FILED by _____ D.C.
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STEVEN M. LARIMORE
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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

Case No. 12-20288

18 U.S.C. § 1349
18 U.S.C. § 982

CR-MIDDLEBROOKS

MAGISTRATE JUDGE
GAPBER

UNITED STATES OF AMERICA

vs.

BOBBY RAMNARINE,

Defendant.
_____/

INFORMATION

The United States Attorney charges that:

CONSPIRACY TO COMMIT HEALTH CARE FRAUD
(18 U.S.C. § 1349)

General Allegations

At all times relevant to this Information,

1. The Medicare Program ("Medicare") was a federal health care program which provided 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 within the United States Department of Health and Human Services. Individuals who received benefits under Medicare were referred to as Medicare "beneficiaries." Medicare was a "health care benefit program," as defined by Title 18, United States Code, Section 24(b).

2. Part B of Medicare 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. Medicare required that, to qualify for the PHP benefit, the services must have been reasonable and necessary for the diagnosis and active treatment of the individual's condition. The program also must have been reasonably expected to improve or maintain the condition and functional level of the patient and to prevent relapse or hospitalization. The program must have been prescribed by a physician, furnished under the general supervision of a physician, and delivered under an established plan of treatment that met Medicare requirements.

5. Typically, a patient who needed this intensive PHP treatment had a long history of mental illness that had been previously treated. Patients were ordinarily referred either (a) by a hospital after full inpatient hospitalization for severe mental illness or (b) by a doctor who was trying to prevent full inpatient hospitalization for a severely mentally ill patient the doctor had been treating.

6. Medicare did not cover programs involving primarily social, recreational, or diversionary activities.

7. 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 may contract with a billing company to transmit claims to Medicare on their behalf.

8. An Assisted Living Facility ("ALF") was a facility licensed by the Florida Agency for Health Care Administration, whether operated for profit or not, which provided housing, meals, and one or more personal services for a period exceeding 24 hours to one or more adults who were not relatives of the owner or administrator.

9. A Halfway House was a facility that supported the reintegration of persons who had been 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

10. Defendant **BOBBY RAMNARINE**, a resident of Broward County, was the owner of Elmina's ALF, which was located at 5940 N.W. 19th Court, Lauderhill, Florida 33313.

11. American Therapeutic Corporation ("ATC") was a Florida corporation originally established in 2002 and was headquartered in Miami, Florida. ATC 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.

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

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

14. Judith Negron ("Negron"), a resident of Miami-Dade County, was an operator of ATC.

15. Hilario Morris, a/k/a Larry Morris ("Morris"), a resident of Miami-Dade 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 **BOBBY RAMNARINE** – in exchange for Medicare beneficiary "referrals" to ATC.

The Conspiracy

16. From in or around January 2007, through in or around September 2010, in Miami-Dade and Broward Counties, in the Southern District of Florida, and elsewhere, the defendant,

BOBBY RAMNARINE,

did knowingly and willfully combine, conspire, confederate and agree with others, known and unknown to the United States Attorney, including Duran, Valera, Negron, and Morris, 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

17. It was a purpose of the conspiracy for **BOBBY RAMNARINE** and his co-conspirators to unlawfully enrich themselves by, among other things: (a) submitting and causing the submission of false and fraudulent claims to Medicare through ATC for services that were medically unnecessary, that were not eligible for Medicare reimbursement, and that were never provided; (b) offering and paying kickbacks and bribes to ALF and Halfway House owners and operators as well as patient recruiters who provided and had access to ineligible Medicare beneficiaries to attend ATC's CMHCs; and (c) receiving kickbacks and bribes to ensure the attendance of these ineligible Medicare beneficiaries at ATC's CMHCs.

Manner and Means

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

18. Duran and Valera would own and operate ATC as a company registered in the State of Florida, concealing Duran's ownership interest.

19. Valera would maintain a Medicare provider number for five ATC locations in order to submit Medicare claims for PHP services at all five of those locations.

20. **BOBBY RAMNARINE,** along with other ALF and Halfway House owners, operators, and patient recruiters, would solicit and receive kickback payments from Duran, Valera, Negron, Morris, and others in return for referring Medicare beneficiaries, who did not qualify for PHP treatment, to ATC for purported PHP services.

21. Duran, Valera, Negron, Morris and others would pay and cause the payment of kickbacks to **BOBBY RAMNARINE,** along with other ALF and Halfway House owners and operators and patient recruiters, in exchange for the referral of Medicare beneficiaries, who did not qualify for PHP treatment, to ATC for purported PHP services.

22. **BOBBY RAMNARINE** would refer and cause the referral of Medicare beneficiaries, who did not qualify for PHP treatment, to ATC for purported PHP treatment based solely on their eligibility to receive benefits under Medicare, regardless of whether the beneficiaries qualified for such treatment.

23. Duran, Valera, and others would cause the fabrication and alteration of treatment notes for the purpose of making it falsely appear that the patients who were purportedly treated at ATC qualified for PHP services.

24. Duran, Valera, Negron, and others would cause the transfer and disbursement of illicit proceeds derived from the false and fraudulent billing scheme into and out of ATC's various corporate bank accounts to themselves and others, including kickback payments to **BOBBY RAMNARINE.**

25. Duran, Valera, Negron, Morris, and others, including **BOBBY RAMNARINE,** would cause false and fraudulent claims to be submitted to Medicare for services purportedly provided at ATC's locations.

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

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 **BOBBY RAMNARINE** has an interest.

2. Pursuant to Title 18, United States Code, Section 982(a)(7), upon conviction for 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.

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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