

2015 JUN -2 PM 1:03
CLERK U.S. DISTRICT COURT
CENTRAL DISTRICT OF CALIF.
LOS ANGELES

FILED

UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA

June 2015 Grand Jury

UNITED STATES OF AMERICA,

Plaintiff,

v.

TOROS ONIK YERANOSIAN,
aka "Toros Yeranossyan,"
OXANA LOUTSEIKO,
aka "Oxana Loutseyko,"
AHARON ARON KRKASHARYAN,
aka "Agaron Krkasharyan," and
MARIA ESPINOZA,
aka "Maria Piril,"
aka "Maria Gonzalez,"
aka "Maria Guadalupe Espinoza,"
aka "Maria Guadalupe Piril,"

Defendants.

No. CR 15-0330(A)-GW

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

[18 U.S.C. § 1349: Conspiracy to Commit Health Care Fraud; 18 U.S.C. § 1347: Health Care Fraud; 18 U.S.C. § 2(b): Causing an Act to be Done; 18 U.S.C. § 371: Conspiracy to Pay and Receive Health Care Kickbacks; 18 U.S.C. §§ 981(a)(1)(C), 982(a)(7); 28 U.S.C. § 2461(c): Criminal Forfeiture]

The Grand Jury charges:

COUNT ONE

[18 U.S.C. § 1349]

A. INTRODUCTORY ALLEGATIONS

At all times relevant to this First Superseding Indictment:

1 The Conspirators

2 1. Defendant TOROS ONIK YERANOSIAN, also known as ("aka")
3 "Toros Yeranossyan" ("YERANOSIAN"), was the co-owner and co-
4 operator of Mauran Ambulance Service, Inc. ("Mauran"), an
5 ambulance transportation company located in San Fernando,
6 California.

7 2. Defendant OXANA LOUTSEIKO, aka "Oxana Loutseyko"
8 ("LOUTSEIKO"), was a general manager of Mauran.

9 3. Defendant AHARON ARON KRKASHARYAN, aka "Agaron
10 Krkasharyan" ("KRKASHARYAN"), was a manager of Mauran.

11 4. Defendant MARIA ESPINOZA, aka "Maria Piril," aka
12 "Maria Gonzalez," aka "Maria Guadalupe Espinoza," aka "Maria
13 Guadalupe Piril" ("ESPINOZA"), was an employee of a dialysis
14 treatment facility located in the County of Los Angeles,
15 California.

16 5. Co-conspirator 1 ("CC-1") was the co-owner and co-
17 operator of Mauran.

18 6. Co-conspirator 2 ("CC-2") was a manager and biller of
19 Mauran.

20 7. Co-conspirator Christian Hernandez, aka "Cristian
21 Hernandez" ("Hernandez"), was a Dispatch Supervisor for Mauran.

22 The Medicare Program

23 8. The Medicare Program ("Medicare") was a federal health
24 care benefit program, affecting commerce, which provided
25 benefits to individuals who were over the age of 65 or disabled.
26 Medicare was administered by the Centers for Medicare and
27 Medicaid Services ("CMS"), a federal agency under the United
28 States Department of Health and Human Services. Medicare was a

1 "health care benefit program" as defined by Title 18, United
2 States Code, Section 24(b).

3 9. Medicare was subdivided into multiple parts. Medicare
4 Part B covered, among other things, ambulance services.

5 10. Individuals who qualified for Medicare benefits were
6 commonly referred to as "Medicare beneficiaries." Each Medicare
7 beneficiary was given a Medicare identification number.

8 11. Medicare covered ambulance services only if furnished
9 to a beneficiary whose medical condition at the time of
10 transport was such that ambulance transportation was medically
11 necessary. A patient whose condition permitted transport in any
12 type of vehicle other than an ambulance did not qualify for
13 Medicare payment for ambulance services. Medicare payment for
14 ambulance transportation depended on the patient's condition at
15 the actual time of the transport regardless of the patient's
16 diagnosis. To be deemed medically necessary for payment, the
17 patient must have required both the transportation and the level
18 of service provided.

19 12. Ambulance transportation was only covered by Medicare
20 when the patient's condition required the vehicle itself or the
21 specialized services of the trained ambulance personnel. A
22 requirement of coverage was that the needed services of the
23 ambulance personnel were provided and clear clinical
24 documentation validated their medical need and their provision
25 in the record of the service, which was usually documentation in
26 the form of a "run-sheet." During an ambulance transport,
27 Emergency Medical Technicians ("EMTs") are required to complete
28 a "Patient Care Report" ("PCR"), often called a "run-sheet" or

1 "run-ticket," in order to document the patient's medical
2 condition at the time of the transportation, and any relevant
3 details about the transportation itself.

4 13. In the absence of an emergency condition, ambulance
5 services were covered by Medicare only under the following
6 circumstances: (a) the patient being transported could not be
7 transported by any other means without endangering the
8 individual's health; or (b) the patient was before, during, and
9 after transportation, bed confined. For purposes of Medicare
10 coverage, "bed confined" meant the patient met all of the
11 following three criteria: (a) unable to get up from bed without
12 assistance; (b) unable to ambulate; and (c) unable to sit in a
13 chair (including a wheelchair).

14 14. A thorough assessment and documented description of
15 the patient's current medical state was essential for coverage.
16 All statements about the patient's medical condition or bed
17 confined status must have been validated in the documentation
18 using contemporaneous, objective observations and findings.

19 15. For ambulance services to have been covered by
20 Medicare, the transport must have been to the nearest
21 institution with appropriate facilities for the treatment of the
22 illness or injury involved. The term "appropriate facilities"
23 meant that the institution was generally equipped to provide
24 care necessary to manage the illness or injury involved.
25 Covered destinations for non-emergency transports included:
26 (a) hospitals; (b) skilled nursing facilities; (c) dialysis
27 facilities; (d) from a skilled nursing facility to the nearest
28 supplier of medically-necessary services not available at the

1 skilled nursing facility where the beneficiary was a resident,
2 including the return trip, when the patient's condition at the
3 time of transport required ambulance services; and (e) the
4 patient's residence, but only if the transport was to return
5 from an appropriate facility and the patient's condition at the
6 time of transport required ambulance services.

7 16. CMS contracted with Medicare Administrative
8 Contractors ("MACs") to process claims for payment. From
9 October 2007 to August 2013, the MAC that processed and paid
10 Medicare Part B claims in Southern California was Palmetto GBA.
11 Noridian Administrative Services ("Noridian") was the MAC in
12 Southern California from approximately September 2013 to the
13 present.

14 17. Most providers submitted their claims electronically
15 pursuant to an agreement they executed with Medicare in which
16 the providers agreed that: (a) they were responsible for all
17 claims submitted to Medicare by themselves, their employees, and
18 their agents; (b) they would submit claims only on behalf of
19 those Medicare beneficiaries who had given their written
20 authorization to do so; and (c) they would submit claims that
21 were accurate, complete, and truthful.

22 18. A Medicare claim for payment was required to set
23 forth, among other things, the following: (a) the beneficiary's
24 name and unique Medicare identification number; (b) the item or
25 type of services provided to the beneficiary; (c) the cost of
26 the item or service being provided; and (d) the name and the
27 National Provider Identifier ("NPI") of the provider who
28 provided the item or service.

1 B. THE OBJECT OF THE CONSPIRACY

2 19. Beginning in or around February 2009, and continuing
3 through in or around September 2013, in Los Angeles County,
4 within the Central District of California, and elsewhere,
5 defendants YERANOSIAN, LOUTSEIKO, and KRKASHARYAN, together with
6 CC-1, CC-2, co-conspirator Hernandez, and others known and
7 unknown to the Grand Jury, knowingly combined, conspired, and
8 agreed to commit health care fraud, in violation of Title 18,
9 United States Code, Section 1347.

10 C. THE MANNER AND MEANS OF THE CONSPIRACY

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

13 a. On or about February 18, 2009, YERANOSIAN and CC-
14 1 purchased Mauran.

15 b. On or about April 19, 2009, CC-1 opened a
16 corporate bank account for Mauran at Bank of America, account
17 number xxxxx-72132 ("BA Account"). CC-1 was a signatory on this
18 BA Account.

19 c. On or about May 7, 2009, CC-1 executed and
20 submitted an electronic funds transfer agreement ("EFT") to
21 Medicare, requesting that all future reimbursements from
22 Medicare be directly deposited into Mauran's BA Account. On
23 this EFT, defendant LOUTSEIKO is listed as a contact person for
24 Mauran.

25 d. On or about July 22, 2010, CC-1 filed a Statement
26 of Information with the State of California that listed CC-1 as
27 the Chief Executive Officer, Secretary, Chief Financial Officer,
28 and Director of Mauran.

1 e. On or about March 22, 2011, CC-1 executed and
2 submitted an amended enrollment application to Medicare on
3 behalf of Mauran. On this application, CC-1 is listed as
4 President of Mauran, and defendant LOUTSEIKO is designated as a
5 Delegated Official of Mauran.

6 f. On or about May 21, 2012, CC-1 filed a Statement
7 of Information with the State of California that listed CC-1 as
8 the Chief Executive Officer, Secretary, Chief Financial Officer,
9 and Director of Mauran.

10 g. On or about April 18, 2014, CC-1 opened a
11 corporate bank account for Mauran at Citibank, account number
12 xxxxx-14140 (the "Citibank Account"). CC-1 was the sole
13 signatory on this Citibank Account.

14 h. On or about April 23, 2014, CC-1 executed and
15 submitted an EFT to Medicare requesting that future Medicare
16 reimbursement payments be directly deposited into Mauran's
17 Citibank Account.

18 i. On or about September 22, 2014, CC-1 executed and
19 submitted an EFT to Medicare requesting that future Medicare
20 reimbursement payments be directly deposited into Mauran's BA
21 Account.

22 j. Defendants YERANOSIAN, LOUTSEIKO, and
23 KRKASHARYAN, together with CC-1, CC-2, co-conspirator Hernandez,
24 and others known and unknown to the Grand Jury, knowingly
25 provided and caused to be provided ambulance transportation
26 services, through Mauran, to Medicare beneficiaries, knowing
27 that the beneficiaries' medical conditions did not make the
28 ambulance transportation services necessary.

1 k. Defendants YERANOSIAN, LOUTSEIKO, and
2 KRKASHARYAN, together with CC-2, co-conspirator Hernandez, and
3 others known and unknown to the Grand Jury, instructed Mauran
4 employees to create and document on run-sheets a purported
5 justification for ambulance transportation services even when
6 such a justification did not exist.

7 l. Defendants YERANOSIAN, LOUTSEIKO, and
8 KRKASHARYAN, together with CC-2, co-conspirator Hernandez, and
9 others known and unknown to the Grand Jury, instructed Mauran
10 employees not to write certain words, such as "walk" and
11 "wheelchair," on run-sheets because the defendants and their co-
12 conspirators knew Medicare would not pay for the ambulance
13 transportation services when these words were present on run-
14 sheets.

15 m. Defendants YERANOSIAN, LOUTSEIKO, and
16 KRKASHARYAN, together with CC-2, co-conspirator Hernandez, and
17 others known and unknown to the Grand Jury, knowingly and
18 willfully submitted, and caused the submission of, false and
19 fraudulent claims to Medicare on behalf of Mauran for the
20 medically unnecessary ambulance transportation services.

21 n. As a result of the submission to Medicare of
22 false and fraudulent claims that defendants YERANOSIAN,
23 LOUTSEIKO, and KRKASHARYAN, together with CC-2, co-conspirator
24 Hernandez, and others known and unknown to the Grand Jury,
25 submitted and caused to be submitted, Medicare made payments to
26 Mauran's corporate bank accounts, namely, the BA Account and the
27 Citibank Account.

1 o. Defendant YERANOSIAN and CC-1 transferred and
2 disbursed, and caused the transfer and disbursement of, monies
3 from Mauran's BA Account and the Citibank Account to themselves
4 and others.

5 p. Defendants YERANOSIAN, LOUTSEIKO, and
6 KRKASHARYAN, together with CC-2, co-conspirator Hernandez, and
7 others known and unknown to the Grand Jury, concealed, and
8 attempted to conceal, their submission of false and fraudulent
9 claims to Medicare by altering and causing the alteration of
10 run-sheets and other documentation related to the ambulance
11 transportation services provided by Mauran.

12 q. For dates of service between on or about February
13 18, 2009, and on or about September 5, 2013, Mauran submitted to
14 Medicare claims totaling approximately \$28,011,085 for ambulance
15 transportation and related services, and Medicare paid Mauran
16 approximately \$13,433,045 on those claims.

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COUNTS TWO THROUGH FIVE

[18 U.S.C. §§ 1347, 2(b)]

21. The Grand Jury incorporates by reference and re-alleges paragraphs 1 through 18 and 20 above of this First Superseding Indictment as though set forth in their entirety herein.

A. THE SCHEME TO DEFRAUD

22. Beginning in or around February 2009, and continuing through in or around September 2013, in Los Angeles County, within the Central District of California, and elsewhere, defendants YERANOSIAN, LOITSEIKO, and KRKASHARYAN, together with CC-1, CC-2, and others known and unknown to the Grand Jury, knowingly, willfully, and with intent to defraud, executed, and attempted to execute, a scheme and artifice: (a) to defraud a health care benefit program, namely Medicare, as to material matters in connection with the delivery of, and payment for, health care benefits, items, and services; and (b) to obtain money from Medicare by means of materially false and fraudulent pretenses and representations and the concealment of material facts in connection with the delivery of, and payment for, health care benefits, items, and services.

B. MEANS TO ACCOMPLISH THE SCHEME TO DEFRAUD

23. The fraudulent scheme operated, in substance, as described in Paragraph 20 of this First Superseding Indictment.

C. THE EXECUTION OF THE FRAUDULENT SCHEME

24. On or about the dates set forth below, within the Central District of California, and elsewhere, defendants YERANOSIAN, LOITSEIKO, and KRKASHARYAN, together with CC-1, CC-

1 2, and others known and unknown to the Grand Jury, knowingly and
2 willfully executed and attempted to execute the fraudulent
3 scheme described above, by submitting and causing to be
4 submitted to Medicare the following false and fraudulent claims
5 for payment for Basic Life Support, non-emergency ambulance
6 transportation (Code A0428, Code A0425):

| <u>COUNT</u> | <u>BENEFICIARY</u> | <u>CLAIM NUMBER</u> | <u>APPROX. DATE SUBMITTED</u> | <u>APPROX. AMOUNT OF CLAIM</u> |
|--------------|--------------------|---------------------|---------------------------------------|----------------------------------------|
| TWO | S.V. | 551111172819320 | 6/21/2011 | \$621.00 |
| THREE | S.K. | 551111173170980 | 6/22/2011 | \$391.50 |
| FOUR | L.E. | 551111181896000 | 6/30/2011 | \$437.40 |
| FIVE | M.B. | 551111186535920 | 7/05/2011 | \$526.50 |

COUNT SIX

[18 U.S.C. § 371]

25. The Grand Jury incorporates by reference and re-
alleges paragraphs 1 through 18 and 20 of this First Superseding
Indictment as though set forth in their entirety herein.

A. OBJECT OF THE CONSPIRACY

26. Beginning no later than in or around 2010, and
continuing through in or around September 2013, in Los Angeles
County, within the Central District of California, and
elsewhere, defendants YERANOSIAN, LOUTSEIKO, and ESPINOZA,
together with others known and unknown to the Grand Jury,
knowingly combined, conspired, and agreed to pay and receive
kickbacks for patient referrals, in violation of Title 42,
United States Code, Sections 1320a-7b(b)(1)(A) and (b)(2)(A).

B. THE MANNER AND MEANS OF THE CONSPIRACY

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

a. Defendants YERANOSIAN and LOUTSEIKO, together
with others known and unknown to the Grand Jury, would agree to
pay, and cause to be paid, kickbacks to defendant ESPINOZA and
others known and unknown to the Grand Jury, in return for
referrals to Mauran of patients for whom Mauran would submit
claims to Medicare for ambulance transportation services and
other related services.

b. After defendant ESPINOZA provided names and other
information of patients that defendants YERANOSIAN and LOUTSEIKO
could use to bill Medicare for ambulance transportations and
other related services, defendants YERANOSIAN and LOUTSEIKO

1 would give cash and cause cash to be given to defendant
2 ESPINOZA.

3 D. OVERT ACTS

4 28. In furtherance of the conspiracy and to accomplish its
5 object, defendants YERANOSIAN, LOUTSEIKO, and ESPINOZA, together
6 with others known and unknown to the Grand Jury, committed and
7 willfully caused others to commit the following overt acts,
8 among others, within the Central District of California and
9 elsewhere:

10 Overt Act No. 1: In or around October 2010, defendants
11 YERANOSIAN and LOUTSEIKO paid and caused to be paid to defendant
12 ESPINOZA a cash kickback for patient referral(s) to Mauran.

13 Overt Act No. 2: In or around April 2011, defendants
14 YERANOSIAN and LOUTSEIKO paid and caused to be paid to defendant
15 ESPINOZA a cash kickback for patient referral(s) to Mauran.

16 Overt Act No. 3: In or around May 2011, defendants
17 YERANOSIAN and LOUTSEIKO paid and caused to be paid to defendant
18 ESPINOZA a cash kickback for patient referral(s) to Mauran.

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FORFEITURE ALLEGATION

[18 U.S.C. §§ 982(a)(7), 981(a)(1)(C) and
28 U.S.C. § 2461(c)]

1 Pursuant to Rule 32.2(a) Fed. R. Crim. P., notice is
2 hereby given to defendants TOROS ONIK YERANOSIAN, also known as
3 ("aka") "Toros Yeranosyan" ("YERANOSIAN"), OXANA LOUTSEIKO, aka
4 "Oxana Loutseyko" ("LOUTSEIKO"), AHARON ARON KRKASHARYAN, aka
5 "Agaron Krkasharyan" ("KRKASHARYAN"), and MARIA ESPINOZA, aka
6 "Maria Piril," aka "Maria Gonzalez," aka "Maria Guadalupe
7 Espinoza," aka "Maria Guadalupe Piril" ("ESPINOZA")
8 (collectively, "defendants"), that the United States will seek
9 forfeiture as part of any sentence in accordance with Title 18,
10 United States Code, Sections 982(a)(7) and 981(a)(1)(C) and
11 Title 28, United States Code, Section 2461(c), in the event of
12 any defendant's conviction under any of the Counts One through
13 Six of this First Superseding Indictment.
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17 2. Defendants shall forfeit to the United States the
18 following property:

19 a. All right, title, and interest in any and
20 all property, real or personal, that constitutes or is derived,
21 directly or indirectly, from the gross proceeds traceable to the
22 commission of any offense set forth in any of Counts One through
23 Six of this First Superseding Indictment; and

24 b. A sum of money equal to the total value of
25 the property described in subparagraph a. For each of Counts
26 One through Six for which more than one defendant is found
27 guilty, each such defendant shall be jointly and severally
28 liable for the entire amount forfeited pursuant to that Count.

1 3. Pursuant to Title 21, United States Code, Section
2 853(p), as incorporated by Title 28, United States Code, Section
3 2461(c), and Title 18, United States Code, Section 982(b), each
4 defendant shall forfeit substitute property, up to the total
5 value of the property described in the preceding paragraph if,
6 as a result of any act or omission of a defendant, the property

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1 described in the preceding paragraph, or any portion thereof
2 (a) cannot be located upon the exercise of due diligence;
3 (b) has been transferred, sold to or deposited with a third
4 party; (c) has been placed beyond the jurisdiction of the Court;
5 (d) has been substantially diminished in value; or (e) has been
6 commingled with other property that cannot be divided without
7 difficulty.

8 A TRUE BILL

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10 151
Foreperson

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12 EILIEEN M. DECKER
13 United States Attorney

14
15 
16 LAWRENCE S. MIDDLETON
17 Assistant United States Attorney
Chief, Criminal Division

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

20 RANEE KATZENSTEIN
21 Assistant United States Attorney
Deputy Chief, Major Frauds Section

22 PABLO QUIÑONES
23 Deputy Chief, Fraud Section
24 United States Department of Justice

25 DIIDRI ROBINSON
26 Assistant Chief, Fraud Section
United States Department of Justice

27 BLANCA QUINTERO
28 Trial Attorney, Fraud Section
United States Department of Justice

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

CRIMINAL MINUTES - CHANGE OF PLEA

Case No. CR 15-330-GW Date November 20, 2017

Present: The Honorable GEORGE H. WU, UNITED STATES DISTRICT JUDGE

Interpreter NONE

| | | |
|----------------------------------------|--------------------------------------------------------------|--------------------------------------------------------------------|
| Javier Gonzalez <i>Deputy Clerk</i> | Katie Thibodeaux <i>Court Reporter/Recorder, Tape No.</i> | Alexis Gregorian; Jeremy Sanders <i>Assistant U.S. Attorney</i> |
|----------------------------------------|--------------------------------------------------------------|--------------------------------------------------------------------|

| <u>U.S.A. v. Defendant(s):</u> | <u>Present</u> | <u>Cust.</u> | <u>Bond</u> | <u>Attorneys for Defendants:</u> | <u>Present</u> | <u>App.</u> | <u>Ret.</u> |
|--------------------------------|----------------|--------------|-------------|----------------------------------|----------------|-------------|-------------|
| 4. Toros Onik Yeranosian | ✓ | | ✓ | 4. Daniel V. Behesnilian | ✓ | | ✓ |

Proceedings: CHANGE OF PLEA

Defendant moves to Change plea to Count One of the First Superseding Indictment.

Defendant enters a new and different plea of Guilty to Count One of the First Superseding Indictment.

The Court questions the Defendant regarding plea of Guilty and finds it knowledgeable and voluntary and orders the plea accepted and entered.

The Court refers the Defendant to the Probation Office for an investigation and report and continues the matter to April 16, 2018 at 8:00 a.m. for sentencing.

Parties are to submit their sentencing positions by no later than April 9, 2018.

The Court vacates the Court and/or Jury Trial date.

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Initials of Deputy Clerk JG