2014R00592/JTE

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA	:	Criminal No. 15-
	:	
v.	:	18 U.S.C. §1952(a)(3) and 2
	:	
LEONARD MARCHETTA	:	

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, LEONARD MARCHETTA, was a physician's assistant licensed to practice medicine in the State of New York.

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 or other health care providers, and then billed payors and others for those tests and related services.

c. Cliff Antell and Scott Nicoll worked for BLS.

d. 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."

e. 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.

f. 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 or other health care providers participating in Medicare.

g. Private health insurance companies (hereafter, "Private Payors") were corporations in the business of providing health care insurance to individuals and entities under various insurance policies (the "insureds"), pursuant to which the Private Payors paid BLS for blood tests and related services performed for

insureds who had been referred to BLS by physicians or other health care providers participating in their provider networks.

2. From at least in or about August 2010 until in or about August 2012, in Morris County, in the District of New Jersey, and elsewhere, defendant

LEONARD MARCHETTA

knowingly and intentionally used and caused to be used the mail and any facility 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. Between in or about August 2010 and in or about August 2012, Cliff Antell, Scott Nicoll, and one or more other persons at BLS, paid defendant LEONARD MARCHETTA thousands of dollars per month - generally $3,000 per month - either by check or in cash. In return, defendant LEONARD MARCHETTA referred patient blood specimens to BLS that BLS used to submit claims to Medicare and the Private Payors and collect approximately $660,000 from those payors.

b. The claims BLS submitted for blood testing and other services to Medicare and the Private Payors included charges for tests on blood specimens referred to BLS by defendant LEONARD MARCHETTA in return for bribe payments.

c. On or about January 19, 2011, Medicare paid BLS - by an electronic transfer of funds that originated outside of the State of New Jersey and was received by BLS inside the State of New Jersey - a sum of money for claims and related items submitted by BLS for blood testing on Medicare beneficiaries. A portion of the money paid by Medicare to BLS was for tests performed by BLS on blood specimens referred to BLS by or at the direction of defendant LEONARD MARCHETTA in return for bribe payments.

d. In or about February 2011, Scott Nicoll delivered a check in the amount of $3,000 to defendant LEONARD MARCHETTA to induce defendant LEONARD MARCHETTA to refer the blood specimens of patients to BLS for testing and related services.

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 in violation of Title 18, United States Code, Sections 1952(a)(3) and 2, the defendant, LEONARD MARCHETTA, 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 $72,000, 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;

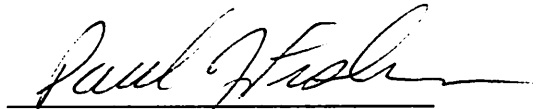
b. has been transferred or sold to, or deposited with, a third party;

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, LEONARD MARCHETTA, up to the value of the property described in the preceding paragraph.



PAUL J. FISHMAN
UNITED STATES ATTORNEY

CASE NUMBER: _____

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District of New Jersey

UNITED STATES OF AMERICA

v.

LEONARD MARCHETTA

INFORMATION

18 U.S.C. § 1952(a)(3) and 2

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