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UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

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UNITED STATES OF AMERICA : Mag. No. 15-6731 (JAD)  
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 v. : Hon. Joseph A. Dickson  
 :  
 SETH REHFUSS : **CRIMINAL COMPLAINT**

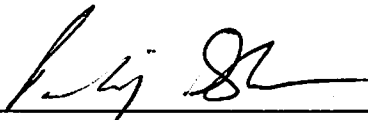
I, Pankaj Sharma, being duly sworn, state the following is true and correct to the best of my knowledge and belief:

SEE ATTACHMENT A

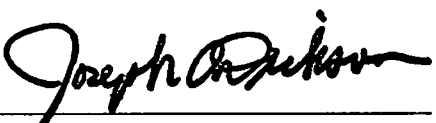
I further state that I am a Criminal Investigator employed by the United States Attorney's Office, District of New Jersey and that this Complaint is based on the following facts:

SEE ATTACHMENT B

continued on the attached page and made a part hereof.

  
\_\_\_\_\_  
Pankaj Sharma, Criminal Investigator  
United States Attorney's Office  
District of New Jersey

Sworn to before me and subscribed in my presence,  
on December 1, 2015 at Newark, New Jersey

  
\_\_\_\_\_  
HONORABLE JOSEPH A. DICKSON  
UNITED STATES MAGISTRATE JUDGE

## **ATTACHMENT A**

From at least as early as in or about July 2014 to the present, in Somerset County, in the District of New Jersey, and elsewhere, defendant

**SETH REHFUSS**

knowingly and intentionally executed a scheme and artifice to defraud the Medicare program, a health care benefits program as defined under Title 18, United States Code, Section 24(b), and 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 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.

## **ATTACHMENT B**

I, Pankaj Sharma, am a Criminal Investigator employed by the United States Attorney's Office, District of New Jersey ("USAO"). I have knowledge of the following facts based upon both my investigation and discussions with other law enforcement personnel and others. Because this affidavit is being submitted for the sole purpose of establishing probable cause to support the issuance of a complaint, I have not included each and every fact known to the government concerning this matter. Where statements of others are set forth herein, these statements are related in substance and in part. Where I assert that an event took place on a particular date, I am asserting that it took place on or about the date alleged.

### **Summary**

1. The investigation has revealed that, beginning in at least as early as July 2014 and continuing through the present, defendant SETH REHFUSS has used a purported non-profit, The Good Samaritans of America, to defraud the Medicare Program out of more than \$1 million. The investigation has revealed that defendant SETH REHFUSS has convinced hundreds of senior citizens to submit to unnecessary genetic testing and paid physicians and physician's assistants to falsely state that they referred those patients for genetic testing they deemed necessary for the patient's treatment. In actuality, the healthcare providers had never met those patients and had no role in their care or treatment. By doing so, defendant SETH REHFUSS caused the Medicare Program to pay more than \$1 million to two clinical laboratories, from which defendant SETH REHFUSS obtained commissions of at least tens of thousands of dollars.

### **Background**

2. At all times relevant to this Complaint:
  - a. Defendant SETH REHFUSS resided in Somerset, New Jersey and was the face of The Good Samaritans of America, located in Point Pleasant, New Jersey.
  - b. Laboratory One was a clinical laboratory located in Virginia.

- c. Laboratory Two was a clinical laboratory located in California.

### **The Medicare Program and DNA Genetic Testing**

3. At all times relevant to this Complaint, among the services performed by Laboratory One and Laboratory Two was genetic testing. The purpose of the genetic testing is to determine the way an individual metabolizes medications based on small differences in an individual's DNA. The genetic tests can help identify potential side effects from medications, and are generally intended for determining adverse reactions and metabolism analysis for new prescriptions, not pre-existing prescriptions.
4. To conduct genetic testing, a DNA sample is taken from the patient by using a cheek (buccal) swab to collect enough cells to obtain a genetic profile. The DNA sample is submitted to a clinical laboratory for analysis and the results of the test are sent back to the healthcare provider that deemed the testing necessary.
5. The Medicare program is a federal program established by the Social Security Act of 1965 (codified as amended in various sections of Title 42, United States Code) to provide medical services, medical equipment, and supplies to aged, blind, and disabled individuals who qualify under the Social Security Act (hereinafter "beneficiaries"). The Medicare Part B program is a federally funded supplemental insurance program that provides supplementary Medicare insurance benefits for individuals aged sixty-five or older and certain individuals who are disabled. The Medicare Part B program pays for medical services, including diagnostic testing, for beneficiaries.
6. Among those services covered by Medicare Part B, during all times relevant to this Complaint, was genetic testing. For Medicare to pay the cost of genetic testing, Medicare rules required genetic testing to be medically necessary based on the judgment of a physician who is treating the beneficiary.

## **The Scheme to Defraud**

7. Defendant SETH REHFUSS used The Good Samaritans of America to commit the scheme. Using The Good Samaritans of America allowed him and others to gain access to low-income senior housing complexes. Defendant SETH REHFUSS and others claimed that The Good Samaritans of America was a “trusted non-profit” that assisted low-income senior citizens in navigating federal benefit programs. In reality, The Good Samaritans of America was a front for SETH REHFUSS and others to present information about genetic testing.
8. Once SETH REHFUSS had access to the senior housing complexes, he advertised “free ice cream” to ensure attendance at the presentations. During the course of the presentations, in order to convince senior citizens to submit to genetic testing, defendant SETH REHFUSS used fear-based tactics — suggesting the senior citizens would be vulnerable to heart attacks, stroke, cancer and suicide if they did not have the genetic testing — along with a sales pitch claiming that genetic testing allowed for “personalized medicine.” As part of the scheme, defendant SETH REHFUSS and others frequently took DNA swabs in the community rooms where the presentations took place or made arrangements to visit the senior citizen’s apartment on another day to take the DNA swab. Regardless of the timing or location of the swabbing, the DNA swab was collected without the involvement of any healthcare provider and without any determination by a healthcare provider that such testing was medically necessary or appropriate.
9. In order to falsely represent that the genetic testing was ordered by a treating physician and was medically necessary for all of the senior citizens defendant SETH REHFUSS and others convinced to submit to genetic testing, defendant SETH REHFUSS made arrangements with multiple healthcare providers, frequently paying them thousands of dollars per month to sign requisition forms required by the laboratories to conduct genetic testing on the DNA swabs previously collected. Defendant SETH REHFUSS identified healthcare providers to participate in the scheme by placing numerous advertisements on Craigslist for a part time doctor, physician’s assistant or nurse practitioner “2 hours a week

\$2000 (Your Office).” He received responses and used The Good Samaritans of America to enter into contractual relationships with healthcare providers.

10. The requisition forms often included the patient’s personal information, Medicare information, medication lists and diagnosis codes. The contracted physicians and physician’s assistants signed their name on the form — indicating that they were ordering the tests and deemed them medically necessary — and returned the forms to defendant SETH REHFUSS and others working with him for submission to the laboratories. In reality, these healthcare providers never examined or treated the patients listed on the requisition forms and were in no way involved in their care or treatment.
11. The investigation has revealed that many of the results were never sent to the senior citizens or their actual treating physician and that the senior citizen’s actual treating physicians would not have recommended the genetic testing for their patients.
12. As another example, in or about July 2015, defendant SETH REHFUSS gave a presentation in the community room at a low-income senior housing center in Cape May, New Jersey (hereinafter “Cape May Housing”). The presentation was advertised with the flyers entitled “Cape May Housing Presents Ice Cream.” Under the pre-text of an “ice cream social” for the senior citizens, defendant SETH REHFUSS presented a short agenda of topics, but told participants that the focus of his presentation would address “DNA swab” genetic testing. Following the presentation, defendant SETH REHFUSS took DNA samples from a number of senior citizens in attendance without any involvement of the senior citizens treating physicians, or any physician.
13. This presentation was attended by local government officials in Cape May, New Jersey. Those officials were concerned with the program presented by defendant SETH REHFUSS and confronted him on the claims he made about Medicare coverage and the collection of DNA samples without the involvement of the senior citizens’ physicians.

14. Shortly thereafter, defendant SETH REHFUSS emailed Representative One, a local government official in attendance, using his gmail.com account, medicarepartc@gmail.com. In that email, defendant SETH REHFUSS indicated he would no longer be conducting the DNA swab testing from the field, and would coordinate with primary care physicians who wanted to have the test performed on the patient in question.
15. Nevertheless, the investigation has revealed that defendant SETH REHFUSS and others did not stop, but rather increased their efforts, and were actively working towards expanding the scheme outside of New Jersey into other states, including: Georgia, Delaware, Virginia, Maryland, Pennsylvania, South Carolina, Michigan, Mississippi, Florida, Tennessee and Arizona.
16. From in or about July 2014 through the present, defendant SETH REHFUSS sent the DNA samples he has collected to Laboratory One, for analysis. From in or about September 2015 through the present, defendant SETH REHFUSS sent DNA samples to Laboratory Two for analysis. Both laboratories have submitted claims to Medicare for reimbursement for the tests, falsely representing that a treating physician deemed the genetic test necessary and had referred the patients for the tests.
17. To date, as a result of the scheme, Medicare has collectively paid Laboratory One and Laboratory Two more than \$1 million for completion of unnecessary genetic testing on seniors.