst members and described DME that the scheme participants said had been ordered for the members from the companies they claimed to represent. In response to this information, the Healthfirst operators typically supplied the scheme participants with authorization codes to use when submitting claim forms to Healthfirst for the DME identified on the calls as having been ordered for the Healthfirst members.

27. The defendant SUZANNA MELIKSETYAN, together with others, then submitted claim forms to Healthfirst in the names of the Scheme Companies rather than on behalf of the approved DME vendors that they had identified in the calls. The claim forms referenced the authorization codes that had been obtained on the phone calls made by the scheme participants, but directed that payment be made to the Scheme Companies. The submitted claim forms also listed the Tax Identification Numbers for the Scheme Companies, which were different from the Tax Identification Numbers given by the callers to obtain the authorization codes referenced on the claim forms.

28. As a result of the fraudulent scheme, Healthfirst and its various corporate affiliates issued payments to the Scheme Companies. Sometimes these payments were in the form of checks that were mailed to the addresses identified on the claim forms. Sometimes the payments were made by direct deposit into the bank accounts set up for the Scheme Companies, if an EFT authorization form had been filed with Healthfirst.

29. The defendant SUZANNA MELIKSETYAN, together with others, then withdrew in cash the funds from the bank accounts and used the funds to pay for personal expenses. The items of DME that had been described on the phone calls placed to obtain the authorization codes were not in fact provided to Healthfirst members identified on the calls and on the claim forms.

COUNT ONE  
(Conspiracy to Commit Health Care Fraud)

30. The allegations contained in paragraphs one through 29 are realleged and incorporated as if fully set forth in this paragraph.

31. In or about and between August 2012 and July 2013, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendant SUZANNA MELIKSETYAN, together with others, did knowingly and willfully conspire to execute a scheme and artifice to defraud one or more health benefit programs, as defined in Title 18, United States Code, Section 24(b), to wit: Medicare Advantage plans and Medicaid Managed Care plans administered by Healthfirst, 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 programs, in

connection with the delivery of and payment for health care benefits, items and services, all contrary to Title 18, United States Code, Section 1347.

(Title 18, United States Code, Sections 1349 and 3551 et seq.)

**COUNTS TWO THROUGH FOUR**  
(Health Care Fraud)

32. The allegations contained in paragraphs one through 29 are realleged and incorporated as if fully set forth in this paragraph.

33. In or about and between August 2012 and July 2013, both dates being approximate and inclusive, within the Eastern District of New York and elsewhere, the defendant SUZANNA MELIKSETYAN, together with others, did knowingly and willfully execute and attempt to execute a scheme and artifice to defraud one or more health care benefit programs, as defined in Title 18, United States Code, Section 24(b), to wit: Medicare Advantage plans and Medicaid Managed Care plans administered by Healthfirst, 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 programs, in connection with the delivery of and payment for health care benefits, items and services, as set forth below:

| <b>Count</b> | <b>Claim Number</b> | <b>Purported Date of Service</b> | <b>Beneficiary</b>  | <b>Submitted Claim Amount</b> |
|--------------|---------------------|----------------------------------|---|-------------------------------|
| TWO          | 0111211259001       | November 17, 2012                | J.B., an individual whose identity is known to the Grand Jury | \$950                         |
| THREE        | 0111211259005       | November 17, 2012                | W.C., an individual whose identity is known to the Grand Jury | \$950                         |

| <b>Count</b> | <b>Claim Number</b> | <b>Purported Date of Service</b> | <b>Beneficiary</b>  | <b>Submitted Claim Amount</b> |
|--------------|---------------------|----------------------------------|---|-------------------------------|
| FOUR         | 0102131356616       | February 5, 2013                 | V.V., an individual whose identity is known to the Grand Jury | \$995                         |

(Title 18, United States Code, Sections 1347, 2 and 3551 et seq.)

**COUNTS FIVE THROUGH SEVEN**  
 (False Statements Relating to Health Care Matters)

34. The allegations contained in paragraphs one through 29 are realleged and incorporated as if fully set forth in this paragraph.

35. On or about the dates identified below, within the Eastern District of New York and elsewhere, the defendant SUZANNA MELIKSETYAN, together with others, in matters involving one or more health care benefit programs, to wit: Medicare Advantage plans and Medicaid Managed Care plans administered by Healthfirst, did knowingly and willfully (a) falsify, conceal and cover up by trick, scheme and device material facts, and (b) make materially false, fictitious and fraudulent statements and representations, and make and use materially false writings and documents, knowing the same to contain materially false, fictitious and fraudulent statements and entries, in connection with the delivery of and payment for health care benefits, items and services, in that MELIKSETYAN provided false information during phone calls to Healthfirst operators in order to obtain authorization codes that were subsequently used to submit fraudulent claims for DME on behalf of the Scheme Companies, as set forth below:

| <b>Count</b> | <b>Authorization Call Date</b> | <b>Beneficiary</b> | <b>Authorization Number Obtained</b> |
|--------------|--------------------------------|--------------------|--------------------------------------|
| FIVE         | November 16, 2012              | J.B.               | ****1191                             |
| SIX          | November 16, 2012              | W.C.               | ****1206                             |
| SEVEN        | January 25, 2013               | V.V.               | ****7287                             |

(Title 18, United States Code, Sections 1035(a)(1), 1035(a)(2), 2 and 3551 et seq.)

**CRIMINAL FORFEITURE ALLEGATION**

36. The United States hereby gives notice to the defendant that, upon her conviction of any of the offenses charged herein, the government will seek forfeiture in accordance with Title 18, United States Code, Section 982(a)(7), which requires any person convicted of a federal health care offense to forfeit property, real or personal, that constitutes, or is derived directly or indirectly from, gross proceeds traceable to the commission of such offenses.

37. If any of the above-described forfeitable property, as a result of any act or omission of the 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

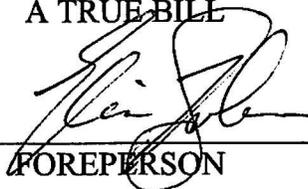
divided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Sections 982(b)(1), to seek forfeiture of any

other property of the defendant up to the value of the forfeitable property described in the forfeiture allegation.

(Title 18, United States Code, Sections 982(a)(7) and 982(b)(1); Title 21, United States Code, Section 853(p))

A TRUE BILL



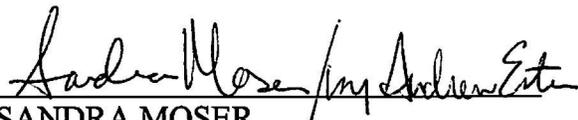
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FOREPERSON



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BRIDGET M. ROHDE  
ACTING UNITED STATES ATTORNEY  
EASTERN DISTRICT OF NEW YORK



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SANDRA MOSER  
ACTING CHIEF, FRAUD SECTION  
CRIMINAL DIVISION  
U.S. DEPARTMENT OF JUSTICE

F. #2017R01133  
FORM DBD-34  
JUN. 85

No.

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**UNITED STATES DISTRICT COURT**

*EASTERN District of NEW YORK*

CRIMINAL DIVISION

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THE UNITED STATES OF AMERICA

vs.

*SUZANNA MELIKSETYAN,*

Defendant.

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**INDICTMENT**

(T. 18, U.S.C., §§ 982(a)(7), 982(b)(1), 1035(a)(1), 1035(a)(2),  
1347, 1349, 2 and 3551 et seq.; T. 21, U.S.C., § 853(p))

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*A true bill.*



Foreperson

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Filed in open court this \_\_\_\_\_ day,

of \_\_\_\_\_ A.D. 20 \_\_\_\_\_

Clerk

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Bail, \$ \_\_\_\_\_

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*Andrew Estes, Trial Attorney, (718) 254-6250*

CR 17

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FILED  
IN CLERK'S OFFICE  
U.S. DISTRICT COURT E.D.N.Y.  
★ JUL 05 2017 ★

INFORMATION SHEET

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK

MAUSKOPE, J.

BROOKLYN OFFICE

1. Title of Case: United States v. Suzanna Meliksetyan

2. Related Magistrate Docket Number(s): \_\_\_\_\_

3. Arrest Date: \_\_\_\_\_

POLLAK, M.J.

4. Nature of offense(s):  Felony  
 Misdemeanor

5. Related Cases - Title and Docket No(s). (Pursuant to Rule 50.3.2 of the Local E.D.N.Y. Division of Business Rules): United States v. Chikwere Onyekwere, et al., 14-CR-274 (ARR)

6. Projected Length of Trial: Less than 6 weeks   
More than 6 weeks

7. County in which crime was allegedly committed: Kings  
(Pursuant to Rule 50.1(d) of the Local E.D.N.Y. Division of Business Rules)

8. Was any aspect of the investigation, inquiry and prosecution giving rise to the case pending or initiated before March 10, 2012.<sup>1</sup>  Yes  No

9. Has this indictment/information been ordered sealed?  Yes  No

10. Have arrest warrants been ordered?  Yes  No

11. Is there a capital count included in the indictment?  Yes  No

BRIDGET M. ROHDE  
Acting United States Attorney

By:   
Andrew Estes  
Trial Attorney  
718-254-6250

<sup>1</sup> Judge Brodie will not accept cases that were initiated before March 10, 2012.

IN CLERK'S OFFICE  
U.S. DISTRICT COURT E.D.N.Y.

CR 17

351

★ JUL 05 2017 ★

BROOKLYN OFFICE INDICTMENT SEALING FORM

Case name: United States v. SUZANNA MELIKSEYAN

MAUSKOPF, J.

POLLAK, M.J.

Reason for Sealing:

The defendant is currently at liberty, and the government plans to effectuate the arrest in the coming weeks. The government seeks to seal the indictment to ensure that the defendant does not learn that she is under indictment and to prevent her from fleeing justice to avoid arrest and prosecution. Notably, the indictment has been returned well within the applicable statute of limitations and sealing is not requested simply to toll the statute.

By: 

Date: July 5, 2017

Andrew Estes  
Trial Attorney  
United States Department of Justice  
Criminal Division, Fraud Section  
271 Cadman Plaza East  
Brooklyn, New York 11201