

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

CASE NO. 17-CR-20388-MARTINEZ

UNITED STATES OF AMERICA

v.

SAMUEL KONELL,

Defendant.

STIPULATED FACTUAL BASIS IN SUPPORT OF GUILTY PLEA

Samuel Konell (hereinafter referred to as the “Defendant”) hereby acknowledges that, if this case were to go to trial, the United States would establish the following facts beyond a reasonable doubt:

As charged in Count 2 of the Indictment, from in or around January 2006, through in or around June 2012, in Miami-Dade County, in the Southern District of Florida, and elsewhere, the Defendant did knowingly, that is, with the intent to further the objects of the conspiracy, and willfully, combine, conspire, confederate, and agree with Dean Butler, Nery Cowan, Caridad Turner, Irina Mora, to agree with each other, and others known and unknown to the Grand Jury, to commit certain offenses against the United States, that is: (a) to defraud the United States by impairing, impeding, obstructing, and defeating through deceitful and dishonest means, the lawful government functions of the United States Department of Health and Human Services in its administration and oversight of the Medicare program, in violation of Title 18, United States Code, Section 371, and to commit certain offenses against the United States, that is: (b) to violate Title 42, United States Code, Section 1320a-7b(b)(1)(A), by knowingly and willfully soliciting and receiving remuneration, including kickbacks and bribes, directly and indirectly, overtly and

Court Exhibit #1

covertly, in cash and in kind, in return for referring an individual to a person for the furnishing and arranging for the furnishing of an item and service for which payment may be made in whole and in part under a federal health care program, that is, Medicare.

From approximately January 2006 through June 2012, the Defendant received kickbacks and/or bribes in return for referring Medicare beneficiaries to Greater Miami Behavioral Healthcare Center, Inc. (hereinafter referred to as "Greater Miami") to serve as patients. Greater Miami was a community mental health center located in Miami, Florida that purported to provide partial hospital program ("PHP") services to individuals suffering from mental illness. The Defendant's co-conspirators caused the submission of false and fraudulent claims to Medicare for PHP services that Greater Miami purportedly provided to the beneficiaries referred by the Defendant.

The Defendant referred patients to Greater Miami from the Miami-Dade state court system. The Defendant coordinated with criminal defendants in the state court system to obtain court orders for mental health treatment in lieu of incarceration so that the Defendant could refer those individuals to Greater Miami to serve as patients in return for kickbacks and/or bribes. The Defendant did so knowing that certain of those individuals were not mentally ill or otherwise did not meet the criteria for PHP treatment.

The Defendant and his co-conspirators at Greater Miami took steps to disguise the true nature of the kickbacks and/or bribes that Greater Miami paid to the Defendant and other patient brokers. Specifically, the Defendant was placed on the Greater Miami payroll to make the kickbacks and/or bribes appear as though they were legitimate salary payments. For example, on or about April 23, 2012, the Defendant negotiated a check in the approximate amount of \$1,774 written from the bank account of an HR corporation that purportedly provided human resources

outsourcing services for Greater Miami. In fact, that check was a kickback payment in return for referring patients to Greater Miami.

The Defendant was originally paid a flat monthly rate that was based on the number of patients he referred to Greater Miami from the state court system. When the Defendant referred more patients to Greater Miami, his co-conspirators found ways to pay him over and above his regular kickback payments, including by providing him with holiday bonuses. For example, on or about December 21, 2011, the Defendant negotiated a “bonus” check in the approximate amount of \$1,000 written from a bank account held by HNB-Stell Care, Inc., a sham staffing agency that Greater Miami used as a conduit to facilitate and conceal the kickbacks and/or bribes paid to the Defendant and other patient brokers.

In furtherance of the kickback conspiracy, the Defendant made representations to judges and others in the Miami-Dade state court system that the individuals he referred to Greater Miami received medically necessary PHP services from Greater Miami when in reality such services were not always needed.


The Defendant’s co-conspirators caused the submission of over \$63 million in false and fraudulent claims to Medicare, which claims were based on kickbacks and/or bribes paid to the Defendant and others and were for services that were medically unnecessary, were not eligible for Medicare reimbursement, or were never provided by Greater Miami. The Defendant’s participation in the Greater Miami scheme resulted in the submission of claims to Medicare totaling between approximately \$9,500,000 and \$25,000,000, at least.

The preceding statement is a summary, made for the purpose of providing the Court with a factual basis for a guilty plea to the charges against me. It does not include all the facts known

to me concerning criminal activity in which I and others engaged. I make this statement knowingly and voluntarily because I am in fact guilty of Count 2, as charged in the Indictment.

Date: 11-6-17

By:



SAMUEL KONELL
DEFENDANT

Date: 11-6-17

By:



LANE ABRAHAM, ESQ.
COUNSEL FOR SAMUEL KONELL