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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

11-20497-CR-COOKE/TURNOFF

Case No._____

18 U.S.C. § 1349
18 U.S.C. § 1347
18 U.S.C. § 371
42 U.S.C. § 1320a-7b(b)(2)(A)
18 U.S.C. § 1956(h)
18 U.S.C. § 1956(a)(1)(A)(I)
18 U.S.C. § 2
18 U.S.C. § 982

UNITED STATES OF AMERICA

vs.
ELIZABETH ACOSTA SANZ and
LUIS ALEJANDRO SANZ,

Defendants.
_____/

INDICTMENT

The Grand Jury charges that:

GENERAL ALLEGATIONS

At all times material to this Indictment:

The Medicare Program

1. The Medicare Program ("Medicare") was a federally funded program that provided free or below-cost health care benefits to certain individuals, primarily the elderly, blind, and disabled. The benefits available under Medicare were governed by federal statutes and regulations. The United States Department of Health and Human Services ("HHS"), through its agency, the Centers for Medicare and Medicaid Services ("CMS"), oversaw and administered Medicare. 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. Medicare programs covering different types of benefits were separated into different program "parts." "Part A" of the Medicare program covered certain eligible home health care costs for medical services provided by a home health agency ("HHA"), also referred to as a "provider," to persons who already qualified for Medicare and who additionally required home health services because of an illness or disability that caused them to be homebound. Payments for home health care medical services were typically made directly to a Medicare-certified HHA or provider based on claims submitted to the Medicare program for qualifying services that had been provided to eligible beneficiaries.

4. CMS did not directly pay Medicare Part A claims submitted by Medicare-certified HHAs. CMS contracted with different private companies to administer the Medicare Part A program throughout different parts of the United States. In the State of Florida, CMS contracted with Palmetto Government Benefits Administrators ("Palmetto"). As administrator, Palmetto was to receive, adjudicate and pay claims submitted by HHA providers under the Part A program for home health claims. Additionally, CMS separately contracted with companies in order to review HHA providers' claims data. CMS first contracted with TriCenturion, a Program Safeguard Contractor. Subsequently, on December 15, 2008, CMS contracted with SafeGuard Services, a Zone Program Integrity Contractor. Both TriCenturion and SafeGuard Services safeguarded the Medicare Trust Fund by reviewing HHA providers' claims for potential fraud, waste, and/or abuse.

Part A Coverage and Regulations

Reimbursements

5. The Medicare Part A program reimbursed 100% of the allowable charges for participating HHAs providing home health care services only if the patient qualified for home health benefits. A patient qualified for home health benefits only if the patient:

(a) was confined to the home, also referred to as homebound;

(b) was under the care of a physician who specifically determined there was a need for home health care and established the Plan of Care ("POC"); and

(c) the determining physician signed a certification statement specifying that the beneficiary needed intermittent skilled nursing, physical therapy, speech therapy, or a continued need for occupational therapy; the beneficiary was confined to the home; that a POC for furnishing services was established and periodically reviewed; and that the services were furnished while the beneficiary was under the care of the physician who established the POC.

Record Keeping Requirements

6. Medicare Part A regulations required HHAs providing services to Medicare patients to maintain complete and accurate medical records reflecting the medical assessment and diagnoses of their patients, as well as records documenting the actual treatment of the patients to whom services were provided and for whom claims for reimbursement were submitted by the HHA. These medical records were required to be sufficiently complete to permit Medicare, through Palmetto and other contractors, to review the appropriateness of Medicare payments made to the HHA under the Part A program.

7. Among the written records required to document the appropriateness of home health care claims submitted under Part A of Medicare was a (i) POC that included the physician order, diagnoses, types of services/frequency of visits, prognosis/rehab potential, functional limitations/activities permitted, medications/treatments/nutritional requirements, safety measures/discharge plans, goals, and the physician's signature; and (ii) a signed certification statement by an attending physician certifying that the patient was confined to his or her home and was in need of the planned home health services.

8. Additionally, Medicare Part A regulations required HHAs to maintain medical records of every visit made by a nurse, therapist, or home health aide to a patient. The record of a nurse's visit was required to describe, among other things, any significant observed signs or symptoms, any treatment and drugs administered, any reactions by the patient, any teaching and the understanding of the patient, and any changes in the patient's physical or emotional condition. The home health aide was required to document the hands-on personal care provided to the beneficiary as the services were deemed necessary to maintain the beneficiary's health or to facilitate treatment of the beneficiary's primary illness or injury. These written medical records were generally created and maintained in the form of "skilled nursing progress notes" and "home health aide notes/observations."

9. Medicare regulations allowed Medicare certified HHAs to subcontract home health care services to nursing companies, registries, or groups (nursing groups), which would bill the certified home health agency. The Medicare certified HHA would, in turn, bill Medicare for all services rendered to the patient. The HHA's professional supervision over subcontracted-for services required the same quality controls and supervision as of its own salaried employees.

10. Medicare paid for insulin injections by an HHA when a beneficiary was determined to be unable to inject his/her own insulin and the beneficiary had no available caregiver able or willing to inject the beneficiary. The basic requirement that the beneficiary be confined to the home or be homebound was a continuing requirement for a Medicare beneficiary to receive home health benefits.

The Defendants and Their Company

11. Ideal Home Health, Inc. (hereinafter "Ideal") was incorporated on April 7, 2005 and did business in Miami-Dade County, purportedly providing skilled nursing services and home health aide services to Medicare beneficiaries that supposedly required home health services. In August of 2006, Ideal began providing services to Medicare beneficiaries. In or around November of 2006, Ideal became a Medicare certified HHA and submitted claims directly to Medicare under Medicare Provider Number 108338.

12. Defendant **ELIZABETH ACOSTA SANZ** was listed as the sole officer and Director of Ideal according to corporate business filings, and was responsible for managing Ideal.

13. Defendant **LUIS ALEJANDRO SANZ** was not an officer of Ideal, but was responsible for financial decisions at Ideal and managing the daily activities at the company.

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

1. Paragraphs 1 through 13 of the General Allegations section of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

2. From in or around August of 2006, and continuing through on or about March 13, 2009, in Miami-Dade County, in the Southern District of Florida, and elsewhere, the defendants,

ELIZABETH ACOSTA SANZ and
LUIS ALEJANDRO SANZ,

did knowingly and willfully combine, conspire, confederate and agree with each other and others known and unknown to the Grand Jury, 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

3. It was a purpose of the conspiracy for the defendants and their co-conspirators to unlawfully enrich themselves by, among other things: (a) submitting and causing the submission of false and fraudulent claims to Medicare; (b) offering and paying kickbacks and bribes to Medicare beneficiaries in exchange for the use of their Medicare beneficiary numbers as the bases of claims filed for home health care; and (c) concealing the submission of false and fraudulent claims.

MANNER AND MEANS OF THE CONSPIRACY

The manner and means by which the defendants and their co-conspirators sought to accomplish the object and purpose of the conspiracy included, among other things, the following:

4. **ELIZABETH ACOSTA SANZ** and **LUIS ALEJANDRO SANZ** offered and paid kickbacks and bribes to recruiters and employees of Ideal for recruiting Medicare beneficiaries to be placed at Ideal so that Ideal could bill Medicare for home health services that were not medically necessary and not provided.

5. **ELIZABETH ACOSTA SANZ** and **LUIS ALEJANDRO SANZ** caused recruiters and employees to pay kickbacks and bribes to Medicare beneficiaries in return for the beneficiaries agreeing to be placed at Ideal so that Ideal could bill Medicare for home health services that were not medically necessary and not provided.

6. **ELIZABETH ACOSTA SANZ** and **LUIS ALEJANDRO SANZ** instructed Ideal nurses to falsify patient medical records to make it appear that Medicare beneficiaries qualified for and received home health services when, in truth and in fact, the services were not medically necessary and not provided.

7. **ELIZABETH ACOSTA SANZ** and **LUIS ALEJANDRO SANZ** caused Ideal to submit at least $11,340,342 in false and fraudulent claims to Medicare for home health services allegedly rendered to Medicare beneficiaries, when in truth and in fact, such home health services were not medically necessary and had not been provided.

8. As a result of such false and fraudulent claims, **ELIZABETH ACOSTA SANZ** and **LUIS ALEJANDRO SANZ** caused at least $7,317,879 to be paid to Ideal by Medicare.

9. **ELIZABETH ACOSTA SANZ** and **LUIS ALEJANDRO SANZ** and their co-conspirators would use the money fraudulently obtained from Medicare for their personal use and benefit and to further the fraud scheme by paying kickbacks and bribes to co-conspirators and Medicare beneficiaries.

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

COUNTS 2-11
Health Care Fraud
(18 U.S.C. § 1347)

1. Paragraphs 1 through 13 of the General Allegations section of this Indictment are re-

alleged and incorporated by reference as though fully set forth herein.

2. From in or around August 2006, and continuing through on or about March 13, 2009, in Miami-Dade County, in the Southern District of Florida, and elsewhere, the defendants,

ELIZABETH ACOSTA SANZ and
LUIS ALEJANDRO SANZ,

in connection with the delivery of and payment for health care benefits, items, and services, did knowingly and willfully execute, and attempt to execute, a scheme and artifice to defraud Medicare, a health care benefit program affecting commerce, as defined by Title 18, United States Code, Section 24(b), 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, Medicare, that is, the defendants, through Ideal submitted and caused the submission of false and fraudulent claims to Medicare, seeking reimbursement for the cost of various home health services.

Purpose of the Scheme and Artifice

3. It was a purpose of the scheme and artifice for the defendants and their accomplices to unlawfully enrich themselves by, among other things: (a) submitting and causing the submission of false and fraudulent claims to Medicare; (b) offering and paying kickbacks and bribes to Medicare beneficiaries in exchange for the use of their Medicare beneficiary numbers as the bases of claims filed for home health care; and (c) concealing the submission of false and fraudulent claims.

The Scheme and Artifice

4. The allegations contained in paragraphs 4 through 9 of the Manner and Means section of Count 1 of this Indictment are realleged and incorporated by reference as though fully set forth herein as a description of the scheme and artifice.

Acts in Execution or Attempted Execution of the Scheme and Artifice

5. On or about the dates set forth below as to each count, in Miami-Dade County, in the Southern District of Florida, and elsewhere, the defendants, **ELIZABETH ACOSTA SANZ** and **LUIS ALEJANDRO SANZ**, in connection with the delivery of and payment for health care benefits, items, and services, did knowingly and willfully execute, and attempt to execute, the above-described scheme and artifice to defraud a health care benefit program affecting commerce, 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 that the defendants submitted and caused the submission of false and fraudulent Medicare claims, representing that Ideal had provided various home health services to beneficiaries pursuant to physicians' POCs:

Count	Medicare Beneficiary	Approx. Date of Submission of Claim	Medicare Claim Number	Service Claimed; Approx. Amount Claimed
2	R.R.	10/24/2007	20729703231805	Skilled Nursing, Home Health Aide, Physical Therapy; $19,310
3	C.P.	10/30/2007	20730301642305	Skilled Nursing, Home Health Aide, Physical Therapy; $18,110
4	E.G.	12/03/2007	20733705373505	Skilled Nursing, Home Health Aide, Physical Therapy, Occupational Therapy; $18,510

Count	Medicare Beneficiary	Approx. Date of Submission of Claim	Medicare Claim Number	Service Claimed; Approx. Amount Claimed
5	K.D.	03/28/2008	20808803164005	Skilled Nursing, Home Health Aide, Physical Therapy; $20,630
6	J.L.	07/08/2008	20819004081505	Skilled Nursing, Home Health Aide; $14,600
7	E.L.	09/30/2008	20827403492705	Skilled Nursing, Home Health Aide; $14,600
8	D.R.	10/01/2008	20827503696105	Skilled Nursing, Home Health Aide, Physical Therapy; $15,820
9	D.R.	12/04/2008	20833904594605	Skilled Nursing, Home Health Aide; $14,600
10	R.R.	03/19/2009	20907821211008	Skilled Nursing, Home Health Aide; $18,000
11	K.D.	03/19/2009	20907821677408	Skilled Nursing, Home Health Aide; $14,600

In violation of Title 18, United States Code, Sections 1347 and 2.

COUNT 12
Conspiracy to Pay Health Care Kickbacks
(18 U.S.C. § 371)

1. Paragraphs 1 through 13 of the General Allegations section of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

2. Beginning in or around August 2006, and continuing through on or about March 13, 2009, in Miami-Dade County, in the Southern District of Florida, and elsewhere, the defendants,

ELIZABETH ACOSTA SANZ and
LUIS ALEJANDRO SANZ,

did knowingly and with the intent to further the object of the conspiracy combine, conspire, confederate and agree with each other and others known and unknown to the Grand Jury to commit an offense against the United States, that is to violate Title 42, United States Code, Section 1320a-7b(b)(2)(A) by knowingly and willfully offering and paying any remuneration, including kickbacks and bribes, directly and indirectly, overtly and covertly, in cash and in kind, to a person to induce such person to refer an individual to a person for the furnishing and arranging for the furnishing of an item and service for which payment may be made in whole and in part by a Federal health care program, that is, Medicare.

PURPOSE OF THE CONSPIRACY

3. It was the purpose of the conspiracy for the defendants and their co-conspirators to unlawfully enrich themselves by: (1) paying kickbacks and bribes to ensure that Medicare beneficiaries would serve as patients at Ideal, and (2) by submitting false and fraudulent claims to Medicare for home health services that the co-conspirators purported to provide to those beneficiaries.

MANNER AND MEANS OF THE CONSPIRACY

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

1. **ELIZABETH ACOSTA SANZ** and **LUIS ALEJANDRO SANZ** offered and paid kickbacks and bribes to recruiters and employees of Ideal for recruiting Medicare beneficiaries to be placed at Ideal so that Ideal could bill Medicare for home health services that were not medically necessary and not provided.

2. **ELIZABETH ACOSTA SANZ** and **LUIS ALEJANDRO SANZ** caused recruiters and employees to pay kickbacks and bribes to Medicare beneficiaries in return for the beneficiaries agreeing to be placed at Ideal so that Ideal could bill Medicare for home health services that were not medically necessary and not provided.

3. **ELIZABETH ACOSTA SANZ** and **LUIS ALEJANDRO SANZ** caused Ideal to submit $45,844,713 in claims to Medicare for home health services allegedly rendered to Medicare beneficiaries,

4. **ELIZABETH ACOSTA SANZ** and **LUIS ALEJANDRO SANZ** caused approximately $30,332,786 to be paid to Ideal by Medicare.

OVERT ACTS

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

1. In or around February 2007, **ELIZABETH ACOSTA SANZ** and **LUIS ALEJANDRO SANZ** offered M.S.$1300 per month to recruit diabetic patients for Ideal.

2. On or about November 19, 2007, **ELIZABETH ACOSTA SANZ** paid a kickback

to a co-conspirator via Ideal check no. 1283 drawn on Ideal's corporate account at Total Bank, in the approximate amount of $7488.

3. On or about November 19, 2007, **ELIZABETH ACOSTA SANZ** paid a kickback to a co-conspirator via Ideal check no. 1282 drawn on Ideal's corporate account at Total Bank, in the approximate amount of $7488

4. In or around September of 2008, **LUIS ALEJANDRO SANZ** offered Ideal employee L.A. $1200 per month to recruit diabetic patients for Ideal.

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

COUNTS 13-16
Payment of Kickbacks in Connection with a Federal Health Care Program
(42 U.S.C. § 1320a-7b(b)(2)(A))

1. Paragraphs 1 through 13 of the General Allegations section of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

2. On or about the dates enumerated below as to each count, in Miami-Dade County, in the Southern District of Florida, and elsewhere, the defendants,

ELIZABETH ACOSTA SANZ and
LUIS ALEJANDRO SANZ,

did knowingly and willfully offer and pay any remuneration, that is, kickbacks and bribes, in cash and in kind, that is, in the form of cash or check as set forth below, directly and indirectly, overtly and covertly, to a person to induce such person to refer an individual for the furnishing and arranging for the furnishing of any item and service for which payment may be made in whole and in part by Medicare as set forth below:

Count	Kickback Recipient	Approximate Date	Approximate Kickback Amount	Purported Service
13	M.S.	12/1/08	$4315	Skilled Nursing Services
14	M.S.	12/1/08	$4000	Skilled Nursing Services
15	R.M.H.	1/25/08	$8000	Skilled Nursing Services
16	R.M.H.	3/17/08	$7956	Skilled Nursing Services

In violation of Title 42, United States Code, Section 1320a-7b(b)(2)(A) and Title 18, United States Code, Section 2.

COUNT 17
Conspiracy to Commit Money Laundering
(18 U.S.C. § 1956(h))

Beginning in or around August of 2006 and continuing through on or about March 13 , 2009, in Miami-Dade County, in the Southern District of Florida and elsewhere, the defendants,

ELIZABETH ACOSTA SANZ and
LUIS ALEJANDRO SANZ,

did willfully, that is, with the intent to further the object of the conspiracy, and knowingly combine, conspire, confederate, and agree with each other and with others known and unknown to the Grand Jury to violate Title 18, United States Code, Section 1956, that is to knowingly conduct a financial transaction affecting interstate commerce which transaction, in fact, involved the proceeds of specified unlawful activity, knowing that the property involved in the financial transaction represented the proceeds of some form of unlawful activity, with the intent to promote the carrying on of specified unlawful activity, in violation of Title 18, United States Code, Section 1956(a)(1)(A)(i).

It is further alleged that the specified unlawful activity is health care fraud, in violation of Title 18, United States Code, Section 1347.

All in violation of Title 18, United States Code, Section 1956(h).

COUNTS 18-19
Money Laundering
(18 U.S.C. §§ 1956(a)(1)(A)(I))

1. On or about the dates specified as to each count below, in Miami-Dade County, in the Southern District of Florida, and elsewhere, the defendants,

ELIZABETH ACOSTA SANZ and
LUIS ALEJANDRO SANZ,

did knowingly conduct and attempt to conduct a financial transaction affecting interstate commerce, which transaction in fact involved the proceeds of specified unlawful activity, knowing that the property involved in the financial transaction represented the proceeds of some form of unlawful activity, with the intent to promote the carrying on of specified unlawful activity.

2. It is further alleged that the specified unlawful activity is health care fraud, in violation of Title 18, United States Code, Section 1347.

Count	Approximate Date	Description of Financial Transaction
17	4/21/08	The payment of approximately $4563 to Hidalgo and Associates Consulting Corp. from Ideal Home Health Inc. Total Bank account xxxxxx2806 via check number 2243.

18	2/2/09	The payment of approximately $3300 to M.S. from Ideal Home Health Inc. Total Bank account xxxxxx2806 via check number 4522.

All in violation of Title 18, United States Code, Sections 1956(a)(1)(A)(i) and 2.

FORFEITURE ALLEGATIONS
(18 U.S.C. § 982)

1. The allegations contained in this Indictment are re-alleged and incorporated by reference as though fully set forth herein for the purposes of alleging forfeiture to the United States of America of certain property in which the defendants, **ELIZABETH ACOSTA SANZ** and **LUIS ALEJANDRO SANZ**, have an interest.

2. Upon conviction of a violation of Title 18, United States Code, Section 1349 or 1347, as alleged in Count 1 and Counts 2 through 11 of this Indictment, respectively, the defendants shall forfeit all of their respective right, title and interest to the United States in property, real or personal, that constitutes or is derived, directly or indirectly, from gross proceeds traceable to the commission of such violation, pursuant to Title 18, United States Code, Section 982(a)(7).

3. Upon conviction of a violation of Title 18, United States Code, Section 1956, as alleged in Counts 17 through 19 of this Indictment, the defendants shall forfeit all of their respective right, title and interest to the United States in any property, real or personal, involved in such violation, or in any property traceable to such property, pursuant to Title 18, United States Code, Section 982(a)(1).

4. The property which is subject to forfeiture includes, but is not limited to, the following:

18	3/25/05	The payment of approximately $3300 to M.S. from Ideal Home Health Inc. Total Bank account xxxxxx2806 via check number 1076.

All in violation of Title 18, United States Code, Sections 1956(a)(1)(A)(i) and 2.

FORFEITURE ALLEGATIONS
(18 U.S.C. § 982)

1. The allegations contained in this Indictment are re-alleged and incorporated by reference as though fully set forth herein for the purposes of alleging forfeiture to the United States of America of certain property in which the defendants, **ELIZABETH ACOSTA SANZ** and **LUIS ALEJANDRO SANZ**, have an interest.

2. Upon conviction of a violation of Title 18, United States Code, Section 1349 or 1347, as alleged in Count 1 and Counts 2 through 11 of this Indictment, respectively, the defendants shall forfeit all of their respective right, title and interest to the United States in property, real or personal, that constitutes or is derived, directly or indirectly, from gross proceeds traceable to the commission of such violation, pursuant to Title 18, United States Code, Section 982(a)(7).

3. Upon conviction of a violation of Title 18, United States Code, Section 1956, as alleged in Counts 17 through 19 of this Indictment, the defendants shall forfeit all of their respective right, title and interest to the United States in any property, real or personal, involved in such violation, or in any property traceable to such property, pursuant to Title 18, United States Code, Section 982(a)(1).

4. The property which is subject to forfeiture includes, but is not limited to, the following:

(a) Approximately $7,317,879 in United States currency, which is a sum of money equal in value to the gross proceeds traceable to the commission of the violations alleged in Counts 1 through 11 of this Indictment and/or the property, real or personal, involved in the violations alleged in Counts 17 through 19 of this Indictment, which the United States will seek as a forfeiture money judgment as part of the defendants' respective sentence upon conviction;

(b) 13519 SW 34TH Street Miami, Florida 33175;

(c) 12710 SW 27 Terrace Miami, Florida 33175;

All pursuant to Title 18, United States Code, Section 982 and the procedures set forth at Title 21, United States Code, Section 853, as made applicable through Title 18, United States Code, Section 982(b)(1).

A TRUE BILL

FOREPERSON

WIFREDO A. FERRER
UNITED STATES ATTORNEY

DANIEL BERNSTEIN
ASSISTANT U.S. ATTORNEY