

UNITED STATES DISTRICT COURT  
MIDDLE DISTRICT OF LOUISIANA

**INDICTMENT FOR CONSPIRACY TO COMMIT HEALTH CARE FRAUD, HEALTH CARE FRAUD, AGGRAVATED IDENTITY THEFT, AND FORFEITURE**

UNITED STATES OF AMERICA : CRIMINAL NO. 12- 161- JJB-DLD  
:   
V. : 18 U.S.C. § 1349  
: 18 U.S.C. § 1347  
MICHAEL OGUDO, and : 18 U.S.C. § 1028A  
SHARON MURPHY : 18 U.S.C. § 2  
: 18 U.S.C. § 982

**THE GRAND JURY CHARGES**

**General Allegations**

At all times relevant to this Indictment:

The Medicare Program

1. The Medicare Program (“Medicare”) was a federal program that provided free or below-cost health care benefits to certain individuals, primarily the elderly, blind, and disabled. The benefits available under Medicare are prescribed by statute and by federal regulations under the auspices of the United States Department of Health and Human Services (“HHS”), through its agency, the Centers for Medicare and Medicaid Services (“CMS”). Individuals who received benefits under Medicare were commonly 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. Part B of the Medicare Program was a medical insurance program that covered, among other things, certain durable medical equipment, prosthetics, orthotics, and supplies

("DME"), including (i) power mobility devices, such as motorized wheel chairs and scooters, and (ii) enteral nutrients, supplies, and equipment that would allow a beneficiary to receive nutrition through a feeding tube.

4. DME companies, physicians, and other health care providers that sought to participate in Medicare Part B and bill Medicare for the cost of DME and related benefits, items, and services were required to apply for and receive a "supplier number." The supplier number allowed a DME company to submit bills, known as "claims," to Medicare to obtain reimbursement for the cost of DME and related health care benefits, items, and services that a DME company had supplied to beneficiaries.

5. To receive payment from Medicare, a DME company, using its supplier number, would submit a health insurance claim to Medicare, including: (a) the Medicare beneficiary's name; (b) the Medicare beneficiary's identification number; (c) the name and identification number of the doctor who ordered the item or service that was the subject of the claim; (d) the health care benefits, items, or services that were supplied or provided to the beneficiary; (e) the billing codes for these benefits, items, or services; and (f) the date upon which the benefits, items, or services were provided.

6. Medicare, through a Medicare contractor, would generally pay a substantial portion of the cost of the DME or related health care benefits, items, and services if they were medically necessary and ordered by licensed doctors or other licensed, qualified health care providers.

### Trust Medical Supply

7. Trust Medical Supply (“Trust”)<sup>1</sup> began operating in or around October 2008, and was engaged in the business of supposedly providing DME to Medicare beneficiaries if the DME was properly prescribed and was medically necessary. Trust had a Medicare supplier number and was eligible to receive payments from Medicare for DME supplied to beneficiaries, if the DME was medically necessary.

8. Among other things, Trust purported to provide a variety of DME and related services to Medicare beneficiaries, including, but not limited to, (i) power mobility devices and related accessories, and (ii) enteral nutrients, supplies, and equipment.

9. Defendant **MICHAEL OGUDO** managed the operations of Trust, including managing its bank account into which Medicare payments were deposited.

10. Defendant **SHARON MURPHY** was the owner and a corporate officer of Trust.

### The Fraudulent Scheme

11. In or around and between October 2008 and August 2011, the defendants, **MICHAEL OGUDO** and **SHARON MURPHY**, together with others, engaged in a scheme to defraud Medicare by submitting and causing to be submitted fraudulent claims to Medicare for DME that included, but were not limited to, power mobility devices, and enteral nutrients, supplies, and equipment. These claims falsely represented one or more of the following: (i) that a doctor had prescribed the DME, (ii) that the DME was medically necessary, and (iii) with respect to enteral nutrients, supplies, and equipment, that the enteral nutrients were to be provided to the beneficiary via a feeding tube.

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<sup>1</sup> Trust originally operated as “Trust Medical Supply Company.” In October 2009, Trust Medical Supply incorporated as “Trust Medical Supply LLC,” a Louisiana limited liability company. As used herein, “Trust” refers to both “Trust Medical Supply Company” and “Trust Medical Supply LLC.”

12. Between October 2008 and August 2011, Trust billed Medicare in excess of \$1.6 million, including, but not limited to, those claims in connection with power mobility devices, and enteral nutrients supplies and equipment.

**COUNT 1**  
**Conspiracy to Commit Health Care Fraud**  
**(18 U.S.C. § 1349)**

13. Paragraphs 1 through 12 of this Indictment are re-alleged and incorporated as though fully set forth herein.

14. Beginning in or around October 2008, and continuing through in or around August 2011, in the Middle District of Louisiana and elsewhere, the defendants, **MICHAEL OGUDO** and **SHARON MURPHY**, did knowingly and willfully combine, conspire, confederate, and agree with each other and with others, known and unknown to the Grand Jury, to commit health care fraud, 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, in violation of Title 18, United States Code, Section 1347.

**Purpose of the Conspiracy**

15. It was a purpose of the conspiracy for the defendants and others to unlawfully enrich themselves by, among other things, submitting and causing the submission of false and fraudulent claims to Medicare and to obtain payment from Medicare as a result.

**Manner and Means of the Conspiracy**

The manner and means by which the defendants and others sought to accomplish the object and purpose of the conspiracy included, among others, the following:

16. **SHARON MURPHY** maintained a valid Medicare group supplier number for Trust in order to submit Medicare claims for DME that was properly prescribed and was medically unnecessary.
17. **MICHAEL OGUDO** opened Capitol One Bank Account number xxxxxxxx731.
18. **SHARON MURPHY** obtained authorization for Medicare payments for Trust to be deposited into Capitol One Bank Account number xxxxxxxx731.
19. **MICHAEL OGUDO** maintained sole signature authority over Capitol One Bank Account number xxxxxxxx731.
20. **MICHAEL OGUDO** delivered DME that had been billed to Medicare to Medicare beneficiaries on behalf of Trust.
21. **MICHAEL OGUDO** and **SHARON MURPHY** falsified, and caused the falsification of, records that were the basis for claims submitted to Medicare.
22. **MICHAEL OGUDO** and **SHARON MURPHY** submitted and caused the submission of, Medicare claims that falsely and fraudulently represented that DME was medically necessary.
23. **MICHAEL OGUDO** and **SHARON MURPHY** submitted, and caused the submission of, Medicare claims for enteral nutrients, supplies, and equipment that falsely and fraudulently represented that the enteral nutrients were to be provided to the beneficiary via a feeding tube.

### Overt Acts

In furtherance of the conspiracy, and to accomplish its object and purpose, the conspirators committed and caused to be committed, in the Middle District of Louisiana, the following overt acts:

24. On or about November 26, 2008, **MICHAEL OGUDO** opened Capitol One Bank Account number xxxxxxxx731 into which Medicare payments would be deposited.
25. On or about March 3, 2009, **SHARON MURPHY** filed a Medicare enrollment application on behalf Trust.
26. On or about December 3, 2009, **MICHAEL OGUDO** and **SHARON MURPHY** falsified and caused to be falsified records for Medicare beneficiary A.M., to support a medically unnecessary claim for enteral nutrients, supplies and equipment.
27. On or about December 17, 2009, **MICHAEL OGUDO** and **SHARON MURPHY** falsified and caused to be falsified records for Medicare beneficiary H.A. to make it appear that a doctor, J.F., had written a prescription for a power scooter, when in fact, the doctor had not written the prescription.
28. On or about January 14, 2010, **MICHAEL OGUDO** and **SHARON MURPHY** falsified and caused to be falsified records for Medicare beneficiaries S.B., S.G., and E.G. to make it appear that a doctor, J.F., had written prescriptions for power wheelchairs and related items for these patients, when, in fact, the doctor had not written the prescription.
29. On or about January 14, 2010, **MICHAEL OGUDO** signed a delivery slip indicating that he had delivered a power wheelchair to Medicare beneficiary S.G., when, in fact, this beneficiary did not receive, and did not need, this wheelchair.

30. On or about January 18, 2010, **MICHAEL OGUDO** signed a delivery slip indicating that he had delivered a power wheelchair to Medicare beneficiary S.B., when, in fact, this beneficiary did not receive, and could not have used, this wheelchair.

31. On or about April 22, 2010 **MICHAEL OGUDO** and **SHARON MURPHY** sent, or caused to be sent, a fax to the office of doctor J.F. that requested that the doctor sign prescriptions for power wheelchairs and related items for Medicare beneficiaries S.B., S.G., and E.G., after claims for these items had already been billed to Medicare.

The above is a violation of Title 18, United States Code, Sections 1349 and 2.

**COUNTS 2-6**  
**Health Care Fraud**  
**(18 U.S.C. § 1347)**

32. Paragraphs 1 through 12 of this Indictment are re-alleged and incorporated as though fully set forth herein.

33. On or about the dates listed below, within the Middle District of Louisiana and elsewhere, the defendants listed below, together with others, did knowingly and willfully execute and attempt to execute a scheme and artifice to defraud a health care benefit program, as defined in Title 18, United States Code, Section 24(b), to wit, 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 programs, in connection with the delivery of, and payment for, the following health care benefits, items, and services:

<b>Count</b>	<b>Defendant(s)</b>	<b>Beneficiary</b>	<b>Claim Date</b>	<b>DME</b>	<b>Claim Amount</b>
2	<b>SHARON MURPHY</b>	A.M	December 3, 2009	Enteral Feeding Supply Kit and Enteral Formula	\$741

3	<b>SHARON MURPHY</b>	L.S.	December 3, 2009	Enteral Feeding Supply Kit and Enteral Formula	\$ 716
4	<b>SHARON MURPHY, MICHAEL OGUDO</b>	S.B.	January 18, 2010	Power Wheelchair and related DME	\$ 4,300
5	<b>SHARON MURPHY, MICHAEL OGUDO</b>	S.G.	January 18, 2010	Power Wheelchair and related DME	\$ 6,150
6	<b>SHARON MURPHY</b>	E.G.	January 18, 2010	Power Wheelchair and related DME	\$ 6,150

The above is a violation of Title 18, United States Code, Sections 1347 and 2.

**COUNTS 7-9**  
**Aggravated Identity Theft**  
**(18 U.S.C. § 1028A)**

34. Paragraphs 1 through 12 of this Indictment are realleged and incorporated as though fully set forth herein.

35. On or about the dates specified as to each count below, in the Middle District of Louisiana and elsewhere, the defendants listed below, during and in relation to felony violations of Title 18, United States Code, Section 1349 (conspiracy to commit health care fraud), and Title 18, United States Code, Section 1347 (health care fraud), knowingly transferred, possessed, and used, without lawful authority, means of identification of other persons, that is, physicians' names and Unique Provider Identification Numbers ("UPINs"), in that they submitted Medicare claims for approximately the below dollar amounts, and represented that, on or about the below dates of service, Trust had provided DME to Medicare beneficiaries pursuant to the below physicians' orders or prescriptions:

Count	Defendant(s)	Claim Date	Doctor	Doctor's UPIN (last 3 digits)	Beneficiary	Purported Date of Service	Claim Amount
7	SHARON MURPHY, MICHAEL OGUDO	1/18/2010	J.F.	451	S.B.	1/14/2010	\$ 4,300
8	SHARON MURPHY, MICHAEL OGUDO	1/18/2010	J.F.	451	S.G.	1/14/2010	\$ 6,150
9	SHARON MURPHY	1/18/2010	J.F.	451	E.G.	1/14/2010	\$ 6,150

The above is a violation of Title 18, United States Code, Section 1028A.

**Forfeiture Allegation**

36. The allegations contained in Counts 1 through 6 of this indictment 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 the defendants have an interest pursuant to the provisions of Title 18, United States Code, Section 982(a)(7) and the procedures outlined at Title 21, United States Code, Section 853.

37. Upon conviction of any of Counts 1 to 6 of this indictment, defendants shall forfeit to the United States, 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.

38. The property that is subject to forfeiture includes, but is not limited to, the following:

- a. A money judgment in the amount of up to the gross proceeds of the health care fraud offenses set forth in Counts 1 through 6 of the indictment; and

b. All funds on deposit at Capital One Bank, account number xxxxxxxx731, in the name of **MICHAEL OGUDO**, dba Trust Medical Supply.

39. If, as a result of any act or omission of the defendants, the property described above that is subject to forfeiture,

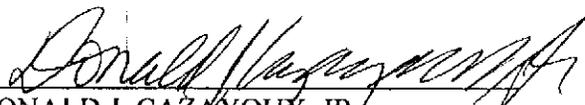
- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with a third party;
- c. has been placed beyond the jurisdiction of the Court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), as made applicable by Title 18, United States Code, Section 982(b), to seek forfeiture of any other property of the defendants up to the value of the above forfeitable property.

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

UNITED STATES OF AMERICA, by

**A TRUE BILL**

  
DONALD J. CAIZYOUX, JR.  
UNITED STATES ATTORNEY  
MIDDLE DISTRICT OF LOUISIANA

  
ABIGAIL B. TAYLOR  
ARUNABHA BHOUMIK  
TRIAL ATTORNEYS  
CRIMINAL FRAUD SECTION  
DEPARTMENT OF JUSTICE