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

FILED

UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA
January 2014 Grand Jury

11 UNITED STATES OF AMERICA,
12 Plaintiff,
13 v.

CR No. 13-00719(A)-MMM

F I R S T
S U P E R S E D I N G
I N D I C T M E N T

14 KHACHATOUR HAKOBYAN,
15 aka "Khachatur Hakobyan,"
16 aka "Khachatour Hakopian"
17 aka "Khatchatour Akopian"
18 aka "Khachik,"
19 ARAM ARAMYAN,
20 EDGAR POGOSIAN,
21 aka "Edgar Hakobyan,"
22 KAREN SARKISSIAN,
23 aka "Gary Sarkissian," and
24 L'TANYA SMITH,
25 Defendants.

[18 U.S.C. § 1956(h): Conspiracy to Commit Money Laundering; 18 U.S.C. § 1956(a)-(1)(B)(i): Money Laundering; 18 U.S.C. § 1347: Health Care Fraud; 26 U.S.C. § 7206(1): Filing a False Tax Return; 18 U.S.C. § 2(b): Causing an Act to be Done]

26 The Grand Jury charges:

27 COUNT ONE

28 [18 U.S.C. § 1956(h)]

[Defendants HAKOBYAN, ARAMYAN, POGOSIAN, and SARKISSIAN]

29 A. INTRODUCTORY ALLEGATIONS

30 At all times relevant to this First Superseding Indictment:

1 The Medicare Program

2 1. Medicare was a federal health care benefit program,
3 affecting commerce, that provided benefits to individuals who were
4 over the age of 65 or disabled. Medicare was administered by the
5 Centers for Medicare and Medicaid Services ("CMS"), a federal agency
6 under the United States Department of Health and Human Services
7 ("HHS").

8 2. Individuals who qualified for Medicare benefits were
9 referred to as Medicare "beneficiaries." Each Medicare beneficiary
10 was given a Health Identification Card containing a unique
11 identification number ("HICN").

12 3. Durable medical equipment ("DME") supply companies,
13 independent diagnostic testing facilities ("IDTFs"), physicians,
14 physician's assistants ("PAs"), and other health care providers that
15 provided medical services that were reimbursed by Medicare were
16 referred to as Medicare "providers."

17 The Defendants and Related Entities

18 4. Panarama Group, Inc. ("Panarama") was a corporation
19 registered in the State of Nevada, operating in Glendale, California,
20 within the Central District of California. Panarama was sometimes
21 spelled "Panorama" on checks for Panarama bank accounts.

22 5. Pegas Group, Inc. ("Pegas") was a corporation registered in
23 the State of Nevada, operating in Glendale, California, within the
24 Central District of California.

25 6. Univision Group, Inc. ("Univision") was a corporation
26 registered in the State of Nevada, operating in Glendale, California,
27 within the Central District of California.

1 7. IFA Group, Inc. ("IFA") was a corporation registered first
2 in the State of Nevada and then in the State of California, operating
3 in Glendale, California, within the Central District of California.

4 8. UFA Group, Inc. ("UFA") was a corporation registered first
5 in the State of Nevada and then in the State of California, operating
6 in Glendale, California, within the Central District of California.

7 9. Defendant KHACHATOUR HAKOBYAN, also known as ("aka")
8 "Khachatur Hakobyan," aka "Khachatour Hakopian," aka "Khachatour H.
9 Akopian," aka "Khatchatour Akopian," aka "Khachik" ("defendant
10 HAKOBYAN"), was a resident of Glendale, California, within the
11 Central District of California, and was identified in publicly-filed
12 documents as the Treasurer of Panarama and Pegas and as the
13 President, Secretary, and Director of Univision. Defendant HAKOBYAN
14 also had signature authority for the bank accounts of Panarama,
15 Pegas, and Univision, which were maintained at Washington Mutual Bank
16 (later JP Morgan Chase Bank), and for one bank account of IFA (from
17 October 2011 to May 2012), which bank account was maintained at
18 Citizens Business Bank.

19 10. Defendant ARAM ARAMYAN ("defendant ARAMYAN") was a resident
20 of Glendale, California, within the Central District of California,
21 and was identified in publicly-filed documents as the President,
22 Secretary, Treasurer, and Director of IFA and UFA. Defendant ARAMYAN
23 also had signature authority for the bank accounts of IFA and UFA,
24 which were maintained at Washington Mutual Bank (later JP Morgan
25 Chase Bank), Wells Fargo Bank, Bank of the West, Professional
26 Business Bank, Citizens Business Bank, and Pacific Western Bank.
27 Defendants HAKOBYAN and ARAMYAN often would visit these banks
28 together to conduct business on behalf of IFA and UFA.

1 11. Defendant EDGAR POGOSIAN, aka "Edgar Hakobyan" ("defendant
2 POGOSIAN"), was a resident of Glendale, California, within the
3 Central District of California, was the nephew of HAKOBYAN, and was
4 identified in publicly-filed documents as the President and Secretary
5 of Panarama.

6 12. Zuz Diagnostic Laboratories, Inc. ("Zuz Diagnostic") was an
7 IDTF located at 6448 Lankershim, North Hollywood, California 91606,
8 within the Central District of California, that purportedly provided
9 medical testing services, including sleep studies. Zuz Diagnostic
10 was operated by co-conspirator K.S. and was a Medicare provider from
11 in or about December 2004 until in or about September 2007. During
12 this period, Zuz Diagnostic maintained bank accounts at Bank of
13 America and Wells Fargo Bank (the "Zuz Diagnostic Bank Accounts").

14 13. There was a medical clinic located at 866 North Vermont
15 Avenue, Los Angeles, California 90029, within the Central District of
16 California (the "Vermont Clinic"). The Vermont Clinic was a Medicare
17 provider from on or about September 4, 2007, until on or about
18 February 28, 2008, under one physician, Dr. C.V.S.; from on or about
19 October 2, 2008, until on or about March 24, 2009, under another
20 physician, Dr. W.S.; and from on or about September 15, 2008, until
21 on or about February 23, 2009, under another physician, Dr. G.C. Two
22 PAs, E.K. and B.C., were associated with the Vermont Clinic during
23 this time. E.K. worked at the Vermont Clinic under Dr. C.V.S., and
24 B.C. worked at the Vermont Clinic under Dr. W.S. and Dr. G.C. During
25 the period in which Dr. C.V.S. was associated with the Vermont
26 Clinic, the Vermont Clinic maintained a bank account at Wells Fargo
27 Bank, bearing an account number ending in 0028 (the "C.V.S. Vermont
28 Clinic Bank Account"), into which all of the Vermont Clinic's

1 payments from Medicare were deposited. During the period in which
2 Dr. W.S. was associated with the Vermont Clinic, the Vermont Clinic
3 maintained a bank account at Washington Mutual Bank, bearing an
4 account number ending in 1444 (the "W.S. Vermont Clinic Bank
5 Account"), into which all of the Vermont Clinic's payments from
6 Medicare were deposited.

7 14. There was a medical clinic located at 274 1/2 South
8 Rampart, Los Angeles, California 90057, within the Central District
9 of California (the "Rampart Clinic"). The Rampart Clinic was a
10 Medicare provider from on or about March 14, 2008, until on or about
11 September 25, 2008. Dr. P.F. was the physician and B.C. was the
12 primary PA associated with the Rampart Clinic during this time.
13 During the period in which Dr. P.F. was associated with the Rampart
14 Clinic, the Rampart Clinic maintained a bank account at Wells Fargo
15 Bank, bearing an account number ending in 9672 (the "Rampart Clinic
16 Bank Account"), into which all of the Rampart Clinic's payments from
17 Medicare were deposited.

18 15. Midvalley Medical Supply ("Midvalley") was a DME supply
19 company located at 15246 Saticoy Street, Van Nuys, California 91405,
20 within the Central District of California. Midvalley was a Medicare
21 provider from on or about September 13, 2007, until on or about
22 October 27, 2009. Co-conspirator S.A. was enrolled with Medicare as
23 the owner and managing employee of Midvalley from on or about
24 September 13, 2007, until on or about July 7, 2008. During this
25 period, Midvalley maintained a bank account at Washington Mutual
26 Bank, bearing an account number ending in 2226 (the "Midvalley Bank
27 Account"), into which all of Midvalley's payments from Medicare were
28 deposited.

1 16. Co-conspirator S.A. also worked at the Vermont Clinic
2 between on or about October 1, 2007, and in or about February 2008,
3 and again between in or about October 2008, and in or about March
4 2009.

5 17. Co-conspirator S.A. also worked at the Rampart Clinic
6 between in or about March 2008, and in or about September 2008.

7 18. There was a medical clinic located at 159 Live Oak Avenue
8 in Arcadia, California 90026, within the Central District of
9 California (the "Arcadia Clinic"). The Arcadia Clinic was a Medicare
10 provider from on or about August 19, 2008, until on or about July 1,
11 2009. Dr. C.C. was the physician associated with the Arcadia Clinic
12 during this time. During the period in which Dr. C.C. was associated
13 with the Arcadia Clinic, the Arcadia Clinic maintained a bank account
14 at Citibank, bearing an account number ending in 4277 (the "Arcadia
15 Clinic Bank Account"), into which all of the Arcadia Clinic's
16 payments from Medicare were deposited.

17 19. There was a medical clinic located at 1377 (or 1375) W.
18 Sunset Blvd., Los Angeles, California 90026, within the Central
19 District of California (the "Sunset Clinic"). The Sunset Clinic was
20 a Medicare provider from on or about June 11, 2009, until on or about
21 March 26, 2010. Dr. L.B. was the physician associated with the
22 Sunset Clinic during this time. During the period in which Dr. L.B.
23 was associated with the Sunset Clinic, the Sunset Clinic maintained a
24 bank account at Wells Fargo Bank, bearing an account number ending in
25 0642 (the "Sunset Clinic Bank Account"), into which all of the Sunset
26 Clinic's payments from Medicare were deposited.

27 20. Defendant KAREN SARKISSIAN, aka "Gary Sarkissian"
28 ("defendant SARKISSIAN"), was a resident of Glendale, California,

1 within the Central District of California, and worked as the office
2 manager at the Sunset Clinic from in or about June 2009 to in or
3 about March 2010.

4 21. Defendant L'TANYA SMITH ("defendant SMITH") was a resident
5 of Los Angeles, California, within the Central District of
6 California, and was the primary PA associated with the Sunset Clinic
7 during the time in which it was a Medicare provider.

8 22. Between in or about December 2004 and in or about September
9 2007, Medicare paid Zuz Diagnostic approximately \$980,478.26 for
10 claims it submitted to Medicare.

11 23. Between on or about October 1, 2007, and in or about
12 February 2008, the Vermont Clinic billed Medicare approximately
13 \$428,819 for services allegedly provided by E.K. to Medicare
14 beneficiaries at the clinic, and Medicare paid the Vermont Clinic
15 approximately \$272,930.72 for those claims.

16 24. During that same time period, Medicare providers -
17 including DME suppliers and IDTFs - submitted to Medicare claims
18 totaling approximately \$5,216,443.50 for DME, nerve conduction
19 velocity studies ("NCVs"), and other diagnostic tests that were
20 prescribed or ordered by E.K. at the Vermont Clinic, for which
21 Medicare paid those Medicare providers approximately \$2,303,099.84.

22 25. In addition, between on or about November 16, 2007, and on
23 or about February 14, 2008, Midvalley submitted approximately
24 \$104,363 in claims to Medicare for DME prescribed or ordered by E.K.,
25 and Medicare paid Midvalley approximately \$71,046.45 for those
26 claims.

27 26. Between in or about April 2008 and in or about September
28 2008, Medicare providers - including DME suppliers and IDTFs -

1 submitted to Medicare claims totaling approximately \$12,316,290.04
2 for DME, NCVs, and other diagnostic tests that mostly were prescribed
3 or ordered by B.C. at the Rampart Clinic, for which Medicare paid
4 those Medicare providers approximately \$4,721,745.47.

5 27. Between in or about November 2008 and in or about March
6 2009, Medicare providers - including DME suppliers and IDTFs -
7 submitted to Medicare claims totaling approximately \$6,231,636.69 for
8 DME, NCVs, and other diagnostic tests that mostly were prescribed or
9 ordered by B.C. at the Vermont Clinic, for which Medicare paid those
10 Medicare providers approximately \$1,907,300.54.

11 28. Between in or about September 2008 and in or about June
12 2009, the Arcadia Clinic billed Medicare approximately \$1,189,520 for
13 services allegedly provided to Medicare beneficiaries at the clinic,
14 such as NCVs and other diagnostic tests, and Medicare paid the
15 Arcadia Clinic approximately \$573,315 for those claims. The vast
16 majority of these services were based on referrals from the Vermont
17 Clinic under Dr. W.S. and Dr. G.C. during the period of time that
18 B.C. was the PA.

19 29. Between in or about July 2009 and in or about March 2010,
20 the Sunset Clinic billed Medicare approximately \$644,415 for services
21 allegedly provided primarily by defendant SMITH, or ordered by
22 defendant SMITH and allegedly provided at the Sunset Clinic, to
23 Medicare beneficiaries, and Medicare paid the Sunset Clinic
24 approximately \$451,599 for those claims.

25 30. During that same time period, Medicare providers -
26 including DME suppliers and IDTFs - submitted to Medicare claims
27 totaling approximately \$10,980,265.76 for DME, NCVs, and other
28 diagnostic tests that were primarily prescribed or ordered by

1 defendant SMITH at the Sunset Clinic, for which Medicare paid those
2 Medicare providers approximately \$3,555,987.71.

3 B. THE OBJECT OF THE CONSPIRACY

4 31. Beginning on a date unknown but as early as in or about
5 January 2007, and continuing until the present, in Los Angeles
6 County, within the Central District of California, and elsewhere,
7 defendants HAKOBYAN, ARAMYAN, and POGOSIAN, together with defendant
8 SARKISSIAN from in or about July 2009 to in or about March 2010, as
9 well as co-conspirators S.A., K.S., and others known and unknown to
10 the Grand Jury, knowingly combined, conspired, and agreed to commit
11 the following offense against the United States: Money laundering,
12 in violation of Title 18, United States Code, Section
13 1956(a)(1)(B)(i), to conceal and disguise the nature, location,
14 source, ownership, and control of proceeds of specified unlawful
15 activity, namely, health care fraud committed in violation of Title
16 18, United States Code, Section 1347.

17 C. THE MANNER AND MEANS OF THE CONSPIRACY

18 32. The object of the conspiracy was carried out, and to be
19 carried out, in substance, in the following manner and by the
20 following means, among others:

21 a. Defendant SARKISSIAN, co-conspirators S.A. and K.S.,
22 and others known and unknown to the Grand Jury, would write checks
23 from the bank accounts of Medicare providers such as the Sunset
24 Clinic, Midvalley, Zuz Diagnostic, the Vermont Clinic, and the
25 Rampart Clinic, to Panarama, Pegas, Univision, IFA, and UFA, using
26 the proceeds of health care fraud and falsely indicating on some of
27 the checks that they were payments for services such as advertising,
28

1 investment, consulting, management, equipment, or professional or
2 technical services.

3 b. Defendant HAKOBYAN would deposit these checks into the
4 bank accounts of Panarama, Pegas, and Univision, and defendant
5 ARAMYAN would deposit these checks into the bank accounts of IFA and
6 UFA.

7 c. Defendant HAKOBYAN subsequently would write checks
8 from the bank accounts of Panarama, Pegas, and Univision, and
9 defendants ARAMYAN and HAKOBYAN subsequently would write checks from
10 the bank accounts of IFA and UFA, to certain individuals, including
11 defendant POGOSIAN and N.A. (collectively, "the check-cashers"), and
12 to themselves, and would falsely indicate on some of the checks that
13 the checks were for legitimate business expenses, such as "Nordstrom
14 show 2007," "Travel Exp to Oregon (Portland) Dec 2007," "Travel to
15 Bahamas," "travel & bonus," "travel exp NY," "commission for Oregon
16 acct," "gas & mileage," "travel to New York," "business purposes,"
17 "payment for work," "remodeling expense," and "pay January 2012."
18 Nearly all of these checks were payable in amounts less than
19 \$10,000.00.

20 d. Defendants HAKOBYAN and ARAMYAN, as well as defendant
21 POGOSIAN and other check-cashers acting at defendants HAKOBYAN and
22 ARAMYAN's direction, then would cash some of the checks. The check-
23 cashers, including defendant POGOSIAN, would provide the cash to
24 defendants HAKOBYAN and ARAMYAN. Defendants HAKOBYAN and ARAMYAN, in
25 turn, would return the cash to co-conspirators affiliated with the
26 Medicare providers who wrote checks to Pegas, Panarama, Univision,
27 IFA, and UFA, often less an approximately 10% commission as payment
28 for having laundered the proceeds of health care fraud.

1 e. Defendants HAKOBYAN, ARAMYAN, and POGOSIAN would
2 deposit some of the checks into their personal bank accounts rather
3 than cashing them.

4 f. Defendants HAKOBYAN and ARAMYAN would use some of the
5 funds from Panarama, Pegas, Univision, IFA, and UFA to pay their
6 personal expenses, such as mortgage payments, homeowners' association
7 fees, and home remodeling costs.

8 g. In a further effort to conceal the health care fraud
9 proceeds received from co-conspirators S.A. and K.S., defendant
10 SARKISSIAN, and others known and unknown to the Grand Jury,
11 defendants HAKOBYAN and ARAMYAN also would under-report the income
12 received from these co-conspirators on the corporate tax returns for
13 Panarama, Pegas, IFA, and UFA.

14 h. In addition, in order to conceal the health care fraud
15 proceeds received from co-conspirators S.A. and K.S., defendant
16 SARKISSIAN, and others known and unknown to the Grand Jury,
17 defendants HAKOBYAN, ARAMYAN, and POGOSIAN would under-report their
18 own income from Panarama, Pegas, Univision, IFA, and UFA and from
19 these co-conspirators on their personal tax returns.

20 i. During the course of the conspiracy, defendants
21 HAKOBYAN, ARAMYAN, POGOSIAN, and SARKISSIAN laundered millions of
22 dollars of health care fraud proceeds through Panarama, Pegas,
23 Univision, IFA, and UFA.

24 D. OVERT ACTS

25 33. In furtherance of the conspiracy and to accomplish its
26 object, defendants HAKOBYAN, ARAMYAN, POGOSIAN, and SARKISSIAN,
27 together with co-conspirators S.A., K.S., and others known and
28 unknown to the Grand Jury, committed and willfully caused others to

1 commit the following overt acts, among others, in the Central
2 District of California and elsewhere:

3 Overt Act No. 1: On or about January 6, 2007, defendant
4 POGOSIAN cashed or deposited check number 1046, drawn on a Panarama
5 bank account, made payable to defendant POGOSIAN, and signed by
6 defendant HAKOBYAN, in the amount of \$9,150.00.

7 Overt Act No. 2: On or about January 11, 2007, defendant
8 ARAMYAN cashed check number 1051, drawn on a Panarama bank account,
9 made payable to defendant ARAMYAN, and signed by defendant HAKOBYAN,
10 in the amount of \$9,850.00.

11 Overt Act No. 3: On or about March 13, 2007, defendant HAKOBYAN
12 received from K.S. check number 1729, drawn on a Zuz Diagnostic bank
13 account, signed by K.S., and made payable to Panarama in the amount
14 of \$7,000.00.

15 Overt Act No. 4: On or about March 30, 2007, N.A. cashed check
16 number 1042, drawn on a Pegas bank account, made payable to N.A., and
17 signed by defendant HAKOBYAN, in the amount of \$5,750.00.

18 Overt Act No. 5: On or about April 3, 2007, N.A. cashed check
19 number 1167, drawn on a Panarama bank account, made payable to N.A.,
20 and signed by defendant HAKOBYAN, in the amount of \$8,750.00.

21 Overt Act No. 6: On or about April 11, 2007, defendant HAKOBYAN
22 cashed check number 1173, drawn on a Panarama bank account and made
23 payable to and signed by defendant HAKOBYAN, in the amount of
24 \$5,750.00.

25 Overt Act No. 7: On or about April 24, 2007, defendant POGOSIAN
26 negotiated check number 1065, drawn on a Pegas bank account, made
27 payable to defendant POGOSIAN, and signed by defendant HAKOBYAN, in
28 the amount of \$9,875.00

1 Overt Act No. 8: On or about April 25, 2007, defendant ARAMYAN
2 cashed check number 1066, drawn on a Pegas bank account, made payable
3 to defendant ARAMYAN, and signed by defendant HAKOBYAN, in the amount
4 of \$9,700.00.

5 Overt Act No. 9: On or about June 11, 2007, defendant HAKOBYAN
6 received from K.S. check number 1868, drawn on a Zuz Diagnostic bank
7 account, signed by K.S., and made payable to Panarama in the amount
8 of \$5,000.00.

9 Overt Act No. 10: On or about July 30, 2007, defendant HAKOBYAN
10 cashed check number 1339, drawn on a Panarama bank account and made
11 payable to and signed by defendant HAKOBYAN, in the amount of
12 \$3,000.00.

13 Overt Act No. 11: On or about December 19, 2007, an unknown co-
14 conspirator issued check number 112, drawn on the C.V.S. Vermont
15 Clinic Bank Account and made payable to Pegas in the amount of
16 \$14,324.00.

17 Overt Act No. 12: On or about December 20, 2007, an unknown co-
18 conspirator issued check number 113, drawn on the C.V.S. Vermont
19 Clinic Bank Account and made payable to Univision in the amount of
20 \$18,286.00.

21 Overt Act No. 13: On or about January 15, 2008, N.A. cashed
22 check number 1415, drawn on a Panarama bank account, made payable to
23 N.A., and signed by defendant HAKOBYAN, in the amount of \$5,750.00.

24 Overt Act No. 14: On or about January 15, 2008, defendant
25 POGOSIAN cashed or deposited check number 1414, drawn on a Panarama
26 bank account, made payable to defendant POGOSIAN, and signed by
27 defendant HAKOBYAN, in the amount of \$9,750.00.
28

1 Overt Act No. 15: On or about February 25, 2008, S.A. signed
2 check number 173, drawn on the Midvalley Bank Account and made
3 payable to Pegas in the amount of \$7,249.00.

4 Overt Act No. 16: On or about February 27, 2008, S.A. signed
5 check number 172, drawn on the Midvalley Bank Account and made
6 payable to Univision in the amount of \$6,500.00.

7 Overt Act No. 17: On or about July 16, 2008, defendant HAKOBYAN
8 cashed check number 1014, drawn on an UFA bank account, made payable
9 to defendant HAKOBYAN, and signed by defendant ARAMYAN, in the amount
10 of \$2,250.00.

11 Overt Act No. 18: On or about August 15, 2008, defendant ARAMYAN
12 cashed check number 1044, drawn on an UFA bank account, and made
13 payable to and signed by defendant ARAMYAN, in the amount of
14 \$9,850.00.

15 Overt Act No. 19: On or about September 16, 2008, defendant
16 HAKOBYAN cashed check number 1070, drawn on an UFA bank account,
17 dated September 16, 2008, made payable to defendant HAKOBYAN, and
18 signed by defendant ARAMYAN, in the amount of \$7,000.00.

19 Overt Act No. 20: : On or about September 18, 2008, defendant
20 HAKOBYAN cashed check number 1003, drawn on an IFA bank account,
21 dated September 16, 2008, made payable to defendant HAKOBYAN, and
22 signed by defendant ARAMYAN, in the amount of \$3,000.00.

23 Overt Act No. 21: On or about October 1, 2008, an unknown co-
24 conspirator issued check number 1025, drawn on the Rampart Clinic
25 Bank Account and made payable to UFA in the amount of \$10,125.00.

26 Overt Act No. 22: On or about October 2, 2008, an unknown co-
27 conspirator issued check number 1026, drawn on the Rampart Clinic
28 Bank Account and made payable to IFA in the amount of \$12,865.00.

1 Overt Act No. 23: On or about October 27, 2008, an unknown co-
2 conspirator issued check number 1028, drawn on the Rampart Clinic
3 Bank Account and made payable to UFA in the amount of \$35,000.00.

4 Overt Act No. 24: On or about October 27, 2008, an unknown co-
5 conspirator issued check number 1029, drawn on the Rampart Clinic
6 Bank Account and made payable to IFA in the amount of \$35,000.00.

7 Overt Act No. 25: On or about January 6, 2009, defendant
8 ARAMYAN cashed check number 1142, drawn on an UFA bank account and
9 made payable to and signed by defendant ARAMYAN, in the amount of
10 \$5,300.00.

11 Overt Act No. 26: On or about January 27, 2009, an unknown co-
12 conspirator issued check number 1015, drawn on the Arcadia Clinic
13 Bank Account and made payable to IFA in the amount of \$4,195.00.

14 Overt Act No. 27: On or about February 3, 2009, an unknown co-
15 conspirator issued check number 1023, drawn on the Arcadia Clinic
16 Bank Account and made payable to IFA in the amount of \$7,954.00.

17 Overt Act No. 28: On or about February 11, 2009, an unknown co-
18 conspirator issued check number 1038 drawn on the Arcadia Clinic Bank
19 Account and made payable to IFA in the amount of \$9,200.00.

20 Overt Act No. 29: On or about February 12, 2009, an unknown co-
21 conspirator issued check number 1043, drawn on the Arcadia Clinic
22 Bank Account and made payable to UFA in the amount of \$9,570.00.

23 Overt Act No. 30: On or about March 30, 2009, an unknown co-
24 conspirator issued check number 1093, drawn on the Arcadia Clinic
25 Bank Account and made payable to IFA in the amount of \$9,800.00.

26 Overt Act No. 31: On or about June 5, 2009, an unknown co-
27 conspirator issued check number 1005, drawn on the W.S. Vermont
28

1 Clinic Bank Account and made payable to IFA in the amount of
2 \$10,145.00.

3 Overt Act No. 32: On or about June 16, 2009, an unknown co-
4 conspirator issued check number 1150, drawn on the Arcadia Clinic
5 Bank Account and made payable to IFA in the amount of \$9,000.00.

6 Overt Act No. 33: On or about June 27, 2009, an unknown co-
7 conspirator issued check number 1021, drawn on the W.S. Vermont
8 Clinic Bank Account and made payable to UFA in the amount of
9 \$10,900.00.

10 Overt Act No. 34: On or about July 4, 2009, an unknown co-
11 conspirator issued check number 1027, drawn on the W.S. Vermont
12 Clinic Bank Account and made payable to UFA in the amount of
13 \$10,500.00.

14 Overt Act No. 35: On or about September 24, 2009, defendant
15 POGOSIAN deposited check number 1084 drawn on an IFA bank account,
16 made payable to defendant POGOSIAN, and signed by defendant ARAMYAN,
17 in the amount of \$8,000.00.

18 Overt Act No. 36: On or about September 24, 2009, defendant
19 POGOSIAN deposited check number 1067 drawn on an UFA bank account,
20 made payable to defendant POGOSIAN, and signed by defendant ARAMYAN,
21 in the amount of \$8,300.00.

22 Overt Act No. 37: On or about October 26, 2009, defendant
23 ARAMYAN cashed check number 1100, drawn on an UFA bank account and
24 made payable to and signed by defendant ARAMYAN, in the amount of
25 \$4,813.00.

26 Overt Act No. 38: On or about November 23, 2009, defendant
27 POGOSIAN cashed check number 1120 drawn on an IFA bank account, made
28

1 payable to defendant POGOSIAN, and signed by defendant ARAMYAN, in
2 the amount of \$4,836.00.

3 Overt Act No. 39: On or about February 22, 2010, defendant
4 SARKISSIAN issued check number 1036, drawn on the Sunset Clinic Bank
5 Account, signed by Dr. L.B., and made payable to IFA in the amount of
6 \$12,455.00.

7 Overt Act No. 40: On or about February 22, 2010, defendant
8 SARKISSIAN issued check number 1037, drawn on the Sunset Clinic Bank
9 Account, signed by Dr. L.B., and made payable to UFA in the amount of
10 \$10,980.00.

11 Overt Act No. 41: On or about February 24, 2010, defendant
12 SARKISSIAN issued check number 1038, drawn on the Sunset Clinic Bank
13 Account, signed by Dr. L.B., and made payable to IFA in the amount of
14 \$7,260.00.

15 Overt Act No. 42: On or about February 24, 2010, defendant
16 SARKISSIAN issued check number 1039, drawn on the Sunset Clinic Bank
17 Account, signed by Dr. L.B., and made payable to UFA in the amount of
18 \$8,205.00.

19 Overt Act No. 43: On or about March 2, 2010, defendant
20 SARKISSIAN issued check number 1045, drawn on the Sunset Clinic Bank
21 Account, signed by Dr. L.B., and made payable to UFA in the amount of
22 \$8,955.00.

23 Overt Act No. 44: On or about March 3, 2010, defendant
24 SARKISSIAN issued check number 1046, drawn on the Sunset Clinic Bank
25 Account, signed by Dr. L.B., and made payable to IFA in the amount of
26 \$7,725.00.

27 Overt Act No. 45: On or about March 9, 2010, defendant
28 SARKISSIAN issued check number 1048, drawn on the Sunset Clinic Bank

1 Account, signed by Dr. L.B., and made payable to UFA in the amount of
2 \$8,570.00.

3 Overt Act No. 46: On or about March 10, 2010, defendant
4 SARKISSIAN issued check number 1049, drawn on the Sunset Clinic Bank
5 Account, signed by Dr. L.B., and made payable to IFA in the amount of
6 \$8,325.00.

7 Overt Act No. 47: On or about March 10, 2010, defendant
8 POGOSIAN cashed check number 1208 drawn on an UFA bank account, made
9 payable to defendant POGOSIAN, and signed by defendant ARAMYAN, in
10 the amount of \$5,143.00.

11 Overt Act No. 48: On or about January 25, 2011, defendant
12 ARAMYAN opened bank accounts for IFA and UFA at Professional Business
13 Bank in Glendale, California.

14 Overt Act No. 49: In or about May 2011, when defendant ARAMYAN
15 closed the IFA and UFA bank accounts at Professional Business Bank,
16 defendant ARAMYAN wrote a check from the UFA account payable to
17 defendant HAKOBYAN in the amount of \$9,500.00 and asked the teller to
18 issue a cashier's check for the remaining balance, after first
19 confirming with the teller that checks in these amounts would not be
20 reported in a Currency Transaction Report.

21 Overt Act No. 50: In or about May 2011, when defendant ARAMYAN
22 closed the IFA and UFA bank accounts at Professional Business Bank,
23 defendant HAKOBYAN, who was with defendant ARAMYAN at the bank,
24 immediately went to another teller window at the bank, cashed the
25 \$9,500.00 check defendant ARAMYAN had written from the UFA account,
26 and complained when the teller who cashed the check asked for
27 defendant HAKOBYAN's Social Security number.

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Overt Act No. 51: On or about January 6, 2012, defendant ARAMYAN cashed check number 1122 drawn on an UFA bank account, made payable to defendant ARAMYAN, and signed by defendant HAKOBYAN, in the amount of \$3,700.00.

Overt Act No. 52: On or about February 28, 2012, defendant POGOSIAN cashed check number 1141 drawn on an UFA bank account, made payable to defendant POGOSIAN, and signed by defendant HAKOBYAN, in the amount of \$3,960.00.

COUNTS TWO THROUGH NINETEEN

[18 U.S.C. §§ 1956(a)(1)(B)(i), 2(b)]

[Defendants HAKOBYAN, ARAMYAN, POGOSIAN, and SARKISSIAN]

34. The Grand Jury hereby repeats and alleges paragraphs 1-30 and 32-33 of this First Superseding Indictment as if fully set forth herein.

35. On or about the following dates, in Los Angeles County, within the Central District of California, and elsewhere, the following defendants, together with others known and unknown to the Grand Jury, knowing that the property involved in each of the financial transactions described below represented the proceeds of some form of unlawful activity, conducted and willfully caused others to conduct the following financial transactions affecting interstate commerce, which transactions in fact involved the proceeds of specified unlawful activity, namely, health care fraud, in violation of Title 18, United States Code, Section 1347, knowing that each of the transactions was designed in whole and in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of such specified unlawful activity:

COUNT	DEFENDANTS	DATE	FINANCIAL TRANSACTION
TWO	HAKOBYAN, ARAMYAN	10/6/2008	Negotiation of check number 1026, drawn on the Rampart Clinic Bank Account, in the amount of \$12,865.00, made payable to IFA.
THREE	HAKOBYAN, ARAMYAN	10/8/2008	Negotiation of check number 1025, drawn on the Rampart Clinic Bank Account, in the amount of \$10,125.00, made payable to UFA.
FOUR	HAKOBYAN, ARAMYAN	10/31/2008	Negotiation of check number 1028, drawn on the Rampart Clinic Bank Account, in the amount of \$35,000.00, made payable to UFA.
FIVE	HAKOBYAN, ARAMYAN	10/31/2008	Negotiation of check number 1029, drawn on the Rampart Clinic Bank Account, in the amount of

COUNT	DEFENDANT	DATE	FINANCIAL TRANSACTION
			\$35,000.00, made payable to IFA.
SIX	HAKOBYAN, ARAMYAN	4/1/2009	Negotiation of check number 1093, drawn on the Arcadia Clinic Bank Account, in the amount of \$9,800.00, made payable to IFA.
SEVEN	HAKOBYAN, ARAMYAN	6/9/2009	Negotiation of check number 1005, drawn on the Vermont Clinic Bank Account, in the amount of \$10,145.00, made payable to IFA.
EIGHT	HAKOBYAN, ARAMYAN	6/19/2009	Negotiation of check number 1150, drawn on the Arcadia Clinic Bank Account, in the amount of \$9,000.00, made payable to IFA.
NINE	HAKOBYAN, ARAMYAN	6/29/2009	Negotiation of check number 1021, drawn on the Vermont Clinic Bank Account, in the amount of \$10,900.00, made payable to UFA.
TEN	HAKOBYAN, ARAMYAN	7/8/2009	Negotiation of check number 1027, drawn on the Vermont Clinic Bank Account, in the amount of \$10,500.00, made payable to UFA.
ELEVEN	HAKOBYAN, ARAMYAN, POGOSIAN	11/23/2009	Negotiation of check number 1120, drawn on IFA Wells Fargo bank account number ending in 9493, in the amount of \$4,836.00, made payable to defendant POGOSIAN.
TWELVE	HAKOBYAN, ARAMYAN, SARKISSIAN	2/24/2010	Negotiation of check number 1038, drawn on the Sunset Clinic Bank Account, in the amount of \$7,260.00, made payable to IFA.
THIRTEEN	HAKOBYAN, ARAMYAN, SARKISSIAN	2/24/2010	Negotiation of check number 1039, drawn on the Sunset Clinic Bank Account, in the amount of \$8,205.00, made payable to UFA.
FOURTEEN	HAKOBYAN, ARAMYAN, SARKISSIAN	3/3/2010	Negotiation of check number 1045, drawn on the Sunset Clinic Bank Account, in the amount of \$8,955.00, made payable to UFA.
FIFTEEN	HAKOBYAN, ARAMYAN, SARKISSIAN	3/3/2010	Negotiation of check number 1046, drawn on the Sunset Clinic Bank Account, in the amount of \$7,725.00, made payable to IFA.
SIXTEEN	HAKOBYAN, ARAMYAN, POGOSIAN	3/10/2010	Negotiation of check number 1208, drawn on UFA Wells Fargo bank account number ending in 0186, in the amount of \$5,143.00, made payable to defendant POGOSIAN.
SEVENTEEN	HAKOBYAN, ARAMYAN, SARKISSIAN	3/11/2010	Negotiation of check number 1048, drawn on the Sunset Clinic Bank Account, in the amount of \$8,570.00, made payable to UFA.

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COUNT	DEFENDANT	DATE	FINANCIAL TRANSACTION
EIGHTEEN	HAKOBYAN, ARAMYAN, SARKISSIAN	3/11/2010	Negotiation of check number 1049, drawn on the Sunset Clinic Bank Account, in the amount of \$8,325.00, made payable to IFA.
NINETEEN	HAKOBYAN, ARAMYAN, POGOSIAN	3/1/2012	Negotiation of check number 1141, drawn on UFA Citizens Bank account number ending in 6979, in the amount of \$3,960.00, made payable to defendant POGOSIAN.

COUNTS TWENTY THROUGH TWENTY-FOUR

[18 U.S.C. § 1347]

[Defendants SARKISSIAN and SMITH]

A. INTRODUCTORY ALLEGATIONS

At all times relevant to this First Superseding Indictment:

36. The Grand Jury hereby repeats and alleges paragraphs 1-30, and 32-33 of this First Superseding Indictment as if fully set forth herein.

Medicare Provider Reimbursement Procedures

37. To obtain payments from Medicare as reimbursement for services provided to Medicare beneficiaries, a provider first had to apply for and obtain a provider number. By signing the provider application, the provider agreed to (a) abide by Medicare rules and regulations; and (b) not submit claims for payment to Medicare knowing they were false or fraudulent or with deliberate ignorance or reckless disregard of their truth or falsity.

38. If Medicare approved a provider's application, Medicare assigned the provider a Medicare provider number, which enabled the provider to submit claims to Medicare for services rendered to Medicare beneficiaries.

39. Most providers, including providers associated with the Sunset Clinic, submitted their claims electronically pursuant to an agreement with Medicare that they would submit claims that were accurate, complete, and truthful.

40. Medicare reimbursed providers only for services that were medically necessary to the treatment of a beneficiary's illness or injury, were prescribed by a beneficiary's physician, and were provided in accordance with Medicare regulations and guidelines that

1 governed whether a particular service would be reimbursed by
2 Medicare.

3 41. Medicare required a claim for Medicare reimbursement of
4 services to set forth, among other things, the beneficiary's name,
5 HICN, and diagnosis; the Current Procedural Terminology ("CPT") code
6 for the service provided to the beneficiary; the date when and
7 location where the service was provided; and the name and physician
8 identification number of the physician who ordered the service.

9 **B. THE SCHEME TO DEFRAUD**

10 42. Beginning in or about July 2009, and continuing until in or
11 about March 2010, in Los Angeles County, within the Central District
12 of California, and elsewhere, defendants SARKISSIAN and SMITH,
13 together with others known and unknown to the Grand Jury, knowingly,
14 willfully, and with intent to defraud, executed a scheme and
15 artifice: (a) to defraud a health care benefit program, namely,
16 Medicare, as to material matters in connection with the delivery of
17 and payment for health care benefits, items, and services; and (b) to
18 obtain money from Medicare by means of material false and fraudulent
19 pretenses and representations and the concealment of material facts
20 in connection with the delivery of and payment for health care
21 benefits, items, and services.

22 **C. THE FRAUDULENT SCHEME**

23 43. The fraudulent scheme operated, in substance, in the
24 following manner:

25 a. Co-schemers recruited and brought Medicare
26 beneficiaries to the Sunset Clinic, often with the promise of free,
27 medically unnecessary DME. Some of these beneficiaries lived over 50
28 miles from the Sunset Clinic.

1 b. Once at the Sunset Clinic, the beneficiaries presented
2 their personal information, including their Medicare identification
3 cards and HICNs.

4 c. Defendant SMITH prescribed DME and ordered diagnostic
5 tests, including allergy tests, NCVs, and ultrasounds, for these
6 Medicare beneficiaries that were not medically necessary and often
7 were never performed.

8 d. To create an appearance of medical necessity for the
9 items and services she ordered and support the submission of claims
10 to Medicare for those items and services, defendant SMITH created
11 documentation falsely indicating that the beneficiaries had diagnoses
12 and/or conditions, such as allergies, that the beneficiaries did not,
13 in fact, have.

14 e. Defendant SARKISSIAN, as the office manager of the
15 Sunset Clinic, arranged for the submission of claims to Medicare for
16 diagnostic tests and other services ordered by defendant SMITH and
17 allegedly provided to patients at the Sunset Clinic.

18 f. As defendants SARKISSIAN and SMITH then well knew
19 would happen and intended to happen, the Sunset Clinic submitted
20 claims to Medicare for these services under the Medicare provider
21 number of Dr. L.B., the Sunset Clinic's medical director, even
22 though, as defendants SARKISSIAN and SMITH then well knew, these
23 services were not medically necessary and were sometimes never even
24 provided to the beneficiaries.

25 g. As defendants SARKISSIAN and SMITH then well knew
26 would happen and intended to happen, the Sunset Clinic referred some
27 of defendant SMITH'S orders and prescriptions to other Medicare
28 providers - including DME companies and IDTFs -- which, in turn,

1 billed Medicare for the medically unnecessary items and services
2 defendant SMITH had ordered and prescribed.

3 h. Between in or about July 2009 and in or about March
4 2010, the Sunset Clinic billed Medicare and was paid by Medicare as
5 described in paragraph 29. During that same time period, Medicare
6 providers - including DME suppliers and IDTFs - billed Medicare for
7 DME, NCVs, and other diagnostic tests that were primarily prescribed
8 or ordered by defendant SMITH at the Sunset Clinic, and were paid for
9 those claims by Medicare as described in paragraph 30.

10 i. As defendant SARKISSIAN then well knew would happen
11 and intended to happen, Medicare payments to the Sunset Clinic were
12 deposited into the Sunset Clinic Bank Account that he controlled in
13 conjunction with Dr. L.B.

14 j. Defendant SARKISSIAN wrote checks drawn on the Sunset
15 Clinic Bank Account to companies, including IFA and UFA, falsely
16 indicating on the checks that the checks represented payments for
17 advertising and consulting.

18 **D. EXECUTIONS OF THE FRAUDULENT SCHEME**

19 44. On or about the dates set forth below, within the Central
20 District of California, and elsewhere, defendants SARKISSIAN and
21 SMITH, together with others known and unknown to the Grand Jury, for
22 the purpose of executing the scheme to defraud described above,
23 knowingly and willfully submitted and caused to be submitted to
24 Medicare the following false and fraudulent claims:

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COUNT	APPROXIMATE DATE CLAIM SUBMITTED	BENEFICIARY AND SERVICE	APPROXIMATE AMOUNT CLAIMED	CLAIM NO.
TWENTY	3/2/2010	M.L. - Percutaneous Tests with Allergenic Extracts	\$455.00	551110061064330
TWENTY-ONE	3/2/2010	R.M. - Percutaneous Tests with Allergenic Extracts	\$469.00	551810061083640
TWENTY-TWO	3/2/2010	M.P. - Percutaneous Tests with Allergenic Extracts	\$469.00	551810061083560
TWENTY- THREE	3/15/2010	S.C. - Percutaneous Tests with Allergenic Extracts	\$455.00	551110074079220
TWENTY- FOUR	3/18/2010	J.C. - Percutaneous Tests with Allergenic Extracts	\$462.00	551110077011720

COUNTS TWENTY-FIVE THROUGH TWENTY-NINE

[26 U.S.C. § 7206(1)]

[Defendant HAKOBYAN]

45. On or about the dates listed below, in Los Angeles County, within the Central District of California, and elsewhere, defendant KHACHATOUR HAKOBYAN, also known as ("aka") "Khachatur Hakobyan," aka "Khachatour Hakopian," aka "Khachatour H. Akopian," aka "Khatchatour Akopian," aka "Khachik" ("defendant HAKOBYAN"), willfully made and subscribed to a United States Individual Income Tax Return, Form 1040, for each of the calendar years listed below, which was verified by a written declaration that it was made under the penalties of perjury and was filed with the Internal Revenue Service, and which defendant HAKOBYAN did not believe to be true and correct as to every material matter contained therein, in that defendant HAKOBYAN reported income on line item 22, for the amounts shown below, and elsewhere on Form 1040, whereas, as defendant HAKOBYAN then well knew, these figures substantially under-reported defendant HAKOBYAN's true income:

COUNT	DATE FILED OR RECEIVED BY IRS	TAX YEAR	FALSELY REPORTED INCOME
TWENTY-FIVE	4/15/2008	2007	\$23,379.00
TWENTY-SIX	4/15/2009	2008	\$47,806.00
TWENTY-SEVEN	10/27/2010	2009	\$31,915.00
TWENTY-EIGHT	4/15/2011	2010	\$27,289.00
TWENTY-NINE	8/30/2012	2011	\$67,442.00

COUNTS THIRTY THROUGH THIRTY-FOUR

[26 U.S.C. § 7206(1)]

[Defendant ARAMYAN]

46. On or about the dates listed below, in Los Angeles County, within the Central District of California, and elsewhere, defendant ARAM ARAMYAN ("defendant ARAMYAN") willfully made and subscribed to a United States Individual Income Tax Return, Form 1040, for each of the calendar years listed below, which was verified by a written declaration that it was made under the penalties of perjury and was filed with the Internal Revenue Service, and which defendant ARAMYAN did not believe to be true and correct as to every material matter contained therein, in that defendant ARAMYAN reported income on line item 22, for the amounts shown below, and elsewhere on Form 1040, whereas, as defendant ARAMYAN then well knew, these figures substantially under-reported defendant ARAMYAN's true income:

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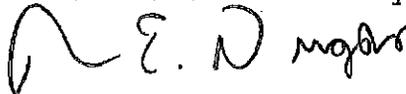
COUNT	DATE FILED OR RECEIVED BY IRS	TAX YEAR	FALSELY REPORTED INCOME
THIRTY	4/15/2008	2007	\$16,183.00
THIRTY-ONE	4/15/2009	2008	\$9,279.00
THIRTY-TWO	4/15/2010	2009	\$21,085.00
THIRTY-THREE	4/15/2011	2010	\$27,809.00
THIRTY-FOUR	4/15/2012	2011	\$34,156.00

A TRUE BILL

151

 Foreperson

ANDRÉ BIROTTE JR.
 United States Attorney



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

RICHARD E. ROBINSON
 Assistant United States Attorney
 Chief, Major Frauds Section

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

CATHY J. OSTILLER
 Assistant United States Attorney
 Major Frauds Section

KRISTEN A. WILLIAMS
 Assistant United States Attorney
 Major Frauds Section

United States District Court
Central District of California

JS-3

UNITED STATES OF AMERICA vs.

Docket No. CR 13-719(A)-PSG

Defendant L'Tanya Smith

Social Security No. █ █ █ █

True Name: Smith, L'Tanya Denise

(Last 4 digits)

akas: AKA: Russell, L'Tanya

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
08	22	16

COUNSEL

CJA Angel Navarro

(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 Title 18 U.S.C. § 1347, as charged in Counts 20 through 24 of the First Superseding 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:

57 months. This term consists of 57 months on each of Counts 20 through 24 of the First Superseding Indictment, to be served concurrently.

It is ordered that the defendant shall pay to the United States a special assessment of \$500, 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.

It is ordered that the defendant shall pay restitution in the total amount of \$4,007,586 pursuant to Title 18 U.S.C. § 3663A, to victim(s) 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(s). 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(s).

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 \$100, 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.

The defendant shall be held jointly and severally liable with co-defendant Karen Sarkissian (Docket No. CR-13-00719-PSG) 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 victim receives full restitution.

Pursuant to Title 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 Title 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.

The Court recommends that the Bureau of Prisons conduct a mental health evaluation of the defendant and provide all necessary treatment.

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 each of Counts Twenty through Twenty-Four of the First Superseding Indictment, 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. 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.
3. The defendant shall cooperate in the collection of a DNA sample from the defendant.
4. The defendant shall participate in mental health treatment, which may include evaluation and counseling, until discharged from the treatment by the treatment provider, with the approval of the Probation Officer.
5. As directed by the Probation Officer, the defendant shall pay all or part of the costs of the defendant's mental health treatment to the aftercare contractors during the period of community supervision, pursuant to Title 18 U.S.C. § 3672. The defendant shall provide payment and proof of payment as directed by the Probation Officer.
6. The defendant shall not engage, as whole or partial owner, employee or otherwise, in any business or profession that bills Medicare or any other publicly funded health care benefit program without the express written approval of the Probation Officer prior to engaging in such employment, business, or profession.
7. When not employed or excused by the Probation Officer for schooling, training, or other acceptable

USA vs. L'Tanya Smith

Docket No.: CR 13-719(A)-PSG

reasons, the defendant shall perform 20 hours of community service per week as directed by the Probation Office.

- 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.

The drug testing condition mandated by statute is suspended based on the Court's determination that the defendant poses a low risk of future substance abuse. The Court authorizes the Probation Officer to disclose the Presentence Investigation Report (PSR), and/or any previous mental health evaluations or reports, to the treatment provider. The treatment provider may provide information (excluding the PSR), to State or local social service agencies (such as the State of California, Department of Social Service), for the purpose of the client's rehabilitation.

It is further ordered that the defendant surrender herself to the institution designated by the Bureau of Prisons at or before 12 noon, on **October 24, 2016**. In the absence of such designation, the defendant shall report on or before the same date and time, to the United States Marshal located at the Roybal Federal Building, 255 East Temple Street, Los Angeles, California 90012.

The Court recommends that the defendant be designated to a Southern California facility.

All remaining counts are ordered dismissed as to this defendant only.

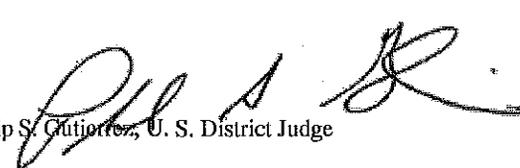
The bond is hereby exonerated upon self-surrender.

The defendant is advised of the right to appeal.

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.

August 25, 2016

Date



Philip S. Gutierrez, 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

August 25, 2016

Filed Date

By Wendy Hernandez

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.

X

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 _____
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.

Clerk, U.S. District Court

By _____
Deputy Clerk

Filed Date

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