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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 2015 Grand Jury

CR 16-0018

UNITED STATES OF AMERICA,

CR No.

Plaintiff,

I N D I C T M E N T

v.

[18 U.S.C. § 1347: Health Care Fraud; 42 U.S.C. § 1320a-7b(b)(1)(A): Illegal Remunerations for Health Care Referrals; 18 U.S.C. § 1028A(a)(1): Aggravated Identity Theft; 18 U.S.C. § 2(b): Causing an Act to be Done]

BYONG CHUN MIN,  
aka "David Min," and  
JASON S. MIN,

Defendants.

The Grand Jury charges:

COUNTS ONE THROUGH SIX

[18 U.S.C. §§ 1347, 2(b)]

A. INTRODUCTORY ALLEGATIONS

At all times relevant to this Indictment:

Defendants

1. Defendant BYONG CHUN MIN, also known as ("aka") "David Min" ("defendant BYONG"), was a resident of Irvine, California, within the Central District of California.

1           2. Defendant JASON S. MIN ("defendant JASON") was a resident  
2 of Irvine, California, within the Central District of California.  
3 Defendant JASON is the son of defendant BYONG.

4           3. Beginning in or about October 2009 and continuing through  
5 in or about January 2016, defendants BYONG and JASON owned, operated,  
6 and controlled Glory Rehab Team, Inc., aka "Dream Hospital," aka  
7 "Daesung Clinic," a California corporation ("Glory Rehab"), which was  
8 located in Orange County, within the Central District of California.

9           Co-Schemers

10           4. Co-schemer Marlon Songco was the president of Rehab  
11 Dynamics, Inc., a California corporation ("Rehab Dynamics"), which  
12 was located at various sites in Los Angeles and Orange Counties,  
13 within the Central District of California.

14           5. Co-schemers Joseff Sales ("Sales") and Danniell Goyena  
15 ("Goyena") owned, operated, and controlled Rehab Dynamics and RSG  
16 Rehab, Inc. ("RSG"). RSG also was a California corporation, with  
17 locations at various sites in Los Angeles County, within the Central  
18 District of California.

19           6. A bank account for Rehab Dynamics was maintained at J.P.  
20 Morgan Chase Bank, N.A., with account number ending in 5060 (the  
21 "Rehab Dynamics Bank Account"). The bank accounts for RSG were  
22 maintained at J.P. Morgan Chase Bank, N.A., with account numbers  
23 ending in 5234, 2189, and 2698 (the "RSG Bank Accounts").

24           The Medicare Program

25           7. Medicare was a health care benefit program, affecting  
26 commerce, that provided medical benefits to individuals who were over  
27 the age of 65 or disabled. Medicare was administered by the Centers  
28 for Medicare and Medicaid Services ("CMS"), a federal agency

1 operating under the authority of the United States Department of  
2 Health and Human Services ("HHS").

3 8. Individuals who qualified for Medicare benefits were  
4 referred to as Medicare "beneficiaries." Each Medicare beneficiary  
5 was given a Health Identification Card containing a unique  
6 identification number ("HICN").

7 9. Health care providers who provided medical services that  
8 were reimbursed by Medicare were referred to as Medicare "providers."

9 10. CMS contracted with private companies to certify providers  
10 for participation in the Medicare program and monitor their  
11 compliance with Medicare standards, to process and pay claims, and to  
12 perform program safeguard functions, such as identifying and  
13 reviewing suspect claims.

14 11. To obtain reimbursement from Medicare, a provider had to  
15 apply for and obtain a provider number. By signing the provider  
16 application, the provider agreed to (a) abide by Medicare rules and  
17 regulations and (b) not submit claims to Medicare knowing they were  
18 false or fraudulent or with deliberate ignorance or reckless  
19 disregard of their truth or falsity.

20 12. If Medicare approved a provider's application, Medicare  
21 assigned the provider a Medicare provider number, which enabled the  
22 provider to submit claims to Medicare for services rendered to  
23 Medicare beneficiaries.

24 13. Medicare reimbursed providers only for services, including  
25 physical therapy, that were medically necessary to the treatment of a  
26 beneficiary's illness or injury, were prescribed by a beneficiary's  
27 physician or a qualified physician's assistant acting under the  
28 supervision of a physician, and were provided in accordance with

1 Medicare regulations and guidelines that governed whether a  
2 particular service or product would be reimbursed by Medicare.

3 14. Medicare required that physical therapy services be  
4 performed by (a) a physician, (b) a physical therapist ("PT"), or  
5 (c) a physical therapy assistant ("PTA") acting under the direct  
6 supervision of a physician or PT. "Direct supervision" required that  
7 the doctor or PT be physically present in the same office suite and  
8 immediately available to provide assistance and direction throughout  
9 the time the PTA was performing physical therapy services. Physical  
10 therapy services provided by aides or physical therapy students were  
11 not reimbursable by Medicare, regardless of the level of supervision.

12 15. Medicare did not cover acupuncture or reimburse providers  
13 for acupuncture services. Medicare did not cover massages unless  
14 they were therapeutic massages provided by a licensed therapist as  
15 part of the beneficiary's plan of care.

16 B. THE SCHEME TO DEFRAUD

17 16. Beginning in or about May 2010, and continuing until at  
18 least in or about April 2012, in Los Angeles and Orange Counties,  
19 within the Central District of California and elsewhere, defendants  
20 BYONG and JASON, and co-schemers Sales, Goyena, and Songco, together  
21 with others known and unknown to the Grand Jury, knowingly,  
22 willfully, and with the intent to defraud, executed and attempted to  
23 execute a scheme and artifice: (1) to defraud a health care benefit  
24 program, namely, Medicare, as to material matters in connection with  
25 the delivery of and payment for health care benefits, items, and  
26 services; and (2) to obtain, by means of material false and  
27 fraudulent pretenses and representations and the concealment of  
28 material facts, in connection with the delivery of and payment for

1 health care benefits, items, and services, money under the custody  
2 and control of Medicare.

3 17. The fraudulent scheme operated, in substance, in the  
4 following manner:

5 a. Co-schemers Sales, Goyena, and Songco paid Glory Rehab  
6 for defendants BYONG and JASON's referrals of Medicare beneficiaries  
7 to Rehab Dynamics and RSG.

8 b. Defendants BYONG and JASON recruited Medicare  
9 beneficiaries to Glory Rehab. The Medicare beneficiaries supplied  
10 their Medicare cards, HICNs, and patient information to Glory Rehab,  
11 and defendants BYONG and JASON subsequently provided this information  
12 to co-schemers Sales, Goyena, and Songco at Rehab Dynamics and RSG.

13 c. As defendants BYONG and JASON knew, co-schemers Sales,  
14 Goyena, and Songco hired licensed PTs, many of whom worked full-time  
15 elsewhere, to perform only a small portion of patient evaluations,  
16 without any follow-up treatment, for Medicare beneficiaries at Glory  
17 Rehab. As defendants BYONG and JASON knew, Sales, who was a PT,  
18 evaluated some, but not all, of these beneficiaries and created plans  
19 of physical therapy treatment for them, even though, many of these  
20 beneficiaries never received any physical therapy services.

21 d. While at Glory Rehab, Medicare beneficiaries often  
22 received only massages and acupuncture (services defendants BYONG and  
23 JASON knew were not covered by Medicare) from individuals not  
24 licensed to perform physical therapy.

25 e. Defendants BYONG and JASON and co-schemers Sales,  
26 Goyena, and Songco provided information to Accubill Medical Billing  
27 Services ("Accubill"), including the names, HICNs, and other patient  
28 information for the Glory Rehab Medicare beneficiaries, as well as

1 falsified records that made it appear as though these Medicare  
2 beneficiaries had received physical therapy treatments from specific  
3 PTs hired by Rehab Dynamics and RSG, knowing and intending that  
4 Accubill would use this falsified information to submit false and  
5 fraudulent claims to Medicare for physical therapy.

6 f. As a result of the claims submitted by Accubill, Rehab  
7 Dynamics and RSG received payment from Medicare for those false and  
8 fraudulent physical therapy claims, and the payments were deposited  
9 into the Rehab Dynamics and RSG Bank Accounts, to which co-schemers  
10 Sales, Goyena, and Songco had joint access, and over which they  
11 exercised joint control.

12 g. For the Medicare payments deposited into the Rehab  
13 Dynamics and RSG Bank Accounts, co-schemers Sales, Goyena, and Songco  
14 paid kickbacks to defendants BYONG and JASON for the referral of the  
15 Glory Rehab Medicare beneficiaries to Rehab Dynamics and RSG. These  
16 kickbacks were approximately 55 percent of the Medicare payments  
17 received by Rehab Dynamics and RSG from the submission of the  
18 fraudulent claims to Medicare for physical therapy.

19 h. Between in or about May 2010 and continuing until at  
20 least in or about April 2012, Rehab Dynamics and RSG obtained and  
21 received from Medicare, and deposited into the Rehab Dynamics and RSG  
22 Bank Accounts, approximately \$587,964 from fraudulent and improper  
23 claims submitted to Medicare, primarily for physical therapy, on  
24 behalf of Medicare beneficiaries recruited at Glory Rehab by  
25 defendants BYONG and JASON. Defendants BYONG and JASON, through  
26 Glory Rehab, received approximately \$323,380 of this amount for their  
27 participation in the fraudulent scheme, including in particular for  
28 their recruiting the Glory Rehab Medicare beneficiaries and for their

1 providing these beneficiaries' Medicare information to co-schemers  
2 Sales, Goyena, and Songco for use in creating and submitting to  
3 Medicare fraudulent claims for physical therapy.

4 C. EXECUTIONS OF THE FRAUDULENT SCHEME

5 18. On or about the dates set forth below, within the Central  
6 District of California, and elsewhere, defendants BYONG and JASON,  
7 together with others known and unknown to the Grand Jury, knowingly  
8 and willfully executed and attempted to execute the fraudulent scheme  
9 described above, by submitting and causing to be submitted to  
10 Medicare the following false and fraudulent claims:  
11

COUNT	DATE CLAIM SUBMITTED	CLAIM
ONE	1/31/2011	Claim number 551111031903800 for \$80.00 for manual physical therapy (97140) purportedly provided on or about January 26, 2011 to beneficiary H.L. by physical therapist L. Sayat
TWO	2/22/2011	Claim number 551111053915710 for \$80.00 for therapeutic exercises (97110) purportedly provided on or about February 7, 2011 to beneficiary H.L. by physical therapist L. Sayat
THREE	3/15/2011	Claim number 551811074542630 for \$80.00 for manual physical therapy (97140) purportedly provided on or about March 10, 2011 to beneficiary A.K. by physical therapist L. Sayat
FOUR	1/19/2012	Claim number 551912023188920 for \$80.00 for therapeutic exercises (97110) purportedly provided on or about January 3, 2012 to beneficiary K.P. by physical therapist L. Sayat
FIVE	1/19/2012	Claim number 551912023188910 for \$80.00 for therapeutic exercises (97110) purportedly provided on or about January 3, 2012 to beneficiary H.P. by physical therapist L. Sayat

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SIX	3/1/2012	Claim number 551912061030192 for \$100.00 for physical therapy evaluation (97001) purportedly provided on or about February 1, 2012 to beneficiary J.L. by physical therapist L. Sayat
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COUNTS SEVEN THROUGH TWELVE

[42 U.S.C. § 1320a-7b(b) (1) (A)]

19. The Grand Jury hereby repeats and realleges paragraphs 1 through 15 and 17 of this Indictment as if fully set forth herein.

20. On or about the dates set forth below, in Los Angeles County, within the Central District of California, and elsewhere, defendants BYONG and JASON, together with others known and unknown to the Grand Jury, knowingly and willfully solicited and received remuneration, namely, checks payable in the approximate amounts set forth below, drawn on the RSG Bank Accounts, in return for referring individuals to RSG for physical therapy-related services, for which payment could be made in whole and in part under a Federal health care program, namely, Medicare:

COUNT	DATE	CHECK
SEVEN	2/4/2011	Check number 1232, drawn on the RSG Bank Accounts, in the amount of \$4,518.88, payable to Glory Rehab
EIGHT	4/13/2011	Check number 1266, drawn on the RSG Bank Accounts, in the amount of \$5,769.11, payable to Glory Rehab
NINE	7/8/2011	Check number 1346, drawn on the RSG Bank Accounts, in the amount of \$3,408.97, payable to Glory Rehab
TEN	12/15/2011	Check number 1587, drawn on the RSG Bank Accounts, in the amount of \$5,819.24, payable to Glory Rehab
ELEVEN	3/29/2012	Check number 2043, drawn on the RSG Bank Accounts, in the amount of \$6,629.77, payable to Glory Rehab
TWELVE	4/24/2012	Check number 2082, drawn on the RSG Bank Accounts, in the amount of \$2,975.97, payable to Glory Rehab

COUNTS THIRTEEN AND FOURTEEN

[18 U.S.C. §§ 1028A(a)(1), 2(b)]

21. The Grand Jury hereby repeats and realleges paragraphs 1 through 15 and 17 of this Indictment as if fully set forth herein.

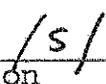
22. On or about the dates set forth below, in Los Angeles County, within the Central District of California, defendants BYONG and JASON, together with others known and unknown to the Grand Jury, knowingly transferred, possessed, and used, and willfully caused to be transferred, possessed, and used, without lawful authority, means of identification of other persons, namely, the names and HICNs of the Medicare beneficiaries identified below, during and in relation to felony violations of Title 18, United States Code, Section 1347, as charged in the related counts of the Indictment identified below.

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COUNT	DATE	BENEFICIARY (HICN)	RELATED COUNT OF INDICTMENT
THIRTEEN	1/19/2012	K.P. (xxxxx0818A)	COUNT FOUR
FOURTEEN	1/19/2012	H.P. (xxxxx4917A)	COUNT FIVE

A TRUE BILL

  
 \_\_\_\_\_  
 Foreperson

EILEEN M. DECKER  
United States Attorney

  
 LAWRENCE S. MIDDLETON  
 Assistant United States Attorney  
 Chief, Criminal Division

GEORGE S. CARDONA  
Assistant United States Attorney  
Chief, Major Frauds Section

STEPHEN A. CAZARES  
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8

Attorneys for Plaintiff  
9 UNITED STATES OF AMERICA

10 UNITED STATES DISTRICT COURT

11 FOR THE CENTRAL DISTRICT OF CALIFORNIA

12 UNITED STATES OF AMERICA,

13 Plaintiff,

14 v.

15 BYONG CHUN MIN,

16 Defendant.

No. CR 16-0018-DDP

PLEA AGREEMENT FOR DEFENDANT  
BYONG CHUN MIN

17  
18 1. This constitutes the plea agreement between BYONG CHUN MIN  
19 ("defendant") and the United States Attorney's Office for the Central  
20 District of California (the "USAO") in the above-captioned case.  
21 This agreement is limited to the USAO and cannot bind any other  
22 federal, state, local, or foreign prosecuting, enforcement,  
23 administrative, or regulatory authorities.

24 DEFENDANT'S OBLIGATIONS

25 2. Defendant agrees to:

26 a. At the earliest opportunity requested by the USAO and  
27 provided by the Court, appear and plead guilty to counts four and  
28 eleven of the indictment in United States v. Byong Chun Min and Jason

1 S. Min, CR No. 16-0018(1), which charge defendant with Health Care  
2 Fraud, in violation of 18 U.S.C. § 1347, and Illegal Remunerations  
3 for Health Care Referrals (receipt of illegal kickbacks), in  
4 violation of 42 U.S.C. § 1320(a)-7b(b)(1)(A), respectively.

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

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

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

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

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

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

21 h. Not seek the discharge of any restitution obligation,  
22 in whole or in part, in any present or future bankruptcy proceeding.

23 i. Defendant understands and acknowledges that as a  
24 result of pleading guilty pursuant to this agreement, defendant will  
25 be excluded from Medicare, Medicaid, and all Federal health care  
26 programs. Defendant agrees to complete and execute all necessary  
27 documents provided by the United States Department of Health and  
28 Human Services, or any other department or agency of the federal

1 government, to effectuate this exclusion within 60 days of receiving  
2 the documents. This exclusion will not affect defendant's right to  
3 apply for and receive benefits as a beneficiary under any Federal  
4 health care program, including Medicare and Medicaid.

5 THE USAO'S OBLIGATIONS

6 3. The USAO agrees to:

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

8 b. Abide by all agreements regarding sentencing contained  
9 in this agreement.

10 c. At the time of sentencing, move to dismiss the  
11 remaining counts of the indictment as against defendant. Defendant  
12 agrees, however, that at the time of sentencing the Court may  
13 consider any dismissed charges in determining the applicable  
14 Sentencing Guidelines range, the propriety and extent of any  
15 departure from that range, and the sentence to be imposed.

16 d. At the time of sentencing, provided that defendant  
17 demonstrates an acceptance of responsibility for the offenses up to  
18 and including the time of sentencing, recommend a two-level reduction  
19 in the applicable Sentencing Guidelines offense level, pursuant to  
20 U.S.S.G. § 3E1.1, and recommend and, if necessary, move for an  
21 additional one-level reduction if available under that section.

22 e. Except for criminal tax violations (including  
23 conspiracy to commit such violations chargeable under 18 U.S.C.  
24 § 371), not further criminally prosecute defendant for violations of  
25 18 U.S.C. § 1347 (Health Care Fraud) and 42 U.S.C. § 1320(a)-  
26 7b(b)(1)(A) (Illegal Remunerations for Health Care Referrals) arising  
27 out of defendant's conduct described in the agreed-to factual basis  
28 set forth in paragraph 13 below. Defendant understands that the USAO

1 is free to criminally prosecute defendant for any other unlawful past  
2 conduct or any unlawful conduct that occurs after the date of this  
3 agreement. Defendant agrees that at the time of sentencing the Court  
4 may consider the uncharged conduct in determining the applicable  
5 Sentencing Guidelines range, the propriety and extent of any  
6 departure from that range, and the sentence to be imposed after  
7 consideration of the Sentencing Guidelines and all other relevant  
8 factors under 18 U.S.C. § 3553(a).

9 NATURE OF THE OFFENSES

10 4. Defendant understands that for defendant to be guilty of  
11 the crime charged in count four, that is, Health Care Fraud, in  
12 violation of Title 18, United States Code, Section 1347, the  
13 following must be true:

14 First, defendant knowingly and willfully participated in or  
15 devised a scheme or plan to defraud a health care benefit program, or  
16 a scheme or plan for obtaining money or property owned by, or under  
17 the custody or control of, any health care benefit program, by means  
18 of false or fraudulent pretenses, representations, or promises;

19 Second, statements made or facts omitted as part of the scheme  
20 were material; that is, they had a natural tendency to influence, or  
21 were capable of influencing, the health care benefit program to part  
22 with money or property;

23 Third, defendant acted with the intent to defraud; that is, the  
24 intent to deceive or cheat; and

25 Fourth, the scheme involved the delivery of or payment for  
26 health care benefits, items, or services.

27 5. Defendant understands that for defendant to be guilty of  
28 the crime charged in count eleven, that is, Illegal Remunerations for

1 Health Care Referrals, in violation of Title 42, United States Code,  
2 Section 1320a-7b(b) (1) (A), the following must be true:

3 First, defendant solicited or received remuneration in cash or  
4 kind to a person;

5 Second, defendant solicited or received the remuneration in  
6 return for referring an individual for the furnishing of a service  
7 for which payment may be made under a Federal health care program;  
8 and

9 Third, the defendant received the offer or payment knowingly and  
10 willingly.

11 PENALTIES AND RESTITUTION

12 6. Defendant understands that the statutory maximum sentence  
13 that the Court can impose for a violation of Title 18, United States  
14 Code, Section 1347, is: 10 years imprisonment; a 3-year period of  
15 supervised release; a fine of \$250,000 or twice the gross gain or  
16 gross loss resulting from the offense, whichever is greatest; and a  
17 mandatory special assessment of \$100.

18 7. Defendant understands that the statutory maximum sentence  
19 that the Court can impose for a violation of Title 42, United States  
20 Code, Section 1320a-7b(b) (1) (A) is: 5 years imprisonment; a 3-year  
21 period of supervised release; a fine of \$250,000 or twice the gross  
22 gain or gross loss resulting from the offense, whichever is greatest;  
23 and a mandatory special assessment of \$100

24 8. Defendant understands, therefore, that the total maximum  
25 sentence for all offenses to which defendant is pleading guilty is:  
26 15 years imprisonment; a 3-year period of supervised release; a fine  
27 of \$500,000 or twice the gross gain or gross loss resulting from the  
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1 offenses, whichever is greatest; and a mandatory special assessment  
2 of \$200.

3 9. Defendant understands that defendant will be required to  
4 pay full restitution to the victim of the offenses to which defendant  
5 is pleading guilty. Defendant agrees that, in return for the USAO's  
6 compliance with its obligations under this agreement, the Court may  
7 order restitution to persons other than the victim of the offenses to  
8 which defendant is pleading guilty and in amounts greater than those  
9 alleged in the counts to which defendant is pleading guilty. In  
10 particular, defendant agrees that the Court may order restitution to  
11 any victim of any of the following for any losses suffered by that  
12 victim as a result of: (a) any relevant conduct, as defined in  
13 U.S.S.G. § 1B1.3, in connection with the offenses to which defendant  
14 is pleading guilty; and (b) any counts dismissed pursuant to this  
15 agreement as well as all relevant conduct, as defined in U.S.S.G.  
16 § 1B1.3, in connection with those counts. The parties currently  
17 believe that the applicable amount of restitution is approximately  
18 \$4,672,004, but recognize and agree that this amount could change  
19 based on facts that come to the attention of the parties prior to  
20 sentencing.

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

3 11. Defendant understands that, by pleading guilty, defendant  
4 may be giving up valuable government benefits and valuable civic  
5 rights, such as the right to vote, the right to possess a firearm,  
6 the right to hold office, and the right to serve on a jury.

7 Defendant understands that once the court accepts defendant's guilty  
8 plea, it will be a federal felony for defendant to possess a firearm  
9 or ammunition. Defendant understands that the conviction in this  
10 case may also subject defendant to various other collateral  
11 consequences, including but not limited to mandatory exclusion from  
12 federal health care benefit programs for a minimum of five years,  
13 suspension or revocation of a professional license, and revocation of  
14 probation, parole, or supervised release in another case. Defendant  
15 understands that unanticipated collateral consequences will not serve  
16 as grounds to withdraw defendant's guilty plea.

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

1 FACTUAL BASIS

2 13. Defendant admits that defendant is, in fact, guilty of the  
3 offenses to which defendant is agreeing to plead guilty. Defendant  
4 and the USAO agree to the statement of facts provided below and agree  
5 that this statement of facts is sufficient to support pleas of guilty  
6 to the charges described in this agreement and to establish the  
7 Sentencing Guidelines factors set forth in paragraph 15 below but is  
8 not meant to be a complete recitation of all facts relevant to the  
9 underlying criminal conduct or all facts known to either party that  
10 relate to that conduct.

11 Background

12 At various times from in or about October 2009 to in or about  
13 January 2016, defendant owned, operated, and controlled Glory Rehab,  
14 Inc., aka "Dream Hospital," aka "Daesung Clinic," a California  
15 corporation ("Glory Rehab"), which was located in Orange County,  
16 within the Central District of California. Defendant signed a  
17 Medicare provider application around February 2011, in 2012, in 2013,  
18 and again in 2014, enrolling and re-validating Glory Rehab as a  
19 provider with Medicare, a federal health benefit program for  
20 individuals aged 65 and older and certain disabled persons. As part  
21 of that application, defendant certified that he would submit  
22 truthful and accurate claims and would know and abide by all Medicare  
23 regulations.

24 Co-schemers Joseff Sales ("Sales") and Danniell Goyena ("Goyena")  
25 owned, operated, and controlled Rehab Dynamics, Inc. ("Rehab  
26 Dynamics") and RSG Rehab Team, Inc. ("RSG"), and co-schemer Marlon  
27 Songco ("Songco") was the president of Rehab Dynamics. The two  
28

1 companies maintained separate business bank accounts at J.P. Morgan  
2 Chase Bank, N.A. (collectively, the "Chase Company Bank Accounts").

3 Health Care Fraud

4 Beginning in or about May 2010, and continuing until at least in  
5 or about April 2012, in Los Angeles and Orange Counties, within the  
6 Central District of California, and elsewhere, defendant, together  
7 with co-schemers Joseff Sales, Dannel Goyena, Marlon Songco, and  
8 others known and unknown to the Grand Jury, knowingly, willfully, and  
9 with the intent to defraud, executed and attempted to execute a  
10 scheme and artifice: (1) to defraud a health care benefit program,  
11 namely Medicare, as to material matters in connection with the  
12 delivery of and payment for health care benefits, items, and  
13 services; and (2) to obtain money from Medicare by means of material  
14 false and fraudulent pretenses and representations and the  
15 concealment of material facts in connection with the delivery of and  
16 payment for health care benefits, items, and services, in violation  
17 of Title 18, United States Code, Section 1347.

18 Co-schemers Joseff Sales, Dannel Goyena, and Marlon Songco  
19 would pay Glory Rehab for defendant's referrals of Medicare  
20 beneficiaries to Rehab Dynamics and RSG. Defendant recruited the  
21 Medicare beneficiaries to Glory Rehab. The Medicare beneficiaries  
22 would supply their Medicare cards, Health Identification Card  
23 containing a unique identification number ("HICN"), and patient  
24 information to Glory Rehab, and defendant subsequently would provide  
25 or caused to be provided this information to co-schemers Sales,  
26 Goyena, and Songco at Rehab Dynamics and RSG.

27 As defendant then well knew, co-schemers Sales, Goyena, and  
28 Songco would hire licensed physical therapists ("PTs"), many of whom

1 worked full-time at other employment, to perform only a small portion  
2 of patient evaluations, without any follow-up treatment, for Medicare  
3 beneficiaries at Glory Rehab. As defendant knew, Sales and other PTs  
4 would evaluate some, but not all, of the beneficiaries and create  
5 plans of physical therapy treatment for these beneficiaries, even  
6 though, as defendant then well knew and intended, many of these  
7 beneficiaries never received any physical therapy services. While at  
8 Glory Rehab, Medicare beneficiaries would often receive only massages  
9 and acupuncture (services defendant then well knew were not covered  
10 by Medicare) from individuals not licensed to provide physical  
11 therapy.

12 Defendant and co-schemers Sales, Goyena, and Songco provided  
13 information to Accubill Medical Billing Services ("Accubill"),  
14 including the names, HICNs, and other patient information for the  
15 Glory Rehab beneficiaries, as well as falsified records that made it  
16 appear as though these Medicare beneficiaries had received physical  
17 therapy treatments from specific PTs hired by Rehab Dynamics and RSG.  
18 Defendant knew and intended that Accubill would use this falsified  
19 information to submit false and fraudulent claims to Medicare for  
20 physical therapy. As a result of the claims submitted to Accubill,  
21 Rehab Dynamics and RSG would receive payment from Medicare for those  
22 false and fraudulent claims, and the payments would be deposited into  
23 their Chase Company Bank Accounts. Defendant would receive  
24 approximately 55 percent of the Medicare payments to the Chase  
25 Company Bank Accounts from co-schemers Sales, Goyena, and Songco as  
26 payment for defendant's recruitment of the beneficiaries to Glory  
27 Rehab.

28

1 As an example, for the purpose of executing and attempting to  
2 execute the fraudulent scheme, defendant knowingly and willfully  
3 submitted and caused to be submitted to Medicare on or about January  
4 19, 2012, a false and fraudulent claim (claim number  
5 551912023188920). This false and fraudulent claim alleged that Leo  
6 Sayat performed a physical therapy evaluation for beneficiary K.P. on  
7 January 3, 2012, in Orange County at Glory Rehab. However, despite  
8 submitting and causing the claim to be submitted, defendant knew Leo  
9 Sayat did not perform such physical therapy on January 3, 2012, as  
10 Leo Sayat was located outside of the United States in the Philippines  
11 on this date and because Leo Sayat never visited Glory Rehab to  
12 provide physical therapy services.

13 Illegal Remuneration (Payment of Kickbacks)

14 Beginning in or about May 2010 and in or about April 2012, in  
15 Los Angeles and Orange Counties, within the Central District of  
16 California, and elsewhere, defendant knowingly and willingly  
17 solicited and received kickbacks, namely checks from co-schemers  
18 Sales, Goyena and Songco payable to Glory Rehab drawn on the Chase  
19 Company Bank Accounts of Rehab Dynamics and RSG. Defendant received  
20 and solicited these checks in exchange for the referral of Medicare  
21 beneficiaries and for his recruiting Medicare beneficiaries to Glory  
22 Rehab and for his providing these beneficiaries' Medicare information  
23 to co-schemers Sales, Goyena, and Songco for use in creating and  
24 submitting to Medicare fraudulent claims for physical therapy.

25 Co-schemers Sales, Goyena, and Songco paid approximately 55% of  
26 the Medicare payments received to defendant for referring the  
27 beneficiaries who purportedly received physical therapy services. At  
28 that time, defendant knew it was illegal to solicit or receive such

1 payments in exchange for the referral of patients for services paid  
2 by Medicare. As an example, on or about March 29, 2012, defendant  
3 knowingly and willfully solicited and received from co-schemer Sales,  
4 through the RSG's Chase Company Bank Account, approximately  
5 \$6,629.77, payable to Glory Rehab, in exchange for the referral of  
6 Medicare beneficiaries to Rehab Dynamics so that purported physical  
7 therapy services for these beneficiaries could be billed to Medicare.

8 Loss from Scheme in Indictment

9 Between in or about May 2010 and continuing until at least in or  
10 about April 2012, RSG and Rehab Dynamics received from Medicare  
11 approximately \$587,964 in fraudulent and improper claims to Medicare,  
12 primarily for physical therapy, on behalf of beneficiaries at Glory  
13 Rehab recruited by defendant. Defendant, through Glory Rehab,  
14 received approximately \$323,380 from Rehab Dynamics and RSG for  
15 defendant's participation in the scheme.

16 Relevant Conduct of Separate Fraudulent Scheme

17 In addition to owning, operating and controlling Glory Rehab,  
18 from May 2012 to August 2015, defendant also operated and controlled  
19 Ace Physical Therapy and Rehab, Inc. (Ace Physical Therapy), which  
20 was located in Orange County, within the Central District of  
21 California. Defendant caused to be signed a Medicare provider  
22 application around August 2012, enrolling Ace Physical Therapy as a  
23 provider with Medicare. In a separate scheme from the one described  
24 above, beginning in or about April 2011, and continuing until at  
25 least in or about December 2015, in Orange County, within the Central  
26 District of California, and elsewhere, defendant, together with  
27 others known and unknown to the Grand Jury, knowingly, willfully, and  
28 with the intent to defraud, executed and attempted to execute a

1 scheme and artifice: (1) to defraud a health care benefit program,  
2 namely Medicare, as to material matters in connection with the  
3 delivery of and payment for health care benefits, items, and  
4 services; and (2) to obtain money from Medicare by means of material  
5 false and fraudulent pretenses and representations and the  
6 concealment of material facts in connection with the delivery of and  
7 payment for health care benefits, items, and services, in violation  
8 of Title 18, United States Code, Section 1347.

9 As of April 2011 for Glory Rehab and as of October 2012 for Ace  
10 Physical Therapy, defendant was aware that Glory Rehab and Ace  
11 Physical Therapy were being used in a separate and distinct scheme to  
12 commit fraud against Medicare through the direct submission of  
13 fraudulent claims for physical therapy that often never occurred.  
14 Defendant was the organizer and leader of this extensive criminal  
15 activity. The criminal activity involved, but was not limited to,  
16 the following physical therapists and physical therapy assistants:  
17 J.Y., H.K., J.M., E.A., J.T., and Y.K. Defendant hired licensed PTs  
18 to provide initial evaluations of beneficiaries. However, as  
19 defendant well knew, some of these evaluations did not take place and  
20 those PTs rarely provided treatment at any follow-up visits. While  
21 at Glory Rehab and Ace Physical Therapy, many of the beneficiaries  
22 received only massages and acupuncture, services defendant knew were  
23 not covered by Medicare, from individuals not licensed to provide  
24 physical therapy. Those unlicensed individuals were provided by  
25 Glory Rehab and Ace Physical Therapy.

26 Defendant submitted and knew others submitted to J.R., E.C., or  
27 Woori Practice Solutions (a.k.a. Microbill) false information  
28 regarding physical therapy claims, intending that J.R., E.C., or

1 Woori Practice Solutions (a.k.a. Microbill) would use that  
2 information to submit false and fraudulent claims to Medicare on  
3 Glory Rehab's and Ace Physical Therapy's behalf. In particular,  
4 defendant prepared or caused the preparation of fraudulent  
5 documentation that was provided to J.R., E.C., or Woori Practice  
6 Solutions (a.k.a. Microbill), falsely claiming (1) that PTs were  
7 providing medically necessary physical therapy treatment, when in  
8 fact unlicensed individuals were often providing uncovered massages  
9 and acupuncture, and (2) that PTs had treated patients they actually  
10 had not treated.

11 As an example, for the purpose of executing and attempting to  
12 execute the fraudulent scheme, defendant knowingly and willfully  
13 submitted and caused to be submitted to Medicare on or about July 11,  
14 2011, a false and fraudulent claim (claim number 551811192439070).  
15 This false and fraudulent claim alleged that H.K. performed manual  
16 physical therapy and therapeutic exercises for beneficiary K.P on  
17 June 16, 2011, in Orange County at Glory Rehab. However, despite  
18 submitting and causing the claim to be submitted, defendant knew H.K.  
19 did not perform such physical therapy on June 16, 2011, because H.K.  
20 was working at a different location on the same day and K.P. did not  
21 recognize the physical therapist.

22 As another example, for the purpose of executing and attempting  
23 to execute the fraudulent scheme, defendant knowingly and willfully  
24 submitted and caused to be submitted to Medicare on or about November  
25 8, 2013, a false and fraudulent claim (claim number 551113315179860).  
26 This false and fraudulent claim alleged that J.Y. performed manual  
27 physical therapy for beneficiary H.L. on October 31, 2013, in Orange  
28 County at Ace Physical Therapy. However, despite submitting and

1 causing the claim to be submitted, defendant knew J.Y. did not  
2 perform such physical therapy on October 31, 2013, because J.Y. did  
3 not work on Tuesdays and Thursdays (i.e. Thursday, October 31, 2013)  
4 and because H.L. would have visited Glory Rehab only and never would  
5 have visited Ace Physical Therapy.

6 Based on this separate and distinct fraudulent scheme, between  
7 in or about April 2011 and in or about December 2015, defendant,  
8 through Glory Rehab, submitted and caused to be submitted  
9 approximately \$5,847,873 in false and fraudulent claims to Medicare,  
10 for which Medicare paid approximately \$3,218,218. In addition, based  
11 on this separate and distinct fraudulent scheme, between in or about  
12 October 2012 and in or about August 2015, defendant, through Ace  
13 Physical Therapy, submitted and caused to be submitted approximately  
14 \$2,322,083 in false and fraudulent claims to Medicare, for which  
15 Medicare paid approximately \$1,130,406.

16 In or around May 2015, after investigative agents issued  
17 subpoenas to defendant for the production of patient files from Glory  
18 Rehab and Ace Physical Therapy, defendant willfully obstructed and  
19 impeded, and attempted to obstruct and impede, the administration of  
20 justice with respect to the investigation of the instant offense of  
21 conviction, and the obstruction related to defendant's offense of  
22 conduct and the relevant conduct as described above. Specifically,  
23 defendant instructed J.Y. to destroy or conceal material evidence  
24 (i.e., patient files) from investigative agents, which were  
25 responsive to a grand jury subpoena and to state that the patient  
26 files were lost. In response to grand jury subpoenas, defendant also  
27 produced and agreed to have J.Y. produce or attempt to produce false  
28

1 or altered documents (i.e., patient files) during an official  
2 investigation.

3 Total Loss (Including Relevant Conduct)

4 From the various schemes, between in or about May 2010 and  
5 continuing until at least in or about December 2015, defendant  
6 submitted or caused to be submitted through Rehab Dynamics, RSG,  
7 Glory Rehab and Ace Physical Therapy, approximately \$8,757,920 in  
8 false and fraudulent claims to Medicare. Defendant, through Glory  
9 Rehab and Ace Physical Therapy, received approximately \$4,672,004  
10 directly or indirectly from Medicare for defendant's participation in  
11 the various schemes.

12 SENTENCING FACTORS

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

25 15. Defendant and the USAO agree to the following applicable  
26 Sentencing Guidelines factors:



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

5 WAIVER OF CONSTITUTIONAL RIGHTS

6 20. Defendant understands that by pleading guilty, defendant  
7 gives up the following rights:

- 8 a. The right to persist in a plea of not guilty.
- 9 b. The right to a speedy and public trial by jury.
- 10 c. The right to be represented by counsel -- and if  
11 necessary have the court appoint counsel -- at trial. Defendant  
12 understands, however, that, defendant retains the right to be  
13 represented by counsel -- and if necessary have the court appoint  
14 counsel -- at every other stage of the proceeding.
- 15 d. The right to be presumed innocent and to have the  
16 burden of proof placed on the government to prove defendant guilty  
17 beyond a reasonable doubt.
- 18 e. The right to confront and cross-examine witnesses  
19 against defendant.
- 20 f. The right to testify and to present evidence in  
21 opposition to the charges, including the right to compel the  
22 attendance of witnesses to testify.
- 23 g. The right not to be compelled to testify, and, if  
24 defendant chose not to testify or present evidence, to have that  
25 choice not be used against defendant.
- 26 h. Any and all rights to pursue any affirmative defenses,  
27 Fourth Amendment or Fifth Amendment claims, and other pretrial  
28 motions that have been filed or could be filed.

1 WAIVER OF APPEAL OF CONVICTION

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

7 LIMITED MUTUAL WAIVER OF APPEAL OF SENTENCE

8 22. Defendant agrees that, provided the Court imposes a total  
9 term of imprisonment on all counts of conviction within or below the  
10 range corresponding to an offense level of 34 and the criminal  
11 history category calculated by the Court, defendant gives up the  
12 right to appeal all of the following: (a) the procedures and  
13 calculations used to determine and impose any portion of the  
14 sentence; (b) the term of imprisonment imposed by the Court; (c) the  
15 fine imposed by the court, provided it is within the statutory  
16 maximum; (d) the amount and terms of any restitution order, provided  
17 it requires payment of no more than \$4,672,004; (e) the term of  
18 probation or supervised release imposed by the Court, provided it is  
19 within the statutory maximum; and (f) any of the following conditions  
20 of probation or supervised release imposed by the Court: the  
21 conditions set forth in General Orders 318, 01-05, and/or 05-02 of  
22 this Court; the drug testing conditions mandated by 18 U.S.C.  
23 §§ 3563(a)(5) and 3583(d); the alcohol and drug use conditions  
24 authorized by 18 U.S.C. § 3563(b)(7); and any conditions of probation  
25 or supervised release agreed to by defendant in paragraph 2 above.

26 23. The USAO agrees that, provided (a) all portions of the  
27 sentence are at or below the statutory maximum specified above and  
28 (b) the Court imposes a term of imprisonment within or above the

1 range corresponding to an offense level of 19 and the criminal  
2 history category calculated by the Court, the USAO gives up its right  
3 to appeal any portion of the sentence, with the exception that the  
4 USAO reserves the right to appeal the amount of restitution ordered  
5 if that amount is less than \$4,672,004.

6 RESULT OF WITHDRAWAL OF GUILTY PLEA

7 24. Defendant agrees that if, after entering guilty pleas  
8 pursuant to this agreement, defendant seeks to withdraw and succeeds  
9 in withdrawing defendant's guilty pleas on any basis other than a  
10 claim and finding that entry into this plea agreement was  
11 involuntary, then (a) the USAO will be relieved of all of its  
12 obligations under this agreement; and (b) should the USAO choose to  
13 pursue any charge that was either dismissed or not filed as a result  
14 of this agreement, then (i) any applicable statute of limitations  
15 will be tolled between the date of defendant's signing of this  
16 agreement and the filing commencing any such action; and  
17 (ii) defendant waives and gives up all defenses based on the statute  
18 of limitations, any claim of pre-indictment delay, or any speedy  
19 trial claim with respect to any such action, except to the extent  
20 that such defenses existed as of the date of defendant's signing this  
21 agreement.

22 EFFECTIVE DATE OF AGREEMENT

23 25. This agreement is effective upon signature and execution of  
24 all required certifications by defendant, defendant's counsel, and an  
25 Assistant United States Attorney.

26 BREACH OF AGREEMENT

27 26. Defendant agrees that if defendant, at any time after the  
28 signature of this agreement and execution of all required

1 certifications by defendant, defendant's counsel, and an Assistant  
2 United States Attorney, knowingly violates or fails to perform any of  
3 defendant's obligations under this agreement ("a breach"), the USAO  
4 may declare this agreement breached. All of defendant's obligations  
5 are material, a single breach of this agreement is sufficient for the  
6 USAO to declare a breach, and defendant shall not be deemed to have  
7 cured a breach without the express agreement of the USAO in writing.  
8 If the USAO declares this agreement breached, and the Court finds  
9 such a breach to have occurred, then: (a) if defendant has previously  
10 entered guilty pleas pursuant to this agreement, defendant will not  
11 be able to withdraw the guilty pleas, and (b) the USAO will be  
12 relieved of all its obligations under this agreement.

13 27. Following the Court's finding of a knowing breach of this  
14 agreement by defendant, should the USAO choose to pursue any charge  
15 that was either dismissed or not filed as a result of this agreement,  
16 then:

17 a. Defendant agrees that any applicable statute of  
18 limitations is tolled between the date of defendant's signing of this  
19 agreement and the filing commencing any such action.

20 b. Defendant waives and gives up all defenses based on  
21 the statute of limitations, any claim of pre-indictment delay, or any  
22 speedy trial claim with respect to any such action, except to the  
23 extent that such defenses existed as of the date of defendant's  
24 signing this agreement.

25 c. Defendant agrees that: (i) any statements made by  
26 defendant, under oath, at the guilty plea hearing (if such a hearing  
27 occurred prior to the breach); (ii) the agreed to factual basis  
28 statement in this agreement; and (iii) any evidence derived from such

1 statements, shall be admissible against defendant in any such action  
2 against defendant, and defendant waives and gives up any claim under  
3 the United States Constitution, any statute, Rule 410 of the Federal  
4 Rules of Evidence, Rule 11(f) of the Federal Rules of Criminal  
5 Procedure, or any other federal rule, that the statements or any  
6 evidence derived from the statements should be suppressed or are  
7 inadmissible.

8 COURT AND PROBATION OFFICE NOT PARTIES

9 28. Defendant understands that the Court and the United States  
10 Probation Office are not parties to this agreement and need not  
11 accept any of the USAO's sentencing recommendations or the parties'  
12 agreements to facts or sentencing factors.

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

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PLEA AGREEMENT PART OF THE GUILTY PLEA HEARING

32. 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.

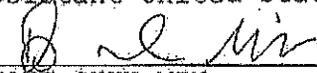
AGREED AND ACCEPTED

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

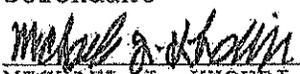
EILEEN M. DECKER  
United States Attorney

  
BYRON J. MCLAIN  
Assistant United States Attorney

4/20/2016  
Date

  
BYONG CHUN MIN  
Defendant

4/20/2016  
Date

  
MICHAEL J. KHOURI  
Attorney for Defendant BYONG MIN

April 20, 2016  
Date

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CERTIFICATION OF DEFENDANT

This agreement has been read to me in Korean, the language I understand best. 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.

 4/19/2016  
BYONG CHUN MIN Date  
Defendant

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CERTIFICATION OF INTERPRETER

I, Subie Min, am fluent in the written and spoken English and Korean languages. I accurately translated this entire agreement from English into Korean to defendant Byong Chun Min on this date.

  
INTERPRETER

April 19, 2016  
Date

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CERTIFICATION OF DEFENDANT'S ATTORNEY

I am BYONG CHUN MIN's attorney. I have carefully and thoroughly discussed every part of this agreement with my client. Further, I have fully advised my client of his 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 guilty pleas pursuant to this agreement.

Michael J. Khouri  
MICHAEL J. KHOURI  
Attorney for Defendant BYONG MIN

April 19, 2016  
Date

United States District Court  
Central District of California

UNITED STATES OF AMERICA vs.

Docket No. CR 16-0018-DOC-1

Defendant BYONG CHUN MIN

Social Security No. 8 3 8 8

akas: Chun, David (nickname)

(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
01	09	2017

COUNSEL

Kenneth White, Retained

(Name of Counsel)

PLEA

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

FINDING

There being a finding/verdict of **GUILTY**, defendant has been convicted as charged of the offense(s) of:

Count 4, 18 U.S.C. §§ 1347, § 2(b), Health Care Fraud, Causing Act to be Done and Count 11, 42 U.S.C. § 1320a-7b(b)(1)(A), Illegal Remunerations for Health Care Referrals of the 14-Count Indictment. All remaining counts **DISMISSED** by motion of the Government.

JUDGMENT  
AND PROB/  
COMM  
ORDER

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

It is ordered that the defendant shall pay to the United States a special assessment of \$200, 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 \$4,672,004 pursuant to 18 U.S.C. § 3663A:

Defendant shall pay restitution in the total amount of \$4,672,004 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.

The Court finds from a consideration of the record that the defendant's economic circumstances allow for restitution payments pursuant to the following schedule: 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, monthly payments of at least 10 percent of defendant's gross monthly income, but not less than \$100, 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 defendant shall be held jointly and severally liable with co-participants Joseff Sales and Dannel Goyena (docket no. 15-00576) and Marlon Songco (docket no. 15-00049) for \$587,964 of the 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. § 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.

Pursuant to Guideline § 5E1.2(a), all fines are waived as the Court finds that the defendant has established that he is unable to pay and is not likely to become able to pay any fine.

Pursuant to the Sentencing Reform Act of 1984, it is the judgment of the Court that the defendant, Byong Chun Min, is hereby committed on Count 4 and 11 of the Indictment to the custody of the Bureau of Prisons for a term of 45 months. This term consists of 45 months on Count 4 and 45 months on Count 11 of the Indictment, to be served concurrently.

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 4 and 11 of the 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. 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.
3. As directed by the Probation Officer, the defendant shall pay all or part of the costs of the Court-ordered treatment to the aftercare contractors during the period of community supervision, pursuant to 18 U.S.C. § 3672. The defendant shall provide payment and proof of payment as directed by the Probation Officer.
4. 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.
5. 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.

6. The defendant shall not be employed by, affiliated with, own, control, volunteer for, or otherwise participate, directly or indirectly, in any business involving federally funded or state funded health insurance or entitlement programs without the express written approval of the Probation Officer prior to engaging in such employment. Further, the defendant shall provide the Probation Officer with access to any and all business records, client lists, and other records pertaining to the operation of any business owned, in whole or in part, by the defendant, as directed by the Probation Officer.
7. The defendant shall not be employed in any position that requires licensing and/or certification by any local, state, or federal agency without the prior written approval of the Probation Officer.
8. The defendant shall cooperate in the collection of a DNA sample from the defendant.
9. The defendant shall submit person and property to search and seizure at any time of the day or night by any law enforcement officer with or without a warrant and with or without reasonable or probable cause.
10. The defendant shall report to the United States Probation Office within 72 hours of his release from custody.
11. The defendant shall report in person directly to the Court within 21 days of his release from custody, at a date and time to be set by the United States Probation Office, and thereafter report in person to the Court as directed during his first year of supervised release.
12. The defendant shall not possess, have under his control, or have access to any firearm, explosive device, or other dangerous weapon, as defined by federal, state, or local law.

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 Report, and/or any previous mental health evaluations or reports, to the treatment provider. The treatment provider may provide information (excluding the Presentence report), 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 himself to the institution designated by the Bureau of Prisons on or before April 24, 2017 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 the United States Court House, 411 West Fourth Street, Santa Ana, California 92701-4516.

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Defendant advised of right to appeal.

Defendant's bond is exonerated upon surrender.

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

January 9, 2017

Date

*David O. Carter*

DAVID O. CARTER, 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

January 9, 2017

Filed Date

By Deborah Goltz

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.

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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 (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.

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**RETURN**

I have executed the within Judgment and Commitment as follows:

Defendant delivered on \_\_\_\_\_ to \_\_\_\_\_

Defendant noted on appeal on \_\_\_\_\_

Defendant released on \_\_\_\_\_

Mandate issued on \_\_\_\_\_

Defendant's appeal determined on \_\_\_\_\_

Defendant delivered on \_\_\_\_\_ to \_\_\_\_\_

at \_\_\_\_\_

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

United States Marshal

\_\_\_\_\_ By \_\_\_\_\_  
 Date Deputy Marshal

**CERTIFICATE**

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

Clerk, U.S. District Court

\_\_\_\_\_ By \_\_\_\_\_  
 Filed Date Deputy Clerk

**FOR U.S. PROBATION OFFICE USE ONLY**

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

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

(Signed) \_\_\_\_\_ Date \_\_\_\_\_  
 Defendant

\_\_\_\_\_ Date \_\_\_\_\_  
 U. S. Probation Officer/Designated Witness