

UNITED STATES OF AMERICA	:	Hon.
	:	
v.	:	Crim. No. 05-
	:	
ROBERT CARUSO	:	18 U.S.C. §§ 1347 & 2

INFORMATION

The defendant having waived in open court prosecution by indictment, the United States Attorney for the District of New Jersey charges:

BACKGROUND

1. At all times relevant to this Information:

a. Defendant **ROBERT CARUSO ("CARUSO")** was employed by a health care services company located in New Jersey (the "Employer").

b. The Employer was an entity that provided medical benefits, items, and services and received the majority of its payments from Medicaid, Medicare, and private health insurance plans. Accordingly, the Employer was a "health care benefit program" as set forth in Title 18, United States Code, Sections 24(b) and 1347. **CARUSO** was aware that the Employer received a majority of its payments from these sources.

c. Medicaid was a joint federal and state health program that provided payment for health care services based upon financial need. Medicaid was also a "health care benefit program" as set forth in Title 18, United States Code, Sections 24(b) and 1347.

d. Medicare was a federal health program that provided payment for health care services to, primarily, the elderly. Medicare was also a "health care benefit program" as set forth in Title 18, United States Code, Sections 24(b) and 1347.

e. As part of its business, the Employer regularly contracted with other companies to provide health care workers to supplement the Employer's own staff.

2. **CARUSO** starting working for the Employer in or about April 2000 as a manager. In or about the fall of 2000, **CARUSO** was promoted to Director of Administrative Support Services, a senior management position.

3. As the Employer's Director of Administrative Support Services, **CARUSO** managed and supervised the Employer's scheduling and data entry department. **CARUSO** also was involved in the selection of, and contracting with, outside companies that provided supplemental health care workers.

THE SCHEME TO DEFRAUD

4. From at least in or about October 2000 through in or about September 2004, **CARUSO** devised a scheme and artifice to obtain, by means of materially false and fraudulent pretenses, representations, and promises, money owned by, and under the custody and control of, health care benefit programs, specifically his Employer, and third party payors of the Employer, including Medicaid, Medicare, and private insurers, which scheme is more fully described below.

5. **CARUSO**, beginning in or about October 2000, approached

two outside companies (the "Two Outside Vendors") and falsely advised them that companies he operated (the "Caruso Companies") provided health care services. In fact, **CARUSO** knew that the Caruso Companies did not provide any health care services.

6. **CARUSO** entered into agreements with the Two Outside Vendors pursuant to which the vendors agreed to bill the Employer for health care services purportedly provided by the Caruso Companies. In fact, the Caruso Companies never provided such services.

7. **CARUSO** thereafter regularly provided the Two Outside Vendors with false and fraudulent invoices from the Caruso Companies for health care services that had not actually been provided. The Two Outside Vendors, in turn, submitted these invoices to the Employer for the purported services.

8. Upon receiving the fraudulent invoices from the Two Outside Vendors, the Employer mailed checks for payment to the Two Outside Vendors. The Employer also billed Medicaid and Medicare in connection with the fraudulent invoices.

9. Upon receiving payment from the Employer, the Two Outside Vendors would keep a percentage of the payment for administrative fees and pay the rest of the money to **CARUSO**.

10. As a result of the scheme, **CARUSO** caused the Employer to sustain losses of over \$900,000, of which over \$450,000 had been paid to the Employer by Medicaid and over \$40,000 had been

paid to the Employer by Medicare.

11. On or about February 27, 2004, in Monmouth County, in the District of New Jersey, and elsewhere, defendant

ROBERT CARUSO

did knowingly and willfully execute, and attempt to execute, a scheme and artifice to obtain, by means of materially false and fraudulent pretenses, representations, and promises, money owned by, and under the custody and control of, health care benefit programs, specifically his Employer, and third party payors of the Employer, including Medicaid, Medicare, and private insurers in connection with the delivery of and payment for health care benefits, items, and services, which scheme is set forth in substance in Paragraphs 5 through 10 above, by causing one of the Two Outside Vendors to submit to the Employer a fraudulent invoice in the amount of \$470 for health care services not actually rendered.

In violation of Title 18, United States Code, Sections 1347 and 2.

CHRISTOPHER J. CHRISTIE
United States Attorney