
**UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY**

UNITED STATES OF AMERICA : **TO BE FILED UNDER SEAL**
 :
 v. : Hon. Leda Dunn Wettre
 :
 LUIS ROA, : Mag. No. 20-13043
 a/k/a "Louis Roa" :
 : **CRIMINAL COMPLAINT**

I, William Lloyd, being duly sworn, state the following is true and correct to the best of my knowledge and belief:

SEE ATTACHMENT A

I further state that I am a Special Agent with the Federal Bureau of Investigation and that this Complaint is based on the following facts:

SEE ATTACHMENT B

continued on the attached page and made a part hereof.



William Lloyd, Special Agent
Federal Bureau of Investigation

January 10, 2020, at
District of New Jersey

Honorable Leda Dunn Wettre
United States Magistrate Judge



Signature of Judicial Officer

ATTACHMENT A

COUNT ONE

(Conspiracy to Violate the Federal Anti-Kickback Statute)

From at least as early as in or around February 2017 through in or around April 2019, in the District of New Jersey, and elsewhere, the defendant,

**LUIS ROA,
a/k/a "Louis Roa,"**

did knowingly and intentionally conspire and agree with others to commit offenses against the United States, that is to knowingly and willfully solicit and receive remuneration, directly and indirectly, overtly and covertly, in cash and in kind, that is, kickbacks and bribes, from any person in return for purchasing, ordering, and arranging for, and recommending purchasing and ordering, any good, item, and service, namely, durable medical equipment and genetic cancer screenings, for which payment may be made in whole or in part under a Federal health care program, as defined in Title 18, United States Code, Section 24(b), namely, Medicare, contrary to Title 42, United States Code, Section 1320a-7b(b)(1).

In violation of Title 18, United States Code, Section 371.

ATTACHMENT B

I, William Lloyd, am a Special Agent with the Federal Bureau of Investigation. I have knowledge of the following facts based upon both my investigation and discussions with other law enforcement personnel and others. Because this affidavit is being submitted for the sole purpose of establishing probable cause to support the issuance of a complaint, I have not included each and every fact known to the government concerning this matter. Where statements of others are set forth herein, these statements are related in substance and in part. Where I assert that an event took place on a particular date, I am asserting that it took place on or about the date alleged.

Background on the Medicare Program

1. Since in or around 2017, the Department of Health and Human Services, Office of the Inspector General (“HHS”) and the Federal Bureau of Investigation (“FBI”) have been investigating a large-scale scheme to defraud the Medicare Program (“Medicare”) and other federal payors through the paying and receiving of kickbacks in return for referrals of patients interested in certain medical services and products.

2. Medicare is a federally-funded program established by the Social Security Act of 1965 (codified as amended in various sections of Title 42, United States Code) to provide medical insurance benefits for individuals age 65 and older and certain disabled individuals who qualify under the Social Security Act. Individuals who receive benefits under Medicare are referred to as “Medicare beneficiaries.”

3. Medicare is administered by the Center for Medicare and Medicaid Services (“CMS”), a federal agency under the United States Department of Health and Human Services.

4. Medicare is divided into four parts, which help cover specific services: Part A (hospital insurance), Part B (medical insurance), Part C (Medicare Advantage), and Part D (prescription drug coverage).

5. Medicare Part B covers non-institutional care that includes physician services and supplies, such as durable medical equipment (“DME”), that are needed to diagnose or treat medical conditions and that meet accepted standards of medical practice.

6. Medicare is a “health care benefit program,” as defined by 18 U.S.C. § 24(b), that affects commerce and a “Federal health care program,” as defined by 42 U.S.C. § 1320a-7b(f), that affects commerce.

7. In order for a supplier of DME services to bill Medicare Part B, that supplier must enroll with Medicare as a Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (“DMEPOS”) supplier by completing a Form CMS-855S.

8. As provided in the Form CMS-855S, to enroll as a DMEPOS supplier, every DMEPOS supplier must meet certain standards to obtain and retain billing privileges to Medicare, such as, but not limited to the following: (1) provide complete and accurate information on the Form CMS-855S, with any changes to the information on the form reported within 30 days; (2) disclose persons and/or organizations with ownership interests or managing control; (3) abide by applicable Medicare laws, regulations and program instructions, such as, but not limited to, the Federal Anti-Kickback Statute (42 U.S.C. § 1320a-7b(b)); (4) acknowledge that the payment of a claim by Medicare is conditioned upon the claim and the underlying transaction complying with such laws, regulations and program instructions; and (5) refrain from knowingly presenting or causing to present a false or fraudulent claim for payment by Medicare and submitting claims with deliberate ignorance or reckless disregard of their truth or falsity.

Overview of the Conspiracy

9. At all times relevant to this Complaint, Coconspirator-1 and Coconspirator-2, coconspirators not charged herein, were residents of New Jersey who owned, operated, and/or had a financial or controlling interest in several DME supply companies (the “DME Companies”), which primarily supplied orthotic braces, such as knee, ankle, back, wrist, and shoulder braces to Medicare beneficiaries. The DME Companies were enrolled with Medicare as suppliers of DME, and therefore, were authorized to bill Medicare for the supplying of orthotic braces. Pursuant to the requirements described above, the DME Companies were also responsible for acknowledging that any claims made to Medicare complied with the relevant laws, regulations, and program instructions.

10. Defendant LUIS ROA, a/k/a “Louis Roa” (“ROA”), was a resident of Santiago, Chile who conducted business, including with Coconspirator-1 and Coconspirator-2, in the United States. As described more fully below, ROA agreed with Coconspirator-1 and Coconspirator-2 to a kickback arrangement whereby Coconspirator-1 and Coconspirator-2 paid ROA for providing them and others with information and documents amounting to a guarantee that certain services would be reimbursed by Medicare, referred to herein as a “completed doctor’s order.”

11. As that term was used during the course of ROA’s scheme, a completed “doctor’s order” was comprised of a prospective patient’s name, contact information, insurance information, and a doctor’s order or prescription for DME or other medical services for that particular patient. Similarly, a “raw

lead” was comprised of a prospective patient’s name, contact information, and an indication that that patient was interested in receiving the DME or services.

12. The investigation has revealed that in or around 2015, ROA and Coconspirator-1 began discussing ways for Coconspirator-1 to enter the business of buying and selling DME. Starting at least as early as in or around February 2017, and continuing through in or around April 2019, ROA entered into an agreement with Coconspirator-1, Coconspirator-2, and others, under which ROA would obtain completed doctors’ orders for DME patients covered by Medicare, and give them to his coconspirators in return for a fee.

13. In general, ROA first obtained completed doctors’ orders for DME for Medicare beneficiaries located in the United States and elsewhere through the use of marketing call centers and telemedicine companies¹ with whom he had a relationship. Next, ROA transmitted the completed doctors’ orders to the DME Companies for processing. The DME Companies then arranged for the prescribed DME, such as orthotic braces, to be shipped to the individual Medicare beneficiaries pursuant to the doctors’ orders. Finally, the DME Companies electronically submitted or caused the electronic submission of claims to Medicare from New Jersey and elsewhere for payment for each of the qualifying DME orders.

14. Pursuant to the arrangement between ROA, Coconspirator-1, and Coconspirator-2, for each completed doctor’s order that ROA transmitted to the DME Companies that resulted in a Medicare payment, ROA would be paid a kickback of approximately \$280. In this manner, from at least as early as in or around February 2017 through in or around April 2019, Coconspirator-1 and Coconspirator-2 paid ROA kickbacks of approximately \$1,619,240 for completed doctors’ orders he provided the DME Companies. As a result of the kickback scheme, Medicare paid the DME Companies at least approximately \$3,939,601 in reimbursements for the completed doctors’ orders that were procured by ROA.

¹ Telemedicine, in general, is used by health care providers, such as physicians, to evaluate, diagnose, and treat patients remotely—without the need for an in-person visit—by using telecommunications technology, such as the internet or telephone to interact with a patient.