

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Criminal No. 13-
 :
 v. :
 :
 : 18 U.S.C. §1952(a)(3) and 2
 PETER DEPLAS :
 :

I N F O R M A T I O N

The defendant having waived in open court prosecution by indictment, the United States Attorney for the District of New Jersey charges:

1. At all times relevant to this Information:

a. The defendant PETER DEPLAS was a medical doctor licensed to practice medicine in the State of New York, and part owner of a medical practice (the "Medical Practice").

b. Biodiagnostic Laboratory Services, LLC ("BLS") was a clinical blood laboratory headquartered in Parsippany, New Jersey that, among other things, performed tests on the blood specimens of patients referred to BLS by doctors, and then billed payors and others for those tests and related services.

c. Cliff Antell ("Antell") was a BLS salesperson paid by BLS through an entity called Brown's Dock Consulting, LLC, to recruit physicians to refer their patients' blood specimens to BLS for the performance of blood tests and related services.

d. Craig Nordman ("Nordman") was a BLS salesperson paid by BLS through an entity called Advantech Sales, LLC ("Advantech"), to recruit physicians to refer their patients' blood specimens to BLS for the performance of blood tests and related services.

e. David Nicoll was an owner and the President of BLS, and generally directed and supervised the activities of Craig Nordman and Cliff Antell activities for, and on behalf of, BLS.

f. 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. Medicare was a "Federal health care program" as defined in Title 42, United States Code, Section 1320a-7b(f) and a "health care benefit program" as defined in Title 18, United States Code, Section 24(b). Individuals who receive benefits under Medicare are commonly referred to as "beneficiaries."

g. The Medicare Part B program was a federally funded supplemental insurance program that provided supplementary Medicare insurance benefits for individuals aged sixty-five or older, and certain individuals who are disabled. The Medicare Part B program paid for various medical services for beneficiaries, including blood tests and related services.

h. BLS was an approved Medicare provider, and Medicare paid BLS for performing blood tests and related services

on beneficiaries who were referred to BLS by physicians participating in Medicare.

i. BLS also billed, and was paid by, various private healthcare insurance companies (the "Private Insurers") in the business of providing health care insurance to individuals and entities under various insurance policies (the "insureds"), pursuant to which the Private Insurers paid BLS for blood tests and related services performed for insureds who had been referred to BLS by physicians.

2. From at least in or about November 2011 until in or about March 2013, in Morris County, in the District of New Jersey, and elsewhere, defendant

PETER DEPLAS

knowingly and intentionally used and caused to be used the mail and facilities in interstate commerce with the intent to promote, manage, establish, carry on, and facilitate the promotion, management, establishment, and carrying on of an unlawful activity, that is, commercial bribery, contrary to N.J.S.A. §2C:21-10 and Title 18, United States Code, Section 1952(a)(3) and, thereafter, did perform and attempt to perform acts to promote, manage, establish, carry on, and facilitate the promotion, management, establishment, and carrying on of such unlawful activity, to include, as follows:

a. In or about November 2011, Cliff Antell offered, and defendant PETER DEPLAS accepted, bribes to induce defendant PETER DEPLAS to personally refer, and otherwise cause the Medical Practice to refer, the blood specimens of patients to BLS for testing and related services. To disguise these bribes, BLS and defendant PETER DEPLAS used a lease agreement entered into between the Medical Practice and Advantech pursuant to which monthly bribe payments to defendant PETER DEPLAS from BLS were falsely characterized as lease payments from Advantech (the "Sham Lease Agreement").

b. Under the Sham Lease Agreement, BLS paid the Medical Practice \$5,000 per month to purportedly occupy and use space in the Medical Practice that BLS did not, in fact, occupy or use. These monthly checks were written on an Advantech bank account in New Jersey and then mailed to the Medical Practice in New York.

c. In or about December 2011, defendant PETER DEPLAS asked for, and Cliff Antell agreed to provide, monthly cash bribes to defendant PETER DEPLAS in addition to those being made under the Sham Lease Agreement. The purpose of the cash bribes was to further induce defendant PETER DEPLAS to refer and cause the Medical Practice to refer the blood specimens of patients to BLS for testing and related services.

d. The cash bribes were paid to defendant PETER DEPLAS directly - initially, in the amount of \$4,000 per month, which was subsequently increased to \$5,000 and then \$7,000 per month.

e. Between in or about November 2011 and in or about March 2013, BLS paid defendant PETER DEPLAS \$160,000 in bribes under the Sham Lease Agreement and in cash. In return, defendant PETER DEPLAS, among other things, himself referred and caused the Medical Practice to refer patient blood specimens to BLS that BLS used to submit claims to Medicare and the Private Insurers and collect from those payors more than \$900,000.

f. At various times during the bribery scheme, BLS encouraged defendant PETER DEPLAS to order tests that paid higher reimbursements, and defendant PETER DEPLAS did order fatigue panels containing individual tests that defendant PETER DEPLAS would not ordinarily have ordered.

g. The claims BLS submitted for blood testing and other services to Medicare and the Private Insurers included charges for tests on blood specimens referred to BLS by defendant PETER DEPLAS and the Medical Practice in return for bribe payments.

h. On or about December 6, 2011 defendant PETER DEPLAS received, and caused the Medical Practice to receive, a \$5,000 "rent" check that was delivered across state lines through the interstate mails. The purpose of this Advantech check was to induce defendant PETER DEPLAS to refer, and cause the Medical Practice to

refer, the blood specimens of patients to BLS for testing and related services. The check, bearing check number 1154, was drawn on an Advantech account in New Jersey and signed by Craig Nordman.

i. On or about December 7, 2011, defendant PETER DEPLAS caused check number 1154 to be deposited into a bank account that he partially controlled.

In violation of Title 18, United States Code, Section 1952(a)(3) and Title 18, United States Code, Section 2.

FORFEITURE ALLEGATION

1. The allegations contained in this Information are hereby realleged and incorporated by reference for the purpose of noticing forfeiture pursuant to Title 18, United States Code, Section 982(a)(7).

2. Upon conviction of the offense contrary to Title 18, United States Code, Section 1952(a)(3) the defendant, PETER DEPALS, shall forfeit to the United States, pursuant to Title 18, United States Code, Section 982(a)(7), all right, title, and interest in the sum of \$160,000, which constitutes or is derived, directly or indirectly, from gross proceeds traceable to the offense of conviction.

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 shall be entitled, pursuant to Title 21, United States Code, Section 853(p),

as incorporated by Title 18, United States Code, Section 982(a)(7),
to forfeiture of any other property of the defendant PETER DEPLAS
up to the value of the property described in the preceding paragraph.



PAUL J. FISHMAN
UNITED STATES ATTORNEY

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INFORMATION FOR

18 U.S.C. Sections 1952(a) (3) and 2

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