

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

Case No. **12-20286**

CR-MOORE

18 U.S.C. § 371
18 U.S.C. § 982

/TORRES

UNITED STATES OF AMERICA

v.

HASSAN COLLINS,

Defendant.

INFORMATION

The United States Attorney charges that:

CONSPIRACY TO RECEIVE AND PAY HEALTH CARE KICKBACKS
(18 U.S.C. § 371)

General Allegations

At all times relevant to this Information,

1. The Medicare Program (“Medicare”) was a “Federal health care program,” as defined by Title 42, United States Code, Section 1320a-7b(f), providing benefits to persons who were over the age of sixty-five 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. Part B of the Medicare program covered partial hospitalization programs (“PHPs”) connected with the treatment of mental illness. The treatment plan of PHPs closely resembled that of a highly structured, short-term hospital inpatient program, but it was a distinct and organized intensive treatment program that offered less than 24-hour daily care and was designed, in part, to reduce medical costs by treating qualifying individuals outside the hospital setting.

3. Medicare generally required that the PHP be provided at a facility that was hospital-based or hospital-affiliated, but Medicare also allowed a PHP to be provided in a Community Mental Health Center (“CMHC”), which was a provider type under Part A of Medicare.

4. In order to receive payment from Medicare, a CMHC, medical clinic, or physician was required to submit a health insurance claim form to Medicare, called a Form 1450. The claims could be submitted in hard copy or electronically. A CMHC, medical clinic, and physician could contract with a billing company to transmit claims to Medicare on their behalf.

5. Medicare Part B was administered in Florida by First Coast Service Options, which, pursuant to contract with the United States Department of Health and Human Services, served as a contracted carrier to receive, adjudicate, and pay Medicare Part B claims submitted to it by Medicare beneficiaries, physicians, or CMHCs. Medicare Part B paid CMHCs and physicians directly for the cost of PHP services furnished to eligible Medicare beneficiaries, provided that the services met Medicare requirements.

6. An “Assisted Living Facility” or “ALF” was a facility licensed by the Florida Agency for Health Care Administration, whether operated for profit or not, which undertook through its ownership or management to provide housing, meals, and one or more personal services for a period exceeding 24 hours to one or more adults who are not relatives of the owner or administrator.

7. A Halfway House was a facility that supported the reintegration of persons who were recently released from prison or jail, or assisted individuals who were recovering from various drug and alcohol addictions.

The Defendant, Related Entities, and Related Persons

8. Defendant **HASSAN COLLINS**, a resident of Miami-Dade County, was the owner and operator of New Way Recovery, Inc. (“New Way Recovery”), a Florida corporation with a principal address of 1605 N.W. 11th Court, Fort Lauderdale, Florida 33311. New Way Recovery operated several Halfway Houses in Broward County.

9. American Therapeutic Corporation (“ATC”) was a Florida corporation originally established in 2002 and was headquartered in Miami, Florida. ATC was a CMHC that operated several purported PHPs throughout Florida from Homestead to Orlando, including PHPs at the following addresses: 1801 N.E. 2nd Avenue, Miami, Florida 33132; 61 Grand Canal Drive, Suite #100, Miami, Florida 33144; 1001 West Commercial Blvd., Fort Lauderdale, Florida 33309; 4960 North Dixie Highway, Fort Lauderdale, Florida 33334; 27112 South Dixie Highway, Naranja, Florida 33032; 717 East Palmetto Park Road, Boca Raton, Florida 33432; and 4790 North Orange Blossom Trail, Orlando, Florida 32810.

10. Lawrence S. Duran (“Duran”), a resident of Miami-Dade County, was the manager and owner of ATC.

11. Marianella Valera (“Valera”), a resident of Miami-Dade County, was the owner, CEO, president, secretary, and treasurer of ATC.

12. Judith Negron (“Negron”), a resident of Miami-Dade County, was one of operators of ATC.

13. Joseph Valdes, a/k/a Joseph Valdez (“Valdes”), a resident of Broward County, was a marketer for ATC who would pay and cause the payment of kickbacks to ALF and Halfway House owners and operators and patient recruiters – including **HASSAN COLLINS** – in exchange for Medicare beneficiary “referrals” to ATC.

The Conspiracy

14. From on or about April 29, 2004, through on or about September 30, 2010, in Miami-Dade and Broward Counties, in the Southern District of Florida, and elsewhere, the defendant,

HASSAN COLLINS,

did willfully and knowingly combine, conspire, confederate and agree with others, known and unknown to the United States Attorney, including Duran, Valera, Negron, and Valdes, to commit certain offenses against the United States, that is:

- a. To violate Title 42, United States Code, Section 1320a-7b(b)(1), by knowingly and willfully soliciting and receiving remuneration, specifically, kickbacks and bribes, directly and indirectly, overtly and covertly, in return for referring individuals to a person or persons for the furnishing and arranging for the furnishing of any item and service for which payment may be made in whole or in part under a Federal health care program, that is, Medicare; and
- b. To violate Title 42, United States Code, Section 1320a-7b(b)(2), by knowingly and willfully offering and paying remuneration, including kickbacks and bribes, directly and indirectly, overtly and covertly, to any person or persons to induce such person or persons to refer individuals to a person or persons for the furnishing and arranging

for the furnishing of any item and service for which payment may be made in whole or in part under a Federal health care program, that is, Medicare.

Purpose of the Conspiracy

15. It was a purpose of the conspiracy for **HASSAN COLLINS** and his co-conspirators to unlawfully enrich themselves by receiving and paying kickbacks and bribes in exchange for (a) securing the attendance of Medicare beneficiaries at ATC and (b) providing Medicare beneficiary information to agents and employees of ATC that was used to submit claims to Medicare.

Manner and Means of the Conspiracy

The manner and means by which the defendant and his co-conspirators sought to accomplish the objects and purpose of the conspiracy included, among others, the following:

16. Duran, Valera, Negrón, Valdes, and others would pay and cause the payment of kickbacks to ALF and Halfway House owners and operators as well as patient recruiters, including **HASSAN COLLINS**, in exchange for the ALFs, Halfway Houses, and patient recruiters referring patients to ATC, and arranging for Medicare beneficiaries to receive purported PHP treatment at ATC.

17. **HASSAN COLLINS** would receive kickbacks from Duran, Valera, Negrón, Valdes, and others in exchange for referring Medicare beneficiaries to ATC for purported PHP treatment, and arranging for Medicare beneficiaries to receive purported PHP treatment at ATC.

Overt Acts

In furtherance of the conspiracy, and to accomplish its objects and purpose, at least one of the co-conspirators committed and caused to be committed in the Southern District of Florida at least one of the following overt acts, among others:

18. On or about February 17, 2010, **HASSAN COLLINS** received a cash kickback in the approximate amount of \$3,300 from Valdes in exchange for referring patients to ATC, and arranging for Medicare beneficiaries to receive purported PHP treatment at ATC.

19. In or around March 2010, **HASSAN COLLINS** received a cash kickback in the approximate amount of \$5,940 from Valdes in exchange for referring patients to ATC, and arranging for Medicare beneficiaries to receive purported PHP treatment at ATC.

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

CRIMINAL FORFEITURE
(18 U.S.C. § 982)

1. The allegations contained in this Information are realleged and incorporated by reference as though fully set forth herein for the purpose of alleging forfeiture to the United States of America of certain property in which defendant **HASSAN COLLINS** has an interest.

2. Upon conviction of the offense charged in this Information, the defendant shall forfeit to the United States any property, real or personal, that constitutes or is derived, directly or indirectly, from gross proceeds traceable to the commission of the offense pursuant to Title 18, United States Code, Section 982(a)(7).

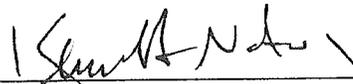
3. If any of the property described above, as a result of any act or omission of the defendant:

- 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,

the United States of America shall be entitled to forfeiture of substitute property pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982(b)(1).

All pursuant to Title 18, United States Code, Section 982(a)(7) and the procedures outlined in Title 21, United States Code, Section 853.



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