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UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA

2012 JUN 21 AM 11:51
CLERK U.S. DISTRICT COURT
CENTRAL DIST. OF CALIF.
LOS ANGELES

FILED

UNITED STATES OF AMERICA,)
)
Plaintiff,)
)
v.)
)
SANG WHAN AHN,)
)
Defendant.)

CR 12 00588
I N F O R M A T I O N
[18 U.S.C. § 1349: Conspiracy
to Commit Health Care Fraud]

The United States Attorney charges:

A. INTRODUCTORY ALLEGATIONS

At all times relevant to this Information:

1. Defendant SANG WHAN AHN ("defendant AHN") recruited Medicare beneficiaries for Greatcare Home Health, Inc. ("Greatcare"), a Medicare provider owned by a co-conspirator, Hee Jung Mun ("Mun").
2. Medicare was a federal health care benefit program, affecting commerce, that provided benefits to individuals who were over the age of 65 or disabled.
3. Individuals who qualified for Medicare benefits were

1 referred to as "beneficiaries" and were issued Medicare
2 identification cards with unique Health Insurance Claim Numbers.

3 4. Persons and entities that provided medical services
4 that were reimbursed by Medicare were called Medicare
5 "providers."

6 5. Medicare reimbursed providers for certain types of
7 medically necessary treatment, including home health services
8 provided by qualified home health agencies.

9 6. Medicare coverage for home health services was limited
10 to situations in which specified qualifying conditions were met.
11 These conditions included the following:

12 a. The Medicare beneficiary was confined to the home
13 and did not have a willing care-giver to assist him or her;

14 b. The beneficiary needed skilled nursing services or
15 physical or occupational therapy services;

16 c. The beneficiary was under the care of a qualified
17 physician who established a written Plan of Care for the
18 beneficiary, signed by the physician and a registered nurse
19 ("RN") (or by a therapist if only therapy services were
20 provided) from the home health agency;

21 d. Skilled nursing services were provided by an RN or
22 by a licensed vocational nurse under the supervision of an RN in
23 accordance with the plan of care; and

24 e. The services were medically necessary.

25 7. Medicare paid home health agencies based on a payment
26 system under which Medicare paid home health agencies for each
27 sixty-day episode of services or "certification period." The
28 amount of the payment was based primarily on the severity of the

1 beneficiary's health condition and care needs.

2 B. THE OBJECT OF THE CONSPIRACY

3 8. Beginning in or about March 2009, and continuing to on
4 or about March 2, 2011, in Los Angeles County, within the
5 Central District of California and elsewhere, defendant AHN,
6 together with Mun and others known and unknown to the United
7 States Attorney, knowingly combined, conspired, and agreed to
8 commit health care fraud, in violation of Title 18, United
9 States Code, Section 1347.

10 C. THE MANNER AND MEANS OF THE CONSPIRACY

11 9. The object of the conspiracy was carried out, and to
12 be carried out, in substance, as follows:

13 a. Defendant AHN would take Medicare beneficiaries
14 to certain doctors designated by Mun to obtain orders for home
15 health services, knowing that those doctors had either been paid
16 illegal kickbacks by Mun or by defendant AHN herself in exchange
17 for those orders and knowing that the beneficiaries often did
18 not medically need home health services.

19 b. Greatcare would receive the orders for home
20 health services for the beneficiaries defendant AHN recruited
21 and would enroll the patients at Greatcare.

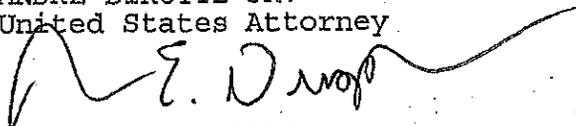
22 c. Greatcare would then submit fraudulent claims to
23 Medicare for reimbursement for home health services it allegedly
24 provided to the beneficiaries, even though, as defendant AHN
25 well knew, those services were (i) not performed, (ii) were
26 performed by unlicensed individuals, and/or (iii) were not
27 medically necessary.

28 d. Mun would pay defendant AHN approximately \$400

1 per beneficiary for each episode of services that Greatcare was
2 able to bill to Medicare.

3 e. Medicare paid Greatcare approximately \$676,066
4 for false and fraudulent claims for home health services for
5 beneficiaries referred by defendant AHN.

6 ANDRÉ BIROTTE JR.
United States Attorney

7 

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

10 RICHARD ROBINSON
11 Assistant United States Attorney
Chief, Major Frauds Section

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

15 KRISTEN A. WILLIAMS
16 Assistant United States Attorney
Major Frauds Section

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
CRIMINAL MINUTES -- CHANGE OF PLEA

Case No. CR 12-00588 DDP

Date: July 23, 2012

=====

PRESENT: HONORABLE DEAN D. PREGERSON, JUDGE

John A. Chambers
Courtroom Deputy

Maria Bustillos
Court Reporter

Kristen A. Williams
Asst. U.S. Attorney

Chinsook Kim Moore
Korean Interpreter

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U.S.A. vs (Dfts listed below)

Attorneys for Defendants

1) SANG WHAN AHN
present on bond

1) Michael Mayock
present appointed

PROCEEDINGS: **PLEA**

Court and counsel confer re the plea of Guilty. Defendant moves to plea Guilty to the Information. Defendant now enters a plea of Guilty to the Single Count Information. The Court questions the defendant regarding the plea of Guilty and finds a factual and legal basis for the plea; waivers of constitutional rights are freely, voluntarily and intelligently made; plea is provident; plea is accepted and entered. The Court refers the defendant to the Probation Office for the preparation of a presentence report and continues the matter to Thursday, October 4, 2012, at 2:30 p.m., for sentencing. The Court vacates the court and/or jury trial date.

Counsel are notified that Federal Rule of Criminal Procedure 32(b)(6)(B) requires the parties to notify the Probation Officer, and each other, of any objections to the Presentence Report within fourteen (14) days of receipt. Alternatively, the Court will permit counsel to file such objections no later than twenty-one (21) days before Sentencing. The Court construes "objections" to include departure arguments. Requests for continuances shall be filed no later than twenty-one (21) days before Sentencing. Strict compliance with the above is mandatory because untimely filings impede the abilities of the Probation Office and of the Court to prepare for Sentencing. Failure to meet these deadlines is grounds for sanctions.

cc: P. O. & P. S. A. L. A.

United States District Court
Central District of California

UNITED STATES OF AMERICA vs.

Docket No. CR 12-00588 DDP

Defendant SANG WHAN AHN
akas: Sang Whan Chang

Social Security No.
(Last 4 digits)

JUDGMENT AND PROBATION/COMMITMENT ORDER

In the presence of the attorney for the government, the defendant appeared in person

MONTH	DAY	YEAR
July	28	2014

COUNSEL _____ Angel Navarro, Panel.
(Name of Counsel)

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

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

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:

Pursuant to the Sentencing Reform Act of 1984, it is the judgment of the Court that the defendant, Sang Whan Ahn, is hereby committed on the Single-Count Information to the custody of the Bureau of Prisons to be imprisoned for a term of 4 months.

Upon release from imprisonment, the defendant shall be placed on supervised release for a term of 3 years under the following terms and conditions:

1. The defendant shall comply with the rules and regulations of the U. S. Probation Office, General Order 05-02;
2. The defendant shall participate for a period of eight (8) months in a home detention program which includes electronic monitoring and shall observe all rules of such program, as directed by the Probation Officer. The costs of electronic monitoring are hereby waived, as it is found that the defendant does not have the ability to pay;
3. During the period of community supervision the defendant shall pay the special assessment and restitution in accordance with this judgment's orders pertaining to such payment;

USA vs. SANG WHAN AHN

Docket No.: CR 12-00588 DDP

4. The defendant shall not be employed in any position that requires licensing and/or certification by any local, state or federal agency without prior approval of the Probation Officer;
5. The defendant shall cooperate in the collection of a DNA sample from the defendant; and,
6. The defendant shall apply all monies received from income tax refunds, lottery winnings, inheritance, judgements and any anticipated or unexpected financial gains to the outstanding court-ordered financial obligation.

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.

RESTITUTION: It is ordered that the defendant shall pay restitution pursuant to 18 U.S.C. § 3663 (A). Defendant shall pay restitution in the total amount of \$ 676,066 to victims as set forth in a separate victim list prepared by the probation office which this Court adopts and which reflects the Court's determination of the amount of restitution due to each victim. The victim list, which shall be forwarded to the fiscal section of the clerk's office, shall remain confidential to protect the privacy interests of the victims.

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's gross monthly income, but not less than \$ 100.00, whichever is greater, during the period of supervised release. These payments 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 amount of restitution ordered shall be paid as set forth on the list attached to this judgment.

The defendant shall be held jointly and severally liable with the co-participants Ji Hae Kim, docket number CR 11-01082-DDP; Hee Jung Mun, docket number CR 11-01196-DDP; Seonweon Kim, docket number CR 12-00009-DDP; Hwa Ja Kim, docket number CR 12-00059-DDP; Whan Sil Kim, docket number CR 12-00572-DDP; Yeong Ja Lee, docket number CR 12-397-DDP; and Jung Sook Lee, docket number CR12-00015-DDP, to the extent and for the amount that each is determined liable for the same victim losses. 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 18 U.S.C. § 3612(f)(3)(A), interest on the restitution ordered is waived because the defendant does not have the ability to pay interest. Payments may be subject to penalties for default and delinquency pursuant to 18 U.S.C. § 3612(g).

The defendant shall comply with General Order No. 01-05, including the three special conditions delineated in General Order 01-05.

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

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

SENTENCING FACTORS: The sentence is based upon the factors set forth in 18 U.S.C. § 3553, including the applicable sentencing range set forth in the guidelines.

IT IS ORDERED that the defendant shall self-surrender to the institution designated by the BOP on or before 12 noon; on September 15, 2014 and, on the absence of such designation, the defendant shall report on or before the same date and time, to the United States Marshal at 255 East Temple Street, Los Angeles, California, 90012.

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.

July 31, 2014

Date



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

July 31, 2014

Filed Date

By : John A. Chambers

Deputy Clerk

USA vs. SANG WHAN AHNDocket No.: CR 12-00588 DDP

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 to the defendant's compliance with such notification requirement;
15. the defendant shall, upon release from any period of custody, report to the probation officer within 72 hours;
16. and, for felony cases only: not possess a firearm, destructive device, or any other dangerous weapon.

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

STATUTORY PROVISIONS PERTAINING TO PAYMENT AND COLLECTION OF FINANCIAL SANCTIONS

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

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

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

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

Payments shall be applied in the following order:

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

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SPECIAL CONDITIONS FOR PROBATION AND SUPERVISED RELEASE

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

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

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

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

RETURN

I have executed the within Judgment and Commitment as follows:

Defendant delivered on _____ to _____

Defendant noted on appeal on _____

Defendant released on _____

Mandate issued on _____

Defendant's appeal determined on _____

Defendant delivered on _____ to _____

at _____

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

United States Marshal

By _____
Deputy Marshal

Date

USA vs. SANG WHAN AHN

Docket No.: CR 12-00588 DDP

CERTIFICATE

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

Clerk, U.S. District Court

By _____

Filed Date

Deputy Clerk

FOR U.S. PROBATION OFFICE USE ONLY

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

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

(Signed) _____
Defendant

Date

U. S. Probation Officer/Designated Witness

Date