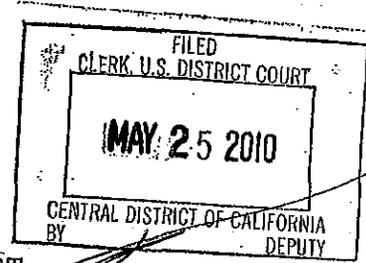


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UNITED STATES DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA  
February 2010 Grand Jury

UNITED STATES OF AMERICA,	)	CR No. 08-1084 (A) -CBM
	)	
Plaintiff,	)	<u>F I R S T</u>
	)	<u>S U P E R S E D I N G</u>
v.	)	<u>I N D I C T M E N T</u>
	)	
EDWARD ASLANYAN,	)	[18 U.S.C. § 1349: Conspiracy
aka "Eduardo Aslanyan,"	)	to Commit Health Care Fraud;
aka "Eduard Aslanyan,"	)	18 U.S.C. § 1347: Health Care
aka "Edo,"	)	Fraud; 18 U.S.C. § 2(b):
CAROLYN ANN VASQUEZ,	)	Causing an Act to be Done; 18
aka "Kat,"	)	U.S.C. 1028A: Aggravated
ZURAMA CLAUDINA ESPANA, and,	)	Identity Theft]
DAVID JAMES GARRISON,	)	
	)	
Defendants.	)	

The Grand Jury charges:

COUNT ONE

[18 U.S.C. § 1349]

A. INTRODUCTORY ALLEGATIONS

At all times relevant to this Indictment:

The Conspirators

1. Defendants EDWARD ASLANYAN ("ASLANYAN"), also known as ("aka") "Eduardo Aslanyan," aka "Eduard Aslanyan," aka "Edo," owned, operated, and controlled a company known as Multiple

1 Trading, Inc. ("Multiple Trading"), which purported to do  
2 business in Los Angeles County at 6308 Woodman Avenue, Van Nuys,  
3 California, within the Central District of California. Defendant  
4 ASLANYAN used Multiple Trading to, among other things, own,  
5 operate, and control numerous fraudulent medical clinics, in and  
6 around Los Angeles, California, that produced fraudulent  
7 prescriptions and documents relating to diagnostic and medical  
8 tests and durable medical equipment ("DME"), such as power  
9 wheelchairs, power wheelchair accessories, orthopedic and  
10 diabetic shoes, and orthotics.

11 2. Two of the fraudulent medical clinics defendant  
12 ASLANYAN owned, operated, and controlled were located at 231 West  
13 Vernon Avenue, Suite 204, Los Angeles, California (the "West  
14 Vernon Clinic"); and 7220 Woodman Avenue, Suite 106, Van Nuys,  
15 California (the "Woodman Clinic"), within the Central District of  
16 California.

17 3. Defendant CAROLYN ANN VASQUEZ ("VASQUEZ"), aka "Kat,"  
18 was the chief executive officer, secretary, director, and  
19 registered agent of Multiple Trading. Defendant VASQUEZ managed  
20 the fraudulent medical clinics owned by defendant ASLANYAN, and  
21 recruited and hired physicians, physician assistants, and others  
22 to staff the clinics.

23 4. Defendant ZURAMA CLAUDINA ESPANA ("ESPANA") was a  
24 physician assistant recruited and hired by defendant VASQUEZ to  
25 work at the Woodman Clinic.

26 5. Defendant DAVID JAMES GARRISON ("GARRISON") was a  
27 physician assistant who worked for defendants ASLANYAN and  
28 VASQUEZ at defendant ASLANYAN's fraudulent medical clinics.

1           6. Defendant ASLANYAN also owned, operated, and controlled  
2 his own DME supply companies, which he and other co-conspirators  
3 used to submit false and fraudulent claims to the Medicare  
4 Program ("Medicare") for power wheelchairs, power wheelchair  
5 accessories, and other DME. Two of the many DME supply companies  
6 ASLANYAN owned, operated, and controlled were Vila Medical  
7 Supply, Inc. ("Vila Medical"), which purported to do business at  
8 14545 Friar Street, Suite 112, Van Nuys, California; and Blanc  
9 Medical Supplies, Inc. ("Blanc Medical"), which purported to do  
10 business at 10983 Glenoaks Boulevard, Pacoima, California.

11           7. Vila Medical was a Medicare provider with a Medicare  
12 provider number, and purported to provide, among other things,  
13 power wheelchairs and wheelchair accessories to individuals who  
14 qualified for Medicare benefits.

15           8. Blanc Medical was a Medicare provider with a Medicare  
16 provider number, and purported to provide, among other things,  
17 power wheelchairs and wheelchair accessories to individuals who  
18 qualified for Medicare benefits.

19           9. A co-conspirator known to the Grand Jury ("CC1")  
20 assisted defendant ASLANYAN, defendant VASQUEZ, and others with  
21 operating and managing Multiple Trading, defendant ASLANYAN's  
22 fraudulent medical clinics, and defendant ASLANYAN's DME supply  
23 companies. Along with defendant ASLANYAN and other co-  
24 conspirators, CC1 provided and sold the fraudulent prescriptions  
25 and documents produced at defendant ASLANYAN's fraudulent medical  
26 clinics to the owners and operators of different DME supply  
27 companies, and assisted defendant ASLANYAN and others in using  
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1 Vila Medical and Blanc Medical to submit false and fraudulent  
2 claims to Medicare.

3 The Medicare Program

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

10 11. Individuals who qualified for Medicare benefits were  
11 referred to as Medicare "beneficiaries." Each beneficiary was  
12 given a unique health identification card number ("HICN").

13 12. Medicare was subdivided into several parts, including  
14 Medicare Part B, which covered physician's services and DME.

15 13. DME supply companies, physicians, and other health care  
16 providers that provided medical services that were reimbursed by  
17 Medicare were referred to as Medicare "providers." In order to  
18 participate in Medicare, providers were required to submit an  
19 application in which the provider agreed to comply with all  
20 Medicare-related laws and regulations. If Medicare approved a  
21 provider's application, Medicare assigned the provider a Medicare  
22 "provider number," which was used for processing and payment of  
23 claims.

24 14. A health care provider with a Medicare provider number  
25 could submit claims to Medicare to obtain reimbursement for  
26 services rendered to beneficiaries.

27 15. Most providers, including Vila Medical and Blanc  
28 Medical, submitted their claims electronically pursuant to an

1 agreement they executed with Medicare in which the providers  
2 agreed that they were responsible for all claims submitted to  
3 Medicare by themselves, their employees, and their agents; that  
4 they would submit claims only on behalf of those Medicare  
5 beneficiaries who had given their written authorization to do so;  
6 and that they would submit claims that were accurate, complete,  
7 and truthful.

8       16. Medicare generally reimbursed a provider for DME only  
9 if the DME was prescribed by the beneficiary's physician, the DME  
10 was medically necessary to the treatment of the beneficiary's  
11 illness or injury, and the DME supplier provided the DME in  
12 accordance with Medicare regulations and guidelines, which  
13 governed whether a particular item or service would be reimbursed  
14 by Medicare.

15       17. CMS contracted with regional contractors to process and  
16 pay Medicare claims. The contractor that processed and paid  
17 Medicare DME claims in Southern California during the relevant  
18 time period was first CIGNA and, later, Noridian.

19       18. To bill Medicare for services rendered, a provider  
20 submitted a claim form (Form 1500) to CIGNA or Noridian. Claims  
21 submitted were required to be truthful, complete, and not  
22 misleading. In addition, when a claim was submitted, the  
23 provider certified that the services or supplies covered by the  
24 claim were medically necessary.

25       19. A claim for Medicare reimbursement of DME was required  
26 to set forth, among other things, the beneficiary's name and  
27 HICN, the type of DME provided to the beneficiary, the date that  
28 the DME was provided, and the name and unique physician

1 identification number ("UPIN") of the physician who prescribed or  
2 ordered the DME.

3 20. Under the laws and regulations of the State of  
4 California, a physician assistant could provide only those  
5 medical services that the physician assistant was competent to  
6 perform; that were consistent with the physician assistant's  
7 education, training, and experience; and that were delegated in  
8 writing by a "supervising physician" in a "delegation of services  
9 agreement" signed and dated by the physician assistant and the  
10 supervising physician.

11 B. THE OBJECT OF THE CONSPIRACY

12 21. Beginning in or about March 2007 and continuing  
13 through in or about September 2008, in Los Angeles County, within  
14 the Central District of California, and elsewhere, defendants  
15 ASLANYAN, VASQUEZ, ESPANA, and GARRISON, together with others  
16 known and unknown to the Grand Jury, knowingly combined,  
17 conspired, and agreed to commit health care fraud, in violation  
18 of Title 18, United States Code, Section 1347.

19 C. THE MANNER AND MEANS OF THE CONSPIRACY

20 22. The object of the conspiracy was carried out, and to be  
21 carried out, in substance, as follows:

22 a. Defendant ASLANYAN caused the filing of articles  
23 of incorporation for Multiple Trading with the State of  
24 California.

25 b. On behalf of Multiple Trading, defendant VASQUEZ  
26 caused the filing of a statement of information with the State of  
27 California that listed herself as the chief executive officer,  
28 secretary, director, and registered agent of Multiple Trading.

1 c. Defendant VASQUEZ caused the filing of a  
2 fictitious business name statement with Los Angeles County to  
3 operate Multiple Trading under the fictitious name "Advanced  
4 Medical Services."

5 d. Through Multiple Trading, defendants ASLANYAN and  
6 VASQUEZ, with the assistance of CCI and other co-conspirators,  
7 operated and managed a series of fraudulent medical clinics in  
8 and around Los Angeles County, including, but not limited to, the  
9 West Vernon and Woodman Clinics.

10 e. Defendant VASQUEZ recruited and hired physicians  
11 to work at these clinics in order for her, defendant ASLANYAN,  
12 and their co-conspirators to obtain and use the physicians'  
13 names, UPINS, and Medicare provider numbers.

14 f. Defendant VASQUEZ recruited one physician, L.L.,  
15 for a position at the Woodman Clinic, but L.L. declined the  
16 position. Nevertheless, unbeknownst to L.L., defendant VASQUEZ  
17 caused L.L.'s name to be printed on a prescription pad, and  
18 caused his name, UPIN, and Medicare provider number to be used  
19 without L.L.'s permission.

20 g. Defendant VASQUEZ recruited and hired defendant  
21 ESPANA and other physician assistants to work at the clinics.  
22 Defendant VASQUEZ hired defendant ESPANA and other physician  
23 assistants to both refer Medicare beneficiaries for diagnostic  
24 testing and produce fraudulent prescriptions and documents for  
25 power wheelchairs, power wheelchair accessories, and other DME  
26 the beneficiaries did not medically need.

27 h. Defendants ASLANYAN and VASQUEZ instructed the  
28 physician assistants who worked at the West Vernon and Woodman

1 Clinics, including defendant ESPANA, to produce fraudulent  
2 prescriptions and documents for power wheelchairs, wheelchair  
3 accessories, and other DME for Medicare beneficiaries, even  
4 though the beneficiaries did not medically need the power  
5 wheelchairs, power wheelchair accessories, or other DME.

6 i. Individuals known as "marketers" recruited  
7 Medicare beneficiaries to provide the marketers with their names  
8 and HICNs. The marketers provided this information to co-  
9 conspirators associated with the West Vernon and Woodman Clinics,  
10 and defendants ASLANYAN, VASQUEZ, ESPANA, and GARRISON then used  
11 this information to refer the beneficiaries for diagnostic  
12 testing or produce or cause the production of fraudulent  
13 prescriptions and documents relating to power wheelchairs, power  
14 wheelchair accessories, and other DME the beneficiaries did not  
15 medically need.

16 j. From in or about March 2007 to in or about May  
17 2008, defendant GARRISON worked at the West Vernon and Woodman  
18 Clinics, where he performed physical evaluations, referred  
19 Medicare beneficiaries for diagnostic testing, and produced  
20 fraudulent prescriptions and documents relating to power  
21 wheelchairs, power wheelchair accessories, and other DME the  
22 beneficiaries did not medically need. Defendant GARRISON  
23 performed these tasks by using the names and UPINs of L.L. and  
24 other physicians who did not supervise defendant GARRISON, had  
25 not entered into delegation of services agreements with defendant

26 GARRISON, and had not authorized defendant GARRISON to perform  
27 medical services or write prescriptions or documents using their  
28 names or UPINs.

1 k. Defendant GARRISON also wrote prescriptions and  
2 documents relating to medically-unnecessary power wheelchairs,  
3 power wheelchair accessories, and other DME for Medicare  
4 beneficiaries who never visited the West Vernon or Woodman  
5 Clinics or saw defendant GARRISON.

6 l. From in or about late November 2007 to in or about  
7 February 2008, defendant ESPANA performed physical evaluations,  
8 referred beneficiaries for diagnostic testing, and produced  
9 fraudulent prescriptions and documents relating to power  
10 wheelchairs, power wheelchair accessories, and other DME the  
11 beneficiaries did not need. Defendant ESPANA performed these  
12 tasks by using the names and UPINS of L.L. and other physicians  
13 who did not supervise defendant ESPANA, had not entered into  
14 delegation of services agreements with defendant ESPANA, and had  
15 not authorized defendant ESPANA to write prescriptions and  
16 documents using their names or UPINS.

17 m. In or about January 2008, defendant ESPANA  
18 recruited M.G., a physician, to serve as her supervising  
19 physician at the Woodman Clinic, and entered into a delegation of  
20 services agreement with M.G. Defendant ESPANA used M.G.'s name  
21 and UPIN to perform physical evaluations, refer beneficiaries for  
22 diagnostic testing, and produce fraudulent prescriptions and  
23 documents relating to medically-unnecessary power wheelchairs,  
24 power wheelchair accessories, and other DME even though M.G. did  
25 not in fact know about or authorize many of these tasks.

26 n. In addition to owning and operating fraudulent  
27 medical clinics, defendant ASLANYAN also owned, operated, and  
28

1 controlled various DME supply companies, including Vila Medical  
2 and Blanc Medical.

3 o. To conceal defendant ASLANYAN's ownership of Vila  
4 Medical, CC1 submitted a Medicare application on behalf of  
5 defendant ASLANYAN and Vila Medical that listed CC1 as Vila  
6 Medical's director, and thereby obtained a Medicare provider  
7 number.

8 p. In or about April 2007, defendant ASLANYAN  
9 purchased Blanc Medical pursuant to a verbal agreement by which  
10 Blanc Medical's then-owner, G.D., remained the nominee owner of  
11 Blanc Medical, but transferred beneficial ownership to defendant  
12 ASLANYAN.

13 q. Defendant ASLANYAN, CC1, and other co-conspirators  
14 provided or sold the fraudulent prescriptions and documents  
15 relating to power wheelchairs, power wheelchair accessories, and  
16 other DME to Vila Medical, Blanc Medical, and other DME supply  
17 companies, some of which defendant ASLANYAN owned, operated, and  
18 controlled, and others of which he did not. The DME supply  
19 companies that defendant ASLANYAN did not own, operate, or  
20 control included, among others, Kimco Medial Supply, Inc.  
21 ("Kimco"), K & K Medical Supply, Inc. ("K & K"), and Contempo  
22 Medical Equipment, Inc. ("Contempo").

23 r. The above-referenced DME supply companies,  
24 including Vila Medical, Blanc Medical, Kimco Medical, K & K, and  
25 Contempo, used the fraudulent prescriptions and documents they  
26 purchased from defendant ASLANYAN, CC1, and others to submit  
27 false and fraudulent claims to Medicare.

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1           23. As part of the fraudulent scheme described above,  
2 defendants ASLANYAN, VASQUEZ, ESPANA, and GARRISON, and others  
3 known and unknown to the Grand Jury, caused Vila Medical, Blanc  
4 Medical, and other DME supply companies to submit to Medicare  
5 approximately \$18,906,104 of false and fraudulent Medicare  
6 claims, resulting in Medicare payments of approximately  
7 \$11,186,918.

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1 D. THE EXECUTION OF THE FRAUDULENT SCHEME

2 27. On or about the dates set forth below, within the  
 3 Central District of California and elsewhere, the defendants  
 4 identified below, for the purpose of executing and attempting to  
 5 execute the fraudulent scheme described above, knowingly and  
 6 willfully submitted and caused to be submitted to Medicare the  
 7 following false and fraudulent claims for payment:

8	COUNT	DEFENDANT	CLAIM NUMBER	DATE SUBMITTED (DME COMPANY)	APPROX. AMOUNT SUBMITTED /PAID	NATURE OF CLAIM
11	TWO	ASLANYAN VASQUEZ GARRISON	107248829180000	09/05/07 (BLANC)	\$5,675/ \$4,159	Power wheelchair and accessories for A.C.
14	THREE	ASLANYAN VASQUEZ ESPANA	107352814916000	12/18/07 (CONTEMPO)	\$5,940/ \$4,214	Power wheelchair and accessories for L.F.
17	FOUR	ASLANYAN VASQUEZ GARRISON	108007871526000	01/07/08 (K & K)	\$5,865/ \$4,106	Power wheelchair and accessories for A.G.
20	FIVE	ASLANYAN VASQUEZ GARRISON	108007818183000	1/07/08 (KIMCO)	\$5,865/ \$4,106	Power wheelchair and accessories for G.C.
23	SIX	ASLANYAN VASQUEZ ESPANA	108029829664000	01/29/08 (BLANC)	\$5,675/ \$4,159	Power wheelchair and accessories for R.R.
25	SEVEN	ASLANYAN VASQUEZ ESPANA	108045831940000	02/14/08 (BLANC)	\$5,375/ \$3,995	Power wheelchair and accessories for H.B.

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COUNT	DEFENDANT	CLAIM NUMBER	DATE SUBMITTED (DME COMPANY)	APPROX. AMOUNT SUBMITTED / PAID	NATURE OF CLAIM
EIGHT	ASLANYAN VASQUEZ ESPANA	108045831941000	02/14/08 (BLANC)	\$5,375/ \$3,995	Power wheelchair and accessories for S.B.
NINE	ASLANYAN VASQUEZ GARRISON	108112891413000	04/21/08 (KIMCO)	\$5,865/ \$4,136	Power wheelchair and accessories for M.A.
TEN	ASLANYAN VASQUEZ GARRISON	108112891415000	04/21/08 (KIMCO)	\$5,865/ \$4,214	Power wheelchair and accessories for T.A.
ELEVEN	ASLANYAN VASQUEZ GARRISON	108112891414000	04/21/08 (KIMCO)	\$5,865/ \$4,214	Power wheelchair and accessories for G.A.

COUNT TWELVE

[18 U.S.C. §§ 1028A, 2(b)]

28. The Grand Jury hereby realleges and incorporates by reference paragraphs 1 through 20, 22, and 23 of this First Superseding Indictment, as though set forth in their entirety here.

29. Between in or about November 2007 and in or about September 2008, in Los Angeles County, within the Central District of California, and elsewhere, defendants ASLANYAN, VASQUEZ, and GARRISON, together with others known and unknown to the Grand Jury, knowingly transferred, possessed, and used, and caused to be transferred, possessed, and used, without lawful authority, a means of identification of another person, that is, L.L.'s name and UPIN, during and in relation to the following felonies: Conspiracy to Commit Health Care Fraud and Health Care Fraud, a felony violation of Title 18, United States Code, Sections 1349 and 1347, as charged in Count One, above.

A TRUE BILL

*/s/*  
Foreperson

ANDRÉ BIROTTE JR.  
United States Attorney

*Christine C. Ewell*

CHRISTINE C. EWELL  
Assistant United States Attorney  
Chief, Criminal Division

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

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

JONATHAN T. BAUM  
Trial Attorney, Fraud Section  
United States Department of Justice

1 ANDRÉ BIROTTE JR.  
 United States Attorney  
 2 ROBERT E. DUGDALE  
 Assistant United States Attorney  
 3 Chief, Criminal Division  
 JONATHAN T. BAUM  
 4 Trial Attorney, Fraud Section  
 Criminal Division, United States Department of Justice  
 5 1100 Floor, United States Courthouse  
 312 North Spring Street  
 6 Los Angeles, California 90012  
 Telephone: (213) 894-6495  
 7 Facsimile: (213) 894-2387  
 E-mail: jonathan.baum@usdoj.gov  
 8 Attorneys for Plaintiff  
 UNITED STATES OF AMERICA  
 9

11 UNITED STATES DISTRICT COURT

12 FOR THE CENTRAL DISTRICT OF CALIFORNIA

13 UNITED STATES OF AMERICA, ) CR No. 08-1084 (A) -CBM  
 14 )  
 Plaintiff, ) PLEA AGREEMENT FOR DEFENDANT  
 15 ) CAROLYN VASQUEZ  
 v. )  
 16 )  
 EDUARD ALANYAN et al., )  
 17 )  
 Defendants. )  
 18 )  
 19 )

20 1. This constitutes the plea agreement between Carolyn  
 21 Vasquez ("defendant") and the Fraud Section of the United States  
 22 Department of Justice and the United States Attorney's Office for  
 23 the Central District of California (collectively "the USAO") in  
 24 the above-captioned case. This agreement is limited to the USAO  
 25 and cannot bind any other federal, state, local, or foreign  
 26 prosecuting, enforcement, administrative, or regulatory  
 27 authorities.

//



1 known to defendant about, all monies, properties, and/or assets  
2 of any kind, derived from or acquired as a result of, or used to  
3 facilitate the commission of, defendant's illegal activities, and  
4 to forfeit all right, title, and interest in and to such items,  
5 specifically including all right, title, and interest in and to  
6 all United States currency, property and assets.

7           b) To the Court's entry of an order of forfeiture at or  
8 before sentencing with respect to these assets and to the  
9 forfeiture of the assets.

10           c) To take whatever steps are necessary to pass to the  
11 United States clear title to the assets described above,  
12 including, without limitation, the execution of a consent decree  
13 of forfeiture and the completing of any other legal documents  
14 required for the transfer of title to the United States.

15           d) Not to contest any administrative forfeiture  
16 proceedings or civil judicial proceedings commenced against these  
17 properties. With respect to any criminal forfeiture ordered as a  
18 result of this plea agreement, defendant waives the requirements  
19 of Federal Rules of Criminal Procedure 32.2 and 43(a) regarding  
20 notice of the forfeiture in the charging instrument,  
21 announcements of the forfeiture sentencing, and incorporation of  
22 the forfeiture in the judgment. Defendant acknowledges that  
23 forfeiture of the assets is part of the sentence that may be  
24 imposed in this case and waives any failure by the Court to  
25 advise defendant of this, pursuant to Federal Rule of Criminal  
26 Procedure 11(b)(1)(J), at the time the Court accepts defendant's

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1 guilty plea.

2 e) Not to assist any other individual in any effort  
3 falsely to contest the forfeiture of the assets described above.

4 f) Not to claim that reasonable cause to seize the  
5 assets was lacking.

6 g) To prevent the transfer, sale, destruction, or loss  
7 of any and all assets described above to the extent defendant has  
8 the ability to do so.

9 h) To fill out and deliver to the USAO a completed  
10 financial statement listing defendant's assets on a form provided  
11 by the USAO.

12 THE USAO'S OBLIGATIONS

13 4. The USAO agrees to:

14 a) Not contest facts agreed to in this agreement.

15 b) Abide by all agreements regarding sentencing factors  
16 contained in this agreement.

17 c) At the time of sentencing, move to dismiss the  
18 remaining counts of the first superseding indictment as against  
19 defendant and the underlying indictment. Defendant agrees,  
20 however, that at the time of sentencing the Court may consider  
21 the dismissed counts and the underlying indictment in determining  
22 the applicable Sentencing Guidelines range, the propriety and  
23 extent of any departure from that range, and the sentence to be  
24 imposed after consideration of the Sentencing Guidelines and all  
25 other relevant factors under 18 U.S.C. § 3553(a).

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

7 e) With respect to count one, recommend that defendant be  
8 sentenced to a term of imprisonment no higher than the low end of  
9 the applicable Sentencing Guidelines range.

10 NATURE OF THE OFFENSE

11 5. Defendant understands that for defendant to be guilty  
12 of the crime charged in count one of the first superseding  
13 indictment (violation of Title 18, United States Code, Section  
14 1349), the following must be true:

15 a) Beginning in or about late 2007, and ending in or  
16 about June 2008, there was an agreement between defendant and one  
17 or more people to commit health care fraud, in violation of 18  
18 U.S.C. § 1347; and

19 b) Defendant became a member of the conspiracy  
20 knowing of its object, and intending to help accomplish it.

21 Defendant admits that defendant is, in fact, guilty of this  
22 offense as described in count one of the first superseding  
23 indictment.

24 PENALTIES AND RESTITUTION

25 6. Defendant understands that the statutory maximum  
26 sentence that the Court can impose for a violation of Title 18,

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1 United States Code, Section 1349, is: ten years imprisonment; a  
2 three-year period of supervised release; a fine of \$250,000 or  
3 twice the gross gain or gross loss resulting from the offense,  
4 whichever is greatest; and a mandatory special assessment of  
5 \$100.

6 7. Defendant understands that defendant will be required  
7 to pay full restitution to the victim of the offense. Defendant  
8 agrees that, in return for the USAO's compliance with its  
9 obligations under this agreement, the amount of restitution is  
10 not restricted to the amounts alleged in the count to which  
11 defendant is pleading guilty and may include losses arising from  
12 charges not prosecuted pursuant to this agreement as well as all  
13 relevant conduct in connection with those charges. Defendant  
14 agrees that the applicable amount of restitution is at least  
15 \$2,500,001. Defendant recognizes that the USAO contends that the  
16 applicable amount is substantially higher, that the court can  
17 impose a higher amount at sentencing, and that Medicare may  
18 assert an overpayment due in a greater amount. Currently, the  
19 USAO believes that the applicable amount of restitution is  
20 approximately \$6,268,899, but the parties recognize and agree  
21 that the USAO's calculation could change based on facts that come  
22 to the attention of the parties prior to sentencing. Defendant  
23 agrees that the restitution order is not restricted to any amount  
24 alleged in the counts to which she is pleading guilty. Defendant  
25 further agrees that defendant will not seek the discharge of any  
26 restitution obligation, in whole or in part, in any present or

27

1 future bankruptcy proceeding.

2       8. Defendant understands that supervised release is a  
3 period of time following imprisonment during which defendant will  
4 be subject to various restrictions and requirements. Defendant  
5 understands that if defendant violates one or more of the  
6 conditions of any supervised release imposed, defendant may be  
7 returned to prison for all or part of the term of supervised  
8 release authorized by statute for the offense that resulted in  
9 the term of supervised release, which could result in defendant  
10 serving a total term of imprisonment greater than the statutory  
11 maximum stated above.

12       9. Defendant understands that, by pleading guilty,  
13 defendant may be giving up valuable government benefits and  
14 valuable civic rights, such as the right to vote, the right to  
15 possess a firearm, the right to hold office, and the right to  
16 serve on a jury. Defendant understands that once the Court  
17 accepts defendant's guilty plea, it will be a federal felony for  
18 defendant to possess a firearm or ammunition. Defendant  
19 understands that the conviction in this case may also subject  
20 defendant to various other collateral consequences, including but  
21 not limited to revocation of probation, parole, or supervised  
22 release in another case and suspension or revocation of a  
23 professional license. Defendant understands that unanticipated  
24 collateral consequences will not serve as grounds to withdraw  
25 defendant's guilty plea.

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1 Defendant understands that the Sentencing Guidelines are advisory  
2 only, that defendant cannot have any expectation of receiving a  
3 sentence within the Sentencing Guidelines range, and that after  
4 considering the Sentencing Guidelines and the other § 3553(a)  
5 factors, the Court will be free to exercise its discretion to  
6 impose any sentence it finds appropriate up to the maximum set by  
7 statute for the crime of conviction.

8 13. Defendant and the USAO agree to the following  
9 applicable Sentencing Guidelines factors:

10	Base Offense Level	:	6	[U.S.S.G. § 2B1.1(a)(2)]
11	Specific Offense			
12	Characteristics			
12	(Loss of More Than	:	18	[U.S.S.G. § 2B1.1(b)(1)(J)]
13	\$2,500,000)			
14	Acceptance of	:	-3	[U.S.S.G. §§ 3E1.1(a) and (b)]
14	Responsibility			

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15 Total Offense Level : 21

16 14. The USAO will agree to a two-level downward adjustment  
17 for acceptance of responsibility (and, if applicable, move for an  
18 additional one-level downward adjustment under U.S.S.G. §  
19 3E1.1(b)) only if the conditions set forth in paragraph 4(d) are  
20 met. Subject to paragraph 26 below, defendant and the USAO agree  
21 not to seek, argue, or suggest in any way, either orally or in  
22 writing, that any other specific offense characteristics,  
23 adjustments, or departures relating to the offense level be  
24 imposed. Defendant agrees, however, that if, after signing this  
25 agreement but prior to sentencing, defendant were to commit an  
26 act, or the USAO were to discover a previously undiscovered act  
27

1 committed by defendant prior to signing this agreement, which  
2 act, in the judgment of the USAO, constituted obstruction of  
3 justice within the meaning of U.S.S.G. § 3C1.1, the USAO would be  
4 free to seek the enhancement set forth in that section.

5 Defendant understands that defendant's offense level could be  
6 increased if defendant is a career offender under U.S.S.G. §§  
7 4B1.1 and 4B1.2. If defendant's offense level is so altered,  
8 defendant and the USAO will not be bound by the agreement to  
9 Sentencing Guideline factors set forth above.

10 15. Defendant understands that there is no agreement as to  
11 defendant's criminal history or criminal history category.

12 16. Defendant and the USAO reserve the right to argue for a  
13 sentence outside the sentencing range established by the  
14 Sentencing Guidelines based on the factors set forth in 18 U.S.C.  
15 § 3553(a)(1), (a)(2), (a)(3), (a)(6), and (a)(7).

16 WAIVER OF CONSTITUTIONAL RIGHTS

17 17. Defendant understands that by pleading guilty,  
18 defendant gives up the following rights:

- 19 a) The right to persist in a plea of not guilty.  
20 b) The right to a speedy and public trial by jury.  
21 c) The right to the assistance of an attorney at trial,  
22 including the right to have the Court appoint an attorney to  
23 represent defendant at trial. Defendant understands, however,  
24 that, despite defendant's guilty plea, defendant retains the  
25 right to be represented by an attorney -- and, if necessary, to  
26  
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1 have the Court appoint an attorney if defendant cannot afford one  
2 -- at every other stage of the proceeding.

3 d) The right to be presumed innocent and to have the  
4 burden of proof placed on the government to prove defendant  
5 guilty beyond a reasonable doubt.

6 e) The right to confront and cross-examine witnesses  
7 against defendant.

8 f) The right to testify on defendant's own behalf and  
9 present evidence in opposition to the charges, including calling  
10 witnesses and subpoenaing those witnesses to testify.

11 g) The right not to be compelled to testify, and, if  
12 defendant chose not to testify or present evidence, to have that  
13 choice not be used against defendant.

14 h) Any and all rights to pursue any affirmative  
15 defenses, Fourth Amendment or Fifth Amendment claims, and other  
16 pretrial motions that have been filed or could be filed.

17 WAIVER OF APPEAL OF CONVICTION

18 18. Defendant understands that, with the exception of an  
19 appeal based on a claim that defendant's guilty plea was  
20 involuntary, by pleading guilty defendant is waiving and giving  
21 up any right to appeal defendant's conviction on the offenses to  
22 which defendant is pleading guilty.

23 LIMITED MUTUAL WAIVER OF APPEAL OF SENTENCE

24 19. Defendant agrees that, provided the Court imposes a  
25 term of imprisonment within or below the range corresponding to  
26 an offense level of 21 and the criminal history category  
27 calculated by the Court, defendant gives up the right to appeal

1 all of the following: (a) the procedures and calculations used to  
2 determine and impose any portion of the sentence; (b) the term of  
3 imprisonment imposed by the Court; (c) the fine imposed by the  
4 Court, provided it is within the statutory maximum; (d) the  
5 amount and terms of any restitution order, provided it requires  
6 payment of no more than \$6,268,899; (e) the term of probation or  
7 supervised release imposed by the Court, provided it is within  
8 the statutory maximum; and (f) any of the following conditions of  
9 probation or supervised release imposed by the Court: the  
10 standard conditions set forth in General Orders 318, 01-05,  
11 and/or 05-02 of this Court; the drug testing conditions mandated  
12 by 18 U.S.C. §§ 3563(a)(5) and 3583(d); and the alcohol and drug  
13 use conditions authorized by 18 U.S.C. § 3563(b)(7).

14 20. The USAO agrees that, provided the Court imposes a term  
15 of imprisonment within or above the range corresponding to an  
16 offense level of 21 and the criminal history category calculated  
17 by the Court, the USAO gives up its right to appeal any portion  
18 of the sentence, with the exception that the USAO reserves the  
19 right to appeal the amount of restitution ordered.

20 RESULT OF WITHDRAWAL OF GUILTY PLEA

21 21. Defendant agrees that if, after entering a guilty plea  
22 pursuant to this agreement, defendant seeks to withdraw and  
23 succeeds in withdrawing defendant's guilty plea on any basis  
24 other than a claim and finding that entry into this plea  
25 agreement was involuntary, then (a) the USAO will be relieved of  
26 all of its obligations under this agreement; and (b) should the  
27

1 USAO choose to pursue any charge or any civil, administrative, or  
2 regulatory action that was either dismissed or not filed as a  
3 result of this agreement, then (i) any applicable statute of  
4 limitations will be tolled between the date of defendant's  
5 signing of this agreement and the filing commencing any such  
6 action; and (ii) defendant waives and gives up all defenses based  
7 on the statute of limitations, any claim of pre-indictment delay,  
8 or any speedy trial claim with respect to any such action, except  
9 to the extent that such defenses existed as of the date of  
10 defendant's signing this agreement.

11 EFFECTIVE DATE OF AGREEMENT

12 22. This agreement is effective upon signature and  
13 execution of all required certifications by defendant,  
14 defendant's counsel, and an Assistant United States Attorney or  
15 Department of Justice Trial Attorney.

16 BREACH OF AGREEMENT

17 23. Defendant agrees that if defendant, at any time after  
18 the signature of this agreement and execution of all required  
19 certifications by defendant, defendant's counsel, and an  
20 Assistant United States Attorney or Department of Justice Trial  
21 Attorney, knowingly violates or fails to perform any of  
22 defendant's obligations under this agreement ("a breach"), the  
23 USAO may declare this agreement breached. All of defendant's  
24 obligations are material, a single breach of this agreement is  
25 sufficient for the USAO to declare a breach, and defendant shall  
26 not be deemed to have cured a breach without the express  
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1 agreement of the USAO in writing. If the USAO declares this  
2 agreement breached, and the Court finds such a breach to have  
3 occurred, then: (a) if defendant has previously entered a guilty  
4 plea pursuant to this agreement, defendant will not be able to  
5 withdraw the guilty plea, and (b) the USAO will be relieved of  
6 all its obligations under this agreement.

7 24. Following the Court's finding of a knowing breach of  
8 this agreement by defendant, should the USAO choose to pursue any  
9 charge or any civil, administrative, or regulatory action that  
10 was either dismissed or not filed as a result of this agreement,  
11 then:

12 a) Defendant agrees that any applicable statute of  
13 limitations is tolled between the date of defendant's signing of  
14 this agreement and the filing commencing any such action.

15 b) Defendant waives and gives up all defenses based on  
16 the statute of limitations, any claim of pre-indictment delay, or  
17 any speedy trial claim with respect to any such action, except to  
18 the extent that such defenses existed as of the date of  
19 defendant's signing this agreement.

20 c) Defendant agrees that: (i) any statements made by  
21 defendant, under oath, at the guilty plea hearing (if such a  
22 hearing occurred prior to the breach); (ii) the agreed to factual  
23 basis statement in this agreement; and (iii) any evidence derived  
24 from such statements, shall be admissible against defendant in  
25 any such action against defendant, and defendant waives and gives  
26 up any claim under the United States Constitution, any statute,  
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1 Rule 410 of the Federal Rules of Evidence, Rule 11(f) of the  
2 Federal Rules of Criminal Procedure, or any other federal rule,  
3 that the statements or any evidence derived from the statements  
4 should be suppressed or are inadmissible.

5 COURT AND PROBATION OFFICE NOT PARTIES

6 25. Defendant understands that the Court and the United  
7 States Probation Office are not parties to this agreement and  
8 need not accept any of the USAO's sentencing recommendations or  
9 the parties' agreements to facts or sentencing factors.

10 26. Defendant understands that both defendant and the USAO  
11 are free to: (a) supplement the facts by supplying relevant  
12 information to the United States Probation Office and the Court,  
13 (b) correct any and all factual misstatements relating to the  
14 Court's Sentencing Guidelines calculations, and (c) argue on  
15 appeal and collateral review that the Court's Sentencing  
16 Guidelines calculations are not error, although each party agrees  
17 to maintain its view that the calculations in paragraph 13 are  
18 consistent with the facts of this case. While this paragraph  
19 permits both the USAO and defendant to submit full and complete  
20 factual information to the United States Probation Office and the  
21 Court, even if that factual information may be viewed as  
22 inconsistent with the facts agreed to in this agreement, this  
23 paragraph does not affect defendant's and the USAO's obligations  
24 not to contest the facts agreed to in this agreement.

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

10 NO ADDITIONAL AGREEMENTS

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

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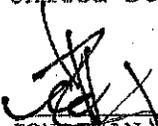
PLEA AGREEMENT PART OF THE GUILTY PLEA HEARING

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

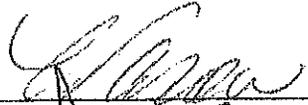
AGREED AND ACCEPTED

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

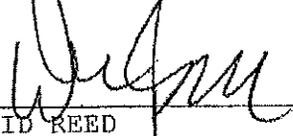
ANDRÉ BIROTTE JR.  
United States Attorney

  
\_\_\_\_\_  
JONATHAN F. BAUM  
Trial Attorney, Fraud Section  
United States Department of Justice

3/23/11  
Date

  
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CAROLYN VASQUEZ  
Defendant

3/23/11  
Date

  
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DAVID REED  
Attorney for Defendant  
Carolyn Vasquez

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CERTIFICATION OF DEFENDANT

I have read this agreement in its entirety. I have had enough time to review and consider this agreement, and I have carefully and thoroughly discussed every part of it with my attorney. I understand the terms of this agreement, and I voluntarily agree to those terms. I have discussed the evidence with my attorney, and my attorney has advised me of my rights, of possible pretrial motions that might be filed, of possible defenses that might be asserted either prior to or at trial, of the sentencing factors set forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines provisions, and of the consequences of entering into this agreement. No promises, inducements, or representations of any kind have been made to me other than those contained in this agreement. No one has threatened or forced me in any way to enter into this agreement. I am satisfied with the representation of my attorney in this matter, and I am pleading guilty because I am guilty of the charges and wish to take advantage of the promises set forth in this agreement, and not for any other reason.



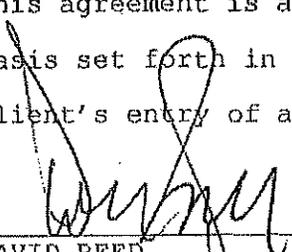
CAROLYN VASQUEZ  
Defendant

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CERTIFICATION OF DEFENDANT'S ATTORNEY

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

  
\_\_\_\_\_  
DAVID REED  
Attorney for Defendant  
Carolyn Vasquez

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ATTACHMENT A

STATEMENT OF FACTS TO THE PLEA AGREEMENT FOR CAROLYN VASQUEZ

Defendant Carolyn VASQUEZ ("VASQUEZ") and the USAO agree and stipulate to the following facts:

1. At all times relevant to this plea agreement, the Medicare Program ("Medicare") was a federal health care benefit program, as defined by Title 18, United States Code, Section 24(b).

2. From in or about late 2007 to in or about June 2008, defendant VASQUEZ agreed, conspired, and combined with her co-defendants, Eduard Aslanyan ("Aslanyan") and Armen Shagoyan ("Shagoyan"), to perpetrate a scheme to defraud Medicare through two medical clinics which Aslanyan and Shagoyan operated through "Multiple Trading, Inc." ("Multiple Trading"), a corporation Aslanyan formed in February 2007. Defendant VASQUEZ worked for Multiple Trading, and knew of the fraud scheme at the clinics prior to her employment at Multiple Trading.

3. One of the fraudulent medical clinics that Aslanyan and Shagoyan operated through Multiple Trading was located at 231 West Vernon Avenue, Los Angeles, California (the "West Vernon Clinic"), within the Central District of California, and did business under the fictitious name "Advanced Medical Services." The West Vernon Clinic later moved to a building at 7220 Woodman Avenue, Los Angeles, California (the "Woodman Clinic"), within the Central District of California, and continued to do business as Advanced Medical Services.

 Def. Initials

1           4. Defendant VASQUEZ recruited physicians and physician  
2 assistants to work at both the West Vernon and Woodman Clinics.  
3 Defendant VASQUEZ solicited these physicians and physician  
4 assistants through internet websites and by other means. Defendant  
5 VASQUEZ told the physicians that they would be the medical  
6 directors of the clinics, but that if they did not want to work at  
7 the clinics full time, the clinics would hire physician assistants  
8 to work at the clinics and examine patients.

9           5. Defendant VASQUEZ's co-conspirator, Shagoyan, told the  
10 physicians that the clinics would provide the personnel to staff  
11 the clinics, and, in fact, both the West Vernon and Woodman Clinics  
12 were already staffed when defendant VASQUEZ began recruiting  
13 physicians and physician assistants to work at the clinics.  
14 Defendant VASQUEZ assisted the physicians in obtaining Medicare  
15 provider numbers and entering into management agreements with  
16 Multiple Trading and other management companies, under which  
17 Multiple Trading and the other companies managed the clinics in  
18 exchange for seventy-five percent of the revenue the physicians  
19 received from Medicare.

20           6. Although defendant VASQUEZ did not have full knowledge of  
21 the scope of the Medicare fraud scheme at the West Vernon and  
22 Woodman Clinics, defendant VASQUEZ knew that her co-conspirators  
23 were using the names and Medicare provider numbers of physicians  
24 who both worked and did not work at the West Vernon and Woodman  
25 Clinics to submit false claims to Medicare seeking reimbursement  
26 for services these physicians did not perform and for power  
27

1 wheelchairs, medical equipment, and diagnostic tests that the  
2 physicians did not order.

3 7. After defendant VASQUEZ learned that the West Vernon and  
4 Woodman Clinics were involved in Medicare fraud, she continued to  
5 recruit physicians and physician assistants for the clinics.  
6 Defendant VASQUEZ's conduct resulted in the submission of false  
7 claims to Medicare, and Medicare paying approximately \$6,268,899 on  
8 those claims.

9 8. In or about late 2007, a physician, L.L., contacted  
10 defendant VASQUEZ and applied for a position at the Woodman Clinic,  
11 but L.L. did not accept the position and did not work at the  
12 Woodman Clinic. Defendant VASQUEZ learned that her co-conspirators  
13 had ordered prescription pads printed with L.L.'s name and Medicare  
14 provider number. The prescription pads represented that L.L. was  
15 a physician at the Woodman Clinic, which defendant VASQUEZ knew was  
16 not true. Unbeknownst to L.L. and at the behest of her co-  
17 conspirators, defendant VASQUEZ persuaded a physician assistant  
18 working at the Woodman Clinic to produce fraudulent prescriptions  
19 and medical documentation for diagnostic tests, power wheelchairs,  
20 and other medical equipment in L.L.'s name knowing full well that  
21 L.L. did not work at the Woodman Clinic.

22 9. Defendant VASQUEZ committed the acts described above  
23 willfully, and with the intent to defraud Medicare.

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United States District Court  
Central District of California

UNITED STATES OF AMERICA vs.

Docket No. CR08-1084(A) CBM

Defendant CAROLYN ANN VASQUEZ  
Carolyn Ann, Carolyn Aslanyan, Carolyn McCrary,  
akas: "Kat"

Social Security No. [REDACTED]  
(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
Jan.	09	2012

**COUNSEL** David Robert Reed, appointed  
(Name of Counsel)

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

**FINDING** There being a finding/verdict of **GUILTY**, defendant has been convicted as charged of the offense(s) of:  
Conspiracy to Commit Health Care Fraud, as charged in Count 1 of the First Superseding Indictment, in violation of 18 U.S.C. 1349.

**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:

Sixty (60) Months.  
Upon release from imprisonment, the defendant shall be placed on supervised release for a term of Three (3) Years under the following terms and conditions: (1) the defendant shall comply with General Order No. 01-05; (2) the defendant shall comply with the rules and regulations of the United States Probation Office and General Order 05-02; (3) the defendant shall refrain from any unlawful use of a controlled substance. The defendant shall submit to one drug test within 15 days or release from imprisonment and at least two periodic drug tests thereafter, not to exceed eight tests per month, as directed by the Probation Officer; (4) 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 abusing prescription medications during the period of supervision; (5) 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; (6) as directed by the Probation Officer, the defendant shall pay all or part of the costs of treating the defendant's drug dependency to the aftercare contractor during the period of community supervision, pursuant to 18 U.S.C. section 3672. The defendant shall provide payment and proof of payment as directed by the Probation Officer; (7) the Court authorizes the Probation Officer 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; (8) 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; (9) the defendant's employment is subject to the prior approval of the Probation Officer. The defendant is prohibited from working for any employer which submits claims to any government funded health care benefits program; (10) the defendant shall cooperate in the collection of a DNA sample from the defendant; (11) the defendant shall apply all monies received from income tax refunds, lottery winnings, inheritance, judgments and any anticipated or unexpected financial gains to the outstanding court-ordered financial obligation.

It is ordered that the defendant shall pay to the United States a special assessment of \$100, which is due immediately but may be paid during the term of supervised release. 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 further ordered that the defendant shall pay restitution in the total amount of \$6,268,899 pursuant to 18 U.S.C. Section

3663A. The amount of restitution ordered shall be paid to Medicare.

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 defendants' gross monthly income, but not less than \$125, whichever is greater, during the period of supervised release and shall begin 30 days after the commencement of supervision. Nominal restitution payments are ordered s 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, Armen Shagoyan, Edward Aslanyan, David Garrison and Claudina Zurama (CR08-1084 CBM) for the amount of restitution ordered in this Judgment. The victims' recovery is limited to the amount of their loss and the defendant's liability for restitution ceases if and when the victims receive full restitution.

Pursuant to 18 U.S.C.-Section 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 penalties for default and delinquency pursuant to 18 U.S.C. Section 3612(g).

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

It is further ordered that the defendant surrender herself to the institution designated by the Bureau of Prisons on or before April 11, 2012 at 12:00 Noon. 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 Roybal Federal Building, 255 East Temple Street, Los Angeles, California 90012.

The Court RECOMMENDS that the defendant be allowed to participate in the Bureau of Prisons' drug rehabilitation program and that the defendant be designated to serve her sentence at an institution in the Southern California.

It is further ordered that the defendant's bond be exonerated upon surrender to custody and that the defendant's passport be turned over to her son, Victor Michael Smushkevich, upon surrender to custody.

It is further ordered that the defendant shall keep the 9<sup>th</sup> Circuit advised of her current address.

In the interest of justice, Indictment CR08-1084 CBM and the remaining Counts in the First Superseding Indictment (CR08-1084(A)CBM), are hereby dismissed.

The defendant is advised of her right to appeal and if the defendant so requests, a Notice of Appeal shall be filed by defense counsel

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.

January 9, 2012

Date



CONSUELO B. MARSHALL

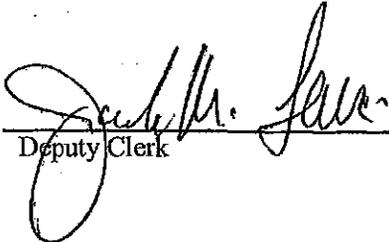
UNITED STATES DISTRICT JUDGE

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

1/12/12  
Filed Date

  
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 (15<sup>th</sup>) day after the date of the judgment pursuant to 18 U.S.C. §3612(f)(1). Payments may be subject to penalties for default and delinquency pursuant to 18 U.S.C. §3612(g). Interest and penalties pertaining to restitution, however, are not applicable for offenses completed prior to April 24, 1996.

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

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

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

Payments shall be applied in the following order:

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

**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:

USA vs. CAROLYN VASQUEZ

Docket No.: CR08-1084(A) CBM

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