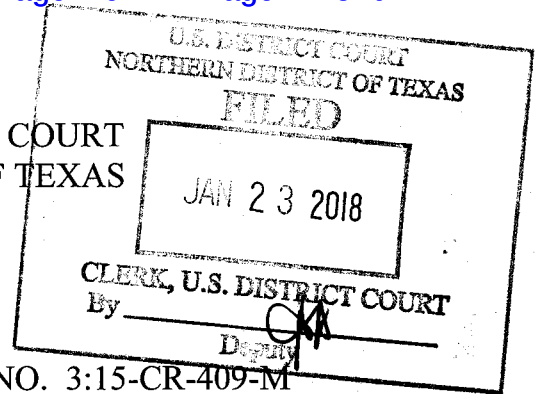


ORIGINAL

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION



UNITED STATES OF AMERICA

v.

LYDIA BANKHEAD (3)
LYDIA TAYLOR (5)

CRIMINAL NO. 3:15-CR-409-M
(supersedes indictment returned December 20, 2017)

SECOND SUPERSEDING INDICTMENT

The Grand Jury Charges:

At all times material to this Second Superseding Indictment, unless otherwise specified:

Introduction

1. The Federal Employees Compensation Act (“FECA”) provided monetary compensation, medical services and supplies, and vocational rehabilitation to United States government civilian employees who sustained on-the-job injuries or employment-related occupational illnesses. FECA was a “health care benefit program” as that term is defined by 18 U.S.C. § 24(b).
2. FECA was administered by the U.S. Department of Labor, Office of Workers’ Compensation Programs (“OWCP”). FECA was financed by the Employees’ Compensation Fund, which consisted of funds appropriated by Congress directly or, often, indirectly through a charge-back system that required federal agencies, including

the United States Postal Service, to account for FECA-related expenditures in its annual budget.

3. Health care providers who treated a federal civilian employee covered by OWCP for a work-related injury or occupational disease were compensated by OWCP for their services after enrolling with the OWCP's designated bill processing agent, Affiliated Computer Services ("ACS"). Providers enrolled using Form OWCP 1168, which required providers to certify that they satisfied all applicable federal and state licensing and regulatory requirements.

4. Once enrolled in ACS, providers were compensated for medical treatment that they provided by submitting a Health Insurance Claim Form 1500 ("HCFA-1500"), which detailed the services rendered. When an HCFA-1500 was processed, OWCP paid the provider directly either by check or direct deposit into a bank account designated by the provider. When providers both submitted claims to and accepted payment from OWCP, they certified that the service for which reimbursement was sought and received was provided as described and was medically necessary, appropriate, and properly billed in accordance with accepted health care industry standards.

5. Health care providers who submitted claims to OWCP included not only traditional providers such as physicians or psychiatrists, but also, relevant to this Second Superseding Indictment, companies whose primary purpose was to provide durable medical equipment ("DME"). Durable medical equipment was equipment that could withstand repeated use, was used for a medical reason related to the claimed injury or

illness, and was designed to be used at a claimant's home, including but not limited to items like braces or crutches. While a company could provide DME to a claimant and be reimbursed for that equipment, it could do so only pursuant to the determination from a physician that the equipment medically necessary and appropriate.

The Defendants

6. Tshombe Anderson was an attorney with a law office located in Dallas, Texas. In or around November 2009, Tshombe Anderson was working as an attorney for Union Treatment Center ("UTC"), a medical provider specializing in the treatment and rehabilitation of injured state and federal employees. At or around that same time, Tshombe Anderson's online Texas Secretary of State Direct Account was used to form a DME company called Best First Administration DME of Austin, LLC (hereinafter "BFA") which lists him as one of the company's managers.

7. In or around 2013, Tshombe Anderson's online Texas Secretary of State Direct Account was used to form two more DME companies: Union Medical Supplies & Equipment, LLC (hereinafter "UMSE") and Skycare Medical Supplies & Equipment, LLC (hereinafter "SMSE").

8. Brenda Anderson was Tshombe Anderson's wife and listed as one of the managers of BFA. In or around April 2010, Brenda Anderson enrolled BFA as an OWCP provider through ACS. In or around that same time period, BFA acted as the in-house DME provider for UTC until in or around May 2011, when both Tshombe Anderson and

Brenda Anderson stopped working for UTC following an audit which revealed that they appeared to be engaging in fraudulent billing practices.

9. **Lydia Bankhead** was Tshombe Anderson's sister. She was listed as a manager of UMSE and enrolled the company as an OWCP provider with OWCP through ACS.

10. **Lydia Taylor** was Tshombe Anderson's niece. She sought out and obtained a position as a volunteer intern in OWCP's Dallas office. After obtaining this position and gaining access to OWCP's system, **Lydia Taylor** would access workers compensation claim files and provide information to her coconspirators.

Count One

Conspiracy to Commit Health Care Fraud
Violation of 18 U.S.C. § 1349 (18 U.S.C. § 1347)

11. Paragraphs 1 through 11 of the Introduction Section of the Second Superseding Indictment are realleged and incorporated by reference as though fully set forth herein.

12. Beginning in or about March 2013 and continuing until in or about September 2015, in the Dallas Division of the Northern District of Texas and elsewhere, the defendants, **Lydia Bankhead** and **Lydia Taylor**, did knowingly and willfully combine, conspire, confederate, and agree with each other and with Tshombe Anderson and Brenda Anderson, and with others both known and unknown to the Grand Jury, to violate Title 18, United States Code, Section 1347, that is, to execute a scheme and artifice to defraud a health care benefit program affecting commerce, as defined in Title 18, United States Code, Section 24(b), that is, FECA, and to obtain, by means of materially false and fraudulent pretenses, representations, and promises, money and property owned by and under the custody and control of said health care benefit program, in connection with the delivery of and payment for healthcare benefits, items, and services.

Purpose and Object of the Conspiracy

14. It was the purpose and object of the conspiracy for the defendants to unlawfully enrich themselves, through UMSE and SMSE, by, among other things: (a) submitting and causing the submission of false and fraudulent claims to OWCP for durable medical equipment which was not requested, medically necessary, or actually provided; (b) concealing the submission of false and fraudulent claims to OWCP; and (c) diverting the

proceeds of the fraud for the personal use and benefit of the defendants and their coconspirators.

Manner and Means of the Conspiracy

15. The manner and means by which the defendants sought to accomplish the purpose of the conspiracy included, among other things:

Union Medical Supplies and Equipment, LLC (UMSE)

16. Beginning in or around July 2011, although Tshombe Anderson and Brenda Anderson were no longer affiliated with UTC, they retained UTC patient records, which contained workers' compensation claim numbers, dates of birth, Social Security numbers, and other sensitive health information. Using this information, BFA continued to bill OWCP for DME that was not requested or medically necessary.

20. In or around April 2013, after enrolling with ACS, UMSE, **Lydia Bankhead** and Tshombe Anderson began submitting claims to OWCP for durable medical equipment that was not prescribed or medically necessary. UMSE used the claimant information that Tshombe Anderson and Brenda Anderson obtained from UTC. Much of the durable medical equipment for which claims were submitted was never actually sent to the claimant.

21. In an effort to conceal the fraudulent billing and maintain the air of legitimacy, **Lydia Bankhead** or, at her direction, **Lydia Taylor** and others mailed certain packages containing unrequested or unnecessary durable medical equipment to the claimants under

whose claim number it was billed. This durable medical equipment was often returned to **Lydia Bankhead** as the sender or otherwise rejected or returned by the claimant.

22. Those packages shipped by UMSE included a letter which stated the items shipped would be provided to the claimant for their work-related injury at no cost to them and further explained that supplies would cease when billings were denied or when patients sent a written request to UMSE.

23. When OWCP paid claims to UMSE, they were deposited into a financial account associated with the business. Both **Lydia Bankhead** and Tshombe Anderson had access to the account and transferred funds out of it for their own personal use and to further the conspiracy, as well as to pay funds to **Lydia Taylor**.

Volunteer Program - OWCP

28. In or around September 2014, to further the conspiracy, **Lydia Taylor** expressed interest in working as a volunteer intern at the Department of Labor, with the ultimate goal of volunteering for OWCP.

29. In or around July 2015, once she achieved this goal, **Lydia Taylor** accessed OWCP electronic files and claim numbers associated with workers' compensation claimants and provided information relating to those claims to **Lydia Bankhead**. In return, **Lydia Bankhead** paid **Lydia Taylor's** living expenses.

30. From in or around July 2011 through on or about September 21, 2015, more than 250 workers' compensation claim numbers have been used by at least one of the

companies discussed above to bill OWCP, and all three companies have billed 33 of the same workers' compensation claim numbers for durable medical equipment.

In violation of 18 U.S.C. § 1349 (18 U.S.C. § 1347).

Counts Two Through Five
Health Care Fraud and Aiding and Abetting
18 U.S.C. §§ 1347 and 2

31. Paragraphs 1 through 11 and 15 through 30 of the Second Superseding Indictment are realleged and incorporated by reference as though fully set forth herein.

32. On or about the dates specified below, in the Dallas Division of the Northern District of Texas, and elsewhere, **Lydia Bankhead**, in connection with the delivery and payment for health care benefits, items, and services, did knowingly and willfully execute, and attempt to execute, a scheme and artifice to defraud FECA, a health care benefit program affecting commerce, as defined by 18 U.S.C. § 24, and to obtain, by means of materially false and fraudulent pretenses, representations, and promises, money and property owned by, and under the custody and control of OWCP, that is, **Bankhead** submitted and aided and abetted in the submission of false and fraudulent claims to OWCP, seeking reimbursement for the cost of unnecessary durable medical equipment as follows:

Count	Claimant	Date Claim Submitted	Conduct	Amount submitted to OWCP
2	D.T.	7/3/2014	Six (6) units of durable medical equipment	\$4,325.00
3	J.R.	7/3/2014	Six (6) units of durable medical equipment	\$4,325.00
4	W.M.	12/24/2014	Eight (8) units of durable medical equipment	\$5,275.00
5	R.C.	7/3/2014	Six (6) units of durable medical equipment	\$5,275.00

All in violation of 18 U.S.C. §§ 1347 and 2.

Count Six

Aggravated Identity Theft and Aiding and Abetting
18 U.S.C. §§ 1028A(a)(1) and 2

33. Paragraphs 1 through 11 and 15 through 32 of the Second Superseding Indictment are realleged and incorporated by reference as though fully set forth herein.

34. On or about July 3, 2014, in the Dallas Division of the Northern District of Texas, and elsewhere, defendant **Lydia Bankhead**, aiding and abetting Tshombe Anderson, did knowingly transfer, possess, and use without lawful authority, the means of identification of D.T., specifically, D.T.'s workers' compensation claim number, during and in relation to a violation of 18 U.S.C. § 1347, knowing that the means of identification belonged to another actual person.

In violation of 18 U.S.C. §§ 1028A(a)(1) and 2.

Forfeiture Notice

[18 U.S.C. § 981; 18 U.S.C. § 982; 21 U.S.C. § 853(p)]

Upon conviction of the offense alleged in Count One, pursuant to 18 U.S.C. §§ 981(a)(1) and 28 U.S.C. § 2461(c), or upon conviction of the offenses alleged in Counts Two through Five, pursuant to 18 U.S.C. § 982(a)(7), the defendants, **Lydia Bankhead** and **Lydia Taylor**, shall forfeit to the United States any property, real or personal, which constitutes or is derived from proceeds traceable to the offense, or a conspiracy to commit the offense, including but not limited to the following specific property, some of which was seized by federal agents on or about August 26, 2015:


- 1) A 2014 Jeep Grand Cherokee, VIN number 1C4RJEBG9EC521848, Texas License plate FGC 7833 registered to the defendant **Lydia Taylor**;
- 2) A 2014 Lexus RX450, VIN number JTJZB1BA7E2009557, Arkansas License plate 742 TWH registered to the defendant **Lydia Bankhead**;
- 3) A 2015 Mercedes S550, VIN number WDDUG8CB1FA132024, Texas License plate FGG 3208 registered to the defendant **Tshombe Anderson**;
- 4) The real property located at 2880 S. Serrano, Grand Prairie, Texas 75054;
- 5) The real property located at 1422 Lands End Point North, Russellville, Arkansas, 72802;
- 6) \$9,380.00 seized from the Law Office of Tshombe Anderson;
- 7) A total of \$8,383,075.92 seized from the following bank accounts:
 - Bank of America Account Number XXXX1831, held in the name “Best First Administration DME of Austin LLC;”

- Bank of America Account Number XXXX1873, held in the name “Best First Administration DME of Austin LLC Tax Account;”
- Bank of America Account Number XXXX2091, held in the name “Brenda F. Anderson;”
- Bank of America Account Number XXXX7595, held in the name “Brenda F. Anderson” and “Tshombe A. Anderson;”
- Bank of America Account Number XXXX4261, held in the name “Brenda F. Anderson;”
- Bank of America Account Number XXXX6213, held in the name “Sky-care Medical Supplies Equipment LLC;”
- Bank of America Account Number XXXX0710, held in the name of “Sky-care Medical Supplies Equipment LL” or “Sky-care Medical Supplies Equipment LLC;”
- Bank of America Account Number XXXX2317, held in the name of “Sky-care Medical Supplies Equipment LL” or “Sky-care Medical Supplies Equipment LLC;”
- Bank of America Account Number XXXX1695, held in the name “Janet Anderson;”
- Bank of America Account Number XXXX1167, held in the name of “Janet Anderson and Ayyub Anderson;”
- J.P. Morgan Chase Account Number XXXX2686, held in the name “Union Medical Supplies & Equipment LLC;”
- J.P. Morgan Chase Account Number XXXX3728, held in the name “Union Medical Supplies & Equipment LLC;”
- J.P. Morgan Chase Account Number XXXX8060, held in the name “Union Medical Supplies & Equipment LLC;”

- J.P. Morgan Chase Account Number XXXX1318, held in the name “Union Medical Supplies & Equipment LLC;”
- J.P. Morgan Chase Account Number XXXX8629, held in the name “American Federal Union Claims Advocates LLC;”
- J.P. Morgan Chase Account Number XXXX6457, held in the name “Lydia R. Taylor;”
- J.P. Morgan Chase Account Number XXXX0588, held in the name “Lydia R. Taylor;”
- J.P. Morgan Chase Account Number XXXX8662, held in the name “Lydia R. Bankhead;”
- J.P. Morgan Chase Account Number XXXX6674, held in the name “Lydia R. Bankhead;”
- J.P. Morgan Chase Account Number XXXX7569, held in the name “Lydia R. Bankhead or Portia Anderson Taylor;”
- J.P. Morgan Chase Account Number XXXX0278, held in the name “The Law Firm of Tshombe A. Anderson LLC;”
- J.P. Morgan Chase Account Number XXXX9265, held in the name “The Law Firm of Tshombe A. Anderson LLC;”
- J.P. Morgan Chase Account Number XXXX0660, held in the name “Tshombe A. Anderson;”
- Arvest Bank Account Number XXXX6805, held in the name “Lydia Bankhead;”
- Arvest Bank Account Number XXXX6915, held in the name “Lydia Bankhead.”

If any of the property described above, as a result of any act or omission of the defendant cannot be located upon the exercise of due diligence; has been transferred or sold to, or deposited with, a third party; has been placed beyond the jurisdiction of the court; has been substantially diminished in value; or has been commingled with other property which cannot be divided without difficulty, it is the intent of the United States pursuant to 21 U.S.C. § 853(p), as incorporated in 18 U.S.C. § 982(b), to seek forfeiture of any other property of the defendant up to the value of the forfeitable property described above.

A TRUE BILL



FOREPERSON

ERIN NEALY COX
UNITED STATES ATTORNEY



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Assistant United States Attorney
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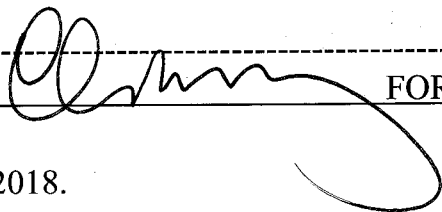
18 U.S.C. §§ 1028A(a)(1) and 2
Aggravated Identity Theft and Aiding and Abetting

18 U.S.C. § 981; 18 U.S.C. § 982; 21 U.S.C. § 853(p)
Forfeiture Notice

6 Counts

A true bill rendered

DALLAS

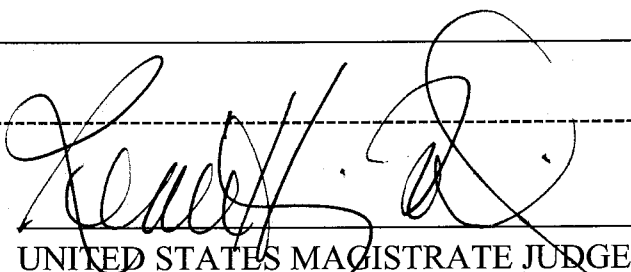


FOREPERSON

Filed in open court this 23rd day of January, 2018.

Clerk

No Warrant Needed



UNITED STATES MAGISTRATE JUDGE
Criminal Case Pending: 3:15-CR-409-M