

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 17-60245-CR-DIMITROULEAS/SNOW
18 U.S.C. § 371

UNITED STATES OF AMERICA

v.

**RICHARD YONOVER and
JASON DALLEY,**

Defendants.

FILED BY AT
Deputy Clerk
Oct 4, 2017
STEVEN M. LARIMORE
CLERK U.S. DISTRICT CT.
S.D. OF FLA. FTL

INFORMATION

The United States Attorney charges that:

GENERAL ALLEGATIONS

At all times relevant to this Information:

Florida's Motor Vehicle No-Fault Law

1. Florida was a "no-fault" insurance state, which required every driver to maintain automobile insurance. The Florida Motor Vehicle No-Fault Law ("Florida's No-Fault Law"), Fla. Stat. §§ 627.730-627.7405, requires all drivers to maintain insurance. Under Florida's No-Fault Law, persons who were injured had recourse to medical, surgical, funeral, and disability insurance benefits without regard to fault. With respect to motor vehicle accidents, a limitation was imposed on the right to claim damages for pain, suffering, mental anguish, and inconvenience. The required insurance had to include personal injury protection ("PIP") to the named insured, relatives residing in the same household, persons operating the insured motor vehicle, passengers in the motor vehicle, and other persons struck by the motor vehicle who suffered bodily injury while not

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occupants of a self-propelled vehicle to a limit of \$10,000 for each such person as a result of bodily injury, sickness, disease, or death. Fla. Stat. § 627.736 (1).

2. Under Florida's No-Fault Law, the insurance provider was required to pay PIP benefits of up to \$10,000 each for accidental bodily injury sustained by the vehicle owner and all occupants of the vehicle due to an accident within the State of Florida. Fla. Stat. § 627.736(4)(e). Up to the \$10,000 limit, the insurance provider was required to pay "eighty percent of all reasonable expenses for medically necessary medical, surgical, x-ray, dental, and rehabilitative services . . . that are lawfully provided, supervised, ordered, or prescribed" by a licensed physician, licensed dentist, or licensed chiropractic physician, or that are provided by certain other approved providers, including entities wholly-owned by licensed chiropractic physicians. Fla. Stat. § 627.736(1)(a).

3. On January 1, 2013, Florida's No-Fault Law changed. Under the revised statute, reimbursement for services was permitted up to \$10,000, if a licensed medical professional determined that the accident victim had an Emergency Medical Condition (hereinafter referred to as an "EMC"), that is, the accident caused severe pain that jeopardized the patient's health or impaired the patient's bodily functions. If a licensed medical professional did not determine that the injured person had an EMC, the reimbursement for services was limited to \$2,500.

4. Florida's No-Fault Law provided that an insurer or insured is not required to pay a claim or charges . . . for any service or treatment that was not lawful at the time rendered. Fla. Stat. § 627.736(5)(b)(1)(b). The term "lawful" was defined in the statute as "in substantial compliance with all relevant applicable criminal, civil, and administrative requirements of state and federal law related to the provision of medical services or treatment." Fla. Stat. § 627.732(11).

5. Florida's No-Fault Law further provided that "a statement of medical services may not include charges for medical services of a person or entity that performed such services without possessing the valid licenses required to perform such services." Fla. Stat. § 627.736(5)(d).

6. An insurer also was not required to pay a claim or charges to "any person who knowingly submits a false or misleading statement relating to the claim or charges." Fla. Stat. § 627.736(5)(b)(1)(c).

7. Florida's No-Fault Law required that an insured person, or his or her guardian, execute a disclosure and acknowledgment form, the Florida Office of Insurance Regulation Standard Disclosure and Acknowledgement Form, which reflected that the insured, or his or her guardian, was not solicited by any person to seek services from the medical provider. Fla. Stat. § 627.736(5)(e)(1). The licensed medical professional rendering treatment for which payment was being claimed was required to sign, by his or her own hand, the required form. Fla. Stat. § 627.736(e)(4).

Clinic Licensing Requirements

8. In 2003, the Florida Legislature enacted the Health Care Clinic Act ("HCCA"), Fla. Stat. §§ 400.990, et seq., to strengthen the regulation of health care clinics throughout Florida. In addition to expanding the types of businesses required to obtain licenses, the HCCA required, among other things, background checks for all owners who have a 5% or more ownership interest in a health care clinic, clinic inspections and certifications, proof of financial responsibility, and, in some cases, higher fees to obtain licensure. These requirements were administered by the Florida Agency for Health Care Administration. The HCCA contained a number of exceptions to its licensure requirements, one of which was that a license was not required for a business that "provided health care services by licensed health care practitioners [including chiropractors], . . .

and that is wholly owned by one or more licensed health care practitioners . . ." Fla. Stat. § 400.9905(4)(g).

9. Under the HCCA, "it is unlawful to provide services that require licensure . . . without first obtaining . . . a license." Fla. Stat. § 408.804. It also was unlawful for an entity to offer services that required licensure without obtaining a valid license from the Florida Agency for Health Care Administration. Fla. Stat. § 408.812(1). The HCCA also made it "unlawful for any person or entity to own, operate, or maintain an unlicensed provider. Fla. Stat. § 408.812(3).

Florida's Prohibitions on Insurance Fraud, Kickbacks, and Patient Brokering

10. Under Florida law, a person committed insurance fraud if that person, with the intent to injure, defraud, or deceive any insurer: (1) knowingly presented or caused to be presented any written or oral statement as part of, or in support of, a claim for payment or other benefit pursuant to an insurance policy, knowing that the statement contained any false, incomplete, or misleading information concerning any fact or thing material to the claim; or (2) knowingly prepared or made any written or oral statement that is intended to be presented to any insurer in connection with, or in support of, any claim for payment or other benefit pursuant to an insurance policy, knowing that such statement contains any false, incomplete, or misleading information concerning any fact or thing material to the claim. Fla. Stat. § 817.234(1)(a)1 & 2.

11. Florida law also stated that it "shall constitute a material omission and insurance fraud . . . for any service provider, other than a hospital, to engage in a general business practice of billing amounts as its usual and customary charge, if such provider has agreed with the insured or intends to waive deductibles or copayments, or does not for any other reason intend to collect the total amount of such charge." Fla. Stat. § 817.234(7)(a).

12. Florida law also prohibited offering to pay, paying, soliciting, or receiving any commission, bonus, rebate, kickback, or bribe, directly or indirectly, to induce the referral of patients to a health care provider or facility or in return for referring patients to a health care provider or facility, or for accepting or acknowledging receipt of treatment from a health care provider or facility. Fla. Stat. §§ 817.505(1), 456.054(2).

The Defendants and Their Co-conspirators

13. Defendant **RICHARD YONOVER** (hereinafter referred to as “**YONOVER**”) unlawfully owned and operated chiropractic clinics, including Broward Spine and Rehabilitation, LLC (hereinafter referred to as “Broward Spine and Rehab”) located in Oakland Park, Florida, and Margate Physicians Associates, LLC, (hereinafter referred to as “Margate Physicians”) located in Margate, Florida, through nominee owners utilizing the licenses of chiropractic physicians.

14. Defendant **JASON DALLEY** (hereinafter referred to as “**DALLEY**”) was an attorney who was licensed to practice law in the State of Florida. **DALLEY**'s law practice was located in Delray Beach, Florida, and included litigation on behalf of persons who claimed to have sustained bodily injuries in automobile accidents (hereinafter referred to as the “BI cases”).

15. Co-conspirator A and Co-conspirator B unlawfully owned and operated chiropractic clinics through nominee owners utilizing the licenses of chiropractic physicians.

16. Co-conspirator tow truck drivers and runners would illegally solicit victims of car accidents and, in exchange for an illegal kickback payment, would refer the victims to defendant **DALLEY** and other lawyers and defendant **YONOVER** and other chiropractic clinics.

The Insurance Companies and the Banks

17. Broward Spine and Rehab and Margate Physicians would submit PIP claims and other related documents to insurance companies by United States mail.

18. PNC Bank, N. A. was a domestic financial institution with branches located in Broward, Miami-Dade, and Palm Beach Counties in the Southern District of Florida. Insurance companies paid amounts due to Broward Spine and Rehab and Margate Physicians by check through U.S. Mail, and subsequently defendant **YONOVER** deposited those funds into an account at PNC Bank, N.A. The funds were transmitted in interstate commerce.

19. SunTrust Bank, N. A. was a domestic financial institution with branches located in Broward, Miami-Dade, and Palm Beach Counties in the Southern District of Florida. Insurance companies paid amounts due for BI cases to Jason Dalley, P.A. by check through U.S. Mail and subsequently defendant **DALLEY** deposited those funds into an account at SunTrust Bank, N.A. The funds were transmitted in interstate commerce.

COUNT 1

1. The General Allegations section of this Information is realleged and expressly incorporated herein as if set forth in full.

2. Beginning in or about 2010, and continuing through in or about 2015, in Broward County, in the Southern District of Florida, and elsewhere, the defendants,

**RICHARD YONOVER and
JASON DALLEY,**

knowingly and willfully combined, conspired, confederated, and agreed with each other and others known and unknown to the United States Attorney to commit an offense against the United States, that is:

a. to devise and intend to devise a scheme and artifice to defraud and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, and for the purpose of executing, and attempting to execute, such scheme and artifice to defraud and for obtaining money and property by means of false and fraudulent pretenses,

representations, and promises, to knowingly cause to be delivered by United States mail and by commercial interstate carrier according to the directions thereon, certain matters and things, in violation of Title 18, United States Code, Section 1341 (Mail Fraud);

b. to devise and intend to devise a scheme and artifice to defraud and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, and for the purpose of executing such scheme and artifice to defraud and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, to knowingly transmit and cause to be transmitted by means of wire communication in interstate and foreign commerce, certain writings, signs, signals, pictures, and sounds, in violation of Title 18, United States Code, Section 1343 (Wire Fraud); and

c. 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), 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, in violation of Title 18, United States Code, Section 1347 (Health Care Fraud).

PURPOSE AND OBJECTIVE OF THE CONSPIRACY

3. It was the purpose and objective of the conspiracy that the defendants and their co-conspirators would unlawfully enrich themselves by defrauding automobile insurance providers in order to obtain the maximum amount of PIP funds and settlements for BI cases.

MANNER AND MEANS OF CONSPIRACY

The manner and means by which **YONOVER** and **DALLEY** and their co-conspirators sought to accomplish the objective of the conspiracy included the following:

4. In order to avoid Florida's licensing requirements, **YONOVER** solicited licensed chiropractic physicians to serve as named owners of chiropractic clinics. **YONOVER** would maintain complete control of the chiropractic clinics.

5. Co-conspirator tow truck drivers and runners unlawfully solicited patients and referred those patients to **YONOVER** and Co-conspirators A and B in exchange for an illegal kickback of approximately \$2,100 per patient.

6. **YONOVER** caused the chiropractic physicians at Broward Spine and Rehab and Margate Physicians to falsely state on the Florida Office of Insurance Regulation Standard Disclosure and Acknowledgement Form that patients at Broward Spine and Rehab and Margate Physicians had not been solicited to receive services.

7. Co-conspirator tow truck drivers and runners unlawfully solicited patients and referred those patients to **DALLEY** in exchange for an illegal kickback of approximately \$2,000-\$2,500 per patient.

8. Co-conspirators A and B and **YONOVER** referred persons who were involved in automobile accidents to each other's clinics or to **DALLEY's** law office in exchange for an illegal kickback of approximately \$2,000.

9. On at least one occasion, **YONOVER, DALLEY,** and others met to discuss the "self-generated" rules and "terms" concerning the illegal kickback payment scheme and various activities intended to facilitate the fraud.

10. Co-conspirators A and B, **YONOVER, DALLEY,** and others agreed that an automobile accident victim referred to a co-conspirator chiropractic clinic had to be treated at least five times before the kickback payment was earned. If the automobile accident victim was not

treated at a co-conspirator chiropractic clinic at least five times, then the illegal kickback payment would be applied in reference to a patient who conformed to the instructions of the co-conspirators.

11. Defendant **DALLEY** received kickback payments from Co-conspirators A and B and defendant **YONOVER** on behalf of the co-conspirator tow truck drivers and runners and defendant **DALLEY** forwarded those payments to the co-conspirator tow truck drivers and runners.

12. Co-conspirators A and B, **YONOVER**, **DALLEY**, and others discussed the policies of various automobile insurance carriers, including the insurance carriers with the strictest rules and the means by which the fraud could be facilitated through those insurance companies.

13. The chiropractic clinics owned by **YONOVER** and co-conspirators A and B worked in tandem with **DALLEY** in order to ensure that the solicited patients conformed to the instructions of the co-conspirators regarding the number of clinic visits.

14. Co-conspirators A and B, **YONOVER**, **DALLEY**, and others agreed that, if patients expressed reservations about continuing treatments at a co-conspirator clinic, **DALLEY** or a member of **DALLEY**'s staff would attempt to convince such patients to continue their treatments in order to bolster any potential BI lawsuit.

15. Co-conspirators A and B, **YONOVER**, **DALLEY**, and others discussed the settlement amounts of various BI lawsuits and the splitting of such amounts among the co-conspirators.

16. Co-conspirators A and B, **YONOVER**, **DALLEY**, and others maintained an accounting as to the illegal kickbacks paid to co-conspirators for the illegal solicitation of patients and would credit or debit such accounts depending on the number of patients and clinic visits.

17. Co-conspirators A and B, **YONOVER, DALLEY**, and others discussed the illegal solicitation activities of various runners regarding the runners' ability to successfully refer patients to the coconspirator clinics.

18. Co-conspirators A and B, **YONOVER, DALLEY**, and others discussed the illegal kickback payments received from the owners of the magnetic resonance imaging centers which were derived from the referral of patients from the co-conspirator clinics.

19. Defendant **DALLEY** and other corrupt personal injury attorneys hired individuals who portrayed themselves as investigators and/or case managers in order to illegally solicit patients and to corruptly instruct such patients as to the conduct necessary to facilitate the fraud.

20. Defendant **DALLEY** and other corrupt personal injury attorneys would meet and discuss the pending BI lawsuits and the coconspirators clinics in order to facilitate the fraud.

21. Co-conspirators A and B and defendant **DALLEY** agreed, in those instances in which an accident victim would not recover any money from a BI case, not to inform the accident victim of that fact for fear that the accident victim would stop going for chiropractic visits.

22. From 2012 through 2014, defendant **DALLEY** issued checks payable to himself totaling in excess of \$790,000 in order to pay the illegal kickbacks to the co-conspirator tow truck drivers and runners.

23. Defendant **YONOVER** obtained the maximum PIP benefits for each patient by directing the patient to visit Broward Spine and Rehab and Margate Physicians as many times as possible and causing services to be rendered, regardless of medical necessity.

24. From in or about 2010 through in or about early 2015, the co-conspirators obtained at least \$2,000,000 in PIP insurance funds as result of the fraudulent scheme.

Overt Acts

In furtherance of the conspiracy and to achieve the objective thereof, at least one of the co-conspirators committed or caused to be committed, in the Southern District of Florida, and elsewhere, at least one of the following overt acts, among others:

- A. On or about January 8, 2014, defendant **DALLEY** issued a check in the amount of \$6,500 payable to himself in order to obtain cash to pay illegal kickbacks.
- B. On or about April 25, 2014, defendant **DALLEY** accepted payments in the amount of \$8,000 for the referral of four patients as part of the illegal kickback payment scheme.
- C. On or about May 6, 2014, defendant **YONOVER** accepted \$4,100 in payment for two patients that were referred to Co-conspirators A and B.
- D. On or about May 7, 2014, defendant **YONOVER**, defendant **DALLEY**, Co-conspirator A and others had a meeting in Delray Beach, Florida, to discuss the “self-generated” rules and “terms” concerning the illegal kickback payment scheme and various activities intended to facilitate the fraud.
- E. On or about June 6, 2014, defendant **YONOVER** paid \$6,000 to be delivered in payment for the referral of four patients.

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

FORFEITURE ALLEGATIONS

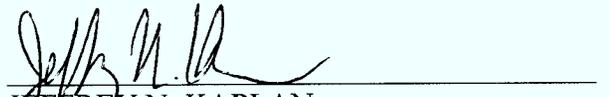
- 1. Upon conviction of a violation of Title 18, United States Code, Section 371, as set forth in Count 1 of this Information, the defendants, **RICHARD YONOVER** and **JASON DALLEY**, shall forfeit to the United States, any property, real or personal, which constitutes or is derived from proceeds traceable to the offense, pursuant to the provisions of Title 18, United States Code, Section 981(a)(1)(C), as incorporated by

Title 28, United States Code, Section 2461(c). The property to be forfeited includes, but is not limited to, the following property: a money judgment which constitutes or was derived from proceeds traceable to the violation alleged in this Information.

2. All pursuant to Title 18, United States Code, Section 981(a)(1)(C), as incorporated by Title 28, United States Code, Section 2461(c), and the procedures outlined at Title 21, United States Code, Section 853.



WIFREDO A. FERRER
UNITED STATES ATTORNEY



JEFFREY N. KAPLAN
ASSISTANT UNITED STATES ATTORNEY



PAUL F. SCHWARTZ
ASSISTANT UNITED STATES ATTORNEY

UNITED STATES OF AMERICA

CASE NO. _____

vs.

CERTIFICATE OF TRIAL ATTORNEY*

**RICHARD YONOVER and
JASON DALLEY,**

Defendants.

_____ /

Superseding Case Information:

Court Division: (Select One)

____ Miami ____ Key West
X FTL ____ WPB ____ FTP

New Defendant(s) Yes ____ No ____
Number of New Defendants _____
Total number of counts _____

I do hereby certify that:

1. I have carefully considered the allegations of the indictment, the number of defendants, the number of probable witnesses and the legal complexities of the Indictment/Information attached hereto.
2. I am aware that the information supplied on this statement will be relied upon by the Judges of this Court in setting their calendars and scheduling criminal trials under the mandate of the Speedy Trial Act, Title 28 U.S.C. Section 3161.

3. Interpreter: (Yes or No) No
List language and/or dialect _____

4. This case will take 0 days for the parties to try.

5. Please check appropriate category and type of offense listed below:

	(Check only one)		(Check only one)	
I	0 to 5 days	<u>X</u>	Petty	_____
II	6 to 10 days	_____	Minor	_____
III	11 to 20 days	_____	Misdem.	_____
IV	21 to 60 days	_____	Felony	<u>X</u>
V	61 days and over	_____		

6. Has this case been previously filed in this District Court? (Yes or No) No

If yes:
Judge: _____ Case No. _____
(Attach copy of dispositive order)

Has a complaint been filed in this matter? (Yes or No) No

If yes:
Magistrate Case No. _____
Defendant(s) in federal custody as of _____
Defendant(s) in state custody as of _____
Rule 20 from the District of _____

Is this a potential death penalty case? (Yes or No) No

7. Does this case originate from a matter pending in the Northern Region of the U.S. Attorney's Office prior to October 14, 2003?
Yes ____ No X

8. Does this case originate from a matter pending in the Central Region of the U.S. Attorney's Office prior to September 1, 2007?
Yes ____ No X



JEFFREY M. KAPLAN
ASSISTANT UNITED STATES ATTORNEY
Court I.D. No. A5500030

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

PENALTY SHEET

Defendant's Name RICHARD YONOVER

Case No: _____

Count #: 1

Conspiracy to commit an offense against the United States

Title 18, United States Code, Section 371

* Max. Penalty: 5 years' imprisonment, \$250,000 fine, 3 years' supervised release

*Refers only to possible term of incarceration, does not include possible fines, restitution, special assessments, parole terms or forfeitures that may be applicable.

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

PENALTY SHEET

Defendant's Name JASON DALLEY

Case No: _____

Count #: 1

Conspiracy to commit an offense against the United States

Title 18, United States Code, Section 371

*** Max. Penalty:** 5 years' imprisonment, \$250,000 fine, 3 years' supervised release

***Refers only to possible term of incarceration, does not include possible fines, restitution, special assessments, parole terms or forfeitures that may be applicable.**

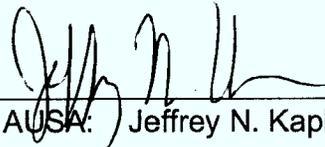
**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

CASE NUMBER: _____

BOND RECOMMENDATION

DEFENDANT: Richard Yonover

\$100,000 Personal Surety Bond
(Personal Surety) (Corporate Surety) (Cash) (Pre-Trial Detention)

By: 
AUSA:) Jeffrey N. Kaplan

Last Known Address: unknown

What Facility: _____

Agent(s): FBI, Robert Willingham

(FBI) (SECRET SERVICE) (DEA) (IRS) (ICE) (**OTHER**)

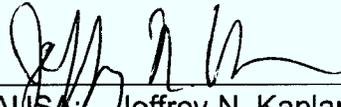
**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

CASE NUMBER: _____

BOND RECOMMENDATION

DEFENDANT: Jason Dalley

\$100,000 Personal Surety Bond
(Personal Surety) (Corporate Surety) (Cash) (Pre-Trial Detention)

By:  _____
AUSA: Jeffrey N. Kaplan

Last Known Address: unknown

What Facility: _____

Agent(s): FBI, Robert Willingham

(FBI) (SECRET SERVICE) (DEA) (IRS) (ICE) (**OTHER**)

AO 455 (Rev. 01/09) Waiver of an Indictment

UNITED STATES DISTRICT COURT

for the
Southern District of Florida

United States of America

v.

Richard Yonover,

Defendant

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)
)

Case No.

17-60245-CR-DIMITROULEAS/SNOW

WAIVER OF AN INDICTMENT

I understand that I have been accused of one or more offenses punishable by imprisonment for more than one year. I was advised in open court of my rights and the nature of the proposed charges against me.

After receiving this advice, I waive my right to prosecution by indictment and consent to prosecution by information.

Date: _____

Defendant's signature

Signature of defendant's attorney

Printed name of defendant's attorney

Judge's signature

United States Magistrate Judge
Judge's printed name and title

AO 455 (Rev. 01/09) Waiver of an Indictment

UNITED STATES DISTRICT COURT
for the
Southern District of Florida

United States of America

v.

Jason Dalley,

Defendant

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Signature of defendant's attorney

Printed name of defendant's attorney

Judge's signature

United States Magistrate Judge
Judge's printed name and title