UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA

vs.

HUBERT DOLEZAL

Case No. 19CR 008

Violations: Title 18, United States Code, Section 1347

JUDGE THARP

MAGISTRATE JUDGE SCHENKIER

COUNTS ONE through THIRTEEN

The SPECIAL JULY 2018 GRAND JURY charges:

1. At times material to this Indictment:

The Medicare Program

a. Medicare was a federal health care program providing benefits to disabled persons or persons who were 65 years of age or older. 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."

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

c. Physicians, clinics, and other health care providers who provided services to Medicare beneficiaries were able to apply to enroll with Medicare and obtain a Medicare provider number. A health care provider who was issued a Medicare provider number was able to file claims with Medicare and receive reimbursement for those services.

d. By becoming a participating provider in Medicare, enrolled providers agreed to abide by the policies and procedures, rules, and regulations governing reimbursement. 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 and procedures, rules, and regulations issued by CMS and its authorized agents and contractors. Health care providers were given and provided with online access to Medicare manuals and service bulletins describing proper billing procedures and billing rules and regulations.

e. To receive reimbursement for a covered service from Medicare, a provider must 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, among other things.

f. All Medicare claims were required to set forth, among other things, the beneficiary's name, the date the services, the type of services provided

(using a CPT code), the billed amount of the services provided, and the name and identification number of the physician who provided the services.

g. Providers could submit claims to Medicare only for services they rendered, and providers were required to maintain patient records to verify that the services were provided as described in claims for payment submitted to Medicare. In addition, providers could only submit claims to Medicare for services that fit under the description of the specific billing code used.

h. Medicare claims, including for psychological services, were billed to Medicare using codes established by the American Medical Association, referred to as "Current Procedural Terminology" or "CPT" codes, including CPT codes 96101 (psychological testing with interpretation and report by psychologist or physician per hour), 96118 (neuropsychological testing, interpretation, and report by psychologist or physician, per hour), and 96832 (psychotherapy, 30 minutes).

i. For a physician to bill Medicare for psychological counseling or testing, the physician was required to document the medical necessity for the counseling and testing.

j. Medicare regulations required health care providers enrolled with Medicare to maintain complete and accurate patient 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 physician. Medicare required

complete and accurate patient medical records so that Medicare may verify that the services were provided or prescription was dispensed as described on the claim form. These records were required to be sufficient to permit Medicare to review the appropriateness of Medicare payments made to the health care provider.

Defendant and Other Relevant Entities

k. Hubert Dolezal, PhD ("DOLEZAL") was a psychologist licensed in the State of Illinois who operated from offices in Chicago, Illinois.

l. Organization A was a Chicago-based community services organization which owned and managed intermediate care facilities ("ICFs") and community integrated living arrangements ("CILAs") for severely mentally disabled adults. Organization A contracted with DOLEZAL to provide psychological services to its residents as an independent contractor. Organization A's contract with DOLEZAL included certain limitations, including that DOLEZAL "shall not bill or seek reimbursement from any other party for services provided to clients unless first approved in writing" by Organization A.

2. From in or around December 2008 and continuing through in or around October 2018, at Cook County, in the Northern District of Illinois, and elsewhere,

HUBERT DOLEZAL,

defendant herein, and others, known and unknown to the Grand Jury, participated in a scheme 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, which scheme is further described below.

Purpose of the Scheme and Artifice

3. It was the purpose of the scheme and artifice for DOLEZAL to unlawfully enrich himself through the submission of false and fraudulent Medicare claims for services that were not medically necessary, not performed as billed, and never actually performed.

The Scheme and Artifice

4. It was part of the scheme that on or around May 2008, DOLEZAL enrolled with Medicare, and renewed his enrollment on or around May 2015.

5. It was further part of the scheme that beginning no later than on or about June 11, 2012 and continuing through on or about October 17, 2018, DOLEZAL contracted with Organization A to provide psychotherapy services to severely mentally disabled patients living in facilities managed by Organization A.

6. It was further part of the scheme that DOLEZAL submitted and caused to be submitted time sheets to Organization A claiming that he had performed approximately 30 hours of psychological services each month to ICF patients (as was allowed under his contract), even though, in fact, DOLEZAL did not perform these services.

7. It was further part of the scheme that DOLEZAL billed Medicare for

psychological counseling, psychological testing, and neuropsychological testing and report writing which he never actually performed, including on dates when DOLEZAL was traveling outside of the United States.

8. It was further part of the scheme that DOLEZAL changed some of the CPT codes he used to submit claims to Medicare after on or around December 2012 when Medicare notified DOLEZAL of an overpayment recoupment.

9. It was further part of the scheme that DOLEZAL submitted and caused to be submitted claims to Medicare for services he performed, and claimed to have performed, causing Medicare to pay him at least approximately 3,270,867.59, while DOLEZAL knew that the services were not medically necessary, not medically appropriate, and were not actually performed or performed as billed.

Acts in Execution of the Scheme and Artifice

10. On or about the dates set forth as to each count below, in the Northern District of Illinois, and elsewhere,

HUBERT DOLEZAL,

defendant herein, did knowingly and wilfully execute, and attempt to execute, the above described scheme as follows:

Count	Medicare Beneficiary Name	CPT Codes	Approx. Purported Dates of Service	Approx. Claim Submission Dates	Approx. Amount Billed to Medicare
1	A.M.	96101	9/25/2017	6/22/2018	$337.64
2	A.M.	96118	10/7/2017	6/22/2018	$412.00
3	A.M.	96101	4/4/2016	1/27/2017	$338.40
4	T.M.	96101	9/2/2017	6/22/2018	$337.64
5	T.M.	96118	9/8/2017	7/3/2018	$412.00
6	K.M.	96101	8/27/2017	6/22/2018	$337.64
7	K.M.	96118	9/1/2017	6/14/2018	$412.00
8	A.N.	96101	9/26/2017	6/22/2018	$337.64
9	A.N.	96118	9/30/2017	7/3/2018	$412.00
10	A.N.	96118	4/5/2016	9/2/2016	$414.16
11	R.P.	96101	9/21/2017	6/22/2018	$337.64
12	R.P.	96118	9/24/2017	7/10/2018	$412.00
13	R.P.	96118	4/5/2016	1/12/2017	$414.16

All in violation of Title 18, United States Code, Section 1347.

FORFEITURE ALLEGATIONS

The SPECIAL JULY 2018 GRAND JURY further alleges:

1. The allegations contained in Counts One through Thirteen of this Indictment are incorporated here for the purpose of alleging forfeiture pursuant to the provisions of Title 18, United States Code, Section 982.

2. Upon conviction of a violation of Title 18, United States Code, Section 1347, as alleged in Counts One through Thirteen of this Indictment, the defendant shall forfeit to the United States of America, pursuant to Title 18, United States Code, Section 982(a)(7), any property, real or personal, that constitutes or is derived, directly or indirectly, from gross proceeds traceable to the commission of the offense.

3. The property to be forfeited includes, but is not limited to, the following:

a. A forfeiture judgment of at least approximately $3,270,867.59.

If any of the property described above, as a result of any act or omission of the defendants:

i. cannot be located upon the exercise of due diligence;

ii. has been transferred or sold to, or deposited with, a third party;

iii. has been placed beyond the jurisdiction of the Court;

iv. has been substantially diminished in value; or

v. has been commingled with other property that cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to seek to forfeit any other property of the defendants up to the value of the forfeitable property described above.

A TRUE BILL:

_____

FOREPERSON

_____

UNITED STATES DEPARTMENT OF JUSTICE
CRIMINAL DIVISION, FRAUD SECTION
ACTING DEPUTY CHIEF

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UNITED STATES DEPARTMENT OF JUSTICE
CRIMINAL DIVISION, FRAUD SECTION
CHIEF – HEALTH CARE UNIT