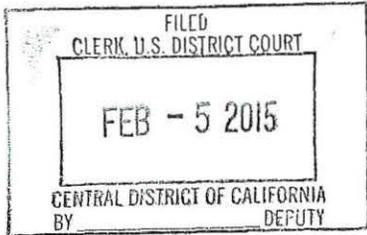


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CLERK U.S. DISTRICT COURT
CENTRAL DIST. OF CALIF.
LOS ANGELES

BY: _____

UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,

Plaintiff,

v.

MARLON SONGCO,

Defendant.

CR No. **CR15-0049**
I N F O R M A T I O N
[18 U.S.C. § 371: Conspiracy]

The United States Attorney charges:

[18 U.S.C. § 371]

A. GENERAL ALLEGATIONS

At all times relevant to this Information:

Defendant and Rehab Dynamics, Inc.

1. From in or about September 2008 to in or about January 2014, defendant MARLON SONGCO ("defendant SONGCO") was listed as the president of Rehab Dynamics, Inc. ("Rehab Dynamics"), a California corporation, which was located at various sites in Los Angeles and Orange Counties, within the Central District of California.

The Medicare Program

2. Medicare was a federal health care benefit program, affecting commerce, that provided benefits to individuals who were

1 over the age of 65 or disabled. Medicare was administered by the
2 Centers for Medicare and Medicaid Services ("CMS"), a federal agency
3 under the United States Department of Health and Human Services
4 ("HHS").

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

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

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

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

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

26 8. Medicare reimbursed providers only for services, including
27 physical therapy, that were medically necessary to the treatment of a
28 beneficiary's illness or injury, were prescribed by a beneficiary's

1 physician or a qualified physician's assistant acting under the
2 supervision of a physician, and were provided in accordance with
3 Medicare regulations and guidelines that governed whether a
4 particular service or product would be reimbursed by Medicare.

5 **B. THE OBJECT OF THE CONSPIRACY**

6 9. Beginning in or about January or February 2009 and
7 continuing until at least in or about January 2014, in Los Angeles
8 and Orange Counties, within the Central District of California, and
9 elsewhere, defendant SONGCO, together with co-conspirators A, B, and
10 C, and others known and unknown to the United States Attorney,
11 knowingly combined, conspired, and agreed to commit the following
12 offense against the United States: health care fraud, in violation of
13 Title 18, United States Code, Section 1347.

14 **C. MANNER AND MEANS OF THE CONSPIRACY**

15 10. The object of the conspiracy was carried out, and to be
16 carried out, in substance, as follows:

17 a. Co-conspirator B would recruit defendant SONGCO to
18 serve as the president of Rehab Dynamics and to obtain a Medicare
19 provider number for Rehab Dynamics, thus enabling it to submit claims
20 to Medicare.

21 b. Defendant SONGCO and co-conspirators A and B would pay
22 illegal kickbacks to outside companies owned by co-conspirator C and
23 others in exchange for the referral of Medicare beneficiaries to
24 Rehab Dynamics.

25 c. The Medicare beneficiaries would supply their Medicare
26 cards, HICNs, and patient information to Rehab Dynamics.

27 d. As defendant SONGCO well knew, co-conspirators A and B
28 would hire licensed physical therapists ("PTs"), many of whom worked

1 full-time at other employment, to perform only patient evaluations,
2 not follow-up treatment, for Medicare beneficiaries at Rehab
3 Dynamics. Those PTs would evaluate some, but not all, of the
4 beneficiaries and create plans of physical therapy treatment for
5 these beneficiaries, even though, as defendant SONGCO well knew and
6 intended, many of these beneficiaries never received any physical
7 therapy services.

8 e. While at Rehab Dynamics, beneficiaries would often
9 receive only massage and acupuncture, services defendant SONGCO knew
10 were not covered by Medicare, from individuals not licensed to
11 perform therapy and who were provided by the outside companies that
12 recruited the beneficiaries.

13 f. Defendant SONGCO and his co-conspirators would provide
14 information to Accubill, including the names, HICNs, and other
15 patient information of the Medicare beneficiaries, as well as
16 falsified records that made it appear as though the beneficiaries had
17 received physical therapy treatments from specific PTs at Rehab
18 Dynamics, knowing and intending that Accubill would use this
19 falsified information to submit false and fraudulent claims to
20 Medicare for physical therapy.

21 g. Rehab Dynamics would receive payment from Medicare for
22 those false and fraudulent claims, and the payments would be
23 deposited into the Rehab Dynamics Business Bank Account to which
24 defendant SONGCO and co-conspirators A and B had joint access and
25 control.

26 h. Defendant SONGCO and co-conspirators A and B would
27 write checks out of the Rehab Dynamics Business Bank Account to
28 themselves, co-conspirator C, and others.

1 i. Between in or about April 2009, and in or about
2 January 2014, Rehab Dynamics would submit approximately \$6,159,910 in
3 fraudulent and improper claims to Medicare, primarily for physical
4 therapy, and obtain payment from Medicare of approximately
5 \$3,327,151.

6 D. OVERT ACTS

7 11. In furtherance of the conspiracy and to accomplish its
8 object, defendant SONGCO, and others known and unknown to the United
9 States Attorney, committed and willfully caused others to commit, the
10 following overt acts, among others, in the Central District of
11 California and elsewhere:

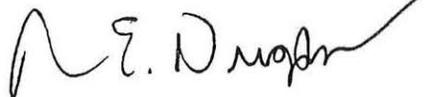
12 Overt Act No. 1: On or about November 12, 2010, defendant
13 SONGCO wrote a check payable to co-conspirator C for \$8582.19, drawn
14 on the Rehab Dynamics Business Bank Account, in exchange for co-
15 conspirator C's referral of Medicare beneficiaries to Rehab Dynamics.

16 Overt Act No. 2: On or about October 25, 2011, defendant
17 SONGCO caused Accubill to submit to Medicare false and fraudulent
18 claims for physical therapy services allegedly provided to 13
19 Medicare beneficiaries (comprising of more than 14 hours of purported
20 treatment) on October 17, 2011, by licensed PT 1, knowing that PT 1
21 did not, in fact, perform those physical therapy services.

22 Overt Act No. 3: Between on or about April 11, 2012, and on
23 or about August 15, 2012, defendant SONGCO caused Accubill to submit
24 to Medicare false and fraudulent claims for physical therapy services
25 allegedly provided to 17 Medicare beneficiaries (comprising of more
26 than 20 hours of purported treatment) on April 2, 2012, by licensed
27 PT

1 2, knowing that PT 2 did not, in fact, perform those physical therapy
2 services.

3
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10 UNITED STATES DISTRICT COURT

11 FOR THE CENTRAL DISTRICT OF CALIFORNIA

12 UNITED STATES OF AMERICA,

13 Plaintiff,

14 v.

15 MARLON SONGCO,

16 Defendant.

No. CR 15-00049-DDP

ERRATUM RE: PLEA AGREEMENT FILED
ON 2/05/2015, DOCKET ENTRY NO. 10

17
18
19 The government hereby files, this erratum to its Plea
20 Agreement, docket number 10, filed on February 05, 2015.

21 The government filed the attached Plea Agreement in error with
22 page 2 missing. Please see the complete attached Plea Agreement.
23
24
25
26
27
28

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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 MARLON SONGCO,

16 Defendant.

No. CR

PLEA AGREEMENT FOR DEFENDANT
MARLON SONGCO

17
18 1. This constitutes the plea agreement between Marlon Songco
19 ("defendant") and the United States Attorney's Office for the Central
20 District of California ("the USAO") in the investigation of health
21 care fraud at the physical therapy company Rehab Dynamics, Inc.
22 ("Rehab Dynamics"). This agreement is limited to the USAO and cannot
23 bind any other federal, state, local, or foreign prosecuting,
24 enforcement, administrative, or regulatory authorities.

25 DEFENDANT'S OBLIGATIONS

26 2. Defendant agrees to:

27 a. Give up the right to indictment by a grand jury and,
28 at the earliest opportunity requested by the USAO and provided by the

1 Court, appear and plead guilty to a single-count information in the
2 form attached to this agreement as Exhibit A or a substantially
3 similar form, which charges defendant with conspiracy, in violation
4 of 18 U.S.C. § 371.

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 assessment at or before the
18 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 3. Defendant further agrees to cooperate fully with the USAO,
6 the Federal Bureau of Investigation, Department of Health and Human
7 Services -- Office of the Inspector General, and, as directed by the
8 USAO, any other federal, state, local, or foreign prosecuting,
9 enforcement, administrative, or regulatory authority. This
10 cooperation requires defendant to:

11 a. Respond truthfully and completely to all questions
12 that may be put to defendant, whether in interviews, before a grand
13 jury, or at any trial or other court proceeding.

14 b. Attend all meetings, grand jury sessions, trials or
15 other proceedings at which defendant's presence is requested by the
16 USAO or compelled by subpoena or court order.

17 c. Produce voluntarily all documents, records, or other
18 tangible evidence relating to matters about which the USAO, or its
19 designee, inquires.

20 d. If requested to do so by the USAO, act in an
21 undercover capacity to the best of defendant's ability in connection
22 with criminal investigations by federal, state, local, or foreign law
23 enforcement authorities, in accordance with the express instructions
24 of those law enforcement authorities. Defendant agrees not to act in
25 an undercover capacity, tape record any conversations, or gather any
26 evidence except after a request by the USAO and in accordance with
27 express instructions of federal, state, local, or foreign law
28 enforcement authorities.

1 a. Not to offer as evidence in its case-in-chief in the
2 above-captioned case or any other criminal prosecution that may be
3 brought against defendant by the USAO, or in connection with any
4 sentencing proceeding in any criminal case that may be brought
5 against defendant by the USAO, any Cooperation Information.
6 Defendant agrees, however, that the USAO may use both Cooperation
7 Information and Plea Information: (1) to obtain and pursue leads to
8 other evidence, which evidence may be used for any purpose, including
9 any criminal prosecution of defendant; (2) to cross-examine defendant
10 should defendant testify, or to rebut any evidence offered, or
11 argument or representation made, by defendant, defendant's counsel,
12 or a witness called by defendant in any trial, sentencing hearing, or
13 other court proceeding; and (3) in any criminal prosecution of
14 defendant for false statement, obstruction of justice, or perjury.

15 b. Not to use Cooperation Information against defendant
16 at sentencing for the purpose of determining the applicable guideline
17 range, including the appropriateness of an upward departure, or the
18 sentence to be imposed, and to recommend to the Court that
19 Cooperation Information not be used in determining the applicable
20 guideline range or the sentence to be imposed. Defendant
21 understands, however, that Cooperation Information will be disclosed
22 to the probation office and the Court, and that the Court may use
23 Cooperation Information for the purposes set forth in U.S.S.G
24 § 1B1.8(b) and for determining the sentence to be imposed.

25 c. In connection with defendant's sentencing, to bring to
26 the Court's attention the nature and extent of defendant's
27 cooperation.
28

1 d. If the USAO determines, in its exclusive judgment,
2 that defendant has both complied with defendant's obligations under
3 paragraphs 2 and 3 above and provided substantial assistance to law
4 enforcement in the prosecution or investigation of another
5 ("substantial assistance"), to move the Court pursuant to U.S.S.G.
6 § 5K1.1 to fix an offense level and corresponding guideline range
7 below that otherwise dictated by the sentencing guidelines, and to
8 recommend a term of imprisonment within this reduced range.

9 DEFENDANT'S UNDERSTANDINGS REGARDING COOPERATION

10 7. Defendant understands the following:

11 a. Any knowingly false or misleading statement by
12 defendant will subject defendant to prosecution for false statement,
13 obstruction of justice, and perjury and will constitute a breach by
14 defendant of this agreement.

15 b. Nothing in this agreement requires the USAO or any
16 other prosecuting, enforcement, administrative, or regulatory
17 authority to accept any cooperation or assistance that defendant may
18 offer, or to use it in any particular way.

19 c. Defendant cannot withdraw defendant's guilty plea if
20 the USAO does not make a motion pursuant to U.S.S.G. § 5K1.1 for a
21 reduced guideline range or if the USAO makes such a motion and the
22 Court does not grant it or if the Court grants such a USAO motion but
23 elects to sentence above the reduced range.

24 d. At this time the USAO makes no agreement or
25 representation as to whether any cooperation that defendant has
26 provided or intends to provide constitutes or will constitute
27 substantial assistance. The decision whether defendant has provided
28

1 substantial assistance will rest solely within the exclusive judgment
2 of the USAO.

3 e. The USAO's determination whether defendant has
4 provided substantial assistance will not depend in any way on whether
5 the government prevails at any trial or court hearing in which
6 defendant testifies or in which the government otherwise presents
7 information resulting from defendant's cooperation.

8 NATURE OF THE OFFENSE

9 8. Defendant understands that for defendant to be guilty of
10 the crime charged in the single-count information, that is,
11 conspiracy, in violation of Title 18, United States Code, Section
12 371, the following must be true: (1) beginning in or about January or
13 February 2009 and continuing until at least in or about January 2014,
14 there was an agreement between two or more persons to commit health
15 fraud, in violation of Title 18, United States Code, Section 1347;
16 (2) the defendant became a member of the conspiracy knowing of its
17 object and intending to help accomplish it; and (3) one of the
18 members of the conspiracy performed at least one overt act for the
19 purpose of carrying out the conspiracy.

20 PENALTIES AND RESTITUTION

21 9. Defendant understands that the statutory maximum sentence
22 that the Court can impose for a violation of Title 18, United States
23 Code, Section 371, is: five years imprisonment; a three-year period
24 of supervised release; a fine of \$250,000 or twice the gross gain or
25 gross loss resulting from the offense, whichever is greatest; and a
26 mandatory special assessment of \$100.

27 10. Defendant understands that defendant will be required to
28 pay full restitution to the victim(s) of the offense to which

1 defendant is pleading guilty. Defendant agrees that, in return for
2 the USAO's compliance with its obligations under this agreement, the
3 Court may order restitution to persons other than the victim(s) of
4 the offenses to which defendant is pleading guilty and in amounts
5 greater than those alleged in the count to which defendant is
6 pleading guilty. In particular, defendant agrees that the Court may
7 order restitution to any victim of any of the following for any
8 losses suffered by that victim as a result of any relevant conduct,
9 as defined in U.S.S.G. § 1B1.3, in connection with the offenses to
10 which defendant is pleading guilty. The parties currently believe
11 that the applicable amount of restitution is approximately
12 \$3,327,151, but recognize and agree that this amount could change
13 based on facts that come to the attention of the parties prior to
14 sentencing.

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

24 12. Defendant understands that, by pleading guilty, defendant
25 may be giving up valuable government benefits and valuable civic
26 rights, such as the right to vote, the right to possess a firearm,
27 the right to hold office, and the right to serve on a jury.
28 Defendant understands that once the court accepts defendant's guilty

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

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

20 FACTUAL BASIS

21 14. Defendant admits that defendant is, in fact, guilty of the
22 offense to which defendant is agreeing to plead guilty. Defendant
23 and the USAO agree to the statement of facts provided below and agree
24 that this statement of facts is sufficient to support a plea of
25 guilty to the charge described in this agreement and to establish the
26 Sentencing Guidelines factors set forth in paragraph 16 below but is
27 not meant to be a complete recitation of all facts relevant to the
28

1 underlying criminal conduct or all facts known to either party that
2 relate to that conduct.

3 Background

4 Defendant formerly worked as a driver for a physical therapy
5 clinic owned by co-conspirator D.G. In or about September 2008, D.G.
6 and co-conspirator J.S., both of whom were familiar with the physical
7 therapy industry, recruited defendant to open a new physical therapy
8 company in defendant's name. At J.S. and D.G.'s direction, defendant
9 became the president of Rehab Dynamics Inc. ("Rehab Dynamics"), a
10 company that purported to provide physical therapy services, and
11 opened a bank account for Rehab Dynamics, listing himself, J.S., and
12 D.G. as signatories on the account. At J.S. and D.G.'s direction,
13 defendant signed a Medicare provider application, enrolling Rehab
14 Dynamics as a provider with Medicare, a federal health benefit
15 program for individuals aged 65 and older and certain disabled
16 persons. As a part of that application, defendant certified that he
17 would only submit truthful and accurate claims and would know and
18 abide by all Medicare regulations. Defendant also signed a contract
19 with Accubill, Inc. ("Accubill"), a medical billing company, for it
20 to submit claims to Medicare for Rehab Dynamics.

21 Conspiracy to Commit Health Care Fraud

22 Beginning in or about January or February 2009 and continuing
23 until at least in or about January 2014, in Los Angeles and Orange
24 Counties, within the Central District of California, and elsewhere,
25 defendant, together with J.S., D.G., S.H., and others known and
26 unknown to the United States Attorney, knowingly combined, conspired,
27 and agreed to commit health care fraud, in violation of Title 18,
28 United States Code, Section 1347.

1 Although defendant initially believed that Rehab Dynamics would
2 conduct business in a lawful manner, a few months after he opened the
3 company, through his increasing familiarity with Rehab Dynamics' day-
4 to-day operations, he became aware that J.S. and D.G. were using
5 Rehab Dynamics to commit fraud against Medicare through the
6 submission of fraudulent claims for physical therapy that often never
7 occurred. At that point, defendant joined in and became a full and
8 willing participant in the conspiracy to commit the fraud.

9 In order to obtain Medicare beneficiaries for Rehab Dynamics,
10 pursuant to agreements primarily negotiated by J.S. and D.G.,
11 defendant, J.S., and D.G. paid illegal kickbacks out of the Rehab
12 Dynamics business bank account to outside companies, including
13 companies owned by S.H., in exchange for the referral of Medicare
14 beneficiaries to Rehab Dynamics for physical therapy the patients
15 often never received. Rehab Dynamics employed licensed physical
16 therapists ("PTs"), primarily hired by J.S., to provide initial
17 evaluations of beneficiaries. However, as defendant and his co-
18 conspirators well knew, some of these evaluations did not take place
19 and those PTs rarely provided treatment at any follow-up visits.
20 While at Rehab Dynamics, many of the beneficiaries received only
21 massage and acupuncture, services defendant knew were not covered by
22 Medicare, from individuals not licensed to provide physical therapy.
23 Those unlicensed individuals were provided by the same outside
24 companies that referred the beneficiaries to Rehab Dynamics.

25 Defendant submitted and knew others submitted to Accubill false
26 information regarding physical therapy claims, intending that
27 Accubill would use that information to submit false and fraudulent
28 claims to Medicare on Rehab Dynamics' behalf. In particular,

1 defendant, J.S., and D.G. prepared fraudulent documentation that was
2 provided to Accubill and retained by Rehab Dynamics in the event of a
3 Medicare audit, falsely claiming (1) that PTs were providing
4 medically necessary physical therapy treatment, when in fact
5 unlicensed individuals were often providing uncovered massage and
6 acupuncture, and (2) that PTs had treated patients they had not
7 treated, including treatment purportedly occurring at times at which
8 those PTs were working at other companies or were out of the country.
9 Additionally, as defendant learned from D.G. during the course of
10 this conspiracy, the practice locations Rehab Dynamics identified to
11 Medicare in its provider applications were actually residential
12 addresses designed to prevent Medicare from conducting unannounced
13 site visits at the actual clinic locations.

14 In furtherance of the conspiracy, defendant engaged in the
15 following acts, among others:

- 16 • On or about November 12, 2010, defendant wrote a check
17 payable to S.H. for \$8582.19, drawn on the Rehab Dynamics
18 business bank account, in exchange for S.H.'s referral of
19 Medicare beneficiaries to Rehab Dynamics.
- 20 • On or about October 25, 2011, defendant submitted, or
21 caused to be submitted, to Medicare false and fraudulent
22 claims for physical therapy services allegedly provided to
23 13 Medicare beneficiaries (comprising more than 14 hours of
24 purported treatment) on October 17, 2011, by licensed PT
25 J.W., knowing that J.W. did not, in fact, perform those
26 physical therapy services.
- 27 • Between on or about April 11, 2012 and August 15, 2012,
28 defendant submitted, or caused to be submitted, to Medicare

1 false and fraudulent claims for physical therapy services
2 allegedly provided to 17 Medicare beneficiaries (comprising
3 more than 20 hours of purported treatment) on April 2,
4 2012, by licensed PT C.P., knowing that C.P. did not, in
5 fact, perform those physical therapy services.

6 Loss

7 Between in or about January or February 2009 and in or about
8 January 2014 Rehab Dynamics submitted approximately \$6,159,910 in
9 false and fraudulent claims to Medicare, for which Medicare paid
10 approximately \$3,327,151. During this same period, Rehab Dynamics
11 paid more than \$1.5 million to outside companies affiliated with S.H.
12 and others for the referral of Medicare beneficiaries.

13 SENTENCING FACTORS

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

26 16. Defendant and the USAO agree to the following applicable
27 Sentencing Guidelines factors:

28

1 Base Offense Level: 26 [U.S.S.G. §§ 2X1.1(a),
2 2B1.1(a)(2), (b)(1)(J),
3 (b)(7)(d)]

4 Defendant and the USAO reserve the right to argue that additional
5 specific offense characteristics, adjustments, and departures under
6 the Sentencing Guidelines are appropriate.

7 17. Defendant understands that there is no agreement as to
8 defendant's criminal history or criminal history category.

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

13 WAIVER OF CONSTITUTIONAL RIGHTS

14 19. Defendant understands that by pleading guilty, defendant
15 gives up the following rights:

- 16 a. The right to persist in a plea of not guilty.
17 b. The right to a speedy and public trial by jury.
18 c. The right to be represented by counsel - and if
19 necessary have the court appoint counsel - at trial. Defendant
20 understands, however, that, defendant retains the right to be
21 represented by counsel - and if necessary have the court appoint
22 counsel - at every other stage of the proceeding.
23 d. The right to be presumed innocent and to have the
24 burden of proof placed on the government to prove defendant guilty
25 beyond a reasonable doubt.
26 e. The right to confront and cross-examine witnesses
27 against defendant.

28

1 f. The right to testify and to present evidence in
2 opposition to the charges, including the right to compel the
3 attendance of witnesses to testify.

4 g. The right not to be compelled to testify, and, if
5 defendant chose not to testify or present evidence, to have that
6 choice not be used against defendant.

7 h. Any and all rights to pursue any affirmative defenses,
8 Fourth Amendment or Fifth Amendment claims, and other pretrial
9 motions that have been filed or could be filed.

10 WAIVER OF APPEAL OF CONVICTION

11 20. Defendant understands that, with the exception of an appeal
12 based on a claim that defendant's guilty plea was involuntary, by
13 pleading guilty defendant is waiving and giving up any right to
14 appeal defendant's conviction on the offense to which defendant is
15 pleading guilty.

16 LIMITED MUTUAL WAIVER OF APPEAL OF SENTENCE

17 21. Defendant agrees that, provided the Court imposes a term of
18 imprisonment within or below the range corresponding to an offense
19 level of 25 and the criminal history category calculated by the
20 Court, defendant gives up the right to appeal all of the following:
21 (a) the procedures and calculations used to determine and impose any
22 portion of the sentence; (b) the term of imprisonment imposed by the
23 Court; (c) the fine imposed by the court, provided it is within the
24 statutory maximum; (d) the amount and terms of any restitution order,
25 provided it requires payment of no more than \$3,327,151.98; (e) the
26 term of probation or supervised release imposed by the Court,
27 provided it is within the statutory maximum; and (f) any of the
28 following conditions of probation or supervised release imposed by

1 the Court: the conditions set forth in General Orders 318, 01-05,
2 and/or 05-02 of this Court; the drug testing conditions mandated by
3 18 U.S.C. §§ 3563(a)(5) and 3583(d); and the alcohol and drug use
4 conditions authorized by 18 U.S.C. § 3563(b)(7).

5 22. The USAO agrees that, provided all portions of the sentence
6 are at or below the statutory maximum specified above and the Court
7 imposes a term of imprisonment within or below the range
8 corresponding to an offense level of 23 and the criminal history
9 category calculated by the Court, the USAO gives up its right to
10 appeal any portion of the sentence, with the exception that the USAO
11 reserves the right to appeal the amount of restitution ordered if
12 that amount is less than \$3,327,151.98.

13 RESULT OF WITHDRAWAL OF GUILTY PLEA

14 23. Defendant agrees that if, after entering a guilty plea
15 pursuant to this agreement, defendant seeks to withdraw and succeeds
16 in withdrawing defendant's guilty plea on any basis other than a
17 claim and finding that entry into this plea agreement was
18 involuntary, then (a) the USAO will be relieved of all of its
19 obligations under this agreement, including in particular its
20 obligations regarding the use of Cooperation Information; and (b) in
21 any investigation, criminal prosecution, or civil, administrative, or
22 regulatory action, defendant agrees that any Cooperation Information
23 and any evidence derived from any Cooperation Information shall be
24 admissible against defendant, and defendant will not assert, and
25 hereby waives and gives up, any claim under the United States
26 Constitution, any statute, or any federal rule, that any Cooperation
27 Information or any evidence derived from any Cooperation Information
28 should be suppressed or is inadmissible.

1 regarding the use of Cooperation Information and will be free to use
2 any Cooperation Information in any way in any investigation, criminal
3 prosecution, or civil, administrative, or regulatory action.

4 c. The USAO will be free to criminally prosecute
5 defendant for false statement, obstruction of justice, and perjury
6 based on any knowingly false or misleading statement by defendant.

7 d. In any investigation, criminal prosecution, or civil,
8 administrative, or regulatory action: (i) defendant will not assert,
9 and hereby waives and gives up, any claim that any Cooperation
10 Information was obtained in violation of the Fifth Amendment
11 privilege against compelled self-incrimination; and (ii) defendant
12 agrees that any Cooperation Information and any Plea Information, as
13 well as any evidence derived from any Cooperation Information or any
14 Plea Information, shall be admissible against defendant, and
15 defendant will not assert, and hereby waives and gives up, any claim
16 under the United States Constitution, any statute, Rule 410 of the
17 Federal Rules of Evidence, Rule 11(f) of the Federal Rules of
18 Criminal Procedure, or any other federal rule, that any Cooperation
19 Information, any Plea Information, or any evidence derived from any
20 Cooperation Information or any Plea Information should be suppressed
21 or is inadmissible.

22 COURT AND PROBATION OFFICE NOT PARTIES

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

27 27. Defendant understands that both defendant and the USAO are
28 free to: (a) supplement the facts by supplying relevant information

1 to the United States Probation Office and the Court, (b) correct any
2 and all factual misstatements relating to the Court's Sentencing
3 Guidelines calculations and determination of sentence, and (c) argue
4 on appeal and collateral review that the Court's Sentencing
5 Guidelines calculations and the sentence it chooses to impose are not
6 error, although each party agrees to maintain its view that the
7 calculations in paragraph 16 are consistent with the facts of this
8 case. While this paragraph permits both the USAO and defendant to
9 submit full and complete factual information to the United States
10 Probation Office and the Court, even if that factual information may
11 be viewed as inconsistent with the facts agreed to in this agreement,
12 this paragraph does not affect defendant's and the USAO's obligations
13 not to contest the facts agreed to in this agreement.

14 28. Defendant understands that even if the Court ignores any
15 sentencing recommendation, finds facts or reaches conclusions
16 different from those agreed to, and/or imposes any sentence up to the
17 maximum established by statute, defendant cannot, for that reason,
18 withdraw defendant's guilty plea, and defendant will remain bound to
19 fulfill all defendant's obligations under this agreement. Defendant
20 understands that no one -- not the prosecutor, defendant's attorney,
21 or the Court -- can make a binding prediction or promise regarding
22 the sentence defendant will receive, except that it will be within
23 the statutory maximum.

24 NO ADDITIONAL AGREEMENTS

25 29. Defendant understands that, except as set forth herein,
26 there are no promises, understandings, or agreements between the USAO
27 and defendant or defendant's attorney, and that no additional
28

1 promise, understanding, or agreement may be entered into unless in a
2 writing signed by all parties or on the record in court.

3 PLEA AGREEMENT PART OF THE GUILTY PLEA HEARING

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

7 AGREED AND ACCEPTED

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

10 ANDRÉ BIROTTE JR.
United States Attorney

11 
12 _____
13 KRISTEN A. WILLIAMS
Assistant United States Attorney

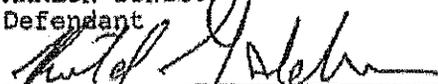
1/8/15

Date

14 
15 MARLON SONGCO
Defendant

1/8/15

Date

16 
17 RICHARD GOLDMAN
Attorney for Defendant Marlon
18 Songco

1/8/15

Date

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CERTIFICATION OF DEFENDANT

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

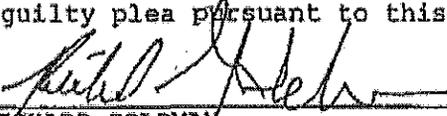

MARLON SONGCO
Defendant

1/18/15
Date

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CERTIFICATION OF DEFENDANT'S ATTORNEY

I am Marlon Songco'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 a guilty plea pursuant to this agreement.


RICHARD GOLDMAN
Attorney for Defendant Marlon
Songco

1/8/15
Date

Exhibit A

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UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,
Plaintiff,
v.
MARLON SONGCO,
Defendant.

CR No.
I N F O R M A T I O N
[18 U.S.C. § 371: Conspiracy]

The United States Attorney charges:

[18 U.S.C. § 371]

A. GENERAL ALLEGATIONS

At all times relevant to this Information:

Defendant and Rehab Dynamics, Inc.

1. From in or about September 2008 to in or about January 2014, defendant MARLON SONGCO ("defendant SONGCO") was listed as the president of Rehab Dynamics, Inc. ("Rehab Dynamics"), a California corporation, which was located at various sites in Los Angeles and Orange Counties.

The Medicare Program

2. Medicare was a federal health care benefit program, affecting commerce, that provided benefits to individuals who were

1 over the age of 65 or disabled. Medicare was administered by the
2 Centers for Medicare and Medicaid Services ("CMS"), a federal agency
3 under the United States Department of Health and Human Services
4 ("HHS").

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

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

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

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

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

26 8. Medicare reimbursed providers only for services, including
27 physical therapy, that were medically necessary to the treatment of a
28 beneficiary's illness or injury, were prescribed by a beneficiary's

1 physician or a qualified physician's assistant acting under the
2 supervision of a physician, and were provided in accordance with
3 Medicare regulations and guidelines that governed whether a
4 particular service or product would be reimbursed by Medicare.

5 **B. THE OBJECT OF THE CONSPIRACY**

6 9. Beginning in or about January or February 2009 and
7 continuing until at least in or about January 2014, in Los Angeles
8 and Orange Counties, within the Central District of California, and
9 elsewhere, defendant SONGCO, together with J.S., D.G., S.H., and
10 others known and unknown to the United States Attorney, knowingly
11 combined, conspired, and agreed to commit the following offense
12 against the United States, namely, health care fraud, in violation of
13 Title 18, United States Code, Section 1347.

14 **C. MANNER AND MEANS OF THE CONSPIRACY**

15 10. The object of the conspiracy was carried out, and to be
16 carried out, in substance, as follows:

17 a. Co-conspirator D.G. would recruit defendant SONGCO to
18 serve as the president of Rehab Dynamics and to obtain a Medicare
19 provider number for Rehab Dynamics, enabling it to submit claims to
20 Medicare.

21 b. Defendant SONGCO, J.S., and D.G. would pay illegal
22 kickbacks to outside companies owned by S.H. and others in exchange
23 for the referral of Medicare beneficiaries to Rehab Dynamics.

24 c. The Medicare beneficiaries would supply their Medicare
25 cards, HICNs, and patient information to Rehab Dynamics.

26 d. As defendant SONGCO well knew, J.S. and D.G. would
27 hire licensed physical therapists ("PTs"), many of whom worked full-
28 time at other employment, to perform only patient evaluations, not

1 follow-up treatment, for Medicare beneficiaries at Rehab Dynamics.
2 Those PTs would evaluate some, but not all, of the beneficiaries and
3 create plans of physical therapy treatment, even though, as defendant
4 SONGCO well knew and intended, many of the beneficiaries never
5 received any physical therapy services.

6 e. While at Rehab Dynamics, beneficiaries would often
7 receive only massage and acupuncture, services defendant SONGCO knew
8 were not covered by Medicare, from individuals not licensed to
9 perform therapy and who were provided by the outside companies that
10 recruited the beneficiaries.

11 f. Defendant SONGCO and his co-conspirators would provide
12 information to Accubill, including the names, HICNs, and other
13 patient information of the Medicare beneficiaries, as well as
14 falsified records that made it appear as though the beneficiaries had
15 received physical therapy treatments from specific PTs at Rehab
16 Dynamics, knowing and intending that Accubill would use the
17 information to submit false and fraudulent claims to Medicare for
18 physical therapy.

19 g. Rehab Dynamics would receive payment from Medicare for
20 those false and fraudulent claims, and the payments would be
21 deposited into the Rehab Dynamics Business Bank Account to which
22 defendant SONGCO, J.S., and D.G. had joint access and control.

23 h. Defendant SONGCO, J.S., and D.G. would write checks
24 out of the Rehab Dynamics Business Bank Account to themselves, S.H.,
25 and others.

26 i. Between in or about April 2009, and in or about
27 January 2014, Rehab Dynamics would submit approximately \$6,159,910 in

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1 claims to Medicare, primarily for physical therapy, and obtain
2 payment from Medicare of approximately \$3,327,151.

3 D. OVERT ACTS

4 11. In furtherance of the conspiracy and to accomplish its
5 object, defendant SONGCO, and others known and unknown to the United
6 States Attorney, committed and willfully caused others to commit, the
7 following overt acts, among others, in the Central District of
8 California and elsewhere:

9 Overt Act No. 1: On or about November 12, 2010, defendant
10 SONGCO wrote a check payable to S.H. for \$8582.19, drawn on the Rehab
11 Dynamics Business Bank Account, in exchange for S.H.'s referral of
12 Medicare beneficiaries to Rehab Dynamics.

13 Overt Act No. 2: On or about October 25, 2011, defendant
14 SONGCO caused Accubill to submit to Medicare false and fraudulent
15 claims for physical therapy services allegedly provided to 13
16 Medicare beneficiaries (comprising more than 14 hours of purported
17 treatment) on October 17, 2011, by licensed PT J.W., knowing that
18 J.W. did not, in fact, perform those physical therapy services.

19 Overt Act No. 3: Between on or about April 11, 2012, and on
20 or about August 15, 2012, defendant SONGCO caused Accubill to submit
21 to Medicare false and fraudulent claims for physical therapy services
22 allegedly provided to 17 Medicare beneficiaries (comprising more than
23 20 hours of purported treatment) on April 2, 2012, by licensed PT

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1 C.P., knowing that C.P. did not, in fact, perform those physical
2 therapy services.

3
4 STEPHANIE YONEKURA
Acting United States Attorney

5
6 ROBERT E. DUGDALE
7 Assistant United States Attorney
Chief, Criminal Division

8
9 RICHARD ROBINSON
Assistant United States Attorney
Chief, Major Frauds Section

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11 KRISTEN A. WILLIAMS
Assistant United States Attorney
Major Frauds Section

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

Case No. CR 15-00049 DDP

Date: June 22, 2015

=====

PRESENT: HONORABLE DEAN D. PREGERSON, JUDGE

John A. Chambers
Courtroom Deputy

Maria Bustillos
Court Reporter

Byron J. McLain
Asst. U.S. Attorney

=====

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

Attorneys for Defendants

1) MARLON SONGCO
present on bond

1) Richard D. Goldman
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 February 8, 2016 at 1:30 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 15-0049-DOC

Defendant MARLON SONGCO

Social Security No. 9 6 6 0

akas: Songco, Marlon Pineda

(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
02	02	2017

COUNSEL

Richard Goldman, DFPD

(Name of Counsel)

PLEA

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

FINDING

There being a finding/verdict of **GUILTY**, defendant has been convicted as charged of the offense(s) of:
Count 1, 18 U.S.C. § 371: Conspiracy to Commit Health Care Fraud of 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:

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.

It is ordered that the defendant shall pay restitution in the total amount of \$3,327,151 pursuant to 18 U.S.C. § 3663A.

Defendant shall pay restitution in the total amount of \$3,327,151 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 defendant's gross monthly income but not less than \$50, whichever is greater, shall be made during the period of supervised release and shall begin 30 days after the commencement of supervision. Nominal restitution payments are ordered as the Court finds that the defendant's economic circumstances do not allow for either immediate or future payment of the amount ordered.

The defendant shall be held jointly and severally liable with co-participants, Joseff Sales and Danniell Goyena (Docket No. CR- 15CR00576) for the amount of restitution ordered in this judgment. The victims' recovery is limited to the amount of their loss and the defendant's liability for restitution ceases if and when the victims receive full restitution.

Pursuant to 18 U.S.C. § 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, Marlon Songco, is hereby committed on the single-count information to the custody of the Bureau of Prisons for a term of 12 months.

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

1. The defendant shall comply with the rules and regulations of the United States Probation Office, General Order 05-02, and General Order 01-05, including the three special conditions delineated in General Order 01-05.
2. During the period of community supervision, the defendant shall pay the special assessment and restitution in accordance with this judgment's orders pertaining to such payment.
3. The defendant shall 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.
4. 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.
5. 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.
6. The defendant shall report to the United States Probation Office within 72 hours of his release from custody.
7. The defendant shall report in person directly to the Court within 21 days of 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.
8. 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.
9. The defendant shall cooperate in the collection of a DNA sample from the defendant.

USA vs. MARLON SONGCO

Docket No.: CR 15-0049-DOC

10. The defendant shall reside at a residential re-entry center (RRC), under the community corrections component/pre-release component, for a period not to exceed four (4) months, and shall comply with all rules and regulations of the RRC, until discharged by the program director, with the approval of the Probation Officer.

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.

It is further ordered that the defendant surrender himself to the institution designated by the Bureau of Prisons at or before 12 noon on April 24, 2017. 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 United States Court House, 411 West Fourth Street, Santa Ana, California 92701-4516.

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.

February 2, 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

February 2, 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.

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

STATUTORY PROVISIONS PERTAINING TO PAYMENT AND COLLECTION OF FINANCIAL SANCTIONS

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

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

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

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

Payments shall be applied in the following order:

1. Special assessments pursuant to 18 U.S.C. §3013;
2. Restitution, in this sequence (pursuant to 18 U.S.C. § 3664(i), all non-federal victims must be paid before the United States is paid):
 - Non-federal victims (individual and corporate),
 - Providers of compensation to non-federal victims,
 - The United States as victim;
3. Fine;
4. Community restitution, pursuant to 18 U.S.C. §3663(c); and
5. Other penalties and costs.

SPECIAL CONDITIONS FOR PROBATION AND SUPERVISED RELEASE

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

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

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

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

USA vs. MARLON SONGCO

Docket No.: CR 15-0049-DOC

RETURN

I have executed the within Judgment and Commitment as follows:

Defendant delivered on _____ to _____

Defendant noted on appeal on _____

Defendant released on _____

Mandate issued on _____

Defendant's appeal determined on _____

Defendant delivered on _____ to _____

at _____

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

United States Marshal

By _____
Deputy Marshal

Date

CERTIFICATE

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

Clerk, U.S. District Court

By _____
Deputy Clerk

Filed Date

FOR U.S. PROBATION OFFICE USE ONLY

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

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

(Signed) _____
Defendant

Date

U. S. Probation Officer/Designated Witness

Date