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

UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA
February 2012 Grand Jury

CR12-0415

UNITED STATES OF AMERICA,)
)
Plaintiff,)
)
v.)
)
GEORGE SAMUEL LAING,)
AUGUSTUS OHMENG, M.D.,)
GEORGE TARRYK, M.D., and)
EMMANUEL CHIDUEME,)
)
Defendants.)

No. CR
INDICTMENT
[18 U.S.C. § 1347: Health Care
Fraud; 18 U.S.C. § 2(b):
Causing an Act To Be Done]

The Grand Jury charges:

COUNTS ONE THROUGH SIX
[18 U.S.C. §§ 1347, 2(b)]

A. INTRODUCTORY ALLEGATIONS

At all times relevant to this Indictment:

The Defendants, the Pacific Clinic, Ivy Medical Supply, and Santos Medical Supply

1. Defendant GEORGE SAMUEL LAING ("LAING") was the manager and operator of the medical clinic that was located at

RSK

1 2491 Pacific Avenue, Suite #2, Long Beach, California (the
2 "Pacific Clinic"), within the Central District of California.

3 2. Defendant AUGUSTUS OHEMENG, M.D. ("OHEMENG") was a
4 physician who treated patients at the Pacific Clinic.

5 3. Defendant GEORGE TARRYK, M.D. ("TARRYK") was a
6 physician who treated patients at the Pacific Clinic.

7 4. Defendant EMMANUEL CHIDUEME was the owner and operator
8 of Ivy Medical Supply, Inc. ("Ivy"), a durable medical equipment
9 ("DME") supply company.

10 5. From in or about June 2004 until at least in or about
11 September 2009, Ivy was located at 1304 South Magnolia Avenue,
12 Anaheim, California, within the Central District of California.
13 Ivy became a Medicare provider and was issued a Medicare provider
14 number on or about June 30, 2002.

15 6. Santos Medical Supply ("Santos") was a DME supply
16 company located at 2821 South Vermont Avenue in Los Angeles,
17 California, within the Central District of California.

18 7. Ivy and Santos purported to provide to Medicare
19 beneficiaries, among other things, enteral nutrition, which was a
20 liquid nutritional supplement sold under brand names such as
21 Ensure and Glucerna, and enteral nutrition feeding supply kits,
22 which were kits that included syringes used to administer enteral
23 nutrition to patients who received their nutrition through a
24 feeding tube rather than by mouth.

25 8. Between in or about February 2005 and in or about
26 September 2008, defendants OHEMENG and TARRYK, while practicing
27 at the Pacific Clinic, prescribed enteral nutrition and feeding
28 supply kits to approximately 370 Medicare beneficiaries whom

1 defendant LAING referred to Santos. Between in or about February
2 2005 and in or about September 2009, defendants OHEMENG and
3 TARRYK, while practicing at the Pacific Clinic, prescribed
4 enteral nutrition and feeding supply kits to approximately 367
5 Medicare beneficiaries whom defendant LAING referred to Ivy.

6 9. Between in or about February 2005 and in or about
7 September 2009, based on prescriptions written by defendants
8 OHEMENG and TARRYK, Santos and Ivy billed Medicare approximately
9 \$2,373,922 and \$3,314,177, respectively, for enteral nutrition
10 and feeding supply kits allegedly supplied to Medicare
11 beneficiaries. Based on these claims, Medicare paid Santos and
12 Ivy approximately \$1,451,414 and \$1,518,254, respectively.

13 The Medicare Program

14 10. Medicare was a federal health care benefit program,
15 affecting commerce, that provided benefits to individuals who
16 were over the age of 65 or disabled. Medicare was administered
17 by the Centers for Medicare and Medicaid Services ("CMS"), a
18 federal agency within the United States Department of Health and
19 Human Services.

20 11. Individuals who qualified for Medicare benefits were
21 commonly referred to as Medicare "beneficiaries." Each
22 beneficiary was given a Health Identification Card Number
23 ("HICN") unique to that beneficiary.

24 12. DME companies, physicians, and other health care
25 providers that provided services that were reimbursed by
26 Medicare were referred to as "providers."

27 13. To become eligible to participate in Medicare, Medicare
28 required DME companies to submit an application in which the

1 company agreed to comply with all Medicare-related laws and
2 regulations. If Medicare approved the application, Medicare
3 assigned the DME company a Medicare "provider number," which
4 enabled the DME company to submit claims to Medicare for
5 reimbursement for products provided to Medicare beneficiaries.

6 14. Most DME providers, including Santos and Ivy, submitted
7 their claims electronically.

8 15. Medicare required a claim for Medicare reimbursement of
9 DME to set forth, among other things, the beneficiary's name and
10 HICN, the type of DME provided to the beneficiary, the date that
11 the DME was provided, and the name and Unique Physician
12 Identification Number ("UPIN") and/or the National Provider
13 Identifier ("NPI") of the physician who prescribed or ordered the
14 DME.

15 16. Medicare reimbursed DME providers only for DME that was
16 medically necessary to the treatment of a beneficiary's illness
17 or injury, was prescribed by a beneficiary's physician, and was
18 provided in accordance with Medicare regulations and guidelines
19 that governed whether a particular item would be reimbursed by
20 Medicare.

21 17. To bill Medicare, a DME provider submitted a claim
22 (Form 1500), which Medicare required to be truthful, complete,
23 and not misleading. In addition, when submitting a claim to
24 Medicare, a DME provider certified that the services or supplies
25 covered by the claim were medically necessary.

26 18. Prior to January 2007, for some types of DME, including
27 enteral nutrition, Medicare also required a Certificate of
28 Medical Necessity ("CMN"), signed by the referring physician,

1 certifying that the patient had the medical conditions necessary
2 to justify the DME.

3 19. For enteral nutrition to be covered by Medicare, the
4 Medicare beneficiary who received the enteral nutrition must have
5 had some illness or injury that prevented him from swallowing or
6 ingesting nutrients by mouth. Medicare would not cover
7 nutritional supplements for patients who were able to drink
8 nutritional supplements normally.

9 20. Patients receiving enteral nutrition through a feeding
10 tube required approximately 1600 calories per day. Such patients
11 generally required one syringe per day to inject the enteral
12 nutrition into a feeding tube.

13 B. THE FRAUDULENT SCHEME

14 21. Beginning on or about February 28, 2005, and continuing
15 through on or about September 30, 2009, in Los Angeles County,
16 within the Central District of California, and elsewhere,
17 defendants LAING, OHEMENG, TARRYK, and CHIDUEME, together with
18 others known and unknown to the Grand Jury, knowingly, willfully,
19 and with intent to defraud, executed and attempted to execute a
20 scheme and artifice: (a) to defraud a health care benefit
21 program, namely Medicare, as to material matters in connection
22 with the delivery of and payment for health care benefits, items,
23 and services; and (b) to obtain money from Medicare by means of
24 material false and fraudulent pretenses and representations and
25 the concealment of material facts in connection with the delivery
26 of and payment for health care benefits, items, and services.

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

1 a. Defendant LAING opened and operated the Pacific
2 Clinic and recruited defendants OHEMENG and TARRYK as treating
3 physicians for the clinic.

4 b. Defendant CHIDUEME established Ivy, a retail DME
5 company, and operated Ivy for the purpose of submitting claims to
6 the Medicare program.

7 c. Defendant LAING used patient recruiters, known as
8 "marketers" or "cappers," for the purpose of bringing Medicare
9 beneficiaries to the Pacific Clinic.

10 d. At the Pacific Clinic, defendants OHEMENG and
11 TARRYK performed physical examinations and administered tests for
12 Medicare beneficiaries. Following the examinations, defendants
13 OHEMENG and TARRYK prescribed Medicare beneficiaries 1600
14 calories of enteral nutrition per day "with feeding syringes."

15 e. The prescriptions for enteral nutrition and
16 feeding syringes written by defendants OHEMENG and TARRYK were
17 fraudulent in that the Medicare beneficiaries were not tube fed,
18 did not require a full daily value of 1600 calories in liquid
19 nutrition, and had no need for prescription syringes.

20 f. Defendant OHEMENG fraudulently and falsely signed
21 CMNs certifying that patients were tube fed and could not ingest
22 food orally, even though, as defendant OHEMENG then well knew,
23 the patients did not have a feeding tube and could ingest food
24 orally.

25 g. Once defendants OHEMENG and TARRYK wrote the false
26 and fraudulent enteral nutrition prescriptions, defendant LAING
27 referred the prescriptions to DME supply companies, including
28 Santos and Ivy, in exchange for kickback payments. A Santos

1 employee, J.G., and others known and unknown to the Grand Jury,
2 paid LAING approximately \$300 for each enteral nutrition and
3 feeding supply kit prescription. Defendant CHIDUEME, on behalf
4 of Ivy, also made kickback payments to defendant LAING in
5 exchange for the referral of enteral nutrition and feeding supply
6 kit prescriptions.

7 h. Based on the false and fraudulent prescriptions
8 written by defendants OHEMENG and TARRYK and referred by
9 defendant LAING, one or more co-schemers at Santos submitted and
10 caused to be submitted false and fraudulent claims to Medicare on
11 behalf of Santos, falsely representing that Santos had supplied
12 Medicare beneficiaries with certain quantities of medically
13 necessary enteral nutrition and feeding supply kits when, in
14 truth and fact, the enteral nutrition and feeding supply kits
15 were not medically necessary because the beneficiaries were
16 drinking the liquid nutrition normally and Santos was supplying
17 only a fraction of the enteral nutrition and supply kits for
18 which it was billing Medicare.

19 i. Based on the false and fraudulent prescriptions
20 written by defendants OHEMENG and TARRYK and referred by
21 defendant LAING, defendant CHIDUEME submitted and caused to be
22 submitted false and fraudulent claims to Medicare on behalf of
23 Ivy, falsely representing that Ivy had supplied Medicare
24 beneficiaries with certain quantities of medically necessary
25 enteral nutrition and feeding supply kits when, in truth and
26 fact, the enteral nutrition and feeding supply kits were not
27 medically necessary because the beneficiaries were drinking the
28 liquid nutrition normally and Ivy was supplying only a fraction

1 of the enteral nutrition and feeding supply kits for which it was
 2 billing Medicare.

3 j. Between in or about February 2005 and in or about
 4 September 2008, Santos submitted false and fraudulent claims to
 5 Medicare for enteral nutrition and enteral nutrition feeding
 6 supply kits in the amount of approximately \$2,373,922. Medicare
 7 in turn paid Santos approximately \$1,451,414 on those claims.

8 k. Between in or about February 2005 and in or about
 9 September 2009, Ivy submitted false and fraudulent claims to
 10 Medicare for enteral nutrition and enteral nutrition feeding
 11 supply kits in the amount of approximately \$3,314,177. Based on
 12 these claims, Medicare paid Ivy approximately \$1,518,254.

13 C. EXECUTION OF THE FRAUDULENT SCHEME

14 23. On or about the dates set forth below, within the
 15 Central District of California and elsewhere, the defendants
 16 listed below, together with others known and unknown to the Grand
 17 Jury, for the purpose of executing and attempting to execute the
 18 fraudulent scheme described above, knowingly and willfully caused
 19 to be submitted to Medicare the following false and fraudulent
 20 claims for payment for DME purportedly provided to the
 21 beneficiaries listed below:

22

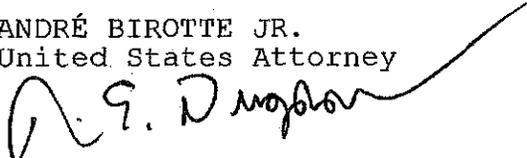
<u>COUNT</u>	<u>DEFENDANT</u>	<u>CLAIM NUMBER/ DME COMPANY</u>	<u>DATE CLAIM SUBMITTED</u>	<u>AMOUNT OF CLAIM</u>	<u>BENEFICIARY - TYPE OF DME</u>
ONE	LAING, OHEMENG, TARRYK	10712284 7993000 (SANTOS)	05/2/2007	\$636.43	S.Y. - enteral nutrition and syringes

1	TWO	LAING, OHEMENG, TARRYK	10818385 3073000 (SANTOS)	7/1/2008	\$636.43	S.P. - enteral nutrition and syringes
2						
3	THREE	LAING, OHEMENG, TARRYK	10824682 7299000 (SANTOS)	9/2/2008	\$971.10	S.L. - enteral nutrition and syringes
4						
5	FOUR	LAING, OHEMENG, TARRYK, CHIDUEME	10833785 8672000 (IVY)	12/02/2008	\$779.65	S.L. - enteral nutrition and syringes
6						
7	FIVE	LAING, OHEMENG, TARRYK, CHIDUEME	10915680 5900000 (IVY)	06/05/2009	\$754.50	S.P. - enteral nutrition and syringes
8						
9	SIX	LAING, OHEMENG, TARRYK, CHIDUEME	10924580 6295000 (IVY)	09/02/2009	\$754.50	S.Y. - enteral nutrition and syringes
10						
11						
12						
13						

A TRUE BILL

181
Foreperson

18
19 ANDRÉ BIROTTE JR.
United States Attorney

20 
21 ROBERT E. DUGDALE
Assistant United States Attorney
22 Chief, Criminal Division

23 BEONG-SOO KIM
Assistant United States Attorney
24 Chief, Major Frauds Section

25 CONSUELO S. WOODHEAD
Assistant United States Attorney
26 Deputy Chief, Major Frauds Section

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

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CRIMINAL MINUTES - SENTENCING AND JUDGMENT

(Amended)

Case No. CR12-415-CAS Date October 31, 2016

Present: The Honorable CHRISTINA A. SNYDER

CATHERINE M. JEANG LAURA ELIAS KRISTEN WILLIAMS

Deputy Clerk Court Reporter/Recorder Assistant U.S. Attorney

Defendant Custody Bond Counsel for Defendant Retd. DFPD Panel Interpreter
1) GEORGE SAMUEL LAING 1) JILBERT TAHMAZIAN

PROCEEDINGS: SENTENCING AND JUDGMENT HEARING Contested Non-Evidentiary

Day (if continued from a prior hearing date)

Refer to Judgment and Probation/Commitment Order; signed copy attached hereto. Refer to separate Judgment Order.

Imprisonment for Years/months on each of counts

Count(s) concurrent/consecutive to count(s)

Fine of \$ is imposed on each of count(s) concurrent/consecutive.

Execution/Imposition of sentence as to imprisonment only suspended on count(s)

Confined in jail-type institution for to be served on consecutive days/weekends

commencing

years/months Supervised Release/Probation imposed on count(s)

consecutive/concurrent to count(s)

under the usual terms & conditions (see back of Judgment/Commitment Order) and the following additional terms and conditions, under

the direction of the Probation Office:

Perform hours of community service.

Serve in a CCC/CTC.

Pay \$ fine amounts & times determined by P/O.

Make \$ restitution in amounts & times determined by P/O.

Participate in a program for treatment of narcotic/alcohol addiction.

Pay any fine imposed by this sentence & that remains unpaid at commencement of community supervision. Comply with

rules/regulations of ICE, if deported not return to U.S.A. illegally and upon any reentry during period of supervision report to the

nearest P/O within 72 hours.

Other conditions:

Pursuant to Section 5E1.2(e), all fines are waived, including costs of imprisonment & supervision. The Court finds the defendant

does not have the ability to pay.

Pay \$ per count, special assessment to the United States for a

total of \$

Imprisonment for months/years and for a study pursuant to 18 USC

with results to be furnished to the Court within days/months whereupon the sentence shall be subject to

modification. This matter is set for further hearing on

Government's motion, all remaining count(s)/underlying indictment/information, ordered dismissed.

Defendant informed of right to appeal.

ORDER sentencing transcript for Sentencing Commission. Processed statement of reasons.

Bond exonerated forthwith upon surrender upon service of

Execution of sentence is stayed until 12 noon,

at which time the defendant shall surrender to the designated facility of the Bureau of Prisons, or, if no designation made, to the

U.S. Marshal.

Defendant ordered remanded to/released from custody of U.S. Marshal forthwith.

Issued Remand/Release #

Present bond to continue as bond on appeal. Appeal bond set at \$

Filed and distributed judgment. ENTERED.

Other

Initials of Deputy Clerk 00 : 37 CMJ

UNITED STATES OF AMERICA vs.

Docket No. CR12-415-CAS-1

Defendant GEORGE SAMUEL LAING
akas: N/A

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
10	31	2016

COUNSEL

Jilbert Tahmazian, Retained

(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:

Health Care Fraud in violation of 18 U.S.C. § 1347, in violation of Count 1 of the 6-Count 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 Count 1 of the 6-Count Indictment to the custody of the Bureau of Prisons to be imprisoned for a term of: **TIME SERVED**.

It is ordered that the defendant shall pay to the United States a special assessment of \$100.00, which is due immediately. Any unpaid balance shall be due during the period of imprisonment, at the rate of not less than \$25.00 per quarter, and pursuant to the Bureau of Prisons' Inmate Financial Responsibility Program.

It is ordered that the defendant shall pay restitution in the total amount of \$2,969,668, pursuant to 18 U.S.C. § 3663A.

The amount of restitution ordered shall be paid to the victim 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 victim.

Nominal monthly payments of at least \$1,000.00 shall be made during the period of supervised release. These payments shall begin 30 days from the date of this judgment. 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.

The defendant shall be held jointly and severally liable with co-participants George Tarryk, Augustus Ohemeng, and Emmanuel Chidueme (CR12-415); and Elise Edmond, Marlon Palma, Leslie Duarte, Evan Gonzalez, Kelechi Ajoku, and Gloria Hernandez (CR08-1094), for the amount of restitution

ordered in this judgment. The victim's recovery is limited to the amount of its loss and the defendant's liability for restitution ceases if and when the victims receive full restitution.

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. Payments may be subject to penalties for default and delinquency pursuant to 18 U.S.C. § 3612(g).

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.

Upon release from imprisonment, the defendant shall be placed on supervised release for a term of two (2) years under the following terms and conditions:

1. The defendant shall comply with the rules and regulations of the U. S. 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 reside at a residential re-entry center (RRC), under the community corrections component, for a period not to exceed four (4) months, and shall comply with all rules and regulations of the RRC, until discharged by the program director, with the approval of the Probation Officer;
3. Upon release from the RRC, the defendant shall participate for a period of four (4) months in a home detention program which may include electronic monitoring, GPS, Alcohol Monitoring Unit or automated identification systems and shall observe all rules of such program, as directed by the Probation Officer. The defendant shall maintain a residential telephone line without devices and/or services that may interrupt operation of the monitoring equipment;
4. The defendant shall pay the costs of home confinement monitoring to the contract vendor, not to exceed the sum of \$12.00 for each day of participation. The defendant shall provide payment and proof of payment as directed by the Probation Officer;
5. The defendant shall not commit any violation of local, state or federal law or ordinance;
6. The defendant shall refrain from any unlawful use of a controlled substance. The defendant shall submit to one (1) drug test within 15 days of release from imprisonment and at least two (2) periodic drug tests thereafter, not to exceed eight (8) tests per month, as directed by the Probation Officer;

7. The defendant shall participate in an outpatient substance abuse treatment and counseling program that includes urinalysis, breath, and/or sweat patch testing, as directed by the Probation Officer. The defendant shall abstain from using illicit drugs and alcohol, and abusing prescription medications during the period of supervision;
8. During the course of supervision, the Probation Officer, with the agreement of the defendant and defense counsel, may place the defendant in a residential drug treatment program approved by the United States Probation Office for treatment of narcotic addiction or drug dependency, which may include counseling and testing, to determine if the defendant has reverted to the use of drugs, and the defendant shall reside in the treatment program until discharged by the Program Director and Probation Officer;
9. As directed by the Probation Officer, the defendant shall pay all or part of the costs of treating the defendant's drug and alcohol dependency to the aftercare contractor during the period of community supervision, pursuant to 18 U.S.C. § 3672. The defendant shall provide payment and proof of payment as directed by the Probation Officer;
10. The Court authorizes the Probation Office to disclose the Presentence Report to the substance abuse treatment provider to facilitate the defendant's treatment for narcotic addiction or drug dependency. Further redisclosure of the Presentence Report by the treatment provider is prohibited without the consent of the sentencing judge;
11. 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;
12. The defendant shall comply with the immigration rules and regulations of the United States, and if deported or removed from this country, either voluntarily or involuntarily, not reenter the United States illegally. The defendant is not required to report to the Probation Office while residing outside of the United States; however, within 72 hours of release from any custody or any reentry to the United States during the period of Court-ordered supervision, the defendant shall report for instructions to the United States Probation Office, located at the United States Court House, 312 North Spring Street, Room 600, Los Angeles, California 90012;
13. The defendant shall not engage, as whole or partial owner, employee or otherwise, in any business involving providing medical care to Medicare-eligible patients without the express approval of the Probation Officer prior to engagement in such employment and without notice to the employer of this conviction. 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 business owned, in whole or in part, by the defendant, as directed by the Probation Officer;

14. The defendant shall cooperate in the collection of a DNA sample from the defendant; and
15. The defendant shall apply all monies received from income tax refunds, lottery winnings, inheritance, judgements and any anticipated or unexpected financial gains to the outstanding court-ordered financial obligation.

Defendant is informed of his right to appeal.

Bond is exonerated forthwith.

The Court grants the Government's request to dismiss the remaining counts of the Indictment.

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.

October 31, 2016

Date

Christina A. Snyder

Christina A. Snyder, U. S. District 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

October 31, 2016

Filed Date

By

/s/

C. Jeang, Deputy Clerk

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:

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 (pursuant to 18 U.S.C. §3664(i), all non-federal victims must be paid before the United States is paid):
 - Non-federal victims (individual and corporate),
 - Providers of compensation to non-federal 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.

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 _____

Date

Deputy Marshal

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.

Clerk, U.S. District Court

By _____

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

**Declaration of Socorro Tongco
(in Support of Notice of Provider Suspension)**

I, Socorro Tongco, hereby declare and state as follows:

1. I make this declaration of my own personal knowledge and if called to testify, I could and would testify competently to the matters stated herein.
2. I am employed by the State of California, Department of Industrial Relations (“Department”), Office of the Director, as a Special Investigator. I have been an investigator with the Department since 2006. I make this Declaration in support of the “Notice of Provider Suspension – Workers’ Compensation” issued by the Acting Administrative Director of the Division of Workers’ Compensation, attached herein.
3. As part of my duties as a Special Investigator, I have access to investigative tools and internet-based information databases such as Thomson Reuters Clear, and LexisNexis Accurint. These database resources provide access to public and non-public records that we use as necessary, for purposes of our legal work and representation of the Department in workers’ compensation cases and in other litigation, to locate individuals, uncover assets, and verify identities.
4. On or about October 19, 2017, I noted the address of record for George Samuel Laing with the U.S.D.C. Central District of California as 2491 Pacific Avenue, Suite #2 Long Beach, CA 90806.
5. On or about October 19, 2017, I ran a search on Mr. Laing in the Accurint database. The searches provided the following information: George Samuel Laing is associated with an address in Sylmar, CA and in Los Angeles, CA (I will not state the addresses so as to not reveal Mr. Laing’s home address).

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 19th day of October, 2017, in Oakland, California.

Socorro Tongco

Socorro Tongco

1 **CERTIFICATE OF SERVICE BY MAIL**
2 (C.C.P. section 1013(a), 2015.5)

3 I am over the age of 18 years and not a party to the entitled action. My business address is
4 1515 Clay Street, 18th Floor, Oakland, California 94612.

5 I served the following documents:

- 6
- 7 • **Notice of Provider Suspension – Workers’ Compensation**
 - 8 • **Indictment in *United States of America v. George Samuel Laing, et al.* (Case No. CR 12-0415), United States District Court, Central District of California**
 - 9 • **Criminal Minutes – Sentencing and Judgment in *United States of America v. George Samuel Laing, et al.* (Case No. CR 12-0415), United States District Court, Central District of California**
 - 10 • **Judgment and Probation/Commitment Order in *United States of America v. George Samuel Laing, et al.* (Case No. CR 12-0415), United States District Court, Central District of California**
 - 11 • **Declaration of Socorro Tongco in Support of Notice of Provider Suspension**
- 12

13 on the following person(s) at the following address(es):

14 **George Samuel Laing**
15 **2491 Pacific Avenue, Suite #2**
Long Beach, CA 90806

16 **George Samuel Laing**
17 **13343 Trego Street**
Sylmar, CA 91342

18 **George Samuel Laing**
19 **21003 Oakleaf Canyon Drive**
Newhall, CA 91321

20 The documents were served by the following means:

21 (BY U.S. CERTIFIED MAIL) I enclosed the documents in a sealed envelope or package
22 addressed to the person(s) at the address(es) listed above and:

23 Placed the envelope or package for collection and mailing, following our ordinary business
24 practices. I am readily familiar with the firm’s practice for collection and processing correspondence
25 for mailing. Under that practice, on the same day that correspondence is placed for collection and
26 mailing, it is deposited in the ordinary course of business with the U.S. Postal Service, in a sealed
27 envelope or package with the postage fully prepaid.

28 I declare under penalty of perjury under the laws of State of California that the above is true
and correct. Executed on October 27, 2017, at Oakland, California.



CATHY FUJITA-LAM