

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

UNITED STATES OF AMERICA * CRIMINAL DOCKET NO. 15-152
VERSUS * SECTION "J"
BEVERLY STUBBLEFIELD *
* * * * *

FACTUAL BASIS

The defendant, Beverly Stubblefield (Stubblefield), has agreed to plead guilty to Count 1 of the Superseding Indictment now pending against her. Count 1 charges Stubblefield with Conspiracy to Commit Health Care Fraud. Both the Government and the defendant, Beverly Stubblefield, do hereby stipulate and agree that the following facts set forth a sufficient factual basis for the crime to which Stubblefield is pleading guilty. The Government and Stubblefield further stipulate that the Government would have proven at trial, through the introduction of competent testimony and admissible evidence, the following facts beyond a reasonable doubt, to support the allegations in the Superseding Indictment now pending against Stubblefield:

Background

Agents with the United States Department of Health and Human Services, Office of Inspector General (HHS-OIG), and the Federal Bureau of Investigation (FBI), would testify, and records from the State of Mississippi, would be admitted, to establish that Stubblefield was a resident of Louisiana and resided at 32597 CC Road, Slidell, Louisiana.

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Documents and electronic records in the custody of the HHS-OIG and FBI, records from the states of Mississippi, Louisiana, Alabama and Florida, and Medicare documents and records would be admitted to establish that Rodney Hesson and Gertrude Parker incorporated and established Medicare provider numbers for Nursing Home Psychological Services of Mississippi (NHPS-MS), Nursing Home Psychological Services of Louisiana (NHPS-LA), Nursing Home Psychological Services of Florida (NHPS-FL), and Nursing Home Psychological Services of Alabama (NHPS-AL) (together NHPS), and for Psychological Care Services of Louisiana (PCS-LA), Psychological Care Services of Mississippi (PCS-MS), Psychological Care Services of Florida (PCS-FL) and Psychological Care Services of Alabama (PCS-AL) (together, PCS), so as to allow these companies to submit claims to Medicare and be reimbursed by Medicare for those claims. Medicare documents and records, Medicare claims data from NHPS and PCS would be admitted to show that these companies billed Medicare primarily for psychological testing and related services that were purportedly rendered in nursing homes in Louisiana, Mississippi, Florida, and Alabama.

Documents and electronic records in the custody of the HHS-OIG and FBI, Medicare documents and records, and records from the states of Mississippi and Louisiana, would be admitted to show that Stubblefield was a clinical psychologist and was licensed to practice in Mississippi and Louisiana.

Documents and electronic records in the custody of the HHS-OIG and FBI, records from the states of Mississippi, Louisiana, Alabama and Florida, and Medicare documents and records, would be admitted to establish that beginning in or around July 2011, Stubblefield entered into employment contracts with NHPS and PCS. These documents and records would be admitted to show that Stubblefield established Medicare provider numbers so as to allow her to submit

claims to Medicare, and assigned benefits associated with those Medicare provider numbers to NHPS, PCS-LA and PCS-MS. Medicare documents in the custody of the HHS-OIG and FBI would be admitted to show that Stubblefield understood that the Medicare program was based upon a system of trust between Medicare and providers in the Medicare system, and that Stubblefield knew she breached that trust when she caused fraudulent claims to be submitted to Medicare.

Beginning in or around July 2011, and continuing through June 2015, in the Eastern District of Louisiana and elsewhere, Stubblefield conspired with Rodney Hesson, Gertrude Parker, John Teal and others to commit health care fraud – that is, to execute a scheme or artifice to defraud a healthcare benefit program affecting commerce, as defined in Title 18, United States Code, Section 24(b), *i.e.*, Medicare, to obtain, by means of false and fraudulent pretenses, representations, and promises, money and property owned by, and under the custody and control of, said healthcare benefit program, in connection with the delivery of, and payment for, healthcare benefits, items, and services, in violation of Title 18, United States Code, Section 1347.

Documents and electronic records in the custody of the HHS-OIG and FBI and testimony from witnesses would be introduced to establish that one of the purposes of the conspiracy was to cause the submission and concealment of false and fraudulent claims to Medicare for psychological testing and related services that were not medically necessary, and in many instances, were not provided.

Testimony from witnesses, and documents and electronic records in the custody of the HHS-OIG and FBI and testimony from witnesses would be introduced to establish that from in or around March 2012 through October 2012, Stubblefield served as Clinical Director for PCS,

and in that capacity supervised and managed more than five clinical psychologists who were involved in defrauding Medicare.

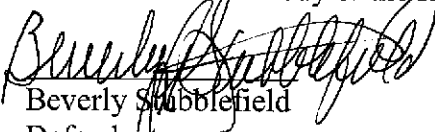
Documents and electronic records in the custody of the HHS-OIG and FBI, and testimony from witnesses, would be introduced to prove that, as manner and means of the conspiracy, Stubblefield and other co-conspirators created false documents and other records to support the submission of fraudulent claims to Medicare for psychological testing and related services, knowing that these services were either not medically necessary or were not provided. These records and testimony would show, among other things, that Stubblefield and co-conspirators knowingly:

- created records which falsely claimed that Stubblefield had provided psychological services that were, in fact, provided by unqualified persons working with Stubblefield;
- administered psychological tests to nursing home residents who were either non-responsive or were otherwise unable to meaningfully participate in a psychological test, causing Medicare to be billed for services that were either not medically needed and/or were not provided; and
- exaggerated the time that she spent providing psychological tests to nursing home residents, causing Medicare to be billed for time she was not present and services she did not provide.


Medicare billing records and electronic records and documents in the custody of the HHS-OIG and FBI would be admitted to prove that Stubblefield caused Medicare to be billed \$2,181,378.60 for services that were not medically necessary and/or were not provided. Medicare billing records, documents and electronic records in the custody of the HHS-OIG and

FBI and testimony from witnesses would be introduced to establish that this amount of loss was reasonably foreseeable to Stubblefield at the time she engaged in her conduct.

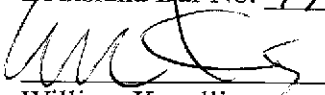
The facts described above emerge from an investigation conducted by the HHS-OIG and FBI, and would be proven at trial by credible testimony from Special Agents from the HHS-OIG and FBI, employees of NHPS and PCS, employees from nursing homes at which Stubblefield rendered purported psychological testing services, Medicare records for NHPS and PCS, electronic records and other business records of NHPS and PCS, and documents and tangible evidence in the custody of the HHS-OIG and FBI.


Beverly Stubblefield
Defendant

Date: 09/07/2016


Stephen D. London
Attorney for Defendant Beverly Stubblefield
Louisiana Bar No. 19954

Date: 9-7-16


William Kanellis
Trial Attorney
Criminal Fraud Section
United States Department of Justice
Virginia Bar #40770

Date: 9-7-16