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CLERK U.S. DISTRICT COURT
CENTRAL DIST. OF CALIF.
LOS ANGELES

BY: _____

UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,
Plaintiff,
v.
ERWIN CASTILLO, R.N.,
Defendant.

CR No. **CR 15 00018**
I N F O R M A T I O N

[18 U.S.C. § 1347: Health Care Fraud; 26 U.S.C. § 7203: Willful Failure to File a Tax Return; 18 U.S.C. § 2: Aiding and Abetting and Causing An Act To Be Done]

The United States Attorney charges:

COUNT ONE

[18 U.S.C. § 1347; 18 U.S.C. § 2]

A. INTRODUCTORY ALLEGATIONS

At all times relevant to this Information:

Defendant, His Co-Schemers, and Related Entities

1. California Hospice Care, LLC ("California Hospice") was located at 740 East Arrow Highway, Suites C and D, Covina, California, within the Central District of California.

2. Defendant ERWIN CASTILLO, R.N. ("CASTILLO") was the Director of Nursing at California Hospice, and a registered nurse.

1 3. Co-schemer Priscilla Villabroza ("Villabroza") purchased
2 and financed the purchase of California Hospice for approximately
3 \$300,000 in or about November 2007.

4 4. In addition to California Hospice, co-schemer Villabroza
5 owned and operated Medicare Plus Home Health Providers, Inc., doing
6 business as ("dba") Blue Diamond Home Health Providers ("Medicare
7 Plus" or "Blue Diamond"), a purported home health agency, within the
8 Central District of California and elsewhere.

9 5. Co-Schemer Sharon Patrow, also known as ("aka") "Sharon
10 Garcia" ("Patrow"), co-schemer Villabroza's daughter, operated
11 California Hospice with co-schemer Villabroza.

12 6. Co-schemer Sri Wijegoonaratna, M.D., aka "Dr. J"
13 ("Wijegoonaratna"), was a physician and patient recruiter at
14 California Hospice.

15 7. Co-schemer Boyoa Huang, M.D. ("Huang") was a physician at
16 California Hospice.

17 8. Co-schemer Nancy Briones, R.N. ("Briones") was a registered
18 nurse and patient recruiter at California Hospice.

19 9. Co-schemer Roseilyn Montana ("Montana") was a patient
20 recruiter at California Hospice.

21 10. Co-schemers Mubina Siddiqui ("Siddiqui"), Kristen Castaneda
22 ("Castaneda"), and Janel Licayan ("Licayan") were quality assurance
23 ("QA") nurses at California Hospice.

24 The Medicare and Medi-Cal Programs

25 11. Medicare was a federal health care benefit program,
26 affecting commerce, that provided benefits to individuals who were
27 over the age of 65 or disabled.

28

1 12. Medicare was administered by the Centers for Medicare and
2 Medicaid Services ("CMS"), a federal agency under the United States
3 Department of Health and Human Services ("HHS").

4 13. Medi-Cal was a health care benefit program, affecting
5 commerce, for indigent individuals in California. Funding for Medi-
6 Cal was shared between the federal government and the state of
7 California.

8 14. The California Department of Health Care Services ("CAL-
9 DHCS") administered the Medi-Cal program. CAL-DHCS authorized
10 provider participation, determined beneficiary eligibility, issued
11 Medi-Cal cards to beneficiaries, and promulgated regulations for the
12 administration of the program.

13 15. Individuals receiving Medicare and Medi-Cal benefits were
14 known as "beneficiaries." Each Medicare beneficiary was given a
15 Health Identification Card Number ("HICN") unique to that
16 beneficiary.

17 16. Hospices, physicians, and other health care providers who
18 provided services to beneficiaries that were reimbursed by Medicare
19 and Medi-Cal were referred to as "providers."

20 17. To become eligible to participate in Medicare, Medicare
21 required prospective hospice providers to be licensed by a state or
22 local agency. After obtaining the applicable license, Medicare
23 required prospective hospice providers to submit an application in
24 which the prospective provider agreed to (a) comply with all
25 Medicare-related laws and regulations, including the prohibition
26 against payment of kickbacks for the referral of Medicare
27 beneficiaries; and (b) not to submit claims for payment to Medicare
28 knowing they were false or fraudulent or with deliberate ignorance or

1 reckless disregard of their truth or falsity. If Medicare approved
2 the application, Medicare assigned the provider an identifying
3 number, which enabled the provider to submit claims to Medicare for
4 reimbursement for services provided to Medicare beneficiaries.

5 18. To qualify for reimbursement for hospice services, Medicare
6 and Medi-Cal required a physician to certify that a beneficiary was
7 terminally ill. Medicare and Medi-Cal considered a beneficiary to be
8 "terminally ill" if the beneficiary's life expectancy was six months
9 or less if the illness ran its normal course. Hospice services
10 reimbursed by Medicare and Medi-Cal were palliative rather than
11 curative in nature and included, but were not limited to, medications
12 to manage pain symptoms, necessary medical equipment, and the
13 provision of bereavement services to surviving family members.

14 19. If a beneficiary had a primary care physician ("PCP"),
15 Medicare and Medi-Cal required the PCP and a physician at a hospice
16 to certify in writing that the beneficiary was terminally ill with a
17 life expectancy of six months or less, if the terminal illness ran
18 its normal course.

19 20. Medicare covered hospice services for those beneficiaries
20 who were eligible for Medicare Part A (hospital-related services).
21 When a Medicare beneficiary elected hospice coverage, the beneficiary
22 waived all rights to Medicare Part B (covering outpatient physician
23 services and procedures) coverage of services to treat or reverse the
24 beneficiary's terminal illness while the beneficiary was on hospice.

25 21. A beneficiary could elect to receive hospice benefits for
26 two periods of 90 days and, thereafter, additional services for
27 periods of 60 days per period.

28

1 22. After the first 90 day period, for the beneficiary to
2 continue to receive hospice benefits, Medicare required that a
3 physician re-certify that the beneficiary was terminally ill and
4 include clinical findings or other documentation supporting the
5 diagnosis of terminal illness. For re-certifications on or after
6 January 1, 2011, Medicare required a hospice physician or nurse
7 practitioner to meet with the beneficiary in-person before signing a
8 certification of terminal illness.

9 23. Most providers, including California Hospice, submitted
10 their claims electronically pursuant to an agreement with Medicare
11 that they would submit claims that were accurate, complete, and
12 truthful.

13 B. THE FRAUDULENT SCHEME

14 24. Beginning in or about November 2007, and continuing through
15 in or about June 2013, in Los Angeles County, within the Central
16 District of California, and elsewhere, defendant CASTILLO, together
17 with co-schemers Villabroza, Patrow, Wijegoonaratna, Huang, Briónes,
18 Montana, and others known and unknown to the United States Attorney,
19 knowingly, willfully, and with intent to defraud, executed and
20 attempted to execute a scheme and artifice: (a) to defraud health
21 care benefit programs, namely, Medicare and Medi-Cal, as to material
22 matters in connection with the delivery of and payment for health
23 care benefits, items, and services; and (b) to obtain money from
24 Medicare and Medi-Cal by means of material false and fraudulent
25 pretenses and representations and the concealment of material facts
26 in connection with the delivery of and payment for health care
27 benefits, items, and services.

1 25. The fraudulent scheme operated, in substance, in the
2 following manner:

3 a. On or about August 15, 2007, federal agents executed a
4 search warrant at Medicare Plus. Thereafter, co-schemer Villabroza
5 learned that she was under investigation for health care fraud and
6 the payment of illegal kickbacks in exchange of the referral of
7 beneficiaries to Medicare Plus.

8 b. On or about November 29, 2007, co-schemer Villabroza
9 purchased and financed the purchase of California Hospice. To
10 conceal her ownership interest in California Hospice from federal
11 agents investigating fraud at Medicare Plus, from Medicare, and from
12 Medi-Cal, co-schemer Villabroza, in furtherance of the scheme to
13 defraud, identified, and caused to be identified, defendant CASTILLO
14 and co-schemer Patrow as the co-owners of California Hospice on
15 documents filed with the state of California, Medicare, Medi-Cal, and
16 the Internal Revenue Service.

17 c. California Hospice received few, if any, referrals
18 from beneficiaries' PCPs. Rather, co-schemers Villabroza and Patrow
19 paid patient recruiters, known as "marketers" or "cappers," including
20 co-schemer Montana and others known and unknown to the United States
21 Attorney, illegal kickbacks in exchange for their referring
22 beneficiaries to California Hospice. The amount of the kickback
23 varied depending on the agreement between co-schemer Villabroza, co-
24 schemer Patrow, and the marketer, but generally ranged between \$400
25 and \$1000 per month for each month a beneficiary referred by the
26 marketer purportedly received hospice-related services.

27 d. Co-schemers Villabroza and Patrow referred to
28 marketers as "business liaisons," "community liaisons," and "business

1 development representatives" in an effort to disguise the illegal
2 nature of their kickback relationship with these marketers.

3 e. If a recruited beneficiary was eligible to receive
4 hospice benefits from Medicare or Medi-Cal, defendant CASTILLO or
5 another co-schemer would direct a nurse to conduct an initial
6 assessment of the recruited beneficiary.

7 f. Regardless of the outcome of the assessment performed
8 by the nurse, co-schemer Wijegoonaratna, co-schemer Huang, or another
9 California Hospice physician created a fraudulent diagnosis and
10 falsely certified that the beneficiary was terminally ill. In fact,
11 and as defendant CASTILLO, co-schemer Wijegoonaratna, and co-schemer
12 Huang then well knew, the overwhelming majority of California Hospice
13 beneficiaries were not terminally ill.

14 g. Once the beneficiary was admitted to hospice care at
15 California Hospice, co-schemers Villabroza and Patrow caused
16 California Hospice to fraudulently bill Medicare or Medi-Cal for
17 purportedly providing hospice-related services, which were in fact
18 unnecessary.

19 h. In response to California Hospice's high volume of
20 claims, a Medicare contractor issued California Hospice Additional
21 Development Requests ("ADRs"), which sought further documentation to
22 support claims for hospice-related services.

23 i. To support the fraudulent diagnoses of terminal
24 illness made by co-schemers Wijegoonaratna and Huang, and to secure
25 payments from Medicare, defendant CASTILLO, together with co-schemers
26 Siddiqui, Castaneda, and Licayan, with the knowledge and assent of
27 co-schemer Patrow, submitted and caused to be submitted to Medicare
28 false information, including medical records they altered and caused

1 to be altered in response to ADRs. In particular, and in effort to
2 make it appear that beneficiaries were terminally ill, defendant
3 CASTILLO altered and caused the altering of advanced directives to
4 make it appear that the beneficiaries did not want to receive CPR or
5 other heroic measures when, in fact, the true advanced directives
6 completed by the beneficiaries had stated that such life-saving
7 procedures should be performed in the event of a medical crisis.

8 j. Between in or about March 2009 and in or about June
9 2013, defendant CASTILLO, together with co-schemers Villabroza,
10 Patrow, Wijegoonaratna, Huang, Briones, and Montana, and others known
11 and unknown to the United States Attorney, submitted and caused to be
12 submitted false and fraudulent claims to Medicare and Medi-Cal for
13 hospice-related services in the amounts of approximately \$6,861,346
14 and \$2,049,356, respectively. Based on these claims, Medicare and
15 Medi-Cal paid California Hospice approximately \$5,464,568 and
16 \$1,968,761, respectively.

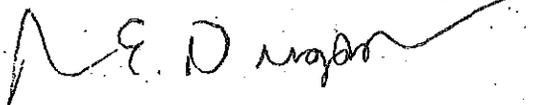
17 26. On or about August 6, 2010, within the Central District of
18 California, and elsewhere, defendant CASTILLO, for the purpose of
19 executing and attempting to execute the fraudulent scheme described
20 above, knowingly and willfully submitted and caused to be submitted
21 to Medicare a false and fraudulent claim, number 21021800435002, in
22 the amount of approximately \$2,283.79 for payment for hospice-related
23 services purportedly provided to beneficiary L.O.

COUNT TWO

[26 U.S.C. § 7203]

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2
3 27. During the calendar year 2012, in Los Angeles County,
4 within the Central District of California, and elsewhere, defendant
5 ERWIN CASTILLO, R.N. ("CASTILLO") had and received a gross income of
6 approximately \$113,450 from his employment at California Hospice
7 Care, LLC and was required by law, after the close of the calendar
8 year 2012 and on or before April 15, 2013, to make an income tax
9 return to the Director, Internal Revenue Service Center at Fresno,
10 California, or any other proper officer of the United States, stating
11 specifically the items of his gross income and any deductions and
12 credits to which he was entitled. Knowing these facts, defendant
13 CASTILLO willfully failed to make an income tax return to said
14 Director of the Internal Revenue Service Center, or to any other
15 proper officer of the United States, within or at the time required
16 by law and regulation.

17
18 STEPHANIE YONEKURA
19 Acting United States Attorney

20 

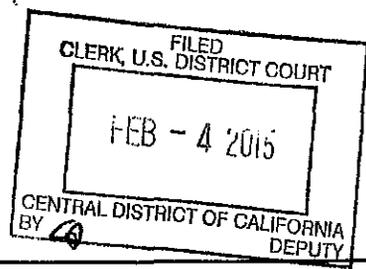
21 ROBERT E. DUGDALE
22 Assistant United States Attorney
23 Chief, Criminal Division

24 RICHARD M. ROBINSON
25 Assistant United States Attorney
26 Chief, Major Frauds Section

27 JILL FEENEY
28 Assistant United States Attorney
Deputy Chief, Major Frauds Section

GRANT B. GELBERG
Assistant United States Attorney
Major Frauds Section

Erwin Castillo



UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,

PLAINTIFF

v.

Erwin Castillo, R.N.

DEFENDANT(S).

CASE NUMBER

CR No. 15-00018-

WAIVER OF INDICTMENT

I, Erwin Castillo, R.N., the above-named defendant, who is accused of Health Care Fraud; Willful failure to file a tax return; Aiding and abetting, in violation of 18 U.S.C 1347; 26 U.S.C. 7203; 18 U.S.C. 2:, being advised of the nature of the charge, the proposed information, and of my rights, hereby waive in open court on 02/04/2015, prosecution by indictment and consent that the proceedings may be by information rather than by indictment.

[Signature]
Defendant
[Signature]
Counsel for Defendant

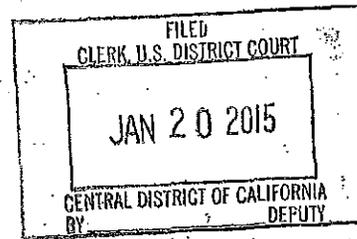
If defendant is not an English speaker, include the following:

I, _____, am fluent in written and spoken English and _____ languages. I accurately translated this Waiver of Indictment from English into _____ to defendant _____, on this date.

Date: _____
Before [Signature]
Judicial Officer W. H. M.

Interpreter

1 STEPHANIE YONEKURA
Acting United States Attorney
2 ROBERT E. DUGDALE
Assistant United States Attorney
3 Chief, Criminal Division
GRANT B. GELBERG (Cal. Bar No. 229454)
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8 Attorneys for Plaintiff
9 UNITED STATES OF AMERICA

10 UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA

11 UNITED STATES OF AMERICA,

No. CR 15-

CR 15 00018

12 Plaintiff,

13 PLEA AGREEMENT FOR DEFENDANT
ERWIN CASTILLO

14 v.

[UNDER SEAL]

15 ERWIN CASTILLO,

16 Defendant.

17
18 1. This constitutes the plea agreement between Erwin Castillo
19 ("defendant") and the United States Attorney's Office for the Central
20 District of California ("the USAO") in the investigation of
21 California Hospice Care LLC. This agreement is limited to the USAO
22 and cannot bind any other federal, state, local, or foreign
23 prosecuting, enforcement, administrative, or regulatory authorities.

24 DEFENDANT'S OBLIGATIONS

25 2. Defendant agrees to:

26 a. Give up the right to indictment by a grand jury and,
27 at the earliest opportunity requested by the USAO and provided by the
28 Court, appear and plead guilty to a two-count information in the form

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LOS ANGELES

1 attached to this agreement as Exhibit A or a substantially similar
2 form, which charges defendant with health care fraud, in violation of
3 Title 18, United States Code, Section 1347, and the willful failure
4 to file a tax return, in violation of Title 26, United States Code,
5 Section 7203.

6 b. Not contest facts agreed to in this agreement.

7 c. Abide by all agreements regarding sentencing contained
8 in this agreement.

9 d. Appear for all court appearances, surrender as ordered
10 for service of sentence, obey all conditions of any bond, and obey
11 any other ongoing court order in this matter.

12 e. Not commit any crime; however, offenses that would be
13 excluded for sentencing purposes under United States Sentencing
14 Guidelines ("U.S.S.G." or "Sentencing Guidelines") § 4A1.2(c) are not
15 within the scope of this agreement.

16 f. Be truthful at all times with Pretrial Services, the
17 United States Probation Office, and the Court.

18 g. Not seek the discharge of any restitution obligation,
19 in whole or in part, in any present or future bankruptcy proceeding.

20 h. Pay the applicable special assessments at or before
21 the time of sentencing unless defendant lacks the ability to pay and
22 prior to sentencing submits a completed financial statement on a form
23 to be provided by the USAO.

24 3. Defendant agrees to cooperate with the Internal Revenue
25 Service in the determination of his federal income tax liability for
26 the 2007 through 2013 tax years. Defendant agrees that:

27 a. Defendant will sign closing agreements with the
28 Internal Revenue Service at least 30 days prior to sentencing,

1 permitting the Internal Revenue Service to assess and collect the
2 total sum of \$29,904 (\$9,512, \$5,991, \$2,097, \$9,239, and \$3,065 for
3 the defendant's tax years 2008, 2009, 2010, 2011, and 2012,
4 respectively), as well as the civil fraud penalty for each year and
5 statutory interest as provided by law.

6 b. Defendant will file, prior to the time of sentencing,
7 initial returns for 2007, 2012, and 2013.

8 c. Nothing in this agreement forecloses or limits the
9 ability of the Internal Revenue Service to examine and make
10 adjustments to defendant's returns after they are filed.

11 d. Defendant will not, after filing the returns, file any
12 claim for refund of taxes, penalties, or interest for amounts
13 attributable to the returns filed in connection with this plea
14 agreement.

15 e. Defendant is liable for the fraud penalty imposed by
16 the Internal Revenue Code, 26 U.S.C. § 6663, on the understatements
17 of tax liability for the 2008 to 2011 tax years and for fraudulent
18 failure to file penalty imposed by the Internal Revenue Code, 26
19 U.S.C. § 6651(f), for his willful failure to file tax returns for the
20 2007, 2012, and 2013 tax years.

21 f. Defendant gives up any and all objections that could
22 be asserted to the Examination Division of the Internal Revenue
23 Service receiving materials or information obtained during the
24 criminal investigation of this matter, including materials and
25 information obtained through grand jury subpoenas.

26 4. Defendant further agrees to cooperate fully with the USAO,
27 the Federal Bureau of Investigation, the United States Department of
28 Health and Human Services, Office of Inspector General, the Internal

1 Revenue Service-Criminal Investigations, and, as directed by the
2 USAO, any other federal, state, local, or foreign prosecuting,
3 enforcement, administrative, or regulatory authority. This
4 cooperation requires defendant to:

5 a. Respond truthfully and completely to all questions
6 that may be put to defendant, whether in interviews, before a grand
7 jury, or at any trial or other court proceeding.

8 b. Attend all meetings, grand jury sessions, trials or
9 other proceedings at which defendant's presence is requested by the
10 USAO or compelled by subpoena or court order.

11 c. Produce voluntarily all documents, records, or other
12 tangible evidence relating to matters about which the USAO, or its
13 designee, inquires.

14 5. For purposes of this agreement: (1) "Cooperation
15 Information" shall mean any statements made, or documents, records,
16 tangible evidence, or other information provided, by defendant
17 pursuant to defendant's cooperation under this agreement or pursuant
18 to the letter agreement previously entered into by the parties dated
19 May 24, 2013 (the "Letter Agreement"); and (2) "Plea Information"
20 shall mean any statements made by defendant, under oath, at the
21 guilty plea hearing and the agreed to factual basis statement in this
22 agreement.

23 THE USAO'S OBLIGATIONS

24 6. The USAO agrees to:

25 a. Not contest facts agreed to in this agreement.

26 b. Abide by all agreements regarding sentencing contained
27 in this agreement.

1 c. At the time of sentencing, provided that defendant
2 demonstrates an acceptance of responsibility for the offenses up to
3 and including the time of sentencing, recommend a two-level reduction
4 in the applicable Sentencing Guidelines offense level, pursuant to
5 U.S.S.G. § 3E1.1, and recommend and, if necessary, move for an
6 additional one-level reduction if available under that section.

7 7. The USAO further agrees:

8 a. Not to offer as evidence in its case-in-chief in the
9 above-captioned case or any other criminal prosecution that may be
10 brought against defendant by the USAO, or in connection with any
11 sentencing proceeding in any criminal case that may be brought
12 against defendant by the USAO, any Cooperation Information.
13 Defendant agrees, however, that the USAO may use both Cooperation
14 Information and Plea Information: (1) to obtain and pursue leads to
15 other evidence, which evidence may be used for any purpose, including
16 any criminal prosecution of defendant; (2) to cross-examine defendant
17 should defendant testify, or to rebut any evidence offered, or
18 argument or representation made, by defendant, defendant's counsel,
19 or a witness called by defendant in any trial, sentencing hearing, or
20 other court proceeding; and (3) in any criminal prosecution of
21 defendant for false statement, obstruction of justice, or perjury.

22 b. Not to use Cooperation Information against defendant
23 at sentencing for the purpose of determining the applicable guideline
24 range, including the appropriateness of an upward departure, or the
25 sentence to be imposed, and to recommend to the Court that
26 Cooperation Information not be used in determining the applicable
27 guideline range or the sentence to be imposed. Defendant
28 understands, however, that Cooperation Information will be disclosed

1 to the probation office and the Court, and that the Court may use
2 Cooperation Information for the purposes set forth in U.S.S.G.
3 § 1B1.8(b) and for determining the sentence to be imposed.

4 c. In connection with defendant's sentencing, to bring to
5 the Court's attention the nature and extent of defendant's
6 cooperation.

7 d. If the USAO determines, in its exclusive judgment,
8 that defendant has both complied with defendant's obligations under
9 paragraphs 2, 3 and 4 above and provided substantial assistance to
10 law enforcement in the prosecution or investigation of another
11 ("substantial assistance"), to move the Court pursuant to U.S.S.G.
12 § 5K1.1 to fix an offense level and corresponding guideline range
13 below that otherwise dictated by the sentencing guidelines, and to
14 recommend a term of imprisonment within this reduced range.

15 DEFENDANT'S UNDERSTANDINGS REGARDING COOPERATION

16 8. Defendant understands the following:

17 a. Any knowingly false or misleading statement by
18 defendant will subject defendant to prosecution for false statement,
19 obstruction of justice, and perjury and will constitute a breach by
20 defendant of this agreement.

21 b. Nothing in this agreement requires the USAO or any
22 other prosecuting, enforcement, administrative, or regulatory
23 authority to accept any cooperation or assistance that defendant may
24 offer, or to use it in any particular way.

25 c. Defendant cannot withdraw defendant's guilty pleas if
26 the USAO does not make a motion pursuant to U.S.S.G. § 5K1.1 for a
27 reduced guideline range or if the USAO makes such a motion and the
28

1 Court does not grant it or if the Court grants such a USAO motion but
2 elects to sentence above the reduced range.

3 d. At this time the USAO makes no agreement or
4 representation as to whether any cooperation that defendant has
5 provided or intends to provide constitutes or will constitute
6 substantial assistance. The decision whether defendant has provided
7 substantial assistance will rest solely within the exclusive judgment
8 of the USAO.

9 e. The USAO's determination whether defendant has
10 provided substantial assistance will not depend in any way on whether
11 the government prevails at any trial or court hearing in which
12 defendant testifies or in which the government otherwise presents
13 information resulting from defendant's cooperation.

14 NATURE OF THE OFFENSES

15 9. Defendant understands that for defendant to be guilty of
16 the crime charged in count one, that is, health care fraud, in
17 violation of Title 18, United States Code, Section 1347, the
18 following must be true:

19 (1) Defendant knowingly and willfully participated in a scheme
20 or plan to defraud a health care benefit program, or a scheme or plan
21 for obtaining money or property from a health care benefit program by
22 means of false or fraudulent pretenses, representations, or promises;

23 (2) The statements made or facts omitted as part of the scheme
24 were material; that is, they had a natural tendency to influence, or
25 were capable of influencing, the health care benefit program to part
26 with money or property;

27 (3) Defendant acted with the intent to defraud; that is, the
28 intent to deceive or cheat; and

1 (4) The scheme involved the delivery of or payment for health
2 care benefits, items, or services.

3 10. Defendant understands that for defendant to be guilty of
4 the crime charged in count two, that is, willful failure to file a
5 tax return, in violation of Title 26, United States Code, Section
6 7203, the following must be true: (1) defendant was a person required
7 to file a return; (2) defendant failed to file at the time required
8 by law; and (3) the failure to file was willful; that is, defendant
9 knew federal tax law imposed a duty on him, and defendant
10 intentionally and voluntarily violated that duty.

11 PENALTIES AND RESTITUTION

12 11. Defendant understands that the statutory maximum sentence
13 that the Court can impose for a violation of Title 18, United States
14 Code, Section 1347, is: 10 years imprisonment; a three-year period of
15 supervised release; a fine of \$250,000 or twice the gross gain or
16 gross loss resulting from the offense, whichever is greatest; and a
17 mandatory special assessment of \$100.

18 12. Defendant understands that the statutory maximum sentence
19 that the Court can impose for a violation of Title 26, United States
20 Code, Section 7203, is: 1 year imprisonment; a 1-year period of
21 supervised release, a fine of \$25,000, or twice the gross gain or
22 gross loss resulting from the offense, whichever is greatest; and a
23 mandatory special assessment of \$25.

24 13. Defendant understands, therefore, that the total maximum
25 sentence for all offenses to which defendant is pleading guilty is:
26 11 years imprisonment; a three-year period of supervised release; a
27 fine of \$275,000 or twice the gross gain or gross loss resulting from
28

1 the offenses, whichever is greatest, and a mandatory special
2 assessment of \$125.

3 14. Defendant understands that defendant will be required to
4 pay full restitution to the victims of the offenses to which
5 defendant is pleading guilty. On or about August 6, 2010, in
6 furtherance of the scheme to defraud Medicare and Medi-Cal, defendant
7 caused the submission of claim number 21021800435002 for \$2,283.79 to
8 Medicare for the provision of hospice services to beneficiary L.O.
9 In fact, and as defendant then well knew, this claim was false and
10 fraudulent because beneficiary L.O. was not terminally ill. Medicare
11 paid this claim. Defendant and the USAO agree that the offense in
12 count one to which defendant is pleading guilty involved a loss to
13 the victim, Medicare, of \$1,933.76. Defendant agrees that, in return
14 for the USAO's compliance with its obligations under this agreement,
15 the Court may order restitution to persons other than the victims of
16 the offenses to which defendant is pleading guilty and in amounts
17 greater than those alleged in the counts to which defendant is
18 pleading guilty. In particular, defendant agrees that the Court may
19 order restitution to any victim for any losses suffered by that
20 victim as a result of any relevant conduct, as defined in U.S.S.G. §
21 1B1.3, in connection with the offenses to which defendant is pleading
22 guilty. The parties currently believe that the applicable amount of
23 restitution owed to the Medicare and Medi-Cal programs is
24 approximately \$5,464,568 and \$1,968,761, respectively, but recognize
25 and agree that this amount could change based on facts that come to
26 the attention of the parties prior to sentencing.

27 15. Defendant understands and agrees that the Court: (a) may
28 order defendant to pay restitution in the form of any additional

1 taxes, interest, and penalties that defendant owes to the United
2 States (Internal Revenue Service); and (b) must order defendant to
3 pay the costs of prosecution, which may be in addition to the
4 statutory maximum fine stated above. Defendant further understands
5 that if the Court orders the defendant to pay restitution to the
6 Internal Revenue Service for tax losses, either directly as a part of
7 the sentence or as a condition of supervised release, the Internal
8 Revenue Service has the statutory right (26 USC § 6201(a)(4)) to use
9 such restitution order as the basis for a civil assessment and the
10 defendant does not have the right to challenge such civil assessment
11 or civil collection of such assessment by the Internal Revenue
12 Service. Defendant understands that nothing in this agreement shall
13 preclude or bar the Internal Revenue Service from the assessment
14 and/or collection of any additional tax liability, including interest
15 and penalties, determined to be due and owing from defendant by the
16 Internal Revenue Service.

17 16. Defendant understands that supervised release is a period
18 of time following imprisonment during which defendant will be subject
19 to various restrictions and requirements. Defendant understands that
20 if defendant violates one or more of the conditions of any supervised
21 release imposed, defendant may be returned to prison for all or part
22 of the term of supervised release authorized by statute for the
23 offense that resulted in the term of supervised release, which could
24 result in defendant serving a total term of imprisonment greater than
25 the statutory maximum stated above.

26 17. Defendant understands that, by pleading guilty, defendant
27 may be giving up valuable government benefits and valuable civic
28 rights, such as the right to vote, the right to possess a firearm,

1 the right to hold office, and the right to serve on a jury.
2 Defendant understands that once the court accepts defendant's guilty
3 plea, it will be a federal felony for defendant to possess a firearm
4 or ammunition. Defendant understands that the conviction in this
5 case may also subject defendant to various other collateral
6 consequences, including but not limited to mandatory exclusion from
7 federal health care benefit programs for a minimum of five years,
8 revocation of probation, parole, or supervised release in another
9 case and suspension or revocation of a professional license.

10 Defendant understands that unanticipated collateral consequences will
11 not serve as grounds to withdraw defendant's guilty pleas.

12 18. Defendant understands that, if defendant is not a United
13 States citizen, the felony conviction in this case may subject
14 defendant to: removal, also known as deportation, which may, under
15 some circumstances, be mandatory; denial of citizenship; and denial
16 of admission to the United States in the future. The court cannot,
17 and defendant's attorney also may not be able to, advise defendant
18 fully regarding the immigration consequences of the felony conviction
19 in this case. Defendant understands that unexpected immigration
20 consequences will not serve as grounds to withdraw defendant's guilty
21 plea.

22 FACTUAL BASIS

23 19. Defendant admits that defendant is, in fact, guilty of the
24 offenses to which defendant is agreeing to plead guilty. Defendant
25 and the USAO agree to the statement of facts provided below and agree
26 that this statement of facts is sufficient to support pleas of guilty
27 to the charges described in this agreement and to establish the
28 Sentencing Guidelines factors set forth in paragraph 21 below but is

1 not meant to be a complete recitation of all facts relevant to the
2 underlying criminal conduct or all facts known to either party that
3 relate to that conduct.

4 Background

5 At all times relevant to this plea agreement, the Medicare and
6 Medi-Cal programs were health care benefit programs as defined by 18
7 U.S.C. § 24(b). Individuals receiving Medicare or Medi-Cal benefits
8 were known as beneficiaries.

9 To qualify for reimbursement for hospice services, Medicare and
10 Medi-Cal required a physician to certify that a beneficiary was
11 terminally ill. Medicare and Medi-Cal considered a beneficiary to be
12 "terminally ill" if the beneficiary's life expectancy was six months
13 or less if the illness ran its normal course. Hospice services
14 reimbursed by Medicare and Medi-Cal were palliative in nature and
15 included, but were not limited to, medications to manage pain
16 symptoms, necessary medical equipment, and bereavement services to
17 surviving family members.

18 Medicare covered hospice services for those beneficiaries who
19 were eligible for Medicare Part A (hospital-related services). When
20 a Medicare beneficiary elected hospice coverage, the beneficiary
21 waived all rights to Medicare Part B (covering outpatient physician
22 services and procedures) coverage of services to treat or reverse the
23 beneficiary's terminal illness while the beneficiary was on hospice.

24 On or about August 15, 2007, federal agents conducted a search
25 of Medicare Plus Home Health Providers, Inc. ("Medicare Plus"), a home
26 health agency owned and operated by co-schemer Priscilla Villabroza
27 ("Villabroza"). Thereafter, co-schemer Villabroza learned that she
28 was under investigation for health care fraud and the payment of

1 illegal kickbacks in exchange of the referral of beneficiaries to
2 MedCare Plus.

3 On or about November 29, 2007, co-schemer Villabroza purchased
4 California Hospice LLP ("California Hospice") for approximately
5 \$300,000. To conceal her ownership interest in California Hospice,
6 co-schemer Villabroza designated her daughter, co-schemer Sharon
7 Patrow, aka Sharon Garcia ("Patrow"), and defendant as the co-owners
8 of California Hospice. Co-schemer Patrow submitted an application
9 with Medicare to transfer California Hospice's provider number
10 following the sale.

11 Defendant was employed as the Doctor of Nursing ("DON") at
12 California Hospice. As Director of Nursing, defendant supervised the
13 nursing staff at California Hospice.

14 The Scheme to Defraud

15 Beginning in or about November 2007, and continuing through in
16 or about June 2013, in Los Angeles County, within the Central
17 District of California, and elsewhere, defendant knowingly,
18 willfully, and with intent to defraud, executed and attempted to
19 execute a scheme and artifice: (a) to defraud health care benefit
20 programs, namely, Medicare and Medi-Cal, as to material matters in
21 connection with the delivery of and payment for health care benefits,
22 items, and services; and (b) to obtain money from Medicare and Medi-
23 Cal by means of material false and fraudulent pretenses and
24 representations and the concealment of material facts in connection
25 with the delivery of and payment for health care benefits, items, and
26 services.

27 The fraudulent scheme operated, in substance, in the following
28 manner:

1 Co-schemers Villabroza and Patrow used paid patient recruiters,
2 known as "marketers" or "cappers," to recruit Medicare and Medi-Cal
3 beneficiaries to California Hospice. Co-schemers Villabroza and
4 Patrow paid the marketers approximately \$400 to \$1,000 per recruited
5 beneficiary for each month the recruited beneficiary purportedly
6 received hospice-related services from California Hospice. As
7 defendant then well knew, the recruited beneficiaries were not
8 terminally ill and did not need hospice services.

9 If the recruited beneficiary had Medicare Part A insurance,
10 defendant directed a registered nurse employed by California Hospice
11 to assess the beneficiary. Regardless of the outcome of the
12 assessment, a physician affiliated with California Hospice would
13 falsely certify that the beneficiary was terminally ill and the
14 beneficiary would be admitted to hospice.

15 Once the beneficiary was admitted to hospice, California Hospice
16 billed Medicare or Medi-Cal for purportedly providing unnecessary
17 hospice-related services. On a number of occasions, a Medicare
18 contractor sent California Hospice Additional Development Requests
19 ("ADRs"), which sought documentation to support claims for hospice-
20 related services. To support the physicians' fraudulent diagnosis of
21 a terminal illness and to secure payment from Medicare, defendant
22 submitted false and fraudulent information to the Medicare contractor
23 and altered and caused the altering of medical records in response to
24 ADRs.

25 On or about August 6, 2010, in furtherance of the scheme to
26 defraud Medicare and Medi-Cal, defendant caused the submission of
27 claim number 21021800435002 for \$2,283.79 to Medicare for the
28 provision of hospice services to beneficiary L.O. In fact, and as

1 defendant then well knew, this claim was false and fraudulent because
2 beneficiary L.O. was not terminally ill. Medicare paid this claim.
3 Defendant and the USAO agree that the offense in count one to which
4 defendant is pleading guilty involved a loss to the victim, Medicare,
5 of \$1,933.76.

6 For purposes of sentencing, the loss based on relevant conduct
7 was approximately \$8,910,702, which is the total amount of the false
8 and fraudulent claims defendant caused to be submitted to Medicare
9 and Medi-Cal for medically unnecessary hospice-related services
10 purportedly provided by California Hospice. Medicare and Medi-Cal
11 paid California Hospice approximately \$5,464,568 and \$1,968,761,
12 respectively, based upon these false and fraudulent claims for
13 hospice-related services.

14 In 2012, defendant earned wages of approximately \$113,450 from
15 his employment with California Hospice. Defendant knew that these
16 wages and other monies received were his share of the proceeds of the
17 health care fraud scheme operated from California Hospice. Defendant
18 also knew he was required to file a federal income tax return for
19 2012 but willfully failed to do so. Defendant earned wages in 2007
20 and 2013 and willfully failed to file returns for those tax years.

21 In addition, defendant filed materially false returns in tax
22 years 2008 to 2011. Specifically, defendant falsely reported that he
23 was an owner of California Hospice when, as defendant well knew,
24 California Hospice was owned and controlled by co-schemers Villabroza
25 and Patrow. Defendant also falsely characterized bonuses received
26 from California Hospice as income from an unrelated home health care
27 business. In 2010, defendant reported \$17,100 in bonuses and other
28 income received from California Hospice as gross receipt from a non-

1 existent home health nursing business. Defendant admits that the
2 loss resulting from his will failure to file a return for the 2012
3 tax year is \$3,065. Defendant further admits that the total tax loss
4 resulting from his failure to file returns in 2007, 2012, and 2013
5 and his filing of materially false returns from 2008 to 2011 resulted
6 in a total tax loss to the United States of America of at least
7 \$29,904.

8 SENTENCING FACTORS

9 20. Defendant understands that in determining defendant's
10 sentence the Court is required to calculate the applicable Sentencing
11 Guidelines range and to consider that range, possible departures
12 under the Sentencing Guidelines, and the other sentencing factors set
13 forth in 18 U.S.C. § 3553(a). Defendant understands that the
14 Sentencing Guidelines are advisory only, that defendant cannot have
15 any expectation of receiving a sentence within the calculated
16 Sentencing Guidelines range, and that after considering the
17 Sentencing Guidelines and the other § 3553(a) factors, the Court will
18 be free to exercise its discretion to impose any sentence it finds
19 appropriate up to the maximum set by statute for the crimes of
20 conviction.

21 21. Defendant and the USAO agree to the following applicable
22 Sentencing Guidelines factors:

23 Count One -- Health Care Fraud

24 Base Offense Level: 6 [U.S.S.G. § 2B1.1(a)(2)]

25 Loss Amount More Than
26 \$7 Million But Less Than
\$20 Million +20 [U.S.S.G. § 2B1.1(b)(1)(K)]

27
28 Fraud on a Government Health
Care Program More Than \$7

1	Million	+3	[U.S.S.G. § 2B1.1(b) (8)]
2	<u>Count Two - Tax</u>		
3	Base Offense Level:	12	[U.S.S.G. §§ 2T1.1(a) (1), 2T4.1(D)]
4	Failure to Report		
5	More Than \$10,000 in		
6	Criminally Derived Income		
7	In Any Year:	+2	[U.S.S.G. § 2T1.1(b) (1)]
8	<u>Combined Offense Level</u>	29	[U.S.S.G. § 3D1.4(c)]
9	Acceptance of		
10	Responsibility:	-3	[U.S.S.G. § 3E1.1(b)]
11	Total Offense Level:	26	

11 The USAO will agree to a two-level downward adjustment for acceptance
 12 of responsibility (and, if applicable, move for an additional one-
 13 level downward adjustment under U.S.S.G. § 3E1.1(b)) only if the
 14 conditions set forth in paragraph 6(c) are met. Subject to
 15 paragraph 32 below, defendant and the USAO agree not to seek, argue,
 16 or suggest in any way, either orally or in writing, that any other
 17 specific offense characteristics, adjustments, or departures relating
 18 to the offense level be imposed. Defendant agrees, however, that if,
 19 after signing this agreement but prior to sentencing, defendant were
 20 to commit an act, or the USAO were to discover a previously
 21 undiscovered act committed by defendant prior to signing this
 22 agreement, which act, in the judgment of the USAO, constituted
 23 obstruction of justice within the meaning of U.S.S.G. § 3C1.1, the
 24 USAO would be free to seek the enhancement set forth in that section.

25 22. Defendant understands that there is no agreement as to
 26 defendant's criminal history or criminal history category.

27 23. Defendant and the USAO reserve the right to argue for a
 28 sentence outside the sentencing range established by the Sentencing

1 Guidelines based on the factors set forth in 18 U.S.C. § 3553(a)(1),
2 (a)(2), (a)(3), (a)(6), and (a)(7).

3 WAIVER OF CONSTITUTIONAL RIGHTS

4 24. Defendant understands that by pleading guilty, defendant
5 gives up the following rights:

6 a. The right to persist in a plea of not guilty.

7 b. The right to a speedy and public trial by jury.

8 c. The right to be represented by counsel - and if
9 necessary have the court appoint counsel - at trial. Defendant

10 understands, however, that, defendant retains the right to be
11 represented by counsel - and if necessary have the court appoint
12 counsel - at every other stage of the proceeding.

13 d. The right to be presumed innocent and to have the
14 burden of proof placed on the government to prove defendant guilty
15 beyond a reasonable doubt.

16 e. The right to confront and cross-examine witnesses
17 against defendant.

18 f. The right to testify and to present evidence in
19 opposition to the charges, including the right to compel the
20 attendance of witnesses to testify.

21 g. The right not to be compelled to testify, and, if
22 defendant chose not to testify or present evidence, to have that
23 choice not be used against defendant.

24 h. Any and all rights to pursue any affirmative defenses,
25 Fourth Amendment or Fifth Amendment claims, and other pretrial
26 motions that have been filed or could be filed.

1 WAIVER OF APPEAL OF CONVICTION

2 25. Defendant understands that, with the exception of an appeal
3 based on a claim that defendant's guilty pleas were involuntary, by
4 pleading guilty defendant is waiving and giving up any right to
5 appeal defendant's convictions on the offenses to which defendant is
6 pleading guilty.

7 LIMITED MUTUAL WAIVER OF APPEAL OF SENTENCE

8 26. Defendant agrees that, provided the Court imposes a total
9 term of imprisonment on all counts of conviction of no more than 78
10 months, defendant gives up the right to appeal all of the following:
11 (a) the procedures and calculations used to determine and impose any
12 portion of the sentence; (b) the term of imprisonment imposed by the
13 Court; (c) the fine imposed by the court, provided it is within the
14 statutory maximum; (d) the amount and terms of any restitution order,
15 provided it requires payment of no more than \$7,463,233; (e) the term
16 of probation or supervised release imposed by the Court, provided it
17 is within the statutory maximum; and (f) any of the following
18 conditions of probation or supervised release imposed by the Court:
19 the conditions set forth in General Orders 318, 01-05, and/or 05-02
20 of this Court; and the drug testing conditions mandated by 18 U.S.C.
21 §§ 3563(a)(5) and 3583(d).

22 27. The USAO agrees that, provided (a) all portions of the
23 sentence are at or below the statutory maximum specified above and
24 (b) the Court imposes a term of imprisonment of no less than 63
25 months, the USAO gives up its right to appeal any portion of the
26 sentence, with the exception that the USAO reserves the right to
27 appeal the amount of restitution ordered if that amount is less than
28 \$7,463,233.

1 accuses another person of criminal conduct or falsely minimizes
2 defendant's own role, or the role of another, in criminal conduct,
3 defendant will have breached this agreement. All of defendant's
4 obligations are material, a single breach of this agreement is
5 sufficient for the USAO to declare a breach, and defendant shall not
6 be deemed to have cured a breach without the express agreement of the
7 USAO in writing. If the USAO declares this agreement breached, and
8 the Court finds such a breach to have occurred, then:

9 a. If defendant has previously entered guilty pleas
10 pursuant to this agreement, defendant will not be able to withdraw
11 the guilty pleas.

12 b. The USAO will be relieved of all its obligations under
13 this agreement; in particular, the USAO: (i) will no longer be bound
14 by any agreements concerning sentencing and will be free to seek any
15 sentence up to the statutory maximum for the crimes to which
16 defendant has pleaded guilty; and (ii) will no longer be bound by any
17 agreement regarding the use of Cooperation Information and will be
18 free to use any Cooperation Information in any way in any
19 investigation, criminal prosecution, or civil, administrative, or
20 regulatory action.

21 c. The USAO will be free to criminally prosecute
22 defendant for false statement, obstruction of justice, and perjury
23 based on any knowingly false or misleading statement by defendant.

24 d. In any investigation, criminal prosecution, or civil,
25 administrative, or regulatory action: (i) defendant will not assert,
26 and hereby waives and gives up, any claim that any Cooperation
27 Information was obtained in violation of the Fifth Amendment
28 privilege against compelled self-incrimination; and (ii) defendant

1 agrees that any Cooperation Information and any Plea Information, as
2 well as any evidence derived from any Cooperation Information or any
3 Plea Information, shall be admissible against defendant, and
4 defendant will not assert, and hereby waives and gives up, any claim
5 under the United States Constitution, any statute, Rule 410 of the
6 Federal Rules of Evidence, Rule 11(f) of the Federal Rules of
7 Criminal Procedure, or any other federal rule, that any Cooperation
8 Information, any Plea Information, or any evidence derived from any
9 Cooperation Information or any Plea Information should be suppressed
10 or is inadmissible.

11 COURT AND PROBATION OFFICE NOT PARTIES

12 31. Defendant understands that the Court and the United States
13 Probation Office are not parties to this agreement and need not
14 accept any of the USAO's sentencing recommendations or the parties'
15 agreements to facts or sentencing factors.

16 32. Defendant understands that both defendant and the USAO are
17 free to: (a) supplement the facts by supplying relevant information
18 to the United States Probation Office and the Court, (b) correct any
19 and all factual misstatements relating to the Court's Sentencing
20 Guidelines calculations and determination of sentence, and (c) argue
21 on appeal and collateral review that the Court's Sentencing
22 Guidelines calculations and the sentence it chooses to impose are not
23 error, although each party agrees to maintain its view that the
24 calculations in paragraph 21 are consistent with the facts of this
25 case. While this paragraph permits both the USAO and defendant to
26 submit full and complete factual information to the United States
27 Probation Office and the Court, even if that factual information may
28 be viewed as inconsistent with the facts agreed to in this agreement,

1 this paragraph does not affect defendant's and the USAO's obligations
2 not to contest the facts agreed to in this agreement.

3 33. Defendant understands that even if the Court ignores any
4 sentencing recommendation, finds facts or reaches conclusions
5 different from those agreed to, and/or imposes any sentence up to the
6 maximum established by statute, defendant cannot, for that reason,
7 withdraw defendant's guilty pleas, and defendant will remain bound to
8 fulfill all defendant's obligations under this agreement. Defendant
9 understands that no one -- not the prosecutor, defendant's attorney,
10 or the Court -- can make a binding prediction or promise regarding
11 the sentence defendant will receive, except that it will be within
12 the statutory maximum.

13 NO ADDITIONAL AGREEMENTS

14 34. Defendant understands that, except as set forth herein,
15 there are no promises, understandings, or agreements between the USAO
16 and defendant or defendant's attorney, and that no additional
17 promise, understanding, or agreement may be entered into unless in a
18 writing signed by all parties or on the record in court.

19 ///

20 ///

PLEA AGREEMENT PART OF THE GUILTY PLEA HEARING

35. The parties agree that this agreement will be considered part of the record of defendant's guilty plea hearing as if the entire agreement had been read into the record of the proceeding.

AGREED AND ACCEPTED:

UNITED STATES ATTORNEY'S OFFICE
FOR THE CENTRAL DISTRICT OF
CALIFORNIA

ANDRÉ BIROTTE JR.
United States Attorney


GRANT B. GILBERG
Assistant United States Attorney

Date

1/12/15

ERWIN CASTILLO
Defendant

Date

12/20/14


ERROL STAMBLER
Attorney for Defendant Erwin
Castillo

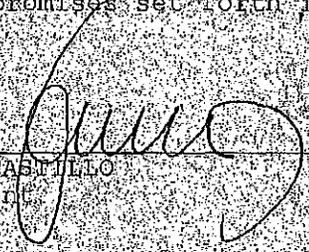
Date

12/20/14

CERTIFICATION OF DEFENDANT

I have read this agreement in its entirety. I have had enough time to review and consider this agreement, and I have carefully and thoroughly discussed every part of it with my attorney. I understand the terms of this agreement, and I voluntarily agree to those terms. I have discussed the evidence with my attorney, and my attorney has advised me of my rights, of possible pretrial motions that might be filed, of possible defenses that might be asserted either prior to or at trial, of the sentencing factors set forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines provisions, and of the consequences of entering into this agreement. No promises, inducements, or

1 representations of any kind have been made to me other than those
2 contained in this agreement. No one has threatened or forced me in
3 any way to enter into this agreement. I am satisfied with the
4 representation of my attorney in this matter, and I am pleading
5 guilty because I am guilty of the charges and wish to take advantage
6 of the promises set forth in this agreement, and not for any other
7 reason.

8
9  Date 12/20/14
10 ERWIN CASTILLO
Defendant

11 CERTIFICATION OF DEFENDANT'S ATTORNEY

12 I am Erwin Castillo's attorney. I have carefully and thoroughly
13 discussed every part of this agreement with my client. Further, I
14 have fully advised my client of his rights, of possible pretrial
15 motions that might be filed, of possible defenses that might be
16 asserted either prior to or at trial, of the sentencing factors set
17 forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines
18 provisions, and of the consequences of entering into this agreement.
19 To my knowledge, no promises, inducements, or representations of any
20 kind have been made to my client other than those contained in this
21 agreement; no one has threatened or forced my client in any way to
22 enter into this agreement; my client's decision to enter into this
23 agreement is an informed and voluntary one; and the factual basis set
24 forth in this agreement is sufficient to support my client's entry of
25 guilty pleas pursuant to this agreement.

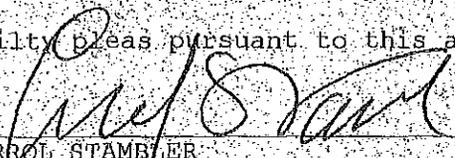
26  Date 12/20/14
27 ERROL STAMBLER
28 Attorney for Defendant Erwin
Castillo

Exhibit A

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UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,
Plaintiff,
v.
ERWIN CASTILLO, R.N.,
Defendant.

CR No. 15-

I N F O R M A T I O N

[18 U.S.C. § 1347: Health Care Fraud; 26 U.S.C. § 7203: Willful Failure to File a Tax Return; 18 U.S.C. § 2: Aiding and Abetting and Causing An Act To Be Done]

The United States Attorney charges:

COUNT ONE

[18 U.S.C. § 1347; 18 U.S.C. § 2]

A. INTRODUCTORY ALLEGATIONS

At all times relevant to this Information:

Defendant, His Co-Schemers, and Related Entities

1. California Hospice Care, LLC ("California Hospice") was located at 740 East Arrow Highway, Suites C and D, Covina, California, within the Central District of California.

2. Defendant ERWIN CASTILLO, R.N. ("CASTILLO") was the Director of Nursing at California Hospice, and a registered nurse.

1 3. Co-schemer Priscilla Villabroza ("Villabroza") purchased
2 and financed the purchase of California Hospice for approximately
3 \$300,000 in or about November 2007.

4 4. In addition to California Hospice, co-schemer Villabroza
5 owned and operated Medicare Plus Home Health Providers, Inc., doing
6 business as ("dba") Blue Diamond Home Health Providers ("Medicare
7 Plus" or "Blue Diamond"), a purported home health agency, within the
8 Central District of California and elsewhere.

9 5. Co-Schemer Sharon Patrow, also known as ("aka") "Sharon
10 Garcia" ("Patrow"), co-schemer Villabroza's daughter, operated
11 California Hospice with co-schemer Villabroza.

12 6. Co-schemer Sri Wijegoonaratna, M.D., aka "Dr. J"
13 ("Wijegoonaratna"), was a physician and patient recruiter at
14 California Hospice.

15 7. Co-schemer Boyoa Huang, M.D. ("Huang") was a physician at
16 California Hospice.

17 8. Co-schemer Nancy Briones, R.N. ("Briones") was a registered
18 nurse and patient recruiter at California Hospice.

19 9. Co-schemer Roseilyn Montana ("Montana") was a patient
20 recruiter at California Hospice.

21 10. Co-schemers Mubina Siddiqui ("Siddiqui"), Kristen Castaneda
22 ("Castaneda"), and Janel Licayan ("Licayan") were quality assurance
23 ("QA") nurses at California Hospice.

24 The Medicare and Medi-Cal Programs

25 11. Medicare was a federal health care benefit program,
26 affecting commerce, that provided benefits to individuals who were
27 over the age of 65 or disabled.

28

1 12. Medicare was administered by the Centers for Medicare and
2 Medicaid Services ("CMS"), a federal agency under the United States
3 Department of Health and Human Services ("HHS").

4 13. Medi-Cal was a health care benefit program, affecting
5 commerce, for indigent individuals in California. Funding for Medi-
6 Cal was shared between the federal government and the state of
7 California.

8 14. The California Department of Health Care Services ("CAL-
9 DHCS") administered the Medi-Cal program. CAL-DHCS authorized
10 provider participation, determined beneficiary eligibility, issued
11 Medi-Cal cards to beneficiaries, and promulgated regulations for the
12 administration of the program.

13 15. Individuals receiving Medicare and Medi-Cal benefits were
14 known as "beneficiaries." Each Medicare beneficiary was given a
15 Health Identification Card Number ("HICN") unique to that
16 beneficiary.

17 16. Hospices, physicians, and other health care providers who
18 provided services to beneficiaries that were reimbursed by Medicare
19 and Medi-Cal were referred to as "providers."

20 17. To become eligible to participate in Medicare, Medicare
21 required prospective hospice providers to be licensed by a state or
22 local agency. After obtaining the applicable license, Medicare
23 required prospective hospice providers to submit an application in
24 which the prospective provider agreed to (a) comply with all
25 Medicare-related laws and regulations, including the prohibition
26 against payment of kickbacks for the referral of Medicare
27 beneficiaries; and (b) not to submit claims for payment to Medicare
28 knowing they were false or fraudulent or with deliberate ignorance or

1 reckless disregard of their truth or falsity. If Medicare approved
2 the application, Medicare assigned the provider an identifying
3 number, which enabled the provider to submit claims to Medicare for
4 reimbursement for services provided to Medicare beneficiaries.

5 18. To qualify for reimbursement for hospice services, Medicare
6 and Medi-Cal required a physician to certify that a beneficiary was
7 terminally ill. Medicare and Medi-Cal considered a beneficiary to be
8 "terminally ill" if the beneficiary's life expectancy was six months
9 or less if the illness ran its normal course. Hospice services
10 reimbursed by Medicare and Medi-Cal were palliative rather than
11 curative in nature and included, but were not limited to, medications
12 to manage pain symptoms, necessary medical equipment, and the
13 provision of bereavement services to surviving family members.

14 19. If a beneficiary had a primary care physician ("PCP"),
15 Medicare and Medi-Cal required the PCP and a physician at a hospice
16 to certify in writing that the beneficiary was terminally ill with a
17 life expectancy of six months or less, if the terminal illness ran
18 its normal course.

19 20. Medicare covered hospice services for those beneficiaries
20 who were eligible for Medicare Part A (hospital-related services).
21 When a Medicare beneficiary elected hospice coverage, the beneficiary
22 waived all rights to Medicare Part B (covering outpatient physician
23 services and procedures) coverage of services to treat or reverse the
24 beneficiary's terminal illness while the beneficiary was on hospice.

25 21. A beneficiary could elect to receive hospice benefits for
26 two periods of 90 days and, thereafter, additional services for
27 periods of 60 days per period.

28

1 22. After the first 90 day period, for the beneficiary to
2 continue to receive hospice benefits, Medicare required that a
3 physician re-certify that the beneficiary was terminally ill and
4 include clinical findings or other documentation supporting the
5 diagnosis of terminal illness. For re-certifications on or after
6 January 1, 2011, Medicare required a hospice physician or nurse
7 practitioner to meet with the beneficiary in-person before signing a
8 certification of terminal illness.

9 23. Most providers, including California Hospice, submitted
10 their claims electronically pursuant to an agreement with Medicare
11 that they would submit claims that were accurate, complete, and
12 truthful.

13 B. THE FRAUDULENT SCHEME

14 24. Beginning in or about November 2007, and continuing through
15 in or about June 2013, in Los Angeles County, within the Central
16 District of California, and elsewhere, defendant CASTILLO, together
17 with co-schemers Villabroza, Patrow, Wijegoonaratna, Huang, Briones,
18 Montana, and others known and unknown to the United States Attorney,
19 knowingly, willfully, and with intent to defraud, executed and
20 attempted to execute a scheme and artifice: (a) to defraud health
21 care benefit programs, namely, Medicare and Medi-Cal, as to material
22 matters in connection with the delivery of and payment for health
23 care benefits, items, and services; and (b) to obtain money from
24 Medicare and Medi-Cal by means of material false and fraudulent
25 pretenses and representations and the concealment of material facts
26 in connection with the delivery of and payment for health care
27 benefits, items, and services.

28

1 25. The fraudulent scheme operated, in substance, in the
2 following manner:

3 a. On or about August 15, 2007, federal agents executed a
4 search warrant at Medicare Plus. Thereafter, co-schemer Villabroza
5 learned that she was under investigation for health care fraud and
6 the payment of illegal kickbacks in exchange of the referral of
7 beneficiaries to Medicare Plus.

8 b. On or about November 29, 2007, co-schemer Villabroza
9 purchased and financed the purchase of California Hospice. To
10 conceal her ownership interest in California Hospice from federal
11 agents investigating fraud at Medicare Plus, from Medicare, and from
12 Medi-Cal, co-schemer Villabroza, in furtherance of the scheme to
13 defraud, identified, and caused to be identified, defendant CASTILLO
14 and co-schemer Patrow as the co-owners of California Hospice on
15 documents filed with the state of California, Medicare, Medi-Cal, and
16 the Internal Revenue Service.

17 c. California Hospice received few, if any, referrals
18 from beneficiaries' PCPs. Rather, co-schemers Villabroza and Patrow
19 paid patient recruiters, known as "marketers" or "cappers," including
20 co-schemer Montana and others known and unknown to the United States
21 Attorney, illegal kickbacks in exchange for their referring
22 beneficiaries to California Hospice. The amount of the kickback
23 varied depending on the agreement between co-schemer Villabroza, co-
24 schemer Patrow, and the marketer, but generally ranged between \$400
25 and \$1000 per month for each month a beneficiary referred by the
26 marketer purportedly received hospice-related services.

27 d. Co-schemers Villabroza and Patrow referred to
28 marketers as "business liaisons," "community liaisons," and "business

1 development representatives" in an effort to disguise the illegal
2 nature of their kickback relationship with these marketers.

3 e. If a recruited beneficiary was eligible to receive
4 hospice benefits from Medicare or Medi-Cal, defendant CASTILLO or
5 another co-schemer would direct a nurse to conduct an initial
6 assessment of the recruited beneficiary.

7 f. Regardless of the outcome of the assessment performed
8 by the nurse, co-schemer Wijegoonaratna, co-schemer Huang, or another
9 California Hospice physician created a fraudulent diagnosis and
10 falsely certified that the beneficiary was terminally ill. In fact,
11 and as defendant CASTILLO, co-schemer Wijegoonaratna, and co-schemer
12 Huang then well knew, the overwhelming majority of California Hospice
13 beneficiaries were not terminally ill.

14 g. Once the beneficiary was admitted to hospice care at
15 California Hospice, co-schemers Villabroza and Patrow caused
16 California Hospice to fraudulently bill Medicare or Medi-Cal for
17 purportedly providing hospice-related services, which were in fact
18 unnecessary.

19 h. In response to California Hospice's high volume of
20 claims, a Medicare contractor issued California Hospice Additional
21 Development Requests ("ADRs"), which sought further documentation to
22 support claims for hospice-related services.

23 i. To support the fraudulent diagnoses of terminal
24 illness made by co-schemers Wijegoonaratna and Huang, and to secure
25 payments from Medicare, defendant CASTILLO, together with co-schemers
26 Siddiqui, Castaneda, and Licayan, with the knowledge and assent of
27 co-schemer Patrow, submitted and caused to be submitted to Medicare
28 false information, including medical records they altered and caused

1 to be altered in response to ADRs. In particular, and in effort to
2 make it appear that beneficiaries were terminally ill, defendant
3 CASTILLO altered and caused the altering of advanced directives to
4 make it appear that the beneficiaries did not want to receive CPR or
5 other heroic measures when, in fact, the true advanced directives
6 completed by the beneficiaries had stated that such life-saving
7 procedures should be performed in the event of a medical crisis.

8 j. Between in or about March 2009 and in or about June
9 2013, defendant CASTILLO, together with co-schemers Villabroza,
10 Patrow, Wijegoonaratna, Huang, Briones, and Montana, and others known
11 and unknown to the United States Attorney, submitted and caused to be
12 submitted false and fraudulent claims to Medicare and Medi-Cal for
13 hospice-related services in the amounts of approximately \$6,861,346
14 and \$2,049,356, respectively. Based on these claims, Medicare and
15 Medi-Cal paid California Hospice approximately \$5,464,568 and
16 \$1,968,761, respectively.

17 26. On or about August 6, 2010, within the Central District of
18 California, and elsewhere, defendant CASTILLO, for the purpose of
19 executing and attempting to execute the fraudulent scheme described
20 above, knowingly and willfully submitted and caused to be submitted
21 to Medicare a false and fraudulent claim, number 21021800435002, in
22 the amount of approximately \$2,283.79 for payment for hospice-related
23 services purportedly provided to beneficiary L.O.

24

25

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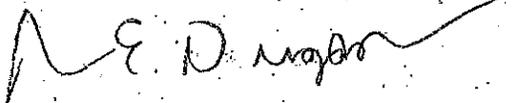
28

COUNT TWO

[26 U.S.C. § 7203]

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2
3 27. During the calendar year 2012, in Los Angeles County,
4 within the Central District of California, and elsewhere, defendant
5 ERWIN CASTILLO, R.N. ("CASTILLO") had and received a gross income of
6 approximately \$113,450 from his employment at California Hospice
7 Care, LLC and was required by law, after the close of the calendar
8 year 2012 and on or before April 15, 2013, to make an income tax
9 return to the Director, Internal Revenue Service Center at Fresno,
10 California, or any other proper officer of the United States, stating
11 specifically the items of his gross income and any deductions and
12 credits to which he was entitled. Knowing these facts, defendant
13 CASTILLO willfully failed to make an income tax return to said
14 Director of the Internal Revenue Service Center, or to any other
15 proper officer of the United States, within or at the time required
16 by law and regulation.
17

18 STEPHANIE YONEKURA
Acting United States Attorney

19 
20

21 ROBERT E. DUGDALE
Assistant United States Attorney
22 Chief, Criminal Division

23 RICHARD M. ROBINSON
Assistant United States Attorney
24 Chief, Major Frauds Section

25 JILL FEENEY
Assistant United States Attorney
26 Deputy Chief, Major Frauds Section

27 GRANT B. GELBERG
Assistant United States Attorney
28 Major Frauds Section

**United States District Court
Central District of California**

UNITED STATES OF AMERICA vs.

Docket No. CR 15-00018 SJO

Defendant CASTILLO, Erwin
 Erwin Baguisi Castillo (True full name)
 akas: Erwin Bagise Castillo (name per DMV)

Social Security No. █-█-█-█
 (Last 4 digits)

JUDGMENT AND PROBATION/COMMITMENT ORDER

In the presence of the attorney for the government, the defendant appeared in person on this date.

MONTH	DAY	YEAR
July	25,	2016

COUNSEL Errol H. Stambler (Appointed)
 (Name of Counsel)

PLEA **GUILTY**, and the court being satisfied that there is a factual basis for the plea. **NOLO** **NOT**
CONTENDERE **GUILTY**

FINDING There being a finding/verdict of **GUILTY**, defendant has been convicted as charged of the offense(s) of:
18 U.S.C. § 1347, 2: Health Care Fraud, Aiding and Abetting as charged in Count 1 of the Indictment; 26 U.S.C. § 7203: Willful Failure to File a Tax Return as charged in Count 2 of the Indictment.

JUDGMENT AND PROB/ COMM ORDER The Court asked whether there was any reason why judgment should not be pronounced. Because no sufficient cause to the contrary was shown, or appeared to the Court, the Court adjudged the defendant guilty as charged and convicted and ordered that: Pursuant to the Sentencing Reform Act of 1984, it is the judgment of the Court that the defendant is hereby committed to the custody of the Bureau of Prisons to be imprisoned for a term of:

It is ordered that the defendant shall pay to the United States a special assessment of \$100, which is due immediately. Any unpaid balance shall be due during the period of imprisonment, at the rate of not less than \$25 per quarter, and pursuant to the Bureau of Prisons' Inmate Financial Responsibility Program.

Defendant shall pay restitution in the amount of \$7,433,329 pursuant to 18 U.S.C. § 3663A, and \$29,904 pursuant to 18 U.S.C. § 3663, for a total amount of \$7,463,233, to victims as set forth in a separate victim list prepared by the probation office which this Court adopts and which reflects the Court's determination of the amount of restitution due to each victim. The victim list, which shall be forwarded to the fiscal section of the clerk's office, shall remain confidential to protect the privacy interests of the victims.

A partial payment of \$30,000 shall be paid immediately. Restitution shall be due during the period of imprisonment, at the rate of not less than \$25 per quarter, and pursuant to the Bureau of Prisons' Inmate Financial Responsibility Program. If any amount of the restitution remains unpaid after release from custody, nominal monthly payments of at least 10% of defendant's gross monthly income but not less than \$300, whichever is greater, shall be made during the period of supervised release and shall begin 30 days after the commencement of supervision. Nominal restitution payments are ordered as the Court finds that the defendant's economic circumstances do not allow for either immediate or future payment of the amount ordered.

If the defendant makes a partial payment, each payee shall receive approximately proportional payment unless another priority order or percentage payment is specified in the judgment. The defendant shall be held jointly and severally liable with the defendants in the related cases ("co-schemers") for the restitution amount to Medicare as ordered in this judgment. See list of co-schemers identified as defendants in the related cases below.

1. United States v. Ramon Parayno, CR 15-548-SJO
2. United States v. Kristen Castaneda, CR 15-14-SJO
3. United States v. Janel Licayan, CR 15-04-SJO
4. United States v. Priscilla Villabroza, CR 14-512-SJO
5. United States v. Mubina Siddiqui, CR 15-719-SJO
6. United States v. Erwin Castillo, CR 15-18-SJO
7. United States v. Sharon Patrow, CR 14-512-SJO
8. United States v. Nancy Briones, CR 14-512-SJO
9. United States v. Sri Wijegoonaratna, CR 14-512-SJO
10. United States v. Boyao Huang, CR 14-512-SJO

Pursuant to 18 U.S.C. § 3612(f)(3)(A), interest on the restitution ordered is waived because the defendant does not have the ability to pay interest.

The defendant shall comply with General Order No. 01-05.

All fines are waived as it is found that the defendant does not have the ability to pay a fine in addition to restitution.

Pursuant to the Sentencing Reform Act of 1984, it is the judgment of the Court that the defendant, Erwin Castillo, is hereby committed on Counts 1 and 2 of the 2-Count Information to the custody of the Bureau of Prisons for a term of 27 months. This term consists of 27 months on Count 1 and 12 months on Count 2 of the 2-Count Information, all to be served concurrently.

Upon release from imprisonment, the defendant shall be placed on supervised release for a term of three years. This term consists of three years on Count 1 and 1 year on Count 2 of the 2-Count Information, all such terms to run concurrently under the following terms and conditions:

1. The defendant shall comply with the rules and regulations of the United States Probation Office, General Order 05-02, and General Order 01-05, including the three special conditions delineated in General Order 01-05.
2. The defendant shall not commit any violation of local, state, or Federal law or ordinance.
3. During the period of community supervision, the defendant shall pay the special assessment and

restitution in accordance with this judgment's orders pertaining to such payment.

4. When not employed or excused by the Probation Officer for schooling, training, or other acceptable reasons, the defendant shall perform 20 hours of community service per week as directed by the Probation Office.
5. The defendant shall truthfully and timely file and pay taxes owed for the years of conviction, and shall truthfully and timely file and pay taxes during the period of community supervision. Further, the defendant shall show proof to the Probation Officer of compliance with this order.
6. The defendant shall not engage, as whole or partial owner, employee or otherwise, in any business involving the provision of medical services to Government health care program beneficiaries without the express approval of the Probation Officer prior to engaging in such employment. Further, the defendant shall provide the Probation Officer with access to any and all business records, client lists, and other records pertaining to the operation of any health care business owned, in whole or in part, by the defendant, as directed by the Probation Officer.
7. The defendant shall cooperate in the collection of a DNA sample from the defendant.
8. The defendant shall apply all monies received from income tax refunds to the outstanding court-ordered financial obligation. In addition, the defendant shall apply all monies received from lottery winnings, inheritance, judgments and any anticipated or unexpected financial gains to the outstanding court-ordered financial obligation.
9. The defendant is Ordered to report his conviction in this case to the appropriate licensing agencies, both state and federal, and the Probation Officer shall confirm that the defendant has reported his convictions as ordered.
10. The defendant's employment must be approved by the Probation Officer. Any change in defendant's employment must be approved by the Probation Officer, and notice of any change of employment must be given to the Probation Officer 30 days prior to any change. The defendant shall report his conviction in this case to the authorities at Kaiser, where the defendant now works, and the Probation Officer shall verify that the defendant has reported this to Kaiser.

It is further ordered that the defendant surrender himself to the institution designated by the Bureau of Prisons at or before 12 noon, Friday, September 23, 2016. In the absence of such designation, the defendant shall report on or before the same date and time, to the United States Marshal at Roybal Federal Building, 255 East Temple St., Los Angeles, California, 90012.

The Court advises the Defendant of his right to appeal.

The Court recommends that the defendant shall be designated in Southern California.

USA vs. CASTILLO, Erwin

Docket No.: CR 15-00018 SJO

The bond shall be exonerated upon surrender.

In addition to the special conditions of supervision imposed above, it is hereby ordered that the Standard Conditions of Probation and Supervised Release within this judgment be imposed. The Court may change the conditions of supervision, reduce or extend the period of supervision, and at any time during the supervision period or within the maximum period permitted by law, may issue a warrant and revoke supervision for a violation occurring during the supervision period.

S. James Otero

July 25, 2016

Date

S. James Otero

U. S. District Judge/Magistrate Judge

It is ordered that the Clerk deliver a copy of this Judgment and Probation/Commitment Order to the U.S. Marshal or other qualified officer.

Clerk, U.S. District Court

July 25, 2016

Filed Date

By Victor Paul Cruz

Deputy Clerk

Victor Paul Cruz

The defendant shall comply with the standard conditions that have been adopted by this court (set forth below).

STANDARD CONDITIONS OF PROBATION AND SUPERVISED RELEASE

While the defendant is on probation or supervised release pursuant to this judgment:

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1. The defendant shall not commit another Federal, state or local crime;
2. the defendant shall not leave the judicial district without the written permission of the court or probation officer;
3. the defendant shall report to the probation officer as directed by the court or probation officer and shall submit a truthful and complete written report within the first five days of each month;
4. the defendant shall answer truthfully all inquiries by the probation officer and follow the instructions of the probation officer;
5. the defendant shall support his or her dependents and meet other family responsibilities;
6. the defendant shall work regularly at a lawful occupation unless excused by the probation officer for schooling, training, or other acceptable reasons;
7. the defendant shall notify the probation officer at least 10 days prior to any change in residence or employment;
8. the defendant shall refrain from excessive use of alcohol and shall not purchase, possess, use, distribute, or administer any narcotic or other controlled substance, or any paraphernalia related to such substances, except as prescribed by a physician;
9. the defendant shall not frequent places where controlled substances are illegally sold, used, distributed or administered;
10. the defendant shall not associate with any persons engaged in criminal activity, and shall not associate with any person convicted of a felony unless granted permission to do so by the probation officer;
11. the defendant shall permit a probation officer to visit him or her at any time at home or elsewhere and shall permit confiscation of any contraband observed in plain view by the probation officer;
12. the defendant shall notify the probation officer within 72 hours of being arrested or questioned by a law enforcement officer;
13. the defendant shall not enter into any agreement to act as an informer or a special agent of a law enforcement agency without the permission of the court;
14. as directed by the probation officer, the defendant shall notify third parties of risks that may be occasioned by the defendant's criminal record or personal history or characteristics, and shall permit the probation officer to make such notifications and to conform the defendant's compliance with such notification requirement;
15. the defendant shall, upon release from any period of custody, report to the probation officer within 72 hours;
16. and, for felony cases only; not possess a firearm, destructive device, or any other dangerous weapon.

The defendant will also comply with the following special conditions pursuant to General Order 01-05 (set forth below).

STATUTORY PROVISIONS PERTAINING TO PAYMENT AND COLLECTION OF FINANCIAL SANCTIONS

The defendant shall pay interest on a fine or restitution of more than \$2,500, unless the court waives interest or unless the fine or restitution is paid in full before the fifteenth (15th) day after the date of the judgment pursuant to 18 U.S.C. §3612(f)(1). Payments may be subject to penalties for default and delinquency pursuant to 18 U.S.C. §3612(g). Interest and penalties pertaining to restitution, however, are not applicable for offenses completed prior to April 24, 1996.

If all or any portion of a fine or restitution ordered remains unpaid after the termination of supervision, the defendant shall pay the balance as directed by the United States Attorney's Office. 18 U.S.C. §3613.

The defendant shall notify the United States Attorney within thirty (30) days of any change in the defendant's mailing address or residence until all fines, restitution, costs, and special assessments are paid in full. 18 U.S.C. §3612(b)(1)(F).

The defendant shall notify the Court through the Probation Office, and notify the United States Attorney of any material change in the defendant's economic circumstances that might affect the defendant's ability to pay a fine or restitution, as required by 18 U.S.C. §3664(k). The Court may also accept such notification from the government or the victim, and may, on its own motion or that of a party or the victim, adjust the manner of payment of a fine or restitution-pursuant to 18 U.S.C. §3664(k). See also 18 U.S.C. §3572(d)(3) and for probation 18 U.S.C. §3563(a)(7).

Payments shall be applied in the following order:

1. Special assessments pursuant to 18 U.S.C. §3013;
2. Restitution, in this sequence:
 - Private victims (individual and corporate),
 - Providers of compensation to private victims,
 - The United States as victim;
3. Fine;
4. Community restitution, pursuant to 18 U.S.C. §3663(c); and
5. Other penalties and costs.

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SPECIAL CONDITIONS FOR PROBATION AND SUPERVISED RELEASE

As directed by the Probation Officer, the defendant shall provide to the Probation Officer: (1) a signed release authorizing credit report inquiries; (2) federal and state income tax returns or a signed release authorizing their disclosure; and (3) an accurate financial statement, with supporting documentation as to all assets, income and expenses of the defendant. In addition, the defendant shall not apply for any loan or open any line of credit without prior approval of the Probation Officer.

The defendant shall maintain one personal checking account. All of defendant's income, "monetary gains," or other pecuniary proceeds shall be deposited into this account, which shall be used for payment of all personal expenses. Records of all other bank accounts, including any business accounts, shall be disclosed to the Probation Officer upon request.

The defendant shall not transfer, sell, give away, or otherwise convey any asset with a fair market value in excess of \$500 without approval of the Probation Officer until all financial obligations imposed by the Court have been satisfied in full.

These conditions are in addition to any other conditions imposed by this judgment.

RETURN

I have executed the within Judgment and Commitment as follows:

Defendant delivered on _____ to _____
Defendant noted on appeal on _____
Defendant released on _____
Mandate issued on _____
Defendant's appeal determined on _____
Defendant delivered on _____ to _____
at _____

the institution designated by the Bureau of Prisons, with a certified copy of the within Judgment and Commitment.

United States Marshal

By _____
Deputy Marshal

Date _____

CERTIFICATE

I hereby attest and certify this date that the foregoing document is a full, true and correct copy of the original on file in my office, and in my legal custody.

By _____
Clerk, U.S. District Court

USA vs. CASTILLO, Erwin

Docket No.: CR 15-00018 SJO

Filed Date

Deputy Clerk

FOR U.S. PROBATION OFFICE USE ONLY

Upon a finding of violation of probation or supervised release, I understand that the court may (1) revoke supervision, (2) extend the term of supervision, and/or (3) modify the conditions of supervision.

These conditions have been read to me. I fully understand the conditions and have been provided a copy of them.

(Signed) _____
Defendant

Date

U. S. Probation Officer/Designated Witness

Date