

Barry I. Levy, Esq.
Michael Vanunu, Esq.
Philip P. Nash, Esq.
Rawson Jahan, Esq.
RIVKIN RADLER LLP
926 RXR Plaza
Uniondale, New York 11556
(516) 357-3000

*Counsel for Plaintiffs, Government Employees Insurance Company,
GEICO Indemnity Company, GEICO General Insurance Company
and GEICO Casualty Company*

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

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GOVERNMENT EMPLOYEES INSURANCE
COMPANY, GEICO INDEMNITY COMPANY,
GEICO GENERAL INSURANCE COMPANY and
GEICO CASUALTY COMPANY,

Docket No.: _____ ()

Plaintiffs,

Plaintiff Demands a Trial by Jury

-against-

ELNB CORP., BORIS RUBINFAYN, LV ORTHO
WORLD CORP., NAOMI OSTOPOWITZ, HEALING
RECOVERY ORTHO CORP., SULIKO
KEMASHVILI, WILLIS EQUIPMENT CORP., PETR
MIRZOKANDOV, PEOPLE’S CHOICE MEDICAL
SUPPLIES INC., MARIE BERRIOS, S & D LEGAL
ASSISTANT CORP., SHENIDY ALEXANDRE,
NEWTIMESUPPLY INC., OLEKSANDR
VYNARSKYY, GB ORTHO WORLD CORP., GLEB
GOLYNKIN, GAMLEV ORTHO SUPPLY INC.,
LEVAN GAMKRELIDZE, CSUPPLY CORP.,
CARLIN LANOIX, NEW WAY LIVING INC.,
SVITLANA DOLHA, and JOHN DOE DEFENDANTS
“1” through “10”,

Defendants.

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COMPLAINT

Plaintiffs Government Employees Insurance Company, GEICO Indemnity Company,

GEICO General Insurance Company and GEICO Casualty Company (collectively “GEICO” or “Plaintiffs”), as and for their Complaint against Defendants ELNB Corp., LV Ortho World Corp., Healing Recovery Ortho Corp., Willis Equipment Corp., People’s Choice Medical Equipment Supplies Inc., S & D Legal Assistant Corp., Newtimesupply Inc., GB Ortho World Corp., Gamlev Ortho Supply Inc., CSupply Corp., New Way Living Inc., Boris Rubinfayn, Naomi Ostopowitz, Suliko Kemashvili, Petr Mirzokandov, Marie Berrios, Shenidy Alexandre, Oleksandr Vynarskyy, Gleb Golyнкиn, Levan Gamkrelidze, Carlin Lanoix, and Svitlana Dolha (collectively, the “Defendants”), and John Doe Defendants “1” through “10” (the “John Doe Defendants”), hereby allege as follows:

INTRODUCTION

1. GEICO brings this action to recover more than \$2.4 million that Defendants have wrongfully obtained from GEICO by submitting and causing to be submitted thousands of fraudulent no-fault insurance charges relating to medically unnecessary, illusory, and otherwise non-reimbursable pieces of durable medical equipment (“DME”) consisting of medically unnecessary Pulsed Electromagnetic Field Therapy Devices (“PEMF Devices”), osteogenesis bone stimulating devices (“Osteo Stim Devices”), pneumatic compression devices (“PCDs”), Triad 3LT Infrared Heat Pad with Low Level Light Therapy (“Triad Infrared Light Heat Pads”), Cold Compression Therapy Systems and attendant accessories (“CCTs”), Cure Max Handheld Pain Relief Cold Laser Therapy Devices (“Cure Max Cold Laser Devices”), Sustained Acoustic Medicine units (“SAM Units”), and other various items of medical equipment (collectively, the “Fraudulent Equipment”) through a series of companies known as ELNB Corp. (“ELNB”), LV Ortho World Corp. (“LV Ortho”), Healing Recovery Ortho Corp. (“Healing Recovery”), Willis Equipment Corp. (“Willis Equipment”), People’s Choice Medical Equipment Supplies Inc. (“People’s Choice”), S & D Legal Assistant Corp. (“S&D Legal Assistant”), Newtimesupply Inc.

(“Newtimesupply”), GB Ortho World Corp. (“GB Ortho”), Gamlev Ortho Supply Inc. (“Gamlev Ortho”), CSupply Corp. (“CSupply”), and New Way Living Inc. (“New Way”) (collectively, the “DME Providers”).

2. The DME Providers are all New York corporations that have in a consecutive manner dispensed Fraudulent Equipment to persons who were allegedly involved and injured in automobile accidents and were entitled to coverage under no-fault insurance policies issued by GEICO (“Insureds”) as part of a scheme to submit a large volume of billing to GEICO and other New York automobile insurance companies for Fraudulent Equipment.

3. While the DME Providers are each owned on paper by Boris Rubinfayn (“Rubinfayn”), Naomi Ostopowitz (“Ostopowitz”), Suliko Kemashvili (“Kemashvili”), Petr Mirzokandov (“Mirzokandov”), Marie Berrios (“Berrios”), Shenidy Alexandre (“Alexandre”), Oleksandr Vynarsky (“Vynarsky”), Gleb Golyntkin (“Golyntkin”), Levan Gamkrelidze (“Gamkrelidze”), Carlin Lanoix (“Lanoix”), and Svitlana Dolha (“Dolha”) (collectively, the “Paper Owner Defendants”), at all times they were actually operated and controlled by others not presently identifiable to GEICO.

4. The Defendants, in conjunction with others not presently identifiable to GEICO, devised a fraudulent scheme that involved (i) associating and colluding with the layperson operators and managers (the “Clinic Controllers”) of various No-Fault medical clinics (the “Clinics”), (ii) obtaining specifically-targeted prescriptions through the payment of kickbacks and other financial incentives for medically unnecessary Fraudulent Equipment purportedly issued by healthcare providers (the “Referring Providers”) who were working out of Clinics in the New York metropolitan area, including prescriptions that were often photocopied, stamped, or otherwise duplicated, and (iii) using these prescriptions for medically unnecessary Fraudulent Equipment to

submit billing to GEICO and the New York automobile industry with each DME Provider making common fraudulent misrepresentations regarding the type and nature of the Fraudulent Equipment and the maximum reimbursement rate they were entitled to receive in order to inflate the charges to GEICO and maximize Defendants' ill-gotten gains, including the submission of fabricated "wholesale invoices" used to justify their exorbitant pricing.

5. Through the fraudulent scheme, Defendants billed GEICO alone for more than \$10 million. As part of their scheme to extract money from GEICO without detection, Defendants operated in a "quick hit" fashion and shifted the billing submitted to GEICO from one DME Provider to the next beginning in March 2023.

6. GEICO seeks to terminate this fraudulent scheme and recover more than \$2.4 million that has been wrongfully obtained by the Defendants since 2023 and, further, seeks a declaration that it is not legally obligated to pay reimbursement of more than \$4.7 million in pending no-fault insurance claims that have been submitted by or on behalf of the DME Providers since 2023 because:

- (i) The Defendants billed GEICO for Fraudulent Equipment pursuant to a fraudulent scheme that was designed and implemented to exploit Insureds for financial gain so as to benefit the Defendants and others not presently known (i.e. the John Doe Defendants), without regard for genuine patient care and which included dispensing Fraudulent Equipment that was not medically necessary and which was prescribed pursuant to predetermined fraudulent protocols, including prescriptions issued and secured through collusive arrangements and which contained photocopied or stamped signatures of the Referring Provider;
- (ii) The Defendants billed GEICO for Fraudulent Equipment that was provided – to the extent actually provided – as a result of decisions made by laypersons, not based upon prescriptions issued by the Referring Providers who are licensed to issue such prescriptions;
- (iii) To the extent that any Fraudulent Equipment was provided to Insureds, the bills for the Fraudulent Equipment submitted to GEICO by the Defendants fraudulently misrepresented the type and nature of the Fraudulent Equipment purportedly provided to Insureds in order to fraudulently inflate

the reimbursement rate for the Fraudulent Equipment, as the Healthcare Common Procedure Coding System (“HCPCS”) Codes identified in the bills did not accurately represent what was provided to Insureds; and

- (iv) To the extent that any Fraudulent Equipment was provided to Insureds, the bills for Fraudulent Equipment submitted to GEICO by Defendants fraudulently and grossly inflated the permissible reimbursement rate that Defendants could have received for the Fraudulent Equipment, including the submission of fabricated “wholesale invoices” used to justify the exorbitant pricing.

7. The Defendants fall into the following categories:

- (i) The DME Providers are New York corporations that are used as the billing arm of the fraudulent scheme - they purport to purchase DME from wholesalers, purport to provide the Fraudulent Equipment to automobile accident victims, and bill New York automobile insurance companies, including GEICO, for Fraudulent Equipment;
- (ii) Defendant Rubinfayn is one of the primary drivers of the fraudulent scheme – they are listed on paper as the owner, operator, and controller of ELNB, when, as discussed below, Rubinfayn works for one of the John Doe Defendants who secretly controls and profits from all the DME Providers, and used ELNB to submit bills to GEICO and other New York automobile insurance companies for Fraudulent Equipment purportedly provided to automobile accident victims;
- (iii) Defendant Ostopowitz is also one of the primary drivers of the fraudulent scheme – they are listed on paper as the owner, operator, and controller of LV Ortho, when, as discussed below, Ostopowitz works for one of the John Doe Defendants who secretly controls and profits from all the DME Providers, and used LV Ortho to submit bills to GEICO and other New York automobile insurance companies for Fraudulent Equipment purportedly provided to automobile accident victims;
- (iv) Defendant Kemashvili is another one of the primary drivers of the fraudulent scheme – they are listed on paper as the owner, operator, and controller of Healing Recovery, when, as discussed below, Kemashvili works for one of the John Doe Defendants who secretly controls and profits from all the DME Providers, and used Healing Recovery to submit bills to GEICO and other New York automobile insurance companies for Fraudulent Equipment purportedly provided to automobile accident victims;
- (v) Defendant Mirzokandov is also one of the primary drivers of the fraudulent scheme – they are listed on paper as the owner, operator, and controller of Willis Equipment, when, as discussed below, Mirzokandov works for one

of the John Doe Defendants who secretly controls and profits from all the DME Providers, and used Willis Equipment to submit bills to GEICO and other New York automobile insurance companies for Fraudulent Equipment purportedly provided to automobile accident victims;

- (vi) Defendant Berrios is another one of the primary drivers of the fraudulent scheme – they are listed on paper as the owner, operator, and controller of People’s Choice, when, as discussed below, Berrios works for one of the John Doe Defendants who secretly controls and profits from all the DME Providers, and used People’s Choice to submit bills to GEICO and other New York automobile insurance companies for Fraudulent Equipment purportedly provided to automobile accident victims;
- (vii) Defendant Alexandre is also one of the primary drivers of the fraudulent scheme – they are listed on paper as the owner, operator, and controller of S&D Legal Assistant, when, as discussed below, Alexandre works for one of the John Doe Defendants who secretly controls and profits from all the DME Providers, and used S&D Legal Assistant to submit bills to GEICO and other New York automobile insurance companies for Fraudulent Equipment purportedly provided to automobile accident victims;
- (viii) Defendant Vynarskyy is another one of the primary drivers of the fraudulent scheme – they are listed on paper as the owner, operator, and controller of Newtimesupply, when, as discussed below, Vynarskyy works for one of the John Doe Defendants who secretly controls and profits from all the DME Providers, and used Newtimesupply to submit bills to GEICO and other New York automobile insurance companies for Fraudulent Equipment purportedly provided to automobile accident victims;
- (ix) Defendant Golyнкиn is also one of the primary drivers of the fraudulent scheme – they are listed on paper as the owner, operator, and controller of GB Ortho, when, as discussed below, Golyнкиn works for one of the John Doe Defendants who secretly controls and profits from all the DME Providers, and used GB Ortho to submit bills to GEICO and other New York automobile insurance companies for Fraudulent Equipment purportedly provided to automobile accident victims;
- (x) Defendant Gamkrelidze is another one of the primary drivers of the fraudulent scheme – they are listed on paper as the owner, operator, and controller of Gamlev Ortho, when, as discussed below, Gamkrelidze works for one of the John Doe Defendants who secretly controls and profits from all the DME Providers, and used Gamlev Ortho to submit bills to GEICO and other New York automobile insurance companies for Fraudulent Equipment purportedly provided to automobile accident victims;
- (xi) Defendant Lanoix is also one of the primary drivers of the fraudulent scheme – they are listed on paper as the owner, operator, and controller of

CSupply, when, as discussed below, Lanoix works for one of the John Doe Defendants who secretly controls and profits from all the DME Providers, and used CSupply to submit bills to GEICO and other New York automobile insurance companies for Fraudulent Equipment purportedly provided to automobile accident victims;

- (xii) Defendant Dolha is another one of the primary drivers of the fraudulent scheme – they are listed on paper as the owner, operator, and controller of New Way, when, as discussed below, Dolha works for one of the John Doe Defendants who secretly controls and profits from all the DME Providers, and used New Way to submit bills to GEICO and other New York automobile insurance companies for Fraudulent Equipment purportedly provided to automobile accident victims; and
- (xiii) The John Doe Defendants are the other individuals involved in the fraudulent scheme – while they are presently not identifiable they include the person(s) secretly controlling and profiting from the DME Providers and the Clinic Controllers who are associated with the Clinics and have colluded with Defendants to further drive and financially benefit from the common fraudulent scheme committed against GEICO and other New York automobile insurers through their associations with the Referring Providers and control of the Clinics.

8. As discussed below, Defendants have always known that the claims for Fraudulent Equipment submitted to GEICO were fraudulent because: (i) the billing submitted to GEICO and other New York automobile insurers was pursuant to a fraudulent scheme that was designed and implemented to exploit Insureds for financial gain so as to benefit the Defendants and others not presently known (i.e. the John Doe Defendants), without regard for genuine patient care, and which included dispensing Fraudulent Equipment that was not medically necessary and prescribed pursuant to predetermined fraudulent protocols, including prescriptions secured through collusive arrangements which contained photocopied or stamped signatures of the Referring Provider; (ii) the Fraudulent Equipment was provided as a result of decisions made by laypersons, not based upon prescriptions issued by healthcare providers who are licensed to issue such prescriptions; (iii) the bills fraudulently misrepresented the type and nature of the Fraudulent Equipment purportedly provided to the Insureds; and (iv) the charges were intentionally inflated based upon

an exploitation of the payment formulas set forth in New York’s “No-Fault” laws, including the submission of fabricated “wholesale invoices” used to justify the exorbitant charges.

9. As such, Defendants do not now have – and never had – any right to be compensated for the Fraudulent Equipment billed to GEICO through the DME Providers.

10. The charts attached hereto as Exhibits “1” through “11”, set forth a representative sample of the fraudulent claims that have been identified to date that were submitted, or caused to be submitted, to GEICO pursuant to Defendants’ fraudulent scheme through ELNB, LV Ortho, Healing Recovery, Willis Equipment, People’s Choice, S&D Legal Assistant, Newtimesupply, GB Ortho, Gamlev Ortho, CSupply, and New Way.

11. The Defendants’ fraudulent scheme against GEICO and the New York automobile insurance industry began no later than March 2023 and has continued uninterrupted since that time, as Defendants continue to seek collection from GEICO on pending charges for the Fraudulent Equipment.

12. As a result of Defendants’ fraudulent scheme, GEICO has incurred damages of more than \$2.4 million, which represents payments voluntarily made by GEICO based on the representations contained in the billing submitted by the Defendants.

THE PARTIES

I. Plaintiffs

13. Plaintiffs Government Employees Insurance Company, GEICO Indemnity Company, GEICO General Insurance Company, and GEICO Casualty Company are each Nebraska corporations with their principal places of business in Bethesda, Maryland. GEICO is authorized to conduct business and to issue policies of automobile insurance in the State of New York.

II. Defendants

14. John Doe Defendant “1” (hereinafter, the “Secret Owner”) is presently not identifiable but is secretly controlling and profiting from the DME Providers, and who conspired with the Defendants and others who are not presently identifiable at various Clinics, to obtain prescriptions for medically unnecessary Fraudulent Equipment purportedly issued by the Referring Providers which were used by the Defendants as the basis to submit bills to GEICO and other New York automobile insurers seeking payment for the Fraudulent Equipment.

15. Defendant Rubinfayn is domiciled in, resides in, and is a citizen of New York and is listed as the paper owner of ELNB. Rubinfayn is not and has never been a licensed healthcare provider. Rubinfayn, at all relevant times, has been one the primary drivers of the fraudulent scheme, as they participated in a scheme with the Secret Owner purporting to own, operate, and control ELNB, associated with others not presently identifiable to obtain the illegitimate and medically unnecessary prescriptions from the Referring Providers, and used those prescriptions to submit bills to GEICO and other New York automobile insurance companies for the Fraudulent Equipment.

16. Defendant ELNB is a New York corporation with its principal place of business in Brooklyn, New York. ELNB was incorporated on February 8, 2023, was voluntarily dissolved on or about April 7, 2025, and was owned on paper and purportedly operated and controlled by Rubinfayn. In actuality, the Secret Owner operated, managed, controlled and financially benefited from ELNB and, with the aid of Rubinfayn, used ELNB as a vehicle to submit fraudulent billing to GEICO and other New York automobile insurers.

17. Defendant Ostopowitz is domiciled in, resides in, and is a citizen of New York and is listed as the paper owner of LV Ortho. Ostopowitz is not and has never been a licensed healthcare provider. Ostopowitz, at all relevant times, has been one the primary drivers of the

fraudulent scheme, as they participated in a scheme with the Secret Owner purporting to own, operate, and control LV Ortho, associated with others not presently identifiable to obtain the illegitimate and medically unnecessary prescriptions from the Referring Providers, and used those prescriptions to submit bills to GEICO and other New York automobile insurance companies for the Fraudulent Equipment.

18. Defendant LV Ortho is a New York corporation with its principal place of business in Brooklyn, New York. LV Ortho was incorporated on January 4, 2024, and is owned on paper and purportedly operated and controlled by Ostopowitz. In actuality, the Secret Owner operated, managed controlled and financially benefited from LV Ortho and, with the aid of Ostopowitz, used LV Ortho as a vehicle to submit fraudulent billing to GEICO and other New York automobile insurers.

19. Defendant Kemashvili is domiciled in, resides in, and is a citizen of New York and is listed as the paper owner of Healing Recovery. Kemashvili is not and has never been a licensed healthcare provider. Kemashvili, at all relevant times, has been one the primary drivers of the fraudulent scheme, as they participated in a scheme with the Secret Owner purporting to own, operate, and control Healing Recovery, associated with others not presently identifiable to obtain the illegitimate and medically unnecessary prescriptions from the Referring Providers, and used those prescriptions to submit bills to GEICO and other New York automobile insurance companies for the Fraudulent Equipment.

20. Defendant Healing Recovery is a New York corporation with its principal place of business in Brooklyn, New York. Healing Recovery was incorporated on June 7, 2024, and is owned on paper and purportedly operated and controlled by Kemashvili. In actuality, the Secret Owner operated, managed controlled and financially benefited from Healing Recovery and, with

the aid of Kemashvili, used Healing Recovery as a vehicle to submit fraudulent billing to GEICO and other New York automobile insurers.

21. Defendant Mirzokandov is domiciled in, resides in, and is a citizen of New York and is listed as the paper owner of Willis Equipment. Mirzokandov is not and has never been a licensed healthcare provider. Mirzokandov, at all relevant times, has been one the primary drivers of the fraudulent scheme, as they participated in a scheme with the Secret Owner purporting to own, operate, and control Willis Equipment, associated with others not presently identifiable to obtain the illegitimate and medically unnecessary prescriptions from the Referring Providers, and used those prescriptions to submit bills to GEICO and other New York automobile insurance companies for the Fraudulent Equipment.

22. Defendant Willis Equipment is a New York corporation with its principal place of business in Mineola, New York. Willis Equipment was incorporated on July 11, 2024, and is owned on paper and purportedly operated and controlled by Mirzokandov. In actuality, the Secret Owner operated, managed controlled and financially benefited from Willis Equipment and, with the aid of Mirzokandov, used Willis Equipment as a vehicle to submit fraudulent billing to GEICO and other New York automobile insurers.

23. Defendant Berrios is domiciled in, resides in, and is a citizen of New York and is listed as the paper owner of People's Choice. Berrios is not and has never been a licensed healthcare provider. Berrios, at all relevant times, has been one the primary drivers of the fraudulent scheme, as they participated in a scheme with the Secret Owner purporting to own, operate, and control People's Choice, associated with others not presently identifiable to obtain the illegitimate and medically unnecessary prescriptions from the Referring Providers, and used those prescriptions to submit bills to GEICO and other New York automobile insurance companies

for the Fraudulent Equipment.

24. Defendant People's Choice is a New York corporation with its principal place of business in Cedarhurst, New York. People's Choice was incorporated on August 6, 2024, and is owned on paper and purportedly operated and controlled by Berrios. In actuality, the Secret Owner operated, managed controlled and financially benefited from People's Choice and, with the aid of Berrios, used People's Choice as a vehicle to submit fraudulent billing to GEICO and other New York automobile insurers.

25. Defendant Alexandre is domiciled in, resides in, and is a citizen of California and is listed as the paper owner of S&D Legal Assistant. Alexandre is not and has never been a licensed healthcare provider. Alexandre, at all relevant times, has been one the primary drivers of the fraudulent scheme, as they participated in a scheme with the Secret Owner purporting to own, operate, and control S&D Legal Assistant, associated with others not presently identifiable to obtain the illegitimate and medically unnecessary prescriptions from the Referring Providers, and used those prescriptions to submit bills to GEICO and other New York automobile insurance companies for the Fraudulent Equipment.

26. Defendant S&D Legal Assistant is a New York corporation with its principal place of business in Hempstead, New York. S&D Legal Assistant was incorporated on November 9, 2021, and is owned on paper and purportedly operated and controlled by Alexandre. In actuality, the Secret Owner operated, managed, controlled and financially benefited from S&D Legal Assistant and, with the aid of Alexandre, used S&D Legal Assistant as a vehicle to submit fraudulent billing to GEICO and other New York automobile insurers.

27. Defendant Vynarskyy is domiciled in, resides in, and is a citizen of New Jersey and is listed as the paper owner of Newtimesupply. Vynarskyy is not and has never been a licensed

healthcare provider. Vynarskyy, at all relevant times, has been one the primary drivers of the fraudulent scheme, as they participated in a scheme with the Secret Owner purporting to own, operate, and control Newtimesupply, associated with others not presently identifiable to obtain the illegitimate and medically unnecessary prescriptions from the Referring Providers, and used those prescriptions to submit bills to GEICO and other New York automobile insurance companies for the Fraudulent Equipment.

28. Defendant Newtimesupply is a New York corporation with its principal place of business in Brooklyn, New York. Newtimesupply was incorporated on January 31, 2025, and is owned on paper and purportedly operated and controlled by Vynarskyy. In actuality, the Secret Owner operated, managed controlled and financially benefited from Newtimesupply and, with the aid of Vynarskyy, used Newtimesupply as a vehicle to submit fraudulent billing to GEICO and other New York automobile insurers.

29. Defendant Golyнкиn is domiciled in, resides in, and is a citizen of New York and is listed as the paper owner of GB Ortho. Golyнкиn is not and has never been a licensed healthcare provider. Golyнкиn, at all relevant times, has been one the primary drivers of the fraudulent scheme, as they participated in a scheme with the Secret Owner purporting to own, operate, and control GB Ortho, associated with others not presently identifiable to obtain the illegitimate and medically unnecessary prescriptions from the Referring Providers, and used those prescriptions to submit bills to GEICO and other New York automobile insurance companies for the Fraudulent Equipment.

30. Defendant GB Ortho is a New York corporation with its principal place of business in Brooklyn, New York. GB Ortho was incorporated on January 22, 2025, and is owned on paper and purportedly operated and controlled by Golyнкиn. In actuality, the Secret Owner operated,

managed controlled and financially benefited from GB Ortho and, with the aid of Golyнкиn, used GB Ortho as a vehicle to submit fraudulent billing to GEICO and other New York automobile insurers.

31. Defendant Gamkrelidze is domiciled in, resides in, and is a citizen of New York and is listed as the paper owner of Gamlev Ortho. Gamkrelidze is not and has never been a licensed healthcare provider. Gamkrelidze, at all relevant times, has been one the primary drivers of the fraudulent scheme, as they participated in a scheme with the Secret Owner purporting to own, operate, and control Gamlev Ortho, associated with others not presently identifiable to obtain the illegitimate and medically unnecessary prescriptions from the Referring Providers, and used those prescriptions to submit bills to GEICO and other New York automobile insurance companies for the Fraudulent Equipment.

32. Defendant Gamlev Ortho is a New York corporation with its principal place of business in Brooklyn, New York. Gamlev Ortho was incorporated on February 3, 2025, and is owned on paper and purportedly operated and controlled by Gamkrelidze. In actuality, the Secret Owner operated, managed controlled and financially benefited from Gamlev Ortho and, with the aid of Gamkrelidze, used Gamlev Ortho as a vehicle to submit fraudulent billing to GEICO and other New York automobile insurers.

33. Notably, LV Ortho, Healing Recovery, Kemashvili, Willis Equipment, Mirzokandov, People's Choice, Berrios, GB Ortho, Golyнкиn, Gamlev Ortho, and Gamkrelidze were named as defendants in an analogous No-Fault insurance fraud lawsuit containing allegations similar to the instant Complaint, including allegations that these Defendants submitted fraudulent wholesale invoices to the insurer-plaintiff in support of their bills. See 21st Century Centennial Ins. Co. et al. v. Ortho Recovery Corp., et al., 2:25-cv-05001(NRM)(SIL) (E.D.N.Y. 2025).

34. Defendant Lanoix is domiciled in, resides in, and is a citizen of New York and is listed as the paper owner of CSupply. Lanoix is not and has never been a licensed healthcare provider. Lanoix, at all relevant times, has been one the primary drivers of the fraudulent scheme, as they participated in a scheme with the Secret Owner purporting to own, operate, and control CSupply, associated with others not presently identifiable to obtain the illegitimate and medically unnecessary prescriptions from the Referring Providers, and used those prescriptions to submit bills to GEICO and other New York automobile insurance companies for the Fraudulent Equipment.

35. Defendant CSupply is a New York corporation with its principal place of business in Brooklyn, New York. CSupply was incorporated on January 17, 2025, and is owned on paper and purportedly operated and controlled by Lanoix. In actuality, the Secret Owner operated, managed controlled and financially benefited from CSupply and, with the aid of Lanoix, used CSupply as a vehicle to submit fraudulent billing to GEICO and other New York automobile insurers.

36. Defendant Dolha is domiciled in, resides in, and is a citizen of New York and is listed as the paper owner of New Way. Dolha is not and has never been a licensed healthcare provider. Dolha, at all relevant times, has been one the primary drivers of the fraudulent scheme, as they participated in a scheme with the Secret Owner purporting to own, operate, and control New Way, associated with others not presently identifiable to obtain the illegitimate and medically unnecessary prescriptions from the Referring Providers, and used those prescriptions to submit bills to GEICO and other New York automobile insurance companies for the Fraudulent Equipment.

37. Defendant New Way is a New York corporation with its principal place of business

in Brooklyn, New York. New Way was incorporated on March 17, 2025, and is owned on paper and purportedly operated and controlled by Dolha. In actuality, the Secret Owner operated, managed controlled and financially benefited from New Way and, with the aid of Dolha, used New Way as a vehicle to submit fraudulent billing to GEICO and other New York automobile insurers.

38. The John Doe Defendants are individuals who are not presently identifiable and include the Clinic Controllers associated with the Clinics, who are not licensed healthcare professionals but who unlawfully own and control the Clinics and the relationships with the Referring Providers, and who have conspired with the Defendants and Secret Owner to further the fraudulent scheme committed against GEICO and other New York automobile insurers for their own economic benefit.

JURISDICTION AND VENUE

39. This Court has jurisdiction over the subject matter of this action under 28 U.S.C. § 1332(a)(1) because the matter in controversy exceeds the sum or value of \$75,000.00, exclusive of interest and costs, and is between citizens of different states.

40. Pursuant to 28 U.S.C. § 1331, this Court also has jurisdiction over the claims brought under 18 U.S.C. §§ 1961 et seq. (the Racketeer Influenced and Corrupt Organizations [“RICO”] Act) because they arise under the laws of the United States. In addition, this Court has supplemental jurisdiction over the subject matter of the claims asserted in this action pursuant to 28 U.S.C. § 1367.

41. Venue in this District is appropriate pursuant to 28 U.S.C. § 1391, as the Eastern District of New York is the District where a substantial amount of the activities forming the basis of the Complaint occurred, and where one or more of Defendants reside.

ALLEGATIONS COMMON TO ALL CLAIMS

42. GEICO underwrites automobile insurance in the State of New York.

I. An Overview of the Pertinent Laws

A. Pertinent Laws Governing No-Fault Insurance Reimbursement

43. New York's "No-Fault" laws are designed to ensure that injured victims of motor vehicle accidents have an efficient mechanism to pay for and receive the healthcare services that they need.

44. Under New York's Comprehensive Motor Vehicle Insurance Reparations Act (N.Y. Ins. Law §§ 5101, et seq.) and the regulations promulgated pursuant thereto (11 N.Y.C.R.R. §§ 65, et seq.) (collectively referred to as the "No-Fault Laws"), automobile insurers are required to provide Personal Injury Protection Benefits ("No-Fault Benefits") to Insureds.

45. In New York, No-Fault Benefits include up to \$50,000.00 per Insured for medically necessary expenses that are incurred for healthcare goods and services, including goods for DME and orthotic devices ("OD"). See N.Y. Ins. Law § 5102(a).

46. In New York, claims for No-Fault Benefits are governed by the New York Workers' Compensation Fee Schedule (the "New York Fee Schedule").

47. Pursuant to a duly executed assignment, a healthcare provider may submit claims directly to an insurance company and receive payment for medically necessary goods and services, using the claim form required by the New York State Department of Insurance (known as "Verification of Treatment by Attending Physician or Other Provider of Health Service" or, more commonly, as an "NF-3").

48. In the alternative, a healthcare service provider may submit claims using the Healthcare Financing Administration insurance claim form (known as the "HCFA-1500" or "CMS-1500 form").

49. Pursuant to Section 403 of the New York State Insurance Law, the NF-3 Forms submitted by healthcare service providers to GEICO, and to all other insurers, must be verified

subject to the following warning:

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime.

50. Similarly, all HCFA-1500 (CMS-1500) forms submitted by a healthcare service provider to GEICO, and to all other automobile insurers, must be verified by the healthcare service provider subject to the following warning:

Any person who knowingly files a statement of claim containing any misrepresentation or any false, incomplete or misleading information may be guilty of a criminal act punishable under law and may be subject to civil penalties.

B. Pertinent Regulations Governing No-Fault Benefits for DME and OD

51. Under the No-Fault Laws, No-Fault Benefits can be used to reimburse medically necessary DME that was provided pursuant to a lawful prescription from a licensed healthcare provider. See N.Y. Ins. Law § 5102(a). By extension, DME that was provided without a prescription, pursuant to an unlawful prescription, or pursuant to a prescription from a layperson or individual not lawfully licensed to provide prescriptions, is not reimbursable under No-Fault.

52. Under New York State’s Public Health Law, “a practitioner may not make a referral to a health care provider for the furnishing of any health or health related items or services where such practitioner . . . has any of the following financial relationships without disclosing to the patient such financial relationship: . . . (b) a compensation arrangement”. See N.Y. P.H.L. § 238-d(1). A practitioner is defined to include “a licensed or registered physician, dentist, podiatrist, chiropractor, nurse, midwife, physician assistant or specialist assistant, physical therapist, or optometrist”. See N.Y. P.H.L. § 238(11).

53. A health care provider is defined to include “a purveyor of health or health related

supplies, appliances or equipment”, which are DME suppliers such as the DME Providers. See N.Y. P.H.L. § 238(6). A compensation arrangement, as referenced in N.Y. P.H.L. § 238-d, includes any remuneration, whether directly, indirectly, overtly, covertly, in cash, or in kind that is between a practitioner and a health care provider. See N.Y. P.H.L. § 238-a(5)(a).

54. DME generally consists of items that can withstand repeated use and primarily consists of items used for medical purposes by individuals in their homes. For example, DME can include items such as bed boards, cervical pillows, orthopedic mattresses, electronic muscle stimulator units (“EMS units”), infrared heat lamps, lumbar cushions, orthopedic car seats, transcutaneous electrical nerve stimulators (“TENS units”), electrical moist heating pads (known as thermophores), cervical traction units, and whirlpool baths, and the types of Fraudulent Equipment purportedly dispensed by the DME Providers.

55. To ensure that Insureds’ \$50,000.00 in maximum No-Fault Benefits are not artificially depleted by inflated DME charges, the maximum charges that may be submitted by healthcare providers for DME are set forth in the New York State Workers’ Compensation Board instituted the New York State Workers’ Compensation Durable Medical Equipment Fee Schedule (“DME Fee Schedule”), which is reflected in 12 N.Y.C.R.R. 442.2.

56. In a June 16, 2004 Opinion Letter entitled “No-Fault Fees for Durable Medical Equipment”, the New York State Insurance Department recognized the harm inflicted on Insureds by inflated DME charges:

[A]n injured person, with a finite amount of No-Fault benefits available, having assigned his rights to a provider in good faith, would have DME items of inflated fees constituting a disproportionate share of benefits, be deducted from the amount of the person’s No-Fault benefits, resulting in less benefits available for other necessary health related services that are based upon reasonable fees.

57. As it relates to DME and OD, the New York State Workers’ Compensation Board

adopted the New York State Workers' Compensation Durable Medical Equipment Fee Schedule ("Fee Schedule") that became effective on April 4, 2022.

58. Among other things, the Fee Schedule limited the reimbursement rates of certain previously abused DME charges and established a maximum permissible charge for certain specifically listed pieces of DME ("Fee Schedule item"). The charges for the reimbursement of DME by the New York State Workers' Compensation Board are reflected in 12 N.Y.C.R.R. § 442.2 (2022).

59. Similarly, effective June 1, 2023, the New York State Department of Financial Services issued an amendment to 11 N.Y.C.R.R. 68, adding Part E of Appendix 17-C, to address No-Fault reimbursement for DME that is not specifically identified by the Fee Schedule ("Non-Fee Schedule item").

60. For Non-Fee Schedule items that are provided by a DME supplier, the maximum permissible reimbursement rate is the lesser of: (1) the acquisition cost (i.e. the line item cost from a manufacturer or wholesaler net of any rebates, discounts or other valuable considerations, mailing, shipping, handling, insurance costs or any sales tax) to the provider plus 50%; or (2) the usual and customary price charged to the general public. See 11 N.Y.C.R.R. 68, Appendix 17-C, Part E.

61. For Fee Schedule items, Palmetto GBA, LLC ("Palmetto"), a contractor for the Center for Medicare & Medicaid Services ("CMS"), was tasked with analyzing and assigning HCPCS Codes that should be used by DME companies to seek reimbursement for – among other things – Fee Schedule items. The HCPCS Codes and their definitions provide specific characteristics and requirements that an item of DME must meet in order to qualify for reimbursement under a specific HCPCS Code.

62. For Non-Fee Schedule items, the New York State Insurance Department recognized that a provider's acquisition cost must be limited to costs incurred by a provider in a "bona fide arms-length transaction" because "[t]o hold otherwise would turn the No-Fault reparations system on its head if the provision for DME permitted reimbursement for 150% of any documented cost that was the result of an improper or collusive arrangement." See New York State Insurance Department, No-Fault Fees for Durable Medical Equipment, June 16, 2004 Opinion Letter.

63. Accordingly, when a healthcare provider submits a bill to collect charges from an insurer for DME using either a NF-3 or HCFA-1500 form, the provider represents – among other things – that:

- (i) The provider is in compliance with all significant statutory and regulatory requirements;
- (ii) The provider received a legitimate prescription that was issued in accordance with the requirements of applicable laws and is for reasonable and medically necessary DME from a healthcare practitioner that is licensed to issue such prescriptions;
- (iii) The DME identified in the bill was actually provided to the patient based upon a legitimate prescription identifying medically necessary item(s);
- (iv) The HCPCS Code identified in the bill actually represents the DME that was provided to the patient; and
- (v) The fee sought for the DME provided to an Insured was not in excess of the price contained in the Fee Schedule or the standard used for a Non-Fee Schedule item.

II. Defendants' Fraudulent Scheme

A. The DME Providers' Common Secret Ownership

64. The Secret Owner, Paper Owner Defendants, and John Doe Defendants conspired to design and implement a complex fraudulent scheme in which the DME Providers were used consecutively and in conjunction with each other beginning in March 2023 to bill GEICO and

other New York automobile insurers for millions of dollars in No-Fault Benefits to which they were never entitled to receive.

65. While each of the DME Providers were formed and listed as being independently owned by one of the Paper Owner Defendants, all of the DME Providers were actually controlled by the Secret Owner, who also profited from the fraudulent scheme committed against GEICO and other New York automobile-insurers.

66. The Secret Owner was able to secretly control and profit from the DME Providers by using each of the Paper Owner Defendants as “straw” owners who would place their name on documents needed to be filed with the State of New York and/or City of New York to lawfully operate the DME Providers.

67. As part of the Defendants’ efforts to avoid detection of their common scheme and maximize the amount of billing they could submit to GEICO, different DME Providers were “partnered” with certain No-Fault Clinics so that the DME Providers could bill for Fraudulent Equipment in parallel with each other.

68. To further complicate the scheme, the DME Providers split up their billing in order maximize the amount of no-fault benefits they could collect, and operated in a consecutive manner allowing for some overlap, but limiting any single DME Provider’s billing to less than sixteen (16) months:

<u>DME Entity</u>	<u>Billing Start</u>	<u>Billing End</u>
ELNB	March 9, 2023	January 23, 2024
LV Ortho	January 24, 2024	May 28, 2024
Healing Recovery	July 4, 2024	February 17, 2025
Willis Equipment	August 6, 2024	November 5, 2025

People's Choice	September 16, 2024	February 24, 2025
S&D Legal Assistant	December 4, 2024	February 24, 2025
Newtimesupply	February 4, 2025	June 6, 2025
GB Ortho	February 10, 2025	May 21, 2025
Gamlev Ortho	February 12, 2025	May 29, 2025
CSupply	March 6, 2025	July 2, 2025
New Way	March 30, 2025	July 17, 2025

69. Between March 2023 and present, the Secret Owner used the DME Providers as vehicles to submit fraudulent billing to GEICO and other insurers. In that time period, the Secret Owner used the DME Providers in a “quick hit” fashion to submit more than \$10 million in fraudulent billing to GEICO. The Secret Owner determined that billing for the Fraudulent Equipment should be divided between the DME Providers in an effort to limit the amount of billing submitted through any one entity or tax identification number.

70. In keeping with the fact that the Secret Owner actually owned, controlled, and profited from the DME Providers, and used the Paper Owner Defendants to further the fraudulent scheme herein, there is significant overlap in the operations of the various DME Providers that could only exist through the Secret Owner's involvement.

71. For example, the DME Providers made common misrepresentations in the Fee Schedule items purportedly dispensed to Insureds, billing GEICO: (i) under HCPCS Code E0747 with a charge of \$3,300.00 per unit and/or HCPCS Code E0760 with a charge of \$2,700.00 per unit, for Osteogenesis Stimulators meant to stimulate bone growth in specific circumstances; (ii) under HCPCS Code E0675 with a charge of \$2,826.70 per unit, for Pneumatic Compression Devices designed for treating peripheral artery disease; and (iii) under HCPCS Code E0221 with

a charge of \$2,100.00 per unit, for Triad 3LT Infrared Heat Pads with Low Level Light Therapy.

72. Further, as part of their common scheme and control by the Secret Owner, the DME Providers each billed for the same Non-Fee Schedule items using the “Miscellaneous” HCPCS Code E1399, making virtually identical fraudulent misrepresentations in the reimbursement rates in their billing submitted to GEICO. For example:

Item: Pulsed Electromagnetic Field Therapy Device

<u>Dispensed By:</u>	<u>HCPCS Code</u>	<u>Charge to GEICO:</u>
ELNB	E1399	\$4,766.24
Newtimesupply	E1399	\$4,766.24
New Way	E1399	\$4,766.24
Gamlev Ortho	E1399	\$4,766.25
LV Ortho	E1399	\$4,766.25
Healing Recovery	E1399	\$4,766.25
Willis Equipment	E1399	\$4,724.00
People’s Choice	E1399	\$4,724.00
S&D Legal Assistant	E1399	\$4,724.00
GB Ortho	E1399	\$4,724.00
CSupply	E1399	\$4,500.00

Item: Cold Compression Therapy System

<u>Item Dispensed By:</u>	<u>HCPCS Code</u>	<u>Charge to GEICO:</u>
Willis Equipment	E1399	\$1,800.00
People’s Choice	E1399	\$1,800.00
S&D Legal Assistant	E1399	\$1,800.00
GB Ortho	E1399	\$1,800.00
Newtimesupply	E1399	\$1,650.00
New Way	E1399	\$1,650.00

Item: Cure Max Handheld Pain Relief Cold Laser Therapy Device

<u>Dispensed By:</u>	<u>HCPCS Code</u>	<u>Charge to GEICO:</u>
Willis Equipment	E1399	\$3,450.00
People’s Choice	E1399	\$3,450.00
S&D Legal Assistant	E1399	\$3,450.00
GB Ortho	E1399	\$3,450.00
CSupply	E1399	\$3,450.00
Newtimesupply	E1399	\$3,150.00

Item: Sustained Acoustic Medicine Unit

<u>Item Dispensed By:</u>	<u>HCPCS Code</u>	<u>Charge to GEICO</u>
Newtimesupply	E1399	\$5,100.00
New Way	E1399	\$5,100.00

73. Additionally, as part of their control by the Secret Owner and operation as part of a common scheme, the DME Providers each used virtually the same delivery receipts in their supporting documentation to GEICO. For example, ELNB, LV Ortho, Healing Recovery, Willis Equipment, People's Choice, S&D Legal Assistant, GB Ortho, Gamlev Ortho, and CSupply used virtually identical delivery receipts:

ELNB

DELIVERY RECEIPT

PATIENT'S NAME: [REDACTED]
 PATIENT'S ADDRESS: [REDACTED]
 PHONE: [REDACTED] CMC: [REDACTED]

EQUIPMENT DELIVERED

I have received the following:

Quantity	HCPCS Code	Description	Item	Manufacturer #
1	E1399	PRISM FOCUSING/REFLECTIVE SURFACE HEAD (NEW)	OUTLINE	TECHAGE
1	E1399	PRISM FOCUSING/REFLECTIVE SURFACE HEAD (NEW)	OUTLINE	TECHAGE

As the Secret Owner of this device, I have been informed of the above information available to me and of the location of previous use of this equipment. I certify that this supply is for the use of the patient/physician, in person from a valid supplier, and is not to be used by anyone else.

I hereby certify that I have received a copy of the equipment manual and/or instructions for use, and that I have read and understood the same. I understand that the information on the equipment manual and/or instructions for use is for the use of the patient/physician, and is not to be used by anyone else.

I understand that I have been provided a copy of the equipment manual and/or instructions for use, and that I have read and understood the same. I understand that the information on the equipment manual and/or instructions for use is for the use of the patient/physician, and is not to be used by anyone else.

[Signature] [Date]

LV Ortho

DELIVERY RECEIPT

PATIENT'S NAME: [REDACTED] DOA: [REDACTED]
 PATIENT'S ADDRESS: [REDACTED]
 PHONE: [REDACTED] CMC: [REDACTED]

EQUIPMENT DELIVERED

I have received the following supply:

Quantity	HCPCS Code	Description	Item	Manufacturer #
1	E1399	PRISM FOCUSING/REFLECTIVE SURFACE HEAD (NEW)	OUTLINE	TECHAGE

As the Secret Owner of this device, I have been informed of the above information available to me and of the location of previous use of this equipment. I certify that this supply is for the use of the patient/physician, in person from a valid supplier, and is not to be used by anyone else.

I hereby certify that I have received a copy of the equipment manual and/or instructions for use, and that I have read and understood the same. I understand that the information on the equipment manual and/or instructions for use is for the use of the patient/physician, and is not to be used by anyone else.

I understand that I have been provided a copy of the equipment manual and/or instructions for use, and that I have read and understood the same. I understand that the information on the equipment manual and/or instructions for use is for the use of the patient/physician, and is not to be used by anyone else.

[Signature] [Date]

GB Ortho

DELIVERY RECEIPT

PATIENT'S NAME: [REDACTED] DOB: [REDACTED]
 PATIENT'S ADDRESS: [REDACTED]
 RELAYED TO: [REDACTED]
 PHONE: [REDACTED] CELL: [REDACTED]

EQUIPMENT DELIVERED

I have received following supply

Quantity	ITEMS	Description	Item	Model/Serial #
1	EL500	PHYSIO ELECTROMAGNETIC THERAPY DEVICE (EMT)	MATEOS	1100000
1	EL500	PHYSIO ELECTROMAGNETIC THERAPY DEVICE (EMT)	EMT	1100000

ACKNOWLEDGEMENT: I acknowledge that I have received a copy of the Client/Physician Handbook which contains Client/Patient Rights and Responsibilities, Supplier Standards, Home Safety Information, IMA Standards, Warranty, Financing, Bill of Materials and Advance Director Information. I understand that my signature on this document constitutes my agreement to the terms and conditions of the agreement. I will furnish Medical Supply Company with a copy of this document.

RELEASE OF LIABILITY: I acknowledge that I have been informed of the procedure to report a grievance should I have any problem with any product or service I have received. I understand that I may lodge a complaint without incurring any financial liability. I understand that I may lodge a complaint without incurring any financial liability. I understand that I may lodge a complaint without incurring any financial liability.

[REDACTED] DATE: 5/13/25

Gamlev Ortho

DELIVERY RECEIPT

PATIENT'S NAME: [REDACTED] DOB: [REDACTED]
 PATIENT'S ADDRESS: [REDACTED]
 RELAYED TO: [REDACTED]
 PHONE: [REDACTED] CELL: [REDACTED]

EQUIPMENT DELIVERED

I have received following supply

Quantity	ITEMS	Description	Item	Model/Serial #
1	EL500	PHYSIO ELECTROMAGNETIC THERAPY DEVICE (EMT)	MATEOS	1100000

ACKNOWLEDGEMENT: I acknowledge that I have received a copy of the Client/Physician Handbook which contains Client/Patient Rights and Responsibilities, Supplier Standards, Home Safety Information, IMA Standards, Warranty, Financing, Bill of Materials and Advance Director Information. I understand that my signature on this document constitutes my agreement to the terms and conditions of the agreement. I will furnish Medical Supply Company with a copy of this document.

RELEASE OF LIABILITY: I acknowledge that I have been informed of the procedure to report a grievance should I have any problem with any product or service I have received. I understand that I may lodge a complaint without incurring any financial liability. I understand that I may lodge a complaint without incurring any financial liability. I understand that I may lodge a complaint without incurring any financial liability.

[REDACTED] DATE: 2/10/25

CSupply

DELIVERY RECEIPT

PATIENT'S NAME: [REDACTED] DOB: [REDACTED]
 PATIENT'S ADDRESS: [REDACTED]
 RELAYED TO: [REDACTED]
 PHONE: [REDACTED] CELL: [REDACTED]

EQUIPMENT DELIVERED

I have received following supply

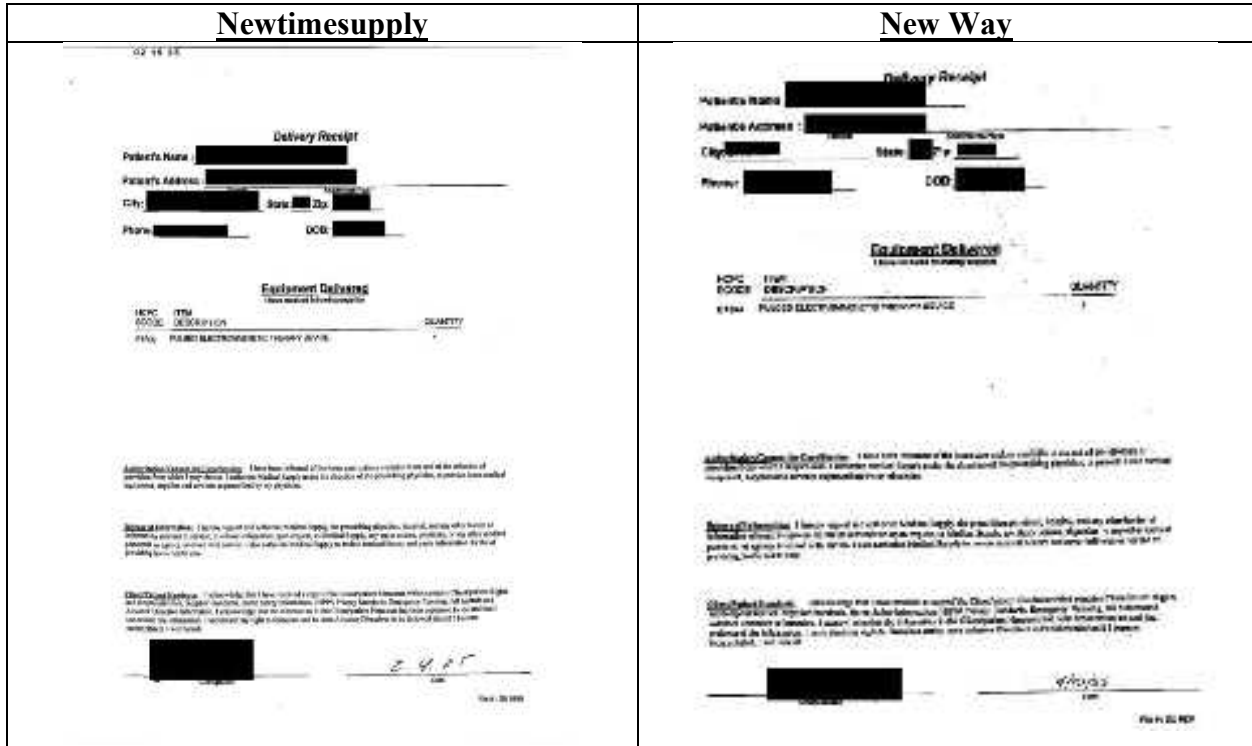
Quantity	ITEMS	Description	Item	Model/Serial #
1	EL500	PHYSIO ELECTROMAGNETIC THERAPY DEVICE (EMT)	MATEOS	1100000
1	EL500	PHYSIO ELECTROMAGNETIC THERAPY DEVICE (EMT)	EMT	1100000

ACKNOWLEDGEMENT: I acknowledge that I have received a copy of the Client/Physician Handbook which contains Client/Patient Rights and Responsibilities, Supplier Standards, Home Safety Information, IMA Standards, Warranty, Financing, Bill of Materials and Advance Director Information. I understand that my signature on this document constitutes my agreement to the terms and conditions of the agreement. I will furnish Medical Supply Company with a copy of this document.

RELEASE OF LIABILITY: I acknowledge that I have been informed of the procedure to report a grievance should I have any problem with any product or service I have received. I understand that I may lodge a complaint without incurring any financial liability. I understand that I may lodge a complaint without incurring any financial liability. I understand that I may lodge a complaint without incurring any financial liability.

[REDACTED] DATE: 5/13/25

74. Newtimesupply and New Way also submitted virtually identical delivery receipts:



75. Further, and as discussed in more detail below, each of the DME Providers submitted false and fraudulent “wholesale invoices” generated by fictitious companies for the purported purchase of the Fraudulent Equipment in support of their billing to GEICO for Non-Fee Schedule items. The false and fraudulent invoices did not capture the legitimate purchase of Fraudulent Equipment but rather served to falsely justify the DME Providers’ inflated charges to GEICO.

76. Additionally, each of the purportedly separately owned DME Providers used the same collection law firm – Sanders, Grossman, Aronova, PLLC – located in Garden City, New York, to submit their billing to GEICO.

i. The Common Submission of Fabricated Wholesale Invoices

77. In further support of the fact that the DME Providers operated as part of a single

common scheme under the direction and control of the Secret Owner, each of the DME Providers submitted fabricated wholesale invoices in support of their billing to GEICO in an effort to justify their exorbitant prices for Non-Fee Schedule items and induce GEICO to rely on these inflated acquisition costs when issuing payments on Defendants' bills.

78. As discussed above, when billing for Non-Fee Schedule items, the Defendants' permissible reimbursement is capped by regulation at the lesser of (i) their legitimate acquisition cost plus 50% or (ii) the usual and customary price charged to the public, and the Defendants' claimed acquisition cost is therefore a necessary predicate to determining the maximum permissible reimbursement for Non-Fee Schedule items. Accordingly, when the Defendants submitted purported wholesale invoices reflecting inflated acquisition costs, the Defendants were falsifying the central metric used to calculate, evaluate, and pay Non-Fee Schedule claims.

79. The submission of fabricated wholesale invoices by each of the DME Providers reflects a coordinated effort in furtherance of a single fraudulent scheme: to vary the identity of the "wholesaler" while maintaining the same fraudulent objective of inflating acquisition costs.

80. To that end, Defendants misappropriated the names and addresses of legitimate or dissolved companies on invoices, including:

- (i) Smart Recovery Technologies LLC ("Smart Recovery"), with fabricated invoices submitted to GEICO by Willis Equipment, People's Choice, and S&D Legal Assistant;
- (ii) Morrow Ecommerce LLC d/b/a Carbon Wellness ("Carbon Wellness"), with fabricated invoices submitted to GEICO by LV Ortho;
- (iii) Improvers Wholesale Supply Company ("Improvers Wholesale"), with fabricated invoices submitted to GEICO by CSupply;
- (iv) The Prime Wholesaler LLC ("Prime Wholesaler"), with fabricated invoices submitted to GEICO by GB Ortho; and
- (v) Wholesale Liquidators LLC ("Wholesale Liquidators"), with fabricated

invoices submitted to GEICO by Gamlev Ortho.

81. Defendants used the names of Smart Recovery, Carbon Wellness, Improvers Wholesale, Prime Wholesaler, and Wholesale Liquidators on fabricated invoices to give them the appearance of legitimacy, when they were never actually issued by these companies.

82. Defendants also submitted fabricated invoices purportedly issued by companies that have no legitimate business operations, including:

- (i) SD Equipment & Supply Wholesale Inc. (“SD Equipment”), with fabricated invoices submitted to GEICO by ELNB, Newtimesupply, and New Way;
- (ii) Wholesale Connect LLC (“Wholesale Connect”), with fabricated invoices submitted to GEICO by Healing Recovery; and
- (iii) Top Notch Wholesale Inc. (“Top Notch Wholesale”), with fabricated invoices submitted to GEICO by CSupply.

83. There is no legitimate reason for Defendants to submit fabricated wholesale invoices to justify their charges to GEICO and other automobile insurers and this conduct demonstrates the affirmative steps Defendants took to conceal their common fraudulent scheme.

84. As set forth below, each DME Provider submitted fabricated invoices tied to specific purported wholesalers, and those invoices are identified by wholesaler and DME Provider in the examples that follow.

a. Smart Recovery

85. Smart Recovery is a company that provides musculoskeletal injury and recovery treatment devices whose name was misappropriated by the Defendants and used to generate fabricated wholesale invoices to support inflated charges for Fraudulent Equipment to GEICO and other automobile insurers.

86. Jim Molinaro (“Molinaro”), the co-founder of Smart Recovery, reviewed the following invoices submitted by S&D Legal Assistant, Willis Equipment, and People’s Choice in

Ex. 3 – Invoice submitted by People’s Choice:



87. Molinaro also provided sworn testimony, in connection with a lawsuit filed by Farmers Insurance Company, that Smart Recovery never issued or generated invoices submitted by Willis Equipment and People’s Choice. See 21st Century Centennial Ins. Co. et al. v. Ortho Recovery Corp., et al., 2:25-cv-05001(NRM)(SIL) (E.D.N.Y. 2025) (the “Ortho Recovery Litigation”), D.E. 1 at ¶¶ 289-291.

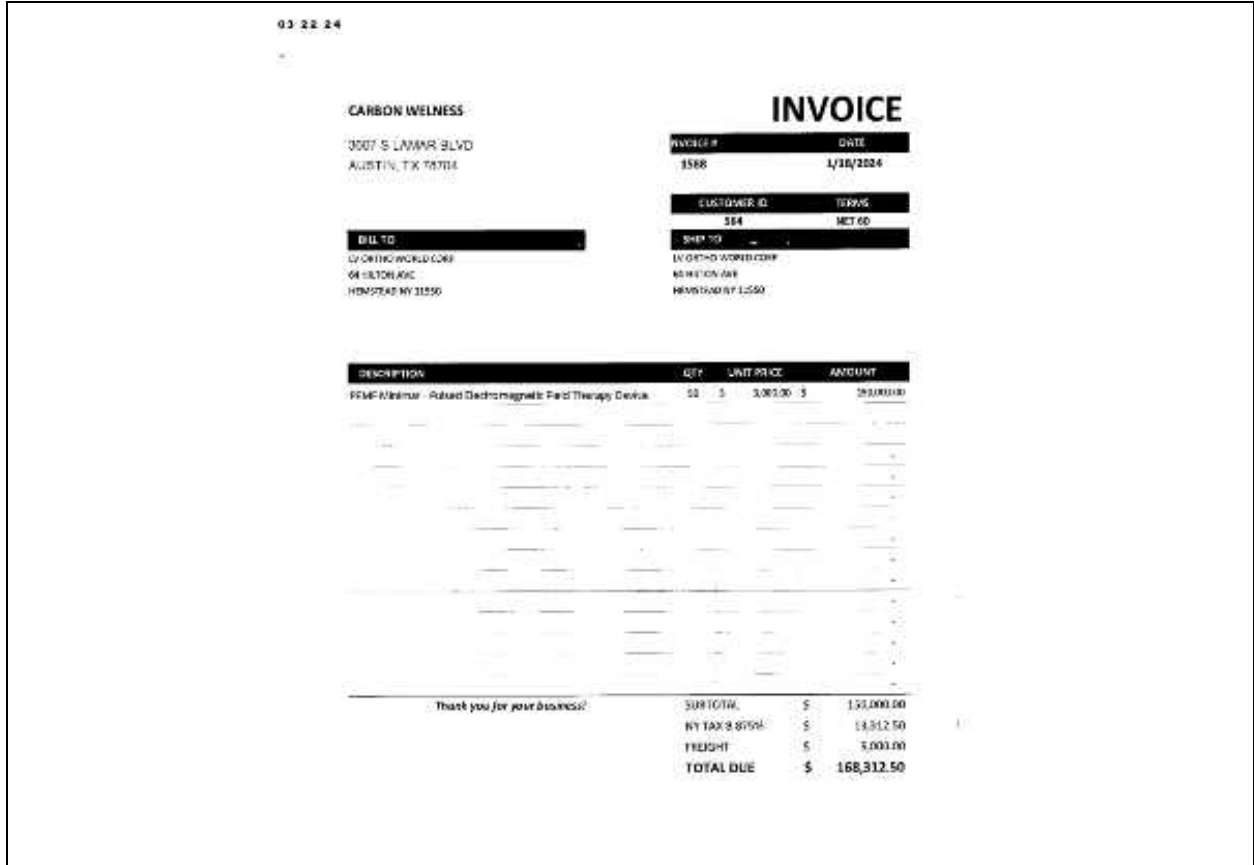
b. Carbon Wellness

88. Carbon Wellness is a company that provides PEMF Devices and other health and wellness related products, whose name and address were misappropriated by the Defendants and used to generate fabricated wholesale invoices to support inflated charges for Fraudulent Equipment to GEICO and other automobile insurers.

89. In the Ortho Recovery Litigation, Farmers Insurance alleged that LV Ortho submitted fabricated wholesale invoices also purporting to be issued by Carbon Wellness and that

the owner of Carbon Wellness denied having sold any equipment to LV Ortho. See Ortho Recovery Corp., D.E. 1 at ¶¶ 62, ¶¶ 310-312, 315.

90. In support of their billing to GEICO, LV Ortho submitted fabricated wholesale invoices co-opting Carbon Wellness’s name and address, such as the following representative example:



91. In addition to the owner of Carbon Wellness denying having sold DME to LV Ortho, and in keeping with the fact that the wholesale invoices purportedly issued by Carbon Wellness were fraudulent and fabricated, the invoices misspell the company’s name as “Carbon Welness.” Notably, in the Ortho Recovery Litigation, a similar Carbon Wellness wholesale invoice submitted by LV Ortho to Farmers contains the same exact typo. See Ortho Recovery Corp., D.E. 1 at ¶¶ 310-313.

c. Improvers Wholesale

92. Improvers Wholesale was a company incorporated in North Carolina in 1990 and dissolved in 2002, whose name and address were misappropriated by the Defendants and used to generate fabricated wholesale invoices to support inflated charges for Fraudulent Equipment.

93. Despite Improvers Wholesale dissolving in 2002, CSupply submitted fabricated wholesale invoices co-opting Improvers Wholesale’s name and address to support inflated charges for DME to GEICO and other insurance companies, such as the following representative example:

IMPROVERS WHOLESALE SUPPLY COMPANY 1527 W Morehead 500000 Charlotte, NC 28203-5286 (704) 436-0793		INVOICE 06/25/2025 PHR0821	
BILL TO : C SUPPLY CORP. 585 Midwood Street Brooklyn, NY, 11203 Csupplycorp@gmail.com		SHIP TO: C SUPPLY CORP. 585 Midwood Street Brooklyn, NY, 11203	
DESCRIPTION	QTY	UNIT PRICE	TOTAL
PULSED ELECTROMAGNETIC THERAPY DEVICE (PESWT)	20	3000.00	60000.00
Class IIaC Handheld Pain Relief Cold Laser Therapy Device Home Use	75	2300.00	172500.00
COLD COMPRESSION EQUIPMENT DEVICE FOR COLD COMPRESSION THERAPY - APPROPRIATE PNEUMATIC STRAPS	35	1200.00	42000.00
Wearable/active low level light therapy system (FDA Cleared)	63	1200.00	75600.00
Remarks/ Payment instructions		SUBTOTAL:	579400.00
		DISCOUNT:	0.00
		SUBTOTAL LESS DISCOUNT:	579400.00
		TAX RATE:	0.00%
thank you for your business		TOTAL TAX:	0.00
		SHIPPING/HANDLING:	80.00
		Balance Due:	\$ 379460.00

94. In keeping with the fact that the wholesale invoices purportedly issued by Improvers Wholesale were fraudulent and fabricated, invoices were purportedly issued by Improvers Wholesale *twenty-two years* after the dissolution of Improvers Wholesale, and the

address on the invoice is the same address for Improvers Wholesale listed with the North Carolina Secretary State.

d. Prime Wholesaler

95. Prime Wholesaler was a company incorporated in South Dakota in 2008 that dissolved in 2013, whose name and address were misappropriated by the Defendants and used to generate fabricated wholesale invoices to support inflated charges for Fraudulent Equipment. Upon information and belief, the former managing members of Prime Wholesaler are both deceased.

96. Despite Prime Wholesaler dissolving in 2013, GB Ortho submitted fabricated wholesale invoices co-opting Prime Wholesaler’s name and address to support inflated charges for DME to GEICO and other insurance companies, such as the following representative example:

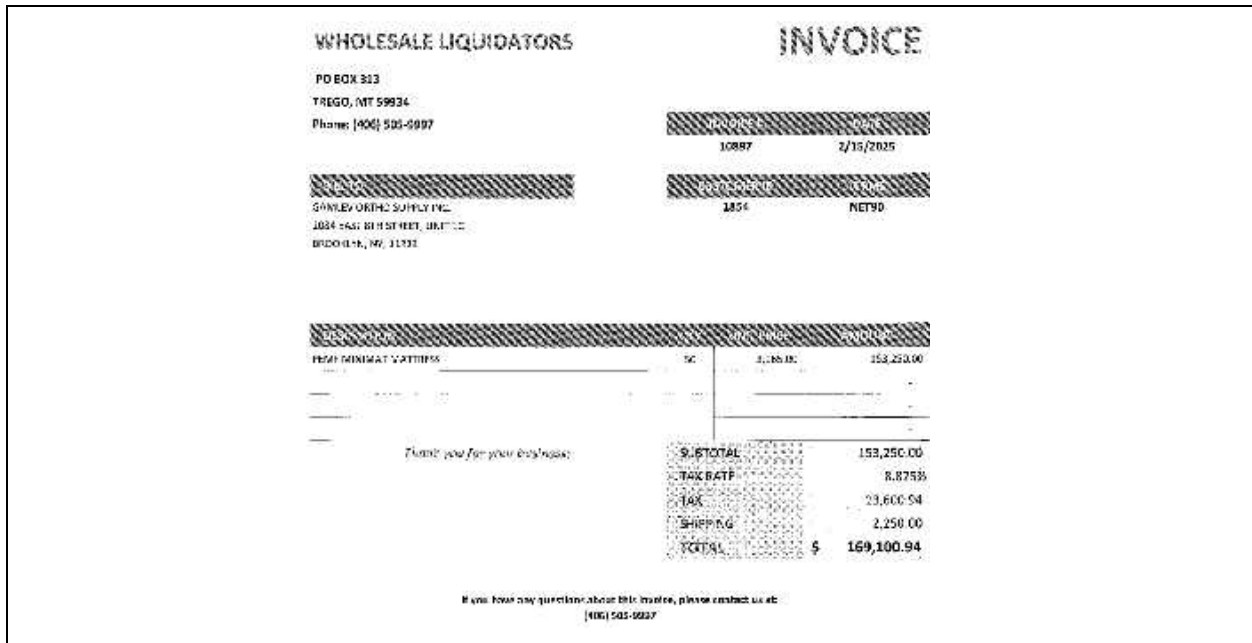
THE PRIME WHOLESALER LLC 631 Walnut ST S 11941 Yorkton SD 57078-3951 USA (605) 681-9568		INVOICE 02/28/2025 SFV1256	
BILL TO: GE ORTHO WORLD CORP 251 EAST 5 ST, Brooklyn, NY, 11218 GOrthoworldcorp@gmail.com		SHIP TO: GE ORTHO WORLD CORP 251 EAST 5 ST, Brooklyn, NY, 11218	
DESCRIPTION	QTY	UNIT PRICE	TOTAL
IMMEDIATE-USE MAGNETIC THERAPY DEVICE (IMMF)	4	3000.00	12000.00
Cure-Mix Handheld Pain Relief Cold/Heat Therapy Device Model 152	13	2300.00	29900.00
ICE & COMPRESSION EQUIPMENT DEVICE FOR COLD COMPRESSION THERAPY-APPROPRIATE PNEUMATIC WRAPS)	31	1200.00	37200.00
Wearable/sector and hand light therapy system (FDA Cleared)	27	1200.00	32400.00
Ball/Wheel/AEJ	15	250.00	3750.00
Remarks/ Payment Instructions		SUBTOTAL:	115250.00
		DISCOUNT:	0.00
		SUBTOTAL LESS DISCOUNT:	115250.00
		TAX RATE:	0.00%
Thank you for your business		TOTAL TAX:	0.00
		SHIPPING/HANDLING:	60.00
		Balance Due:	\$ 115310.00

97. In keeping with the fact that the wholesale invoices submitted by GB Ortho were fabricated, the invoices were purportedly issued twelve years after the dissolution of Prime Wholesaler, six years after the deaths of both managing members, and the address on the invoice is the same incorporation address listed for Prime Wholesaler with the South Dakota Secretary of State, which is an assisted living facility.

e. Wholesale Liquidators

98. Wholesale Liquidators was a company incorporated in Montana in 2006 that dissolved in 2007, whose name and address were misappropriated by the Defendants and used to generate fabricated wholesale invoices to support inflated charges for Fraudulent Equipment.

99. Despite Wholesale Liquidators dissolving in 2007, Gamlev Ortho fabricated wholesale invoices co-opting Wholesale Liquidator’s name and address to support inflated charges for DME to GEICO and other insurance companies, such as the following representative example:



100. In keeping with the fact that the wholesale invoices submitted by Gamlev Ortho were fabricated, the invoices were purportedly issued eighteen years after the dissolution of

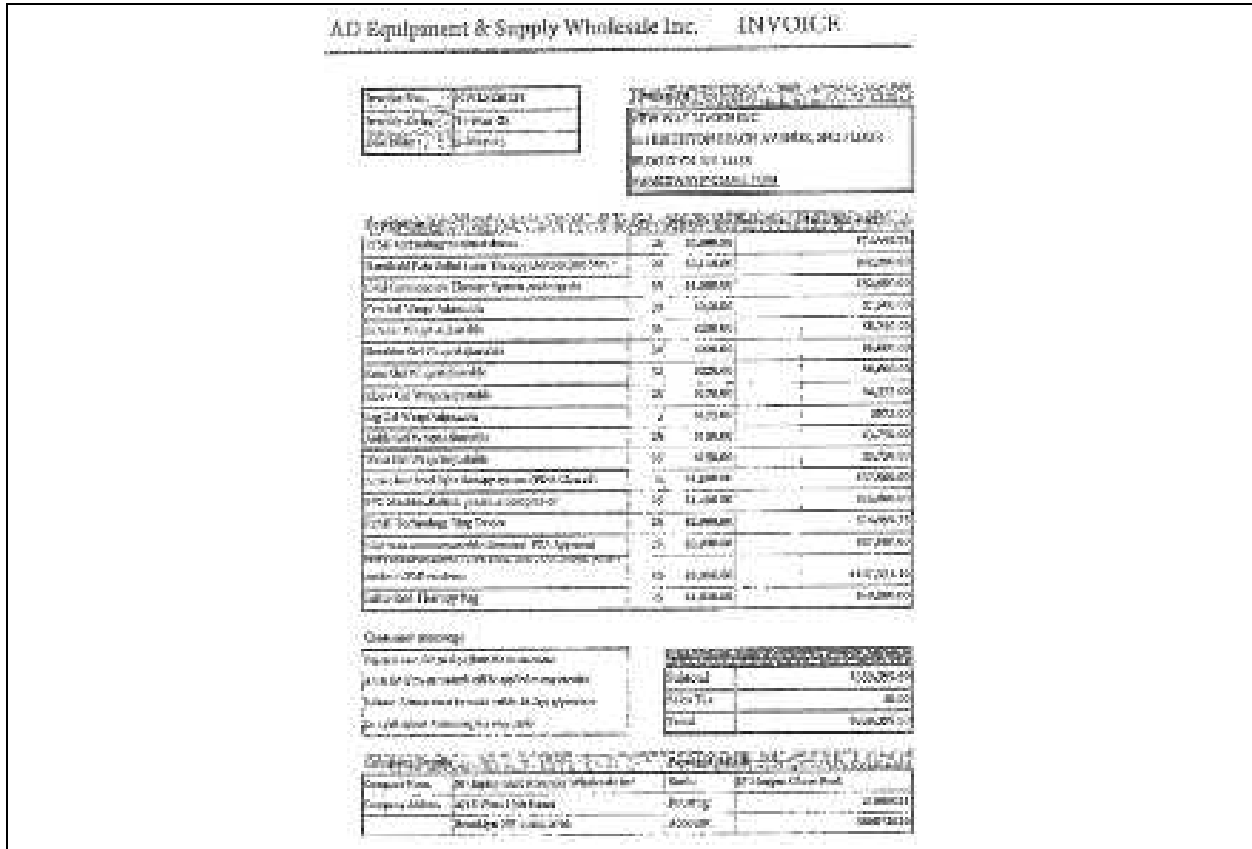
Wholesale Liquidators, and the address on the invoice is the same incorporation address listed for Wholesale Liquidators with the Montana Secretary of State.

f. SD Equipment

101. SD Equipment is not a legitimate DME wholesaler. Rather, SD Equipment is a sham company that has been used to generate false and inflated wholesale invoices to support inflated charges for DME to GEICO and other insurance companies. In fact, SD Equipment, along with ELNB and its paper owner Rubinfayn, were named as defendants for their involvement in a No-Fault insurance fraud scheme. See LM General Ins. Co. et al. v. CCCP Equipment, Inc., et al., 1:24-cv-00499(RER)(LKE) (E.D.N.Y. 2024) (the “CCCP Litigation”). Notably, in the CCCP Litigation, Liberty Mutual Insurance Company (“Liberty Mutual”) alleged that it could not find any evidence of the existence of SD Equipment. See e.g. CCCP Equipment, Inc., D.E. 1 at ¶ 100.

102. Despite SD Equipment not being a legitimate company, ELNB, Newtimesupply, and New Way each submitted wholesale invoices purportedly issued by SD Equipment in support of their billing to GEICO, such as the following representative examples:

Ex. 3 - Invoice submitted by New Way:



103. In keeping with the fact that the invoices from SD Equipment were fraudulent, all of the wholesale invoices from SD Equipment identify the purported address of SD Equipment as 2716 West 15th Street, Brooklyn, New York – the location of a UPS Store.

104. Further, the email address quickmedsupply65@gmail.com and phone number (917) 500-8706 listed in the wholesale invoice submitted by ELNB, are alleged in the CCCP Litigation to be fake and/or nonexistent. See CCCP Equipment, Inc., D.E. 1 at ¶¶ 102-103.

105. Similarly, upon information and belief, the email address fivestartransit@gmail.com identified in the wholesale invoice submitted by Newtimesupply, is

fake and/or defunct.

106. Additionally, the phone number (917) 615-8648 identified in the wholesale invoice submitted by Newtimesupply, is connected to several other distinct businesses, including Five Star Transit Inc., a company that was dissolved on August 31, 2016.

107. Finally, and in further support that the wholesale invoices submitted by Newtimesupply and New Way from SD Equipment were fraudulent, these invoices identify the wholesaler as “AD Equipment & Supply Wholesale Inc.” at the top of the invoice, and as “SD Equipment & Supply Wholesale Inc” at the bottom of the invoice, indicating the “AD” was a misspelling that the fraud scheme could not be bothered to correct, as the letters “A” and “S” are next to each other on a standard keyboard layout.

g. Wholesale Connect

108. Wholesale Connect was never an actual DME wholesaler. Rather, Wholesale Connect – a Utah corporation which dissolved on September 16, 2024 – was a sham company that was used to generate false and inflated wholesale invoices to support inflated charges for DME to GEICO and other insurance companies. In fact, in the Ortho Recovery Litigation, the purported owner of Wholesale Connect, Tyler Theobald (“Theobald”), provided sworn testimony, affirming that Wholesale Connect was falsely incorporated under Utah law. See Ortho Recovery Corp., D.E. 1 at ¶ 299. Additionally, Theobald affirmed that Wholesale Connect falsified information in its corporate filings, including identifying Theobald and other individuals familiar to Theobald as members of Wholesale Connect in its Certificate of Organization. Id.

109. Despite Wholesale Connect’s false incorporation and lack of legitimate operations, Healing Recovery submitted wholesale invoices purportedly issued by Wholesale Connect in support of their billing to GEICO, such as the following representative example:



110. In addition to the owner of Wholesale Connect admitting this was a sham company, and in keeping with the fact that the wholesale invoices purportedly issued by Wholesale Connect were fraudulent and fabricated, the invoice identifies the purported address of Wholesale Connect as 668 E 770 S[tr], Payson, Utah – the former residential address of Theobald’s parents. See Ortho Recovery Corp., D.E. 1 at ¶¶ 299-300. Notably, Theobald affirmed that he is not the owner of Wholesale Connect and has never done business with Healing Recovery. Id.

h. Top Notch Wholesale

111. Top Notch Wholesale is not a legitimate DME wholesaler. Rather, Top Notch Wholesale and its owner Arthur Gitlevich (“Gitlevich”) have been sued multiple times for their involvement in No-Fault fraud schemes in which it was alleged they laundered funds through Top Notch Wholesale to hide the existence of collusive financial arrangements between participants in No-Fault fraud schemes, including individuals who owned and/or managed No-Fault clinics. See Gov’t Emps. Ins. Co. et al. v. Grody et al., 1:24-cv-04125(RER)(PK) (E.D.N.Y. 2024) Gov’t

Notch Wholesale for any amount of money.

114. In addition, similarly fabricated Top Notch Wholesale invoices were used by other DME entities sued by GEICO which were alleged to have participated in analogous no-fault insurance schemes. See Gov't Emps. Ins. Co. et al. v. Clearcare Medical Supplies, Inc., et al., 1:25-cv-03365(BMC) (E.D.N.Y. 2025); Gov't Emps. Ins. Co. et al. v. BHDS Supply Inc., et al., 1:25-cv-02426(MMH) (E.D.N.Y. 2025); Gov't Emps. Ins. Co. et al. v. Monac Supply Inc., et al., 1:25-cv-01372(BMC) (E.D.N.Y. 2025).

115. Further, the wholesale invoice identifies the purported address of Top Notch Wholesale as 700 Welsh Road, No. 216, Huntingdon Valley, Pennsylvania, which is the address of Gitlevich's residential apartment.

B. Overview of the Common Fraudulent Scheme

116. The Secret Owner, together with the Paper Owner Defendants, conceived and implemented a complex fraudulent scheme in which they used the DME Providers as vehicles to bill GEICO and other New York automobile insurers for millions of dollars in No-Fault Benefits, which Defendants were never entitled to receive.

117. To maximize the amount of no-fault benefits Defendants could receive, the Secret Owner along with the Paper Owner Defendants, used the DME Providers in sequential fashion to divide the billing that they were submitting to no-fault insurance carriers, including GEICO.

118. In keeping with the fact that the Defendants split up their billing in order maximize the amount of no-fault benefits they could collect, the DME Providers operated in sequential order, typically with some overlap to allow more than one entity to bill no-fault insurance carriers, including GEICO, at a single time.

119. Through the complex multi-corporation scheme, the Secret Owner and the Paper

Owner Defendants used the DME Providers to bill and collect No-Fault Benefits from GEICO and other automobile insurers that they were never entitled to collect. Specifically:

- (i) Between March 2023 and January 2024, ELNB submitted more than \$383,000.00 in fraudulent claims to GEICO, has wrongfully obtained more than \$17,000.00, and there is more than \$204,000.00 in additional fraudulent claims that have yet to be adjudicated but which Defendants continue to seek payment from GEICO;
- (ii) Between January 2024 and May 2024, LV Ortho submitted more than \$533,000.00 in fraudulent claims to GEICO, has wrongfully obtained more than \$87,000.00, and there is more than \$167,000.00 in additional fraudulent claims that have yet to be adjudicated but which Defendants continue to seek payment of from GEICO;
- (iii) Between July 2024 and February 2025, Healing Recovery submitted more than \$927,000.00 in fraudulent claims to GEICO, has wrongfully obtained more than \$206,000.00, and there is more than \$429,000.00 in additional fraudulent claims that have yet to be adjudicated but which Defendants continue to seek payment of from GEICO;
- (iv) Between August 2024 and November 2025, Willis Equipment submitted more than \$1.3 million in fraudulent claims to GEICO, has wrongfully obtained more than \$349,000.00, and there is more than \$652,000.00 in additional fraudulent claims that have yet to be adjudicated but which Defendants continue to seek payment from GEICO;
- (v) Between September 2024 and February 2025, People's Choice submitted more than \$1.6 million in fraudulent claims to GEICO, has wrongfully obtained more than \$482,000.00, and there is more than \$694,000.00 in additional fraudulent claims that have yet to be adjudicated but which Defendants continue to seek payment from GEICO;
- (vi) Between December 2024 and February 2025, S&D Legal Assistant submitted more than \$993,000.00 in fraudulent claims to GEICO, has wrongfully obtained more than \$279,000.00, and there is more than \$305,000.00 in additional fraudulent claims that have yet to be adjudicated but which Defendants continue to seek payment from GEICO;
- (vii) Between February 2025 and June 2025, Newtimesupply submitted more than \$732,000.00 in fraudulent claims to GEICO, has wrongfully obtained more than \$317,000.00, and there is more than \$250,000.00 which has yet to be adjudicated but which Defendants continue to seek payment of from GEICO;

- (viii) Between February 2025 and May 2025, GB Ortho submitted more than \$757,000.00 in fraudulent claims to GEICO, has wrongfully obtained more than \$118,000.00, and there is more than \$521,000.00 that has yet to be adjudicated but which Defendants continue to seek payment of from GEICO;
- (ix) Between February 2025 and May 2025, Gamlev Ortho submitted more than \$1.1 million in fraudulent claims to GEICO, has wrongfully obtained more than \$135,000.00, and there is more than \$680,000.00 which has yet to be adjudicated but which Defendants continue to seek payment of from GEICO;
- (x) Between March 2025 and July 2025, CSupply submitted more than \$492,000.00 in fraudulent claims to GEICO, has wrongfully obtained more than \$74,000.00, and there is more than \$258,000.00 that has yet to be adjudicated but which Defendants continue to seek payment of from GEICO; and
- (xi) Between March 2025 and July 2025, New Way submitted more than \$1.1 million in fraudulent claims to GEICO, has wrongfully obtained more than \$355,000.00, and there is more than \$628,000.00 that has yet to be adjudicated but which Defendants continue to seek payment of from GEICO.

120. The Defendants were able to perpetrate the fraudulent scheme against GEICO described below by obtaining illegitimate prescriptions for Fraudulent Equipment purportedly issued by the Referring Providers because of collusive agreements with the Clinic Controllers and other John Doe Defendants who are associated with the Clinics.

121. Notably, none of Defendants marketed or advertised the DME Providers to the general public, and they lacked any genuine retail or office location, and operated without any legitimate efforts to attract patients who might need DME or healthcare practitioners who might legitimately prescribe DME.

122. Similarly, the Paper Owner Defendants did virtually nothing that would be expected of the owner of a legitimate DME supply company to develop its reputation in the medical community or to attract patients who might need DME or healthcare practitioners who

might legitimately prescribe DME.

123. Instead, the Defendants entered into collusive agreements with the John Doe Defendants who were associated with both the Clinics and the Referring Providers whereby kickbacks and other financial incentives were paid so that Defendants would receive large volumes of prescriptions from the Referring Providers in relation to Insureds who were being treated at the Clinics.

124. The prescriptions obtained by the Defendants for Fraudulent Equipment were never given to the Insureds to fill, but as part of the fraudulent scheme, they were routed directly to the Defendants at the direction of the Clinic Controllers to ensure that the Insureds did not attempt to fill the prescriptions with legitimate DME retailers, who would likely question the legitimacy of the prescriptions, the volume of prescriptions, or the need for the DME in the first instance.

125. The prescriptions obtained by the Defendants for Fraudulent Equipment included prescriptions for both Fee Schedule and Non-Fee Schedule items which the Defendants used (i) as a basis to purportedly provide and bill for whatever DME the Defendants decided to dispense, not what was determined based upon a legitimate prescriptions by a licensed healthcare professional; (ii) to misrepresent the nature and quality of the items that they actually dispensed, so as to claim entitlement to a higher fee payable by automobile insurers like GEICO; and (iii) to misrepresent the maximum reimbursement rate they were entitled to receive for Non-Fee Schedule items.

126. As part of the scheme, the Clinic Controllers directed that the prescriptions issued by the Referring Providers should often be written in a generic, vague, non-descript manner so that the DME Providers could have the flexibility to designate the products that would result in the highest forms of reimbursement from GEICO.

127. In addition to unlawfully choosing specific types of Fraudulent Equipment to

provide Insureds, the Defendants engaged in a virtually identical pattern of submitting bills to GEICO seeking No-Fault Benefits based on HCPCS Codes that did not accurately represent – sometimes in any way – the Fraudulent Equipment purportedly provided to the Insureds in order to obtain higher reimbursement rates than what was permissible.

128. By submitting bills to GEICO seeking No-Fault Benefits for Fraudulent Equipment based upon specific HCPCS Codes, the DME Providers represented that they provided Insureds with the particular items associated with each unique HCPCS Code, and that such specific item was medically necessary as determined by a healthcare provider licensed to prescribe DME.

129. However, to the extent that any Fraudulent Equipment was actually provided to Insureds, the Fraudulent Equipment did not match the HCPCS Codes identified in the bills submitted by the DME Providers.

130. Instead, to the extent that any Fraudulent Equipment was provided to the Insureds, Defendants provided Insureds with inexpensive and poor-quality Fraudulent Equipment, which did not contain all the features required by the HCPCS Codes identified in the bills submitted by the DME Providers.

131. The Fraudulent Equipment actually provided to Insureds – again to the extent that any Fraudulent Equipment was actually provided – were inexpensive and poor-quality items that only qualified under HCPCS Codes with significantly lower maximum reimbursement rates than the HCPCS Codes actually identified in the bills submitted by Defendants.

132. In furtherance of their scheme to defraud GEICO and other automobile insurers, Defendants also submitted bills for Non-Fee Schedule items that falsely indicated they were seeking reimbursement at the lesser of 150% of Defendants' legitimate acquisition cost or the cost to the general public for the same item.

133. In actuality, the bills from Defendants submitted to GEICO for Non-Fee Schedule items contained grossly inflated reimbursement rates that did not accurately represent the lesser of 150% of Defendants' legitimate acquisition cost or the cost to the general public as they used fabricated "wholesale invoices" that dramatically inflated their acquisition costs for these items in an attempt to justify their exorbitant charges for these Non-Fee Schedule items.

134. As a further part of this scheme, Defendants submitted bills to GEICO with reimbursement rates that indicated the Non-Fee Schedule items purportedly provided Insureds were expensive and high-quality, when the Fraudulent Equipment provided were cheap and poor-quality, and were purchased from actual wholesalers for a small fraction of the reimbursement rates contained in the bills.

135. In fact, the cheap and poor-quality Fraudulent Equipment provided to the Insureds – again, to the extent that any Fraudulent Equipment was actually provided – were easily obtainable from legitimate internet or brick-and-mortar retailers for a small fraction of the reimbursement rates identified in the bills submitted to GEICO by Defendants.

136. As previously discussed, each of the DME Providers made virtually identical fraudulent misrepresentations in the HCPCS Codes used and the reimbursement rates charged to GEICO that would have been impossible but for their participation in a common scheme and control by the Secret Owner.

137. Further, in an effort to hide the extent of their fraudulent acts against GEICO, Defendants each also submitted multiple bills to GEICO for Fraudulent Equipment that was purportedly provided to Insureds on the same date.

138. The Defendants' submission of multiple bills to GEICO in this manner was in reality designed to further mask the fraudulent scheme and an effort to keep the individual totals

on each bill artificially lower and avoid detection by GEICO.

139. After obtaining prescriptions for Fraudulent Equipment as a result of their collusive relationships with the Clinic Controllers and other John Doe Defendants, the Defendants in turn then billed GEICO for: (i) Fraudulent Equipment that was not reasonable nor medically necessary; (ii) Fraudulent Equipment that was not based on valid prescriptions from licensed healthcare providers; (iii) Fraudulent Equipment that did not represent the HCPCS codes contained in the bills to GEICO; and (iv) Fraudulent Equipment with inflated charges that far exceeded the value of the actual products they provided to GEICO's Insureds.

C. The Fraudulent Scheme – Predetermined Fraudulent Protocols Associated with the Prescriptions

140. The Defendants were able to obtain prescriptions that could be used as a basis to submit bills to GEICO through predetermined fraudulent protocols that were established between and among the Defendants, the Clinic Controllers and other John Defendants, and the Referring Providers.

141. Through these predetermined fraudulent protocols, the Defendants obtained prescriptions for Fraudulent Equipment that were not medically necessary and were created solely to financially enrich the Defendants and John Doe Defendants, not to genuinely treat and/or benefit the Insureds.

142. As set forth below, the extent of the Insureds' motor vehicle accidents, physical conditions, and conservative treatment plans demonstrate a pattern of prescribing and dispensing Fraudulent Equipment to the Insureds that were not medically necessary to treat the Insureds post-accident condition.

143. Virtually all of the Insureds who were prescribed the Fraudulent Equipment identified in Exhibits "1" – "11" were involved in relatively minor and low-impact "fender-

bender” accidents, to the extent that they were involved in any actual accidents at all.

144. Concomitantly, almost none of the Insureds identified in Exhibits “1” – “11”, whom the Referring Providers purported to treat, suffered from any significant injuries or health problems as a result of the relatively minor accidents they experienced or purported to experience.

145. In keeping with the fact that the Insureds identified in Exhibits “1” – “11” suffered only minor injuries – to the extent they had any injuries at all – as a result of the relatively minor accidents, many of the Insureds did not seek treatment at any hospital as a result of their accidents.

146. To the extent the Insureds in the claims identified in Exhibits “1” – “11” did seek treatment at a hospital following their accidents, they virtually always were briefly observed on an outpatient basis, and then sent on their way with nothing more serious than a minor soft tissue injury, such as a sprain or strain.

147. However, despite virtually all of the Insureds being involved in relatively minor and low-impact accidents and only suffering from sprains and strains – to the extent that the Insureds were actually injured – virtually all of the Insureds were subject to extremely similar prescription protocols for numerous pieces of Fraudulent Equipment that were not medically unnecessary.

148. There are a substantial number of variables that can affect whether, how, and to what extent an individual is injured in an automobile accident.

149. For example, an individual’s age, height, weight, general physical condition, location within the vehicle, and the location of the impact all will affect whether, how, and to what extent an individual is injured in a given automobile accident.

150. It is medically implausible that patients differing in age, height, weight, general physical condition, location within the vehicle, and pain location would all require the same

combination of Fraudulent Equipment prescribed on the same visit.

151. The uniformity of the Fraudulent Equipment prescribed is incompatible with individualized patient care and is evidence that independent clinical judgment was not exercised by the Referring Providers.

152. The prescriptions for Fraudulent Equipment that were purportedly issued to the Insureds identified in Exhibits “1” – “11” were issued pursuant to predetermined fraudulent protocols set forth at each Clinic, and not because the Fraudulent Equipment was medically necessary for each Insured based upon his or her individual symptoms or presentations.

153. For example, the predetermined fraudulent protocols at each Clinic (i) included issuing predetermined sets of Fraudulent Equipment that applied to virtually all Insureds, regardless of each patient’s individual symptoms or presentation, and (ii) were not based upon what was medically necessary for each patient. Instead, they were created based upon how the John Doe Defendants, and others including the Defendants, could profit from exploiting prescriptions purportedly issued by the Referring Providers.

154. In other words, no legitimate physician, chiropractor, other licensed healthcare provider, or professional entity would permit prescriptions for Fraudulent Equipment to be issued based upon the fraudulent protocols at the various Clinics that were the prescription sources for the Defendants.

155. In a legitimate setting, when a patient injured in a motor vehicle accident seeks treatment from a healthcare provider, the patient’s subjective complaints are evaluated, and the treating provider will direct a specific course of treatment based upon the patients’ individual symptoms or presentation.

156. Furthermore, in a legitimate setting when treating a patient experiencing soft tissue

injuries, a healthcare provider may – but generally does not – prescribe DME, as the majority of simple soft tissue injuries heal on their own with first-line treatments, including rest, ice, compression, elevation, activity modification, and over-the-counter nonsteroidal anti-inflammatory drugs.

157. In the event that first-line treatments fail, then in determining whether to prescribe DME to a patient – in a legitimate setting – a healthcare provider should evaluate multiple factors, including: (i) a functional assessment of the patient’s physical limitations; (ii) whether the specific DME/OD could have any negative effects based upon the patient’s physical condition and medical history; (iii) whether the DME is likely to help improve the patient’s complained of condition; and (iv) whether the patient is likely to use the DME. In all circumstances, any prescribed DME would always directly relate to each patient’s individual diagnostic condition.

158. If a healthcare provider determines that DME is medically necessary after considering a patient’s individual circumstances and situations, in a legitimate setting, the healthcare provider would document in a contemporaneous medical record, such as an evaluation report, what specific DME was prescribed, why it was medically necessary, how it would help the patient, and what the individualized treatment goals are for the patient in using the prescribed DME.

159. Further, in a legitimate setting, when a patient returns for an examination after being prescribed DME, the healthcare provider would inquire – and appropriately report – whether the previously prescribed DME aided the patient’s subjective complaints, improved physical function, and if there were any impediments to the proper use of the DME. Such information is typically addressed so the healthcare provider can recommend a further course of treatment regarding the previously prescribed DME or newly issued DME.

160. It is improbable – to the point of an impossibility – that virtually all of the Insureds identified in Exhibits “1” – “11” who were treated at a specific Clinic would receive virtually identical prescriptions for numerous items of Fraudulent Equipment, despite being different ages, in different physical conditions, and involved in different motor vehicle accidents.

161. Here, and in keeping with the fact that the prescriptions provided to the Defendants were for medically unnecessary Fraudulent Equipment obtained as part of an insurance scheme in which there were predetermined fraudulent protocols, virtually all of the Insureds identified in Exhibits “1” – “11” that were treated at a specific Clinic were issued virtually identical prescriptions for a predetermined set of Fraudulent Equipment, despite being different ages, in different physical conditions, and involved in different motor vehicle accidents.

162. To the extent that there was a contemporaneously dated evaluation report, the evaluation report virtually always failed to explain – and oftentimes failed to identify – the Fraudulent Equipment identified on the prescriptions provided to the Defendants and used by the Defendants to bill GEICO for the charges identified in Exhibits “1” – “11”.

163. As part of the scheme established between the Defendants and John Doe Defendants associated with the Clinics, Referring Providers issued repeated prescriptions to Insureds for Fraudulent Equipment that falls well outside the generally accepted medical guidelines for the treatment of the types soft-tissue injuries sustained by the Insureds in Exhibits “1” – “11” as a result of their underlying automobile accidents.

164. The intensity and cost of the prescribed Fraudulent Equipment was grossly disproportionate to the severity and nature course of the documented injuries, to the extent Insureds were injured at all.

165. Virtually none of the Insureds identified in Exhibits “1” – “11” were afforded

sufficient time for the natural course of healing to resolve their soft tissue injuries, as would be expected following the types of injuries sustained from their underlying automobile accidents, to the extent they were even injured at all, before being prescribed multiple pieces of Fraudulent Equipment.

166. The Fraudulent Equipment purportedly prescribed to Insureds in Exhibits “1” – “11” was issued despite virtually none of the Insureds demonstrating any reason that justified the use of such devices, as will be explained in more detail below.

167. For the reasons set forth above, and below, in each of the claims identified in Exhibits 1” – “11”, the Defendants falsely represented that the Fraudulent Equipment was provided pursuant to legitimate prescriptions from healthcare providers for medically necessary DME, and were, therefore, entitled to collect No-Fault Benefits in the first instance, when, in fact, the prescriptions were for medically unnecessary Fraudulent Equipment issued as part of the Defendants’ insurance fraud scheme.

1. Collusive Arrangements to Obtain Illegitimate and Medically Unnecessary Prescriptions

168. To gain access to Insureds so that they could implement and execute their fraudulent scheme and maximize the amount of No-Fault Benefits that could be obtained from GEICO and other New York automobile insurers, the Defendants entered into collusive agreements with the Clinic Controllers and other John Doe Defendants in order to procure and direct prescriptions to the DME Providers that were illegitimate and for medically unnecessary Fraudulent Equipment.

169. Since the inception of the DME Providers, the Defendants engaged in various collusive arrangements with the Clinic Controllers and other John Doe Defendants pursuant to which Defendants paid kickbacks or other financial incentives in exchange for being provided

prescriptions to fill from the Referring Providers for the Fraudulent Equipment that could then be used by the Defendants to support their charges to GEICO and other New York automobile insurers. The improper financial arrangements were key to the fraudulent scheme in that they allowed the Defendants to submit hundreds of charges for Fraudulent Equipment to GEICO and other New York automobile insurers. However, the collusive nature of the arrangement goes beyond the simple of payment of money or other financial incentives, but includes (i) payment to fictitious businesses associated with the John Doe Defendants, (ii) the ability to secure the prescriptions without ever meeting the Referring Providers, (iii) obtaining the prescriptions directly from the staff at the Clinics, without any communication or involvement by the Insureds, and (iv) providing the Fraudulent Equipment to the Clinic and its staff, with any interaction with the Insureds, and without any interaction with the Defendants.

170. For example, ELNB issued a check to Top Notch Wholesale on July 28, 2023, for \$33,340.00 for no legitimate purpose.

171. As previously discussed, Top Notch Wholesale is not a legitimate wholesaler. Rather, Top Notch Wholesale, and its owner Gitlevich, are drivers of fraudulent no-fault insurance schemes have been sued multiple times for their involvement in such schemes, in which it has been alleged that they laundered funds to hide the existence of illegal financial arrangements between participants in No-Fault fraud schemes, including individuals who owned and/or managed No-Fault clinics. See Grody, 1:24-cv-04125(RER)(PK) (E.D.N.Y. 2024) Poonawala, 1:22-cv-03063(PKC)(VMS) (E.D.N.Y. 2022), Grody, 1:22-cv-06187(RER)(PK) (E.D.N.Y. 2022), Ahmad, 1:22-cv-06713(RER)(PK) (E.D.N.Y. 2022).

172. To that end, when deposed in connection with a separate no-fault insurance fraud action, Gitlevich invoked his Fifth Amendment privilege against self-incrimination when asked

whether Top Notch Wholesale was formed for the sole purpose of laundering money as a part of numerous No-Fault fraud schemes.

173. Gitlevich was able to funnel payments received to cash because virtually all the money received by Top Notch Wholesale was issued to ADG International, which is another entity owned by Gitlevich, and then cashed at a check-cashing facility in Pennsylvania.

174. Further, Gitlevich testified on behalf of himself and Top Notch Wholesale in connection with the Poonawala case in April of 2024 during which he confirmed the address used by Top Notch Wholesale is Gitlevich's home address and then asserted his 5th Amendment privilege against self-incrimination to virtually all questions, including questions regarding if Top Notch Wholesale performed any legitimate business services and if Top Notch Wholesale was formed solely to launder money as part of numerous no-fault insurance schemes.

175. In addition, Gitlevich was also named as a defendant in Gov't Emps. Ins. Co. v. Grody, et al., 1:24-cv-04125-FB-MMH, alleging he funneled money through Top Notch Wholesale in the same manner as another entity he owned.

176. As another example, due to these collusive financial arrangements, ELNB also issued payments to NYA Services USA, Inc. ("NYA Services") in May 2023, totaling at least \$34,500.00 that served no legitimate purpose.

177. NYA Services is not a legitimate company. Rather, NYA Services is another company owned by Gitlevich and used to funnel money associated with No-Fault fraud schemes. NYA Services and Gitlevich were named as defendants in Grody, 1:22-cv-06187(RER)(PK) for their involvement in a No-Fault fraud scheme in which it was alleged the defendants laundered funds to hide the existence of illegal financial arrangements between participants in no-fault fraud schemes, including individuals who owned and/or managed No-Fault clinics.

178. The collusive arrangements allowed the scheme to remain undetected by the Insureds and allowed the Defendants to access large volumes of prescriptions that in turn afforded them the opportunity to submit charges for thousands of dollars in Fraudulent Equipment for each Insured to GEICO and other automobile insurers. But for the collusive arrangements, neither the John Doe Defendants nor the Referring Providers would have had any reason to direct a substantial volume of these medically unnecessary prescriptions for Fraudulent Equipment to the DME Providers to purportedly fill.

179. For example, as a result of these collusive relationships, Gamlev Ortho began receiving prescriptions from the Clinics and billing GEICO for Fraudulent Equipment just *nine days after* its incorporation.

180. Upon information and belief, the Referring Providers were compensated by the Clinic Controllers or other John Doe Defendants, whether financially or through some other economic quid pro quo (e.g. the ability to treat the Insureds and independently bill GEICO), for the Referring Providers' willingness to permit prescriptions to be issued in their names and to be given to DME suppliers, including the DME Providers, rather than given to the Insureds or to a bona-fide DME retailer, who would likely question its legitimacy.

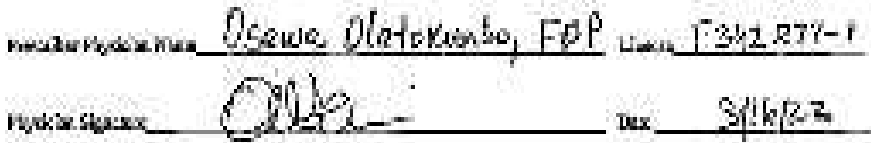

181. The collusive relationship between the Defendants and John Doe Defendants in relation to the prescriptions, issued without a specific disclosure to the patient of the financial relationship between the Referring Provider and the DME Provider, are the very kind of arrangements that are prohibited by N.Y. Public Health Law § 238-d. No such disclosures required by Public Health Law § 238-d were ever made to the Insureds identified in Exhibits "1" – "11". Rather, because of the nefarious nature of the relationship between the Defendants and the John Doe Defendants, the arrangements between and among the Defendants, John Doe Defendants, and

Referring Providers were concealed from the Insureds.



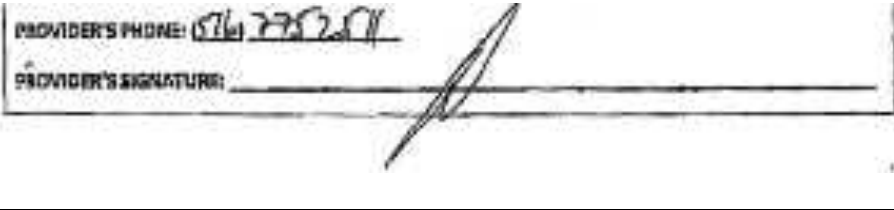

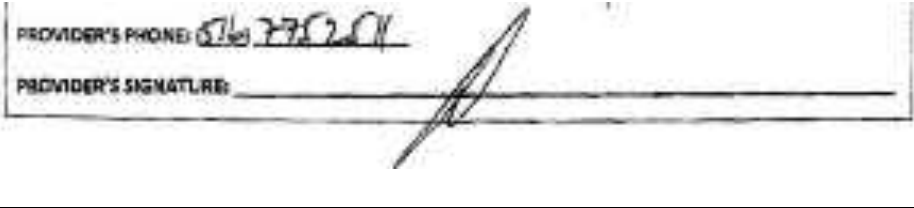
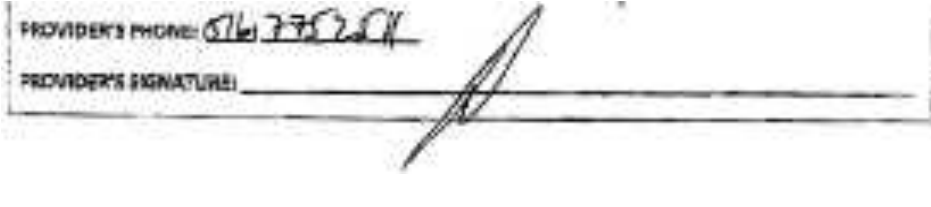
182. As a result of these collusive relationships, the Defendants (rather than the Insured or a bona-fide DME retailer) were given the illegitimate prescriptions, which (i) were for medically unnecessary Fraudulent Equipment that was not based upon each Insured’s individual need; (ii) contained a photocopied or stamped signature of the Referring Provider; (iii) were unsigned; (iv) were undated; and/or (v) were issued on a date the Referring Provider did not treat or otherwise examine the Insured.


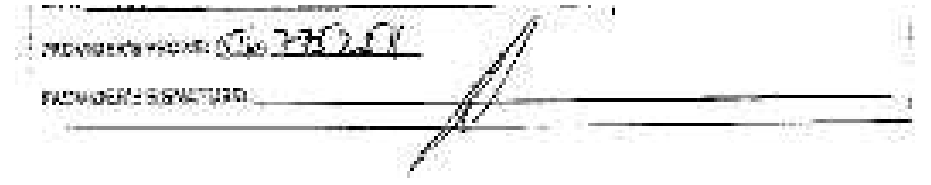
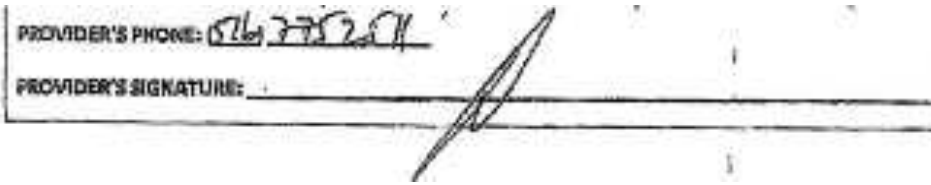
183. Further illustrative of the fact that the collusive relationships between Defendants, Clinic Controllers, and other John Doe Defendants was designed to obtain illegitimate prescriptions associated with Insureds treating at the Clinics, Defendants received prescriptions from the Clinics that contained photocopied signatures of the Referring Providers, such as the following representative examples:

Example 1: Osewa Olatokunbo, F.N.P. Photocopied Prescriptions Issued from the Clinic Located at 3041 Avenue U, Brooklyn, New York


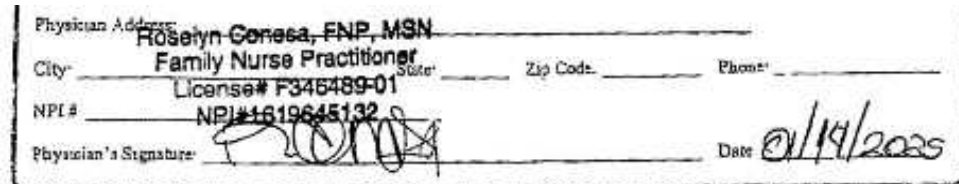
<u>Example</u>	<u>Sample photocopied signatures</u>
Prescription to ELNB For Insured BG Dated 3/16/2023	 <p>Prescriber Physical Name <u>Osewa Olatokunbo, FNP</u> License <u>F342877-1</u> Prescriber Signature <u>[Signature]</u> Date <u>3/16/23</u></p>
Prescription to ELNB For Insured KC Dated 3/02/2023	 <p>Prescriber Physical Name <u>Osewa Olatokunbo, FNP</u> License <u>F342877-1</u> Prescriber Signature <u>[Signature]</u> Date <u>3/2/23</u></p>

Example 2: Deonarine Rampershad, D.N.P., F.N.P. B.C. Photocopied Prescriptions Issued from the Clinic Located at 458 Hempstead Turnpike, Elmont, New York

<u>Example</u>	<u>Sample photocopied signatures</u>
<p>Prescription to LV Ortho For Insured WF Dated 3/08/2024</p>	 <p>PROVIDER'S PHONE: (516) 775 2511 PROVIDER'S SIGNATURE: _____</p>
<p>Prescription to Healing Recovery For Insured EEM Dated 8/02/2024</p>	 <p>PROVIDER'S PHONE: (516) 775 2511 PROVIDER'S SIGNATURE: _____</p>
<p>Prescription to Healing Recovery For Insured OGM Dated 1/24/2025</p>	 <p>PROVIDER'S PHONE: (516) 775 2511 PROVIDER'S SIGNATURE: _____</p>
<p>Prescription to LV Ortho For Insured JL Undated</p>	 <p>PROVIDER'S PHONE: (516) 775 2511 PROVIDER'S SIGNATURE: _____</p>
<p>Prescription to Willis Equipment For Insured NW Undated</p>	 <p>PROVIDER'S PHONE: (516) 775 2511 PROVIDER'S SIGNATURE: _____</p>
<p>Prescription to People's Choice For Insured ES Undated</p>	 <p>PROVIDER'S PHONE: (516) 775 2511 PROVIDER'S SIGNATURE: _____</p>

<p>Prescription to People's Choice For Insured NB Undated</p>	
<p>Prescription to S&D Legal Assistant For Insured WF Undated</p>	
<p>Prescription to S&D Legal Assistant For Insured PAT Undated</p>	

Example 3: Roselyn Conesa, F.N.P., B.C. Photocopied Prescriptions Issued from the Clinic Located at 1877 Webster Ave., Bronx, New York

<u>Example</u>	<u>Sample photocopied signatures</u>
<p>Prescription to GB Ortho For Insured JRC Unknown Date</p>	
<p>Prescription to GB Ortho For Insured JO Dated 1/14/25</p>	


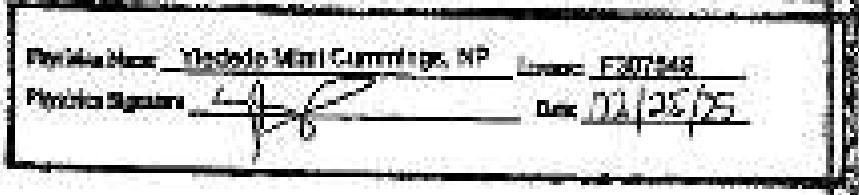
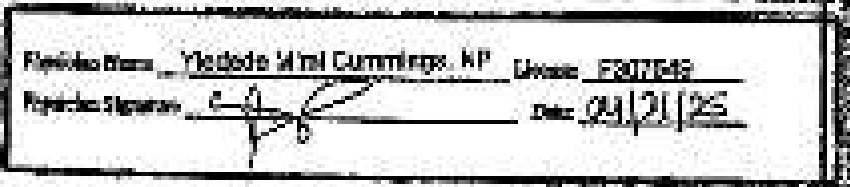

<p>Prescription to CSupply For Insured YG Undated</p>	
<p>Prescription to CSupply For Insured AL Undated</p>	

Example 4: Roselyn Conesa, F.N.P., B.C. Unsigned “Stamped” Prescriptions Issued from the Clinic Located at 1877 Webster Ave, Bronx, New York

<u>Example</u>	<u>Sample unsigned “stamped” signatures</u>
<p>Prescription to Gamlev Ortho For Insured LA Dated 2/18/2025</p>	<p>Provider Signature: _____ Provider Name (Printed): <u>Roselyn Conesa, FNP, MSN</u> Title: <u>Family Nurse Practitioner</u> License # <u>F346489-01</u> NPI: <u>1619845132</u> Provider Address: _____</p> <p>Date: <u>2/18/25</u></p>
<p>Prescription to Gamlev Ortho For Insured CF Dated 3/18/2025</p>	<p>Provider Signature: _____ Provider Name (Printed): <u>Roselyn Conesa, FNP, MSN</u> Title: <u>Family Nurse Practitioner</u> License # <u>F346489-01</u> NPI: <u>1619845132</u> Provider Address: _____</p> <p>Date: <u>3/18/25</u></p>

Example 5: Yledede Mimi Cummings, N.P. Photocopied Prescriptions Issued from the Clinic Located at 1975 Linden Blvd., Elmont, New York

<u>Example</u>	<u>Sample photocopied signatures</u>
<p>Prescription to Newtimesupply For Insured JC Dated 2/18/2025</p>	

<p>Prescription to Newtimesupply For Insured KRV Dated 2/18/2025</p>	
<p>Prescription to Newtimesupply For Insured AS Dated 2/25/2025</p>	
<p>Prescription to New Way For Insured GB Dated 4/21/2025</p>	
<p>Prescription to New Way For Insured IH Dated 4/21/2025</p>	

184. These are only representative examples of the types of photocopied prescriptions received by the Defendants.

185. In contrast to bona fide DME retailers, the Defendants were willing to obtain illegitimate prescriptions through collusive arrangements and submit the illegitimate prescriptions to support their charges to GEICO and other automobile insurers.

186. These Clinics included but were not limited to: (i) 458 Hempstead Tpke, Elmont, New York; (ii) 1877 Webster Ave., Bronx, New York; (iii) 1975 Linden Blvd., Elmont, New York (iv) 97-13 101 Ave., Ozone Park, New York; (v) 611 E 76th St., Brooklyn, New York; (vi) 82-17

Woodhaven Blvd., Glendale, New York; (vii) 18009 Jamaica Ave., Jamaica, New York; (viii) 4009 Church Ave., Brooklyn, New York; and (x) 1200 Waters Pl., Bronx, New York.

187. Although ostensibly organized to provide a range of healthcare services to Insureds at a single location, many of the Clinics operate under the unlawful ownership and control of unlicensed laypersons, with a revolving door of healthcare providers providing treatment to the Insureds and other patients without any continuity of care.

188. In fact, GEICO has received billing from many of the Clinics from an ever-changing number of healthcare providers, starting and stopping operations without any purchase or sale of a “practice”; without any legitimate transfer of patient care from one professional to another; and without any legitimate reason for the change in provider name, beyond circumventing insurance company investigations and continuing the fraudulent exploitation of New York’s No-Fault insurance system.

189. For example, GEICO has received billing for purported healthcare services rendered at the Clinics located at 4009 Church Ave., Brooklyn, New York and 82-17 Woodhaven Blvd., Glendale, New York, each of which have a “revolving door” of over 70 different healthcare providers.

190. Unlicensed laypersons, rather than the healthcare professionals working in the Clinics, created and controlled the patient base at the Clinics, and directed fraudulent protocols used to maximize profits for the generation of revenue for their own benefit and the benefit of those with whom they are associated without regard to actual patient care.

2. The Predetermined Fraudulent Prescription Protocol at the Clinics

191. Through their collusive arrangements with the John Doe Defendants, Defendants were able to obtain medically unnecessary and otherwise illegitimate prescriptions for Fraudulent

Equipment purportedly issued by a variety of Referring Providers who purported to treat Insureds at the Clinics pursuant to predetermined fraudulent protocols, which serves to further illustrate Defendants' fraudulent scheme.

192. The Insureds identified in Exhibits "1" – "11" that were prescribed Fraudulent Equipment from the Clinics were typically involved in minor "fender-bender" motor vehicle accidents and then purportedly treated by a variety of healthcare providers at the Clinics.

193. However, during the course of their treatment at the Clinics, the Insureds were regularly prescribed Fraudulent Equipment that was medically unnecessary, not supported by medical records, and was issued pursuant to predetermined fraudulent protocols.

194. For example, many of the prescriptions identified in Exhibits "1" – "11" were not actually issued by the Referring Provider listed on the prescription. Instead, in those circumstances, the prescriptions were issued by others who are not presently identifiable, without the Referring Providers issuing, signing, authorizing, or even knowing about such prescriptions as these prescriptions contained a photocopied signature or utilized a signature stamp of the Referring Provider.

195. Virtually all of the claims identified in Exhibits "1" – "11" are based upon medically unnecessary prescriptions for predetermined sets of Fraudulent Equipment, which were purportedly issued by the Referring Providers who practiced at various No-Fault Clinics across the New York metropolitan area.

a. The No-Fault Clinic located at 458 Hempstead Tpke, Elmont, New York

196. The No-Fault Clinic located at 458 Hempstead Tpke, Elmont, New York (the "Hempstead Tpke Clinic") was one of the No-Fault Clinics where Defendants conspired with others not presently identifiable to obtain medically unnecessary prescriptions for Fraudulent

Equipment pursuant to a predetermined fraudulent protocol and serves to demonstrate the scope of Defendants' fraudulent scheme as it shifted operations from one DME Provider to the next to avoid detection.

197. Regardless of the type of motor vehicle accident, the age of each patient, each patient's physical condition, each patient's subjective complaints, or whether each patient would actually use the Fraudulent Equipment, the Referring Providers purportedly prescribed, at a minimum, the following Fraudulent Equipment to virtually every Insured identified in Exhibits "1" – "6" who treated at the Hempstead Tpke Clinic: (i) PEMF Device; and (ii) Osteogenesis Stimulator.

198. In addition, the Referring Providers would also routinely issue one or more separate additional prescriptions to Insureds for the following Fraudulent Equipment: (i) "Ultrasound Therapy" Device; (ii) PCD; (iii) Triad Infrared Light Heat Pad; (iv) CCTS and attendant accessories; (v) Cure Max Cold Laser Device; (vi) "Cervical Traction Set with Pump"; (vii) "LSO APL Control Custom Fitted"; (viii) "Shoulder Support"; (ix) "Knee Support"; and/or (x) "Ankle Support".

199. Further, Insureds were also routinely provided with prescriptions for other types of Fraudulent Equipment that were purportedly provided by other medical supply companies.

200. The prescriptions purportedly issued by Referring Providers at the Hempstead Tpke Clinic were not based upon legitimate examinations by the Referring Providers that evaluated each Insured's individual symptom or presentation and determined whether and what type of DME to provide.

201. Rather, these prescriptions were based upon a predetermined fraudulent protocol established by the Clinic Controllers and other John Doe Defendants and were obtained by the

Defendants through improper financial arrangements with the Clinic Controllers and other John Doe Defendants.

202. As demonstrated above, the vast majority of these prescriptions contained a photocopied signature of the Referring Provider who purportedly issued the prescription.

203. Furthermore, the initial examination or follow-up examination reports, to the extent that there were contemporaneously dated examination reports, did not accurately identify the Fraudulent Equipment purportedly prescribed to the Insureds. In fact, the reports did not contain sufficient information describing the medical necessity of the prescribed Fraudulent Equipment.

204. Even more, the follow-up examination reports from the Referring Providers at the Hempstead Tpke Clinic failed to include any meaningful information regarding the Insureds' use of the previously prescribed Fraudulent Equipment, to the extent it was even mentioned at all.

205. Further illustrative of the fact that the Insureds identified in Exhibits "1" – "6" that were treated at the Hempstead Tpke Clinic were prescribed Fraudulent Equipment pursuant to predetermined fraudulent protocols, the Insureds were frequently purportedly issued prescriptions by Referring Providers for a variety of Fraudulent Equipment on days that the Referring Provider did not examine or otherwise treated the Insureds, or issued prescriptions that were undated.

206. The predetermined fraudulent protocols related to the prescriptions issued and the Defendants' common scheme to shift the billing from one DME Provider to the next are illustrated by the following examples:

- (i) On December 23, 2023, an Insured named JJB was purportedly involved in a motor vehicle accident and thereafter purportedly started treatment at the Hempstead Tpke Clinic. After an initial examination with Deonarine Rampershad, D.N.P., F.N.P. B.C. ("Rampershad") on January 5, 2024, Rampershad purportedly issued two separate prescriptions in the name of JJB for:

	<u>Item(s) Prescribed</u>	<u>Prescription Provided to:</u>
1	PEMF Device	ELNB
2	Osteogenesis Stimulator	Non-Defendant DME supplier

(ii) On February 26, 2024, an Insured named WF was purportedly involved in a motor vehicle accident and thereafter purportedly started treatment at the Hempstead Tpke Clinic. On March 8, 2024, Rampershad purportedly issued five separate prescriptions in the name of WF, despite not treating or otherwise examining WF on that date, for:

	<u>Item(s) Prescribed</u>	<u>Prescription Provided to:</u>
1	PEMF Device	LV Ortho
2	Osteogenesis Stimulator	LV Ortho
3	PCD	LV Ortho
4	Triad Infrared Light Heat Pads	Non-Defendant DME supplier
5	CCTS and attendant accessories	Non-Defendant DME supplier

On April 15, 2024, Rampershad purportedly issued a prescription in the name of WF, despite not treating or otherwise examining WF on that date, for:

	<u>Item(s) Prescribed</u>	<u>Prescription Provided to:</u>
1	Cervical Traction Set with Pump LSO APL Control Custom Fitted Shoulder Support Knee Support	Non-Defendant DME supplier

(iii) On February 27, 2024, an Insured named JL was purportedly involved in a motor vehicle accident and thereafter purportedly started treatment at the Hempstead Tpke Clinic. After an initial examination with Rampershad on March 1, 2024, Rampershad purportedly issued two separate prescriptions in the name of JL for:

	<u>Item(s) Prescribed</u>	<u>Prescription Provided to:</u>
1	Triad Infrared Light Heat Pads	Non-Defendant DME supplier
2	CCTS and attendant accessories	Non-Defendant DME supplier

Four separate undated prescriptions in the name of JL were also purportedly issued by Rampershad for:

	<u>Item(s) Prescribed</u>	<u>Prescription Provided to:</u>
1	PEMF Device	LV Ortho
2	Osteogenesis Stimulator	LV Ortho
3	PCD	LV Ortho
4	Cervical Traction Set with Pump LSO APL Control Custom Fitted Shoulder Support	Non-Defendant DME supplier

207. These are only representative examples of the predetermined prescription protocols established at the Hempstead Tpke Clinic. Additional examples are attached as Exhibit “12.”

208. In fact, nearly all the Insureds identified in Exhibits “1” – “6” who treated at the Hempstead Tpke Clinic were issued prescriptions for the same type of Fraudulent Equipment pursuant to the predetermined fraudulent protocols identified above and without regard for the medical necessity of such items.

b. The No-Fault Clinic located at 1877 Webster Ave., Bronx, New York

209. The No-Fault Clinic located at 1877 Webster Ave., Bronx, New York (the “Webster Ave. Clinic”) was another of the No-Fault Clinics where Defendants conspired with others not presently identifiable to obtain medically unnecessary prescriptions for Fraudulent Equipment pursuant to a predetermined fraudulent protocol and further serves to demonstrate the scope of Defendants’ fraudulent scheme as it shifted operations from one DME Provider to the next to avoid detection.

210. Regardless of the type of motor vehicle accident, the age of each patient, each patient’s physical condition, each patient’s subjective complaints, or whether each patient would actually use the Fraudulent Equipment, the Referring Providers purportedly prescribed, at a minimum, the following Fraudulent Equipment to virtually every Insured identified in Exhibits “8” – “10” who treated at the Webster Ave. Clinic: (i) PEMF Device; (ii) “Ultrasound Therapy” Device”; (iii) Triad Device; and (iv) Cure Max Cold Laser Device.

211. In addition, the Referring Providers would also routinely issue one or more separate additional prescriptions to Insureds for the following Fraudulent Equipment: (i) Osteogenesis Stimulator; (ii) Cure Max Cold Laser Device; (iii) “Transcutaneous Electrical Joint Stimulation Device”; (iv) “Bed Boarding/Egg Crate Mattress”; (v) “Cervical Collar”; (vi) “Cervical Pillow”; (vii) “Lumbar Cushion”; (viii) “Lumbar Sacral Support”; (ix) “Thermal Moist Pad”; (x) “Water Circulation”; (xi) “Knee Brace”; (xii) “Hot/Cold Pack”; (xiii) “EMS Unit”; (xiv) “Infrared Lamp”; (xv) “Personal Massager”; (xvi) “Whirlpool”; (xviii) “Thera pain Pulsed Laser Therapy”; and/or (xix) “Pneumatic Compression Device”.

212. Further, Insureds were also routinely provided with prescriptions for other types of Fraudulent Equipment that were purportedly provided by other medical supply companies.

213. The prescriptions purportedly issued by Referring Providers at the Webster Ave. Clinic were not based upon legitimate examinations by the Referring Providers that evaluated each Insured’s individual symptom or presentation and determined whether and what type of DME to provide.

214. Rather, these prescriptions were based upon a predetermined fraudulent protocol established by the Clinic Controllers and other John Doe Defendants and were obtained by the Defendants through improper financial arrangements with the Clinic Controllers and other John Doe Defendants.

215. As demonstrated above, the vast majority of these prescriptions contained a photocopied and/or stamped signature of the Referring Provider who purportedly issued the prescription, or at times, were unsigned.

216. Furthermore, the initial examination or follow-up examination reports, to the extent that there were contemporaneously dated examination reports, did not accurately identify the

Fraudulent Equipment purportedly prescribed to the Insureds. In fact, the reports did not contain sufficient information describing the medical necessity of the prescribed Fraudulent Equipment.

217. Even more, the follow-up examination reports from the Referring Providers at the Hempstead Tpke Clinic failed to include any meaningful information regarding the Insureds’ use of the previously prescribed Fraudulent Equipment, including whether the DME previously provided aided in the Insured’s recovery, to the extent it was even mentioned at all.

218. Further illustrative of the fact that the Insureds identified in Exhibits “8” – “10” that were treated at the Webster Ave. Clinic were prescribed Fraudulent Equipment pursuant to predetermined fraudulent protocols, the Insureds were frequently purportedly issued prescriptions by Referring Providers for a variety of Fraudulent Equipment on days that the Referring Provider did not examine or otherwise treated the Insureds, issued prescriptions that were undated, or in some instances, issued prescriptions on dates that preceded the date of the underlying automobile accident.

219. The predetermined fraudulent protocols related to the prescriptions issued and the Defendants’ common scheme to shift the billing from one DME Provider to the next are illustrated by the following examples:

- (i) On January 12, 2025, an Insured named JO was purportedly involved in a motor vehicle accident and thereafter purportedly started treatment at the Webster Ave. Clinic. After an initial examination with Roselyn Conesa, F.N.P., B.C. (“Conesa”) on January 14, 2025, Conesa purportedly issued seven separate prescriptions in the name of JO for:

	<u>Item(s) Prescribed</u>	<u>Prescription Provided to:</u>
1	Triad Infrared Light Pad	GB Ortho
2	PEMF Device	Gamlev Ortho
3	Ultrasound Therapy Device	Gamlev Ortho
4	Osteogenesis Stimulator	Non-Defendant DME supplier
5	Bed Boarding/Egg Crate Mattress Cervical Collar	Non-Defendant DME supplier

	Cervical Pillow Lumbar Cushion Lumbar Sacral Support Thermal Moist Pad Water Circulation Knee Brace	
6	Orthopedic Car Seat	Non-Defendant DME supplier
7	Transcutaneous Electrical Joint Stimulation Device	Non-Defendant DME supplier

On March 4, 2025, after a purported follow-up examination with Conesa, Conesa purportedly issued three separate prescriptions in the name of JO for:

	<u>Item(s) Prescribed</u>	<u>Prescription Provided to:</u>
1	EMS Unit Infrared Lamp Personal Massager Whirlpool	Non-Defendant DME supplier
2	Osteogenesis Stimulator	Non-Defendant DME supplier
3	Pneumatic Compression Device and associated segmental pneumatic appliances	Non-Defendant DME supplier

On March 18, 2025, Conesa purportedly issued a prescription in the name of JO, despite not examining or otherwise treating JO on that date, for:

	<u>Item(s) Prescribed</u>	<u>Prescription Provided to:</u>
1	Lumbar Sacral Orthosis	Non-Defendant DME supplier

An undated prescription in the name of JO was also purportedly issued by Conesa for:

	<u>Item(s) Prescribed</u>	<u>Prescription Provided to:</u>
1	Cure Max Cold Laser Device	GB Ortho

- (ii) On January 12, 2025, an Insured named BC was purportedly involved in a motor vehicle accident and thereafter purportedly started treatment at the Webster Ave. Clinic. On December 19, 2024, prior to the date of accident and prior to examining or otherwise treating BC on that date, Conesa purportedly issued two separate prescriptions in the name of BC for:

	<u>Item(s) Prescribed</u>	<u>Prescription Provided to:</u>
1	Thera pain Pulsed Laser Therapy	Non-Defendant DME supplier
2	Cervical Traction W/ Pump Shoulder Immobilizer w/ Abd System (R)	Non-Defendant DME supplier

After an initial examination with Conesa on January 14, 2025, Conesa purportedly issued eight separate prescriptions in the name of BC for:

	<u>Item(s) Prescribed</u>	<u>Prescription Provided to:</u>
1	Triad Infrared Light Pad	GB Ortho
2	PEMF Device	Gamlev Ortho
3	Ultrasound Therapy Device	Gamlev Ortho
4	Osteogenesis Stimulator	Non-Defendant DME supplier
5	Bed Boarding/Egg Crate Mattress Cervical Collar Cervical Pillow Lumbar Cushion Lumbar Sacral Support Thermal Moist Pad Water Circulation Shoulder Orthosis Wrist Support	Non-Defendant DME supplier
6	Orthopedic Car Seat	Non-Defendant DME supplier
7	Transcutaneous Electrical Joint Stimulation Device	Non-Defendant DME supplier
8	Pneumatic Compression Device and associated segmental pneumatic appliances	Non-Defendant DME supplier

On February 27, 2025, after a purported follow-up examination with Conesa, Conesa purportedly issued two separate prescriptions in the name of BC for:

	<u>Item(s) Prescribed</u>	<u>Prescription Provided to:</u>
1	EMS Unit Infrared Lamp Personal Massager Whirlpool	Non-Defendant DME supplier
2	Wrist & Thumb Support (L)	Non-Defendant DME supplier

An undated prescription in the name of BC was also purportedly issued by Conesa for:

	<u>Item(s) Prescribed</u>	<u>Prescription Provided to:</u>
1	Cure Max Cold Laser Device	GB Ortho

(iii) On February 8, 2025, an Insured named JCR was purportedly involved in a motor vehicle accident and thereafter purportedly started treatment at the Webster Ave. Clinic. After an initial examination with Conesa on February 11, 2025, Conesa purportedly issued four separate prescriptions in the name of JCR for:

	<u>Item(s) Prescribed</u>	<u>Prescription Provided to:</u>
1	PEMF Device	Gamlev Ortho
2	Ultrasound Therapy Device	Gamlev Ortho
3	Osteogenesis Stimulator	Non-Defendant DME supplier
4	Bed Boarding/Egg Crate Mattress Cervical Collar Cervical Pillow Lumbar Cushion Lumbar Sacral Support Thermal Moist Pad Water Circulation Shoulder Orthosis Knee Brace	Non-Defendant DME supplier

On April 11, 2025, Conesa purportedly issued a prescription in the name of JCR, despite not examining or otherwise treating JCR on that date, for:

	<u>Item(s) Prescribed</u>	<u>Prescription Provided to:</u>
1	EMS Unit Infrared Lamp Personal Massager Whirlpool	Non-Defendant DME supplier

Two separate undated prescriptions in the name of JCR were also purportedly issued by Conesa for:

	<u>Item(s) Prescribed</u>	<u>Prescription Provided to:</u>
1	Triad Infrared Light Pad	GB Ortho
2	Cure Max Cold Laser Device	GB Ortho

220. These are only representative examples of the predetermined prescription protocols

established at the Webster Ave. Clinic. Additional examples are attached as Exhibit “13.”

221. In fact, nearly all the Insureds identified in Exhibits “8” – “10” who treated at the Webster Ave. Clinic were issued prescriptions for the same type of Fraudulent Equipment pursuant to the predetermined fraudulent protocols identified above and without regard for the medical necessity of such items.

c. The No-Fault Clinic located at 1975 Linden Blvd., Elmont, New York

222. The No-Fault Clinic located at 1975 Linden Blvd., Elmont, New York (the “Linden Blvd. Clinic”) was another of the No-Fault Clinics where Defendants conspired with others not presently identifiable to obtain medically unnecessary prescriptions for Fraudulent Equipment pursuant to a predetermined fraudulent protocol and further serves to demonstrate the scope of Defendants’ fraudulent scheme as it shifted operations from one DME Provider to the next to avoid detection.

223. Regardless of the type of motor vehicle accident, the age of each patient, each patient’s physical condition, each patient’s subjective complaints, or whether each patient would actually use the Fraudulent Equipment, the Referring Providers purportedly prescribed, at a minimum, the following Fraudulent Equipment, to virtually every Insured identified in Exhibits “7” and “11” who treated at the Linden Blvd. Clinic: (i) PEMF Device; (ii) Osteogenesis Stimulator; (iii) PCD; and (iv) SAM Unit.

224. In addition, the Referring Providers would also routinely issue one or more separate additional prescriptions to Insureds for the following Fraudulent Equipment: (i) CCTS and attendant accessories; (ii) “Ultrasound Therapy” Device; (iii) “Home Based Low Intensity Ultrasound Device”; (iv) “Millimeter Wave Therapy Device (Portable)” (v) “Powered Pressure-Reducing Air Mattress”; (vi) “Vibration Therapy Device (High Frequency)”;

(vii) “Pulsed

Electromagnetic Therapy”; (viii) “Orthopedic Car Seat”; (ix) “Trans Elect JT Stim Dev Sys”; (x) “Bed Board”; (xi) “Egg Crate Mattress”; (xii) “Cervical Collar”; (xiii) “Cervical Pillow”; (xiv) “Lumbar Cushion”; (xv) “Lumbosacral Support”; (xvi) “Shoulder Brace”; (xvii) “Knee Brace”; (xviii) “Massager”; (xix) “Infrared Heating Lamp”; (xx) “EMS Unit 4 Leads”; and/or (xxi) “TENS/EMS Replacement Belt”.

225. Relatedly, Insureds identified in Exhibit “11” would virtually always be provided with additional prescriptions for the following Fraudulent Equipment: (i) CCTS and attendant accessories; and (ii) SAM Unit.

226. Further, Insureds were also routinely provided with prescriptions for other types of Fraudulent Equipment that were purportedly provided by other medical supply companies.

227. The prescriptions purportedly issued by Referring Providers at the Linden Blvd. Clinic (which are representative of the types of prescriptions issued at all of the Clinics) were not based upon legitimate examinations by the Referring Providers that evaluated each Insured’s individual symptom or presentation and determined whether and what type of DME to provide.

228. Rather, these prescriptions were based upon a predetermined fraudulent protocol established by the Clinic Controllers and other John Doe Defendants and were obtained by the Defendants through improper financial arrangements with the Clinic Controllers and other John Doe Defendants.

229. As demonstrated above, the vast majority of these prescriptions contained a photocopied signature of the Referring Provider who purportedly issued the prescription.

230. Furthermore, the initial examination or follow-up examination reports, to the extent that there were contemporaneously dated examination reports, did not accurately identify the Fraudulent Equipment purportedly prescribed to the Insureds. In fact, the reports did not contain

sufficient information describing the medical necessity of the prescribed Fraudulent Equipment.

231. Even more, the follow-up examination reports from the Referring Providers at the Linden Blvd. Clinic failed to include any meaningful information regarding the Insureds’ use of the previously prescribed Fraudulent Equipment, to the extent it was even mentioned at all.

232. Further illustrative of the fact that the Insureds identified in Exhibits “7” and “11” that were treated at the Linden Blvd. Clinic were prescribed Fraudulent Equipment pursuant to predetermined fraudulent protocols, the Insureds were frequently purportedly issued prescriptions by Referring Providers for a variety of Fraudulent Equipment on days that the Referring Provider did not examine or otherwise treated the Insureds.

233. The predetermined fraudulent protocols related to the prescriptions issued and the Defendants’ common scheme to shift the billing from one DME Provider to the next are illustrated by the following examples:

- (i) On February 13, 2025, an Insured named JM was purportedly involved in a motor vehicle accident and thereafter purportedly started treatment at the Linden Blvd. Clinic. On February 18, 2025, Yledede Mimi Cummings, N.P. (“Cummings”) purportedly issued eight separate prescriptions in the name of JM, despite not examining or otherwise treating JM on that date, for:

	<u>Item(s) Prescribed</u>	<u>Prescription Provided to:</u>
1	PEMF Mattress	Newtimesupply
2	Osteogenesis Stimulator	Newtimesupply
3	PCD	Newtimesupply
4	Bed Board Egg Crate Mattress Cervical Collar Cervical Pillow Lumbar Cushion Lumbosacral Support Shoulder Brace (R/L) Massager Infrared Heating Lamp EMS Unit 4 Leads	Non-Defendant DME supplier

	TENS/EMS Replacement Belt	
5	Pulsed Electromagnetic Therapy	Non-Defendant DME supplier
6	SAM Unit	Non-Defendant DME supplier
7	Orthopedic Car Seat Trans Elec Jt Stim Dev Sys	Non-Defendant DME supplier
8	Vibration Therapy Device (High Frequency)	Non-Defendant DME supplier

(ii) On February 16, 2025, an Insured named JC was purportedly involved in a motor vehicle accident and thereafter purportedly started treatment at the Linden Blvd. Clinic. On February 16, 2025, Cummings purportedly issued a prescription in the name of JC, despite not examining or otherwise treating JC on that date, for:

	<u>Item(s) Prescribed</u>	<u>Prescription Provided to:</u>
1	Orthopedic Car Seat	Non-Defendant DME supplier

On February 18, 2025, Cummings purportedly issued eight separate prescriptions in the name of JC, despite not examining or otherwise treating JC on that date, for:

	<u>Item(s) Prescribed</u>	<u>Prescription Provided to:</u>
1	PEMF Mattress	Newtimesupply
2	Osteogenesis Stimulator	Newtimesupply
3	PCD	Newtimesupply
4	Bed Board Egg Crate Mattress Cervical Collar Cervical Pillow Lumbar Cushion Lumbosacral Support Massager Infrared Heating Lamp EMS Unit 4 Leads TENS/EMS Replacement Belt	Non-Defendant DME supplier
5	Pulsed Electromagnetic Therapy	Non-Defendant DME supplier
6	SAM Unit	Non-Defendant DME supplier
7	SAM Unit	Non-Defendant DME supplier
8	Home Based Low Intensity Ultrasound Device	Non-Defendant DME supplier

(iii) On February 23, 2025, an Insured named AS was purportedly involved in a motor vehicle accident and thereafter purportedly started treatment at the Linden Blvd. Clinic. On February 25, 2025, Cummings purportedly issued

seven separate prescriptions in the name of AS, despite not examining or otherwise treating AS on that date, for:

	<u>Item(s) Prescribed</u>	<u>Prescription Provided to:</u>
1	PEMF Mattress	Newtimesupply
2	Osteogenesis Stimulator	Newtimesupply
3	PCD	Newtimesupply
4	Bed Board Egg Crate Mattress Cervical Collar Cervical Pillow Lumbar Cushion Lumbosacral Support Should Brace (L) Knee Brace (L) Massager Infrared Heating Lamp EMS Unit 4 Leads TENS/EMS Replacement Belt	Non-Defendant DME supplier
5	Pulsed Electromagnetic Therapy	Non-Defendant DME supplier
6	SAM Unit	Non-Defendant DME supplier
7	Vibration Therapy Device (High Frequency)	Non-Defendant DME supplier

234. These are only representative examples of the predetermined prescription protocols established at the Linden Blvd. Clinic. Additional examples are attached as Exhibit “14.”

235. In fact, nearly all the Insureds identified in Exhibits “7” and “11” who treated at the Linden Blvd. Clinic were issued prescriptions for the same type of Fraudulent Equipment pursuant to the predetermined fraudulent protocols identified above and without regard for the medical necessity of such items.

3. Medically Unnecessary Prescriptions for PEMF Devices

236. As part of their fraudulent scheme, the Referring Providers purportedly prescribed, and the Defendants purportedly dispensed and billed for PEMF Devices (often referred to as PEMF mattresses or rings) under the “miscellaneous” HCPCS Code E1399 resulting in charges of \$4,766.24, \$4,766.25, or \$4,724.00 per Insured who purportedly received the device, even though

at best, the DME Providers dispensed cheap devices, to the extent any device was dispensed at all.

237. The PEMF Devices prescribed by the Referring Providers and dispensed by the Defendants provide treatment that is considered experimental and investigational.

238. Policy bulletins by commercial insurers make clear that pulsed electromagnetic stimulation is experimental and investigational and there is no legitimate body of evidence that establishes the effectiveness of PEMF Devices for the treatment of back, neck, or shoulder pain.

239. Notwithstanding the experimental and investigational nature of Pulsed Electromagnetic Field therapy, the Referring Providers repeatedly purported to prescribe and the Defendants purported to dispense the expensive PEMF Devices to numerous Insureds solely to maximize profits without regard to genuine patient care.

240. Virtually all of the charges for PEMF Devices the Defendants submitted, or caused to be submitted, were pursuant to preprinted PEMF Device prescription forms. These prescription forms were distributed to the Referring Providers to sign and were then photocopied as part of the Defendants' scheme to bill GEICO for medically unnecessary Fraudulent Equipment.

241. To create the false impression that the PEMF Devices dispensed by the Defendants were medically necessary, the prescriptions contained the following preprinted language on each prescription issued to Insureds:

I am writing this letter to request coverage for a pulsed electromagnetic field (PEMF) device for use at home by our patient. My patient has been undergoing treatment in our facility for the injuries sustained on above mentioned date. Patient is suffering from sprain/contusion/injury, which has caused significant pain and mobility limitations. Despite various conventional treatment methods, patient has not seen significant improvement in their condition and continues to experience symptoms.

After conducting a thorough review of patient's medical history and current treatment plan, I strongly recommend the use of a PEMF device as a complementary therapy. PEMF therapy has been shown to be effective in reducing pain and improving mobility in patients with above diagnosis. Additionally, the device helps and accelerates the healing of soft tissue injuries and helps greatly enhance patient ability to comply with their treatment plan and potentially improve their overall outcome.

Since electrical pulsed electromagnetic field therapy has been proven to effectively reduce pain and improve functionality in patients with musculoskeletal conditions. This therapy uses low-frequency electromagnetic waves to promote healing and reduce inflammation, allowing for improved mobility and reduce pain.

This device has been cleared due to its proven effectiveness and safety record in the treatment of above diagnosis. Furthermore, it has received FDA clearance for the use in list of specific indications.

In conclusion, I believe that the use of a PEMF device as a complementary therapy will be a valuable addition to patient's current treatment plan and significantly improve their overall quality of life. I kindly request your prompt consideration and approval of this request.

242. The preprinted prescription forms purportedly issued by the Referring Providers, include a space for the Referring Provider to insert information about each Insured’s condition, but as part of the predetermined prescription protocols established between the Defendants, Clinic Controllers, and John Doe Defendants, this part of the prescription was left in place, stating “This patient is suffering from specific condition/injury” without further elaborating on or detailing their complaints, symptoms, or diagnosis or why a PEMF Device is medically necessary for each specific Insured.

243. The prescriptions also reference to the fact that PEMF Devices have “received FDA clearance for the use in [a] list of specific indications.” However none of these “specific indications” a PEMF Device has received FDA clearance for were present in the Insureds prescribed PEMF Devices, such as: (i) stimulating bone growth for patients suffering from osteoporosis; (ii) the reduction of post-operative swelling and pain; (iii) treatment of medication-resistant depression; (iv) treating certain cancer conditions like glioblastoma and metastatic malignant pleural mesothelioma; and (v) as an adjunct to cervical fusion surgery.

244. For these reasons in each of the claims identified in Exhibits “1” – “11” the Defendants falsely represented that PEMF Devices were medically necessary, and were, therefore, eligible to collect No-Fault Benefits, when, in fact, the prescriptions for the PEMF Devices were not medically necessary. Rather they were prescribed pursuant to predetermined fraudulent protocols and collusive arrangements among Defendants, Clinic Controllers, and other John Doe Defendants.

4. Medically Unnecessary Prescriptions for Osteo Stim Devices

245. Also as part of the fraudulent scheme, the Referring Providers purportedly prescribed, and the Defendants purportedly dispensed Osteo Stim Devices under HCPCS E0747, E0748, and E0760 resulting in charges of either \$3,300.00 or \$2,700.00, respectively, per Insured who purportedly received the device, even though at best, the DME Providers dispensed cheap, portable stimulation devices, to the extent any device was dispensed at all.

246. Osteo Stim Devices are devices used to encourage bone growth and accelerate fracture healing. Various commercial insurers have issued policy bulletins that make clear the use of an osteogenesis stimulator is only necessary to heal bone fractures under limited circumstances, while the Centers for Medicare & Medicaid Services (“CMS”) has published guidance stating that non-spinal electrical Osteo Stim Devices billed under E0747, spinal electrical Osteo Stim Devices billed under E0748, and ultrasonic Osteo Stim Devices billed under E0760, are covered only in limited circumstances.

247. Specifically, CMS’s published guidance states as follows:

A non-spinal electrical Osteo Stim Device (E0747) is covered only if any of the following criteria are met:

1. Nonunion of a long bone fracture (see Appendices section) defined as radiographic evidence that fracture healing has ceased for three or more months prior to starting treatment with the osteogenesis stimulator, or

2. Failed fusion of a joint other than in the spine where a minimum of nine months has elapsed since the last surgery, or
3. Congenital pseudarthrosis.

Nonunion of a long bone fracture must be documented by a minimum of two sets of radiographs obtained prior to starting treatment with the osteogenesis stimulator, separated by a minimum of 90 days, each including multiple views of the fracture site, and with a written interpretation by a treating practitioner stating that there has been no clinically significant evidence of fracture healing between the two sets of radiographs.

A non-spinal electrical Osteo Stim Device will be denied as not medically necessary if none of the criteria above are met...

A spinal electrical Osteo Stim Device (E0748) is covered only if any of the following criteria are met:

1. Failed spinal fusion where a minimum of nine months has elapsed since the last surgery, or
2. Following a multilevel spinal fusion surgery..., or
3. Following spinal fusion surgery where there is a history of a previously failed spinal fusion at the same time.

A spinal electrical Osteo Stim Device will be denied as not medically necessary if none of the criteria above are met.

An ultrasonic Osteo Stim Device (E0760) is covered only if all of the following criteria are met:

1. Nonunion of a fracture documented by a minimum of two sets of radiographs obtained prior to starting treatment with the osteogenesis stimulator, separated by a minimum of 90 days. Each radiograph set must include multiple views of the fracture site accompanied by a written interpretation by a treating practitioner stating that there has been no clinically significant evidence of fracture healing between the two sets of radiographs; and
2. The fracture is not of the skull or vertebrae; and
3. The fracture is not tumor related.

Nonunion of a long bone fracture must be documented by a minimum of two sets of radiographs obtained prior to starting treatment with the Osteo Stim Device, separated by a minimum of 90 days, each including multiple views of the fracture site, and with a written interpretation by a treating practitioner stating that there has been no clinically significant evidence of fracture healing between the two sets of radiographs.

An ultrasonic Osteo Stim Device will be denied as not medically necessary if none

of the criteria above are met.

Use of an ultrasonic Osteo Stim Device for the treatment of a fresh fracture or delayed union will be denied as not medically necessary...

An ultrasonic Osteo Stim Device will be denied as not medically necessary if it is used with other noninvasive Osteo Stim Devices.

See <https://www.cms.gov/medicare-coverage-database/view/lcd.aspx?LCDId=33796>.

248. Notwithstanding the limited, accepted uses for Osteo Stim Devices, the Referring Providers repeatedly prescribed and the Defendants billed for expensive Osteo Stim Devices under HCPCS Code E0747, E0748, and E0760, with total reimbursable charges of either \$3,300.00 or \$2,700.00 per device, which were purportedly dispensed to numerous Insureds who suffered no bone fractures or spinal fusions – all solely to maximize profits without regard to genuine patient care.

249. Virtually all of the charges for Osteo Stim Devices the Defendants submitted, or caused to be submitted, were pursuant to preprinted Osteo Stim Device prescription forms. These prescription forms were distributed to the Referring Providers to sign, and their signature was then photocopied as part of the Defendants' scheme to bill GEICO for medically unnecessary Fraudulent Equipment.

250. To create the false impression that the Osteo Stim Devices dispensed by the Defendants were medically necessary, the prescriptions virtually always contained a boilerplate, non-individualized "explanation" for the prescription of the Osteo Stim Device. For instance, the following type of prescription was routed to Newtimesupply and New Way and used in support of their billing to GEICO:

I am writing this letter to request an electrical osteogenesis stimulator on behalf of my patient. Above named patient has been diagnosed with specific medical condition (see my report). The recommended treatment for this condition is an electrical osteogenesis stimulator.

An electrical osteogenesis stimulator is a medical device that uses low-level electrical currents to stimulate bone healing and pain relief. This device has been shown to be effective as bone growth stimulators work by emitting either a low-level pulsed electromagnetic field or pulsed ultrasound energy. The theory is that these energy fields stimulate the bone growth process by helping the body to repair tissue and increase cell formation and maturity, leading to the healing process.

As the patient has specific medical conditions and is at a higher risk for complications related to bone healing, an electrical osteogenesis stimulator would be beneficial in healing process in a safe and efficient manner.

I strongly recommend that the above-named patient be provided with an electrical osteogenesis stimulator as soon as possible to facilitate their recovery and improve their quality of life.

251. The representative preprinted prescription makes vague reference to an Insured's "medical condition" without further elaborating on or detailing their complaints, symptoms, or diagnosis or why the Osteo Stim Device is medically necessary for the specific Insured.

252. In fact, none of the prescriptions ever contained a discussion of any of the patients' actual individual needs and diagnoses. Further, the prescriptions almost always referred to an Osteo Stim Device's legitimate use in healing bone fractures, yet none of the Insureds identified in Exhibits "1" – "11" had a documented bone fracture that met the qualifications for legitimate application of an Osteo Stim Device as described above.

253. For these reasons in each of the claims identified in Exhibits "1" – "11" the Defendants falsely represented that Osteo Stim Devices were medically necessary, and were, therefore, eligible to collect No-Fault Benefits, when, in fact, the prescriptions for the Osteo Stim Devices were not medically necessary. Rather they were prescribed pursuant to predetermined fraudulent protocols and collusive arrangements among Defendants, Clinic Controllers, and other John Doe Defendants.

5. Medically Unnecessary Prescriptions for PCDs

254. Also as part of their fraudulent scheme, the Referring Providers purportedly prescribed, and the Defendants purportedly dispensed and billed for PCDs under HCPCS E0675

resulting in charges of \$2,826.70 per Insured who purportedly received the device, as identified in Exhibits “2” – “11”, even though at best, the DME Providers dispensed cheap, portable devices, to the extent any device was dispensed at all.

255. PCDs are devices which inflate and deflate removable cuffs placed on a person’s limbs. In legitimate practice, different types of PCDs are used to: (i) aid in the prevention of developing deep vein thrombosis in bed-bound or limited mobility patients; (ii) treat lymphedema, which is a condition causing swelling due to a buildup of lymph fluid in the body’s tissues; or (iii) aid in the treatment of arterial insufficiency in individuals with peripheral artery disease, which is a circulatory condition where narrowed blood vessels reduce blood flow to the limbs.

256. Virtually all of the charges for PCDs the Defendants submitted, or caused to be submitted, were pursuant to preprinted PCD prescription forms. These prescription forms were distributed to the Referring Providers to sign and were then photocopied as part of the Defendants’ scheme bill GEICO for medically unnecessary Fraudulent Equipment.

257. To create the false impression that the PCDs dispensed by the Defendants were medically necessary, the prescriptions virtually always contained a boilerplate, non-individualized “explanation” for the prescription of the PCD. For instance, the following type of prescription was routed to LV Ortho, Healing Recovery, Willis Equipment, People’s Choice, S&D Legal Assistant, GB Ortho, Gamlev Ortho, and CSupply and used in support of their billing to GEICO:

<p><input type="checkbox"/> PNEUMATIC COMPRESSION DEVICE (HIGH PRESSURE) Relieve muscle fatigue & pain and improve blood circulation.</p> <p>I am writing this letter to request PNEUMATIC COMPRESSION DEVICE (HIGH PRESSURE) on behalf of my patient. Above named patient has been diagnosed with specific medical condition (see my report). The recommended treatment for this condition is a Pneumatic Compression Device would be beneficial in healing process in a safe and efficient manner. I strongly recommended that the above-named patient be provided with Pneumatic Compression Device as soon as possible in facilitate their recovery and improve their quality of life.</p>
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258. The representative preprinted prescription makes vague reference to an Insured's "medical condition" without further elaborating on or detailing their complaints, symptoms, or diagnosis or why the PCD is medically necessary for the specific Insured.

259. In fact, none of the prescriptions ever contained a discussion of any of the patients' actual individual needs and diagnoses. Not surprisingly, the contemporaneous medical records do not indicate that the Insureds who received a prescription for a PCD from Referring Providers: (i) were at risk for developing a DVT; (ii) were diagnosed with lymphedema; or (iii) were diagnosed with arterial insufficiency or peripheral artery disease.

260. In response to the prescriptions purportedly issued by the Referring Providers, the Defendants billed GEICO HCPCS Code E0675, which represented that the Defendants sold to Insureds pneumatic compression devices, described as "high pressure, rapid inflation/deflation cycle, for arterial insufficiency (unilateral and bilateral system)", despite Insureds not being diagnosed by the Referring Providers with such a condition.

261. For these reasons in each of the claims identified in Exhibits "2" – "11" the Defendants falsely represented that PCDs were medically necessary, and were, therefore, eligible to collect No-Fault Benefits, when, in fact, the prescriptions for the PCDs were not medically necessary. Rather they were prescribed pursuant to predetermined fraudulent protocols and collusive arrangements among Defendants, Clinic Controllers, and other John Doe Defendants.

6. Medically Unnecessary Prescriptions for Triad Infrared Light Heat Pads

262. As a further part of the fraudulent scheme, the Referring Providers purportedly prescribed, and the Defendants purportedly dispensed Triad Infrared Light Heat Pads, under HCPCS E0221, resulting in charges of \$2,220.00 per Insured who purportedly received the device, as identified in Exhibits "4" – "6", "8", and "10", even though at best the DME Providers dispensed

cheap heat pads, to the extent any device was dispensed at all.

263. Virtually all of the charges for Triad Infrared Light Heat Pads the Defendants submitted, or caused to be submitted, were pursuant to preprinted Triad Infrared Light Heat Pads prescription forms. These prescription forms were distributed to the Referring Providers to sign, and their signature was then photocopied as part of the Defendants' scheme to bill GEICO for medically unnecessary Fraudulent Equipment.

264. To create the false impression that the devices dispensed by the Defendants were medically necessary, the prescriptions contained the following preprinted language on each prescription issued to Insureds:

PRODUCT: Triad 3LT™ Infrared Heat Pad with Low Level Light Therapy (LLLT) - E0221
I am prescribing the Triad 3LT™ Infrared Heat Pad with Low Level Light Therapy (LLLT) which is an FDA Cleared device to treat and reduce musculoskeletal pain and inflammation. The Triad 3LT™ LLLT combines three wavelengths Infrared Heat (830nm and 950nm) and Red Light Laser (630nm) for deep soft tissue penetration; supported by multiple Published Level 1 Double-blind studies showing the clinical benefits of LLLT Photobiomodulation Therapy. The patient can treat their acute or chronic pain and inflammation at home. I certify that the Triad 3LT™ device is medically indicated and in my opinion is reasonable and necessary to treat this patient's condition.

265. The prescriptions purportedly issued by the Referring Providers make vague reference to an Insured's "condition" without further elaborating on or detailing their complaints, symptoms, or diagnosis or why the Triad Infrared Light Heat Pad is medically necessary for each specific Insured.

266. Further, Triad Infrared Light Heat Pads are FDA cleared for "light based over the counter wrinkle reduction," not for the treatment or reduction of the types of musculoskeletal pain and inflammation commonly experienced by a person involved in an automobile accident.

267. Additionally, policy bulletins by commercial insurers make clear that low level light therapy of the type purportedly provided by the Triad Infrared Light Heat Pads is experimental and investigational and there is no legitimate body of evidence that establishes the

effectiveness of low-level light therapy devices for the treatment of back, neck, or shoulder pain commonly experiences post-automobile accident.

268. Notwithstanding the experimental and investigational nature of low-level light therapy, the Referring Providers prescribed these Triad Infrared Light Heat Pads to Insureds, which were then dispensed to Insureds by the Defendants solely to maximize profits without regard to genuine patient care.

269. For these reasons in each of the claims identified in Exhibits “4” – “6”, “8”, and “10” the Defendants falsely represented that Triad Infrared Light Heat Pads were medically necessary, and were, therefore, eligible to collect No-Fault Benefits, when, in fact, the prescriptions for the Triad Infrared Light Heat Pads were not medically necessary. Rather they were prescribed pursuant to predetermined fraudulent protocols and collusive arrangements among Defendants, Clinic Controllers, and other John Doe Defendants.

7. Medically Unnecessary Prescriptions for CCTSs

270. Also as part of their fraudulent scheme, the Referring Providers purportedly prescribed, and the Defendants purportedly dispensed and billed for CCTSs and attendant accessories under HCPCS E1399 resulting in charges of \$1,650.00 or \$1,800.00 per Insured who purportedly received the device, as identified in Exhibits “4” – “8” and “11”, even though at best, the DME Providers dispensed cheap, cold compression devices to the extent any device was dispensed at all.

271. Virtually all of the charges for CCTSs the Defendants submitted, or caused to be submitted, were pursuant to preprinted CCTS prescription forms. These prescription forms were distributed to the Referring Providers to sign and were then photocopied as part of the Defendants’ scheme bill GEICO for medically unnecessary Fraudulent Equipment.

272. To create the false impression that the CCTSs dispensed by the Defendants were medically necessary, the prescriptions virtually always contained a boilerplate, non-individualized “explanation” for the prescription of the CCTS. For instance, the following type of prescription was routed to Willis Equipment, People’s Choice, S&D Legal Assistant, Newtimesupply, and GB Ortho and used in support of their billing to GEICO:

I am writing on behalf of my patient that you approve coverage for the Cold Compression therapy system. It is a part of my plan of care for my patient's rehabilitative path to recovery. It is my opinion that this device is medically necessary and reasonable in reference to current medical practice act standards for treatment of my patient's condition. I am prescribing this medical device as it will prevent unnecessary suffering and delays in recovery time. Please call my office with questions regarding this therapy system.

The Cold Compression is a vaso-pneumatic cold compression therapy system that provides patients with “therapy” and intermittent compression. Cold Compression therapy is a proven, effective technique in rehabilitative care to effectively reduce recovery time as well as reducing edema, swelling, and pain. The Cold Compression therapy device is medically indicated for my patient's diagnosis and condition.

For these reasons, the pneumatic compressor and compression wrap was prescribed for this patient to maximize the outcome of the patient's rehabilitation and reduce complications. I have successfully used this device in my practice and my patients tolerate the treatment and are compliant.

It will be necessary for the patient to use this pneumatic compressor and compression wrap daily for a specified period of time at the prescribed pressures as tolerated. We find this product is not effective and easy to use for the patient or caregiver.

273. The representative preprinted prescription makes vague reference to an Insured’s “condition” without further elaborating on or detailing their complaints, symptoms, or diagnosis or why the CCTS is medically necessary for the specific Insured.

274. In fact, none of the prescriptions ever contained a discussion of any of the patients’ actual individual needs and diagnoses. Further, the CCTSs dispensed by the Defendants essentially provide cold therapy to a part of the patient’s body, which is not more effective than using a standard ice pack and bandage.

275. Where a patient is able to place an icepack, there is no medically necessary reason to use a CCTS. This is especially true considering that medical studies have shown no difference in recovery or functionality of patients using a CCTS compared to an ice pack.

276. Moreover, the use of cold-therapy – either in the form of an ice pack or a CCTS –

subsequent to trauma to decrease swelling, is generally most effective during the first few days after acute injury.

277. After the first few days, cold therapy is only helpful to patients immediately after range of motion exercises performed during physical therapy. In that limited scenario, cold therapy is typically provided by the physical therapist in the form of ice packs.

278. It is improbable that a legitimate physician would issue a prescription for a CCTS to a patient greater than one-week post-motor vehicle accident.

279. It is also improbable that a legitimate physician would issue a prescription for a CCTS to a patient post-motor vehicle accident when that patient is able to use icepacks.

280. In keeping with the fact that the Fraudulent Equipment prescribed by the Referring Providers to the Insureds identified in Exhibits “4” – “8” and “11” was medically unnecessary and provided pursuant to a predetermined fraudulent protocol, in the significant majority of instances the Insureds identified in Exhibits “4” – “8” and “11” were prescribed the CCTS more than a week after the accident, and long after the period when cold therapy and compression – or even an ice pack and ACE bandage – would decrease swelling after the trauma from an automobile accident.

281. For these reasons in each of the claims identified in Exhibits “4” – “8” and “11”, the Defendants falsely represented that CCTSs were medically necessary, and were, therefore, eligible to collect No-Fault Benefits, when, in fact, the prescriptions for the CCTSs were not medically necessary. Rather they were prescribed pursuant to predetermined fraudulent protocols and collusive arrangements among Defendants, Clinic Controllers, and other John Doe Defendants.

8. Medically Unnecessary Prescriptions for Cure Max Cold Laser Devices

282. As further part of their fraudulent scheme, the Referring Providers purportedly prescribed, and the Defendants purportedly dispensed and billed for Cure Max Cold Laser Devices

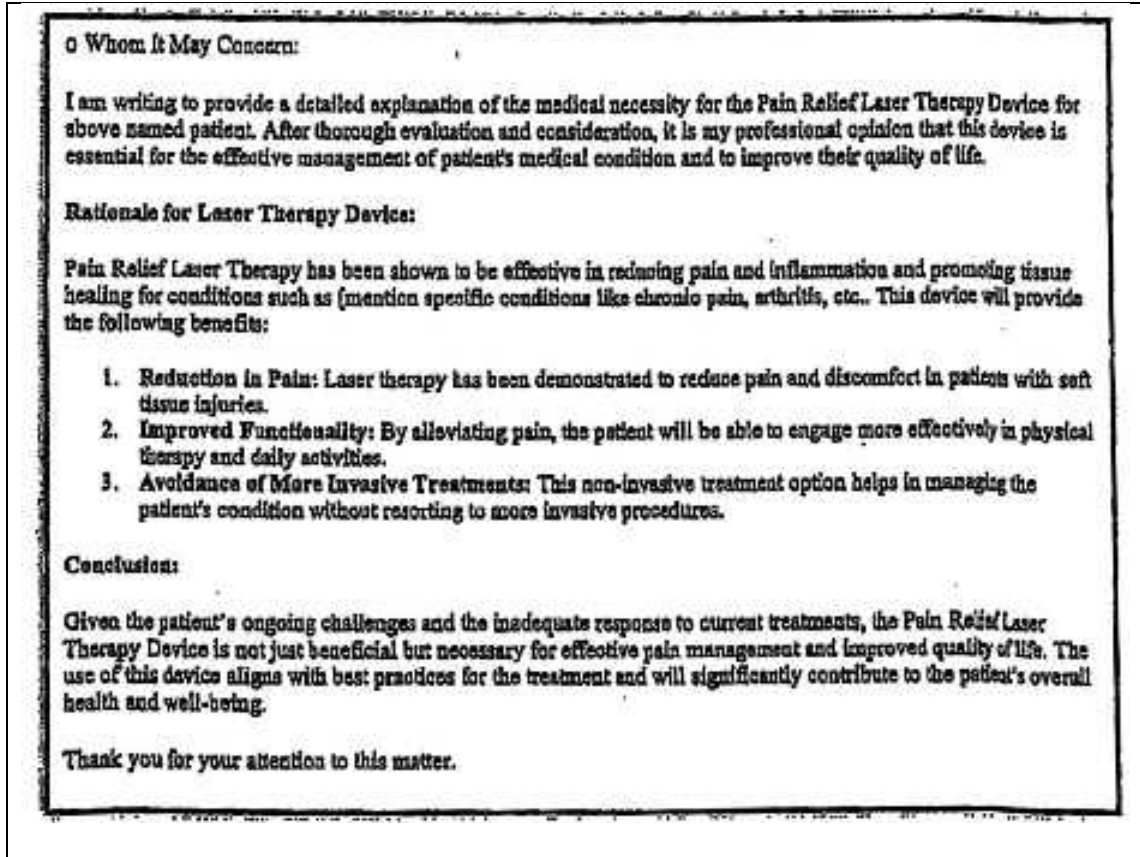
under HCPCS E1399 resulting in charges of, \$3,450.00 per Insured who purportedly received the device, as identified in Exhibits “4” – “8” and “10,” even though at best, the DME Providers dispensed cheap devices, to the extent any device was dispensed at all.

283. Cure Max Cold Laser Devices are categorized as low-level laser therapy devices. However, low-level laser therapy devices are considered investigational and experimental in the medical industry and have not been proven effective for treating the types of injuries sustained by Insureds involved in “fender-bender” type automobile accidents.

284. Indeed, the FDA has not issued any conclusions about the effectiveness of low-level laser therapy devices because of a paucity of comprehensive, large-scale clinical studies.

285. Virtually all of the charges for Cure Max Cold Laser Devices the Defendants submitted, or caused to be submitted, were pursuant to preprinted Cure Max Cold Laser Devices prescription forms. These prescription forms were distributed to the Referring Providers to sign and were then photocopied as part of the Defendants’ scheme to bill GEICO for medically unnecessary Fraudulent Equipment.

286. To create the false impression that the Cure Max Cold Laser Devices dispensed by the Defendants were medically necessary, the prescriptions contained the following preprinted language on each prescription issued to Insureds:



287. The prescriptions purportedly issued by the Referring Providers make vague references to an Insured's "ongoing challenges and the inadequate response to current treatments" without further elaborating on or detailing their complaints, symptoms, or diagnosis or why the Cure Max Cold Laser Devices is medically necessary for each specific Insured.

288. Further, and also in support of the fact that the Cure Max Cold Laser Devices were not medically necessary and issued pursuant to the Defendants' predetermined fraudulent protocol, the prescription forms contained a section where the Referring Providers were instructed to include information about the Insured's specific medical condition, yet each of the Referring Providers simply left in the instructions to "[mention specific conditions like chronic pain, arthritis, etc.," instead of adding actual medical information about the Insured:

Pain Relief Laser Therapy has been shown to be effective in reducing pain and inflammation and promoting tissue healing for conditions such as (mention specific conditions like chronic pain, arthritis, etc.). This device will provide the following benefits:

289. Commercial insurers do not deem low-level laser therapy devices as medically necessary, except under very specific circumstances involving the prevention of oral mucositis in an individual undergoing certain cancer treatments, nor do they provide reimbursement for low-level laser therapy devices. For example, Aetna cites inadequate evidence showing a low-level laser therapy device's effectiveness for the types of minor musculoskeletal injuries and symptoms typically experienced by Insureds involved in minor automobile accidents.

290. Notwithstanding the experimental and investigational nature of low-level laser therapy devices, the Referring Providers repeatedly purported to prescribe and the Defendants purported to dispense the expensive Cure Max Cold Laser Devices to numerous Insureds solely to maximize profits without regard to genuine patient care.

291. For these reasons, in each of the claims identified in Exhibits "4" – "8" and "10" the Defendants falsely represented that Cure Max Cold Laser Devices were medically necessary, and were, therefore, eligible to collect No-Fault Benefits, when, in fact, the prescriptions for the Cure Max Cold Laser Devices were not medically necessary. Rather they were prescribed pursuant to predetermined fraudulent protocols and collusive arrangements among Defendants, Clinic Controllers, and other John Doe Defendants.

9. Medically Unnecessary Prescriptions for SAM Units

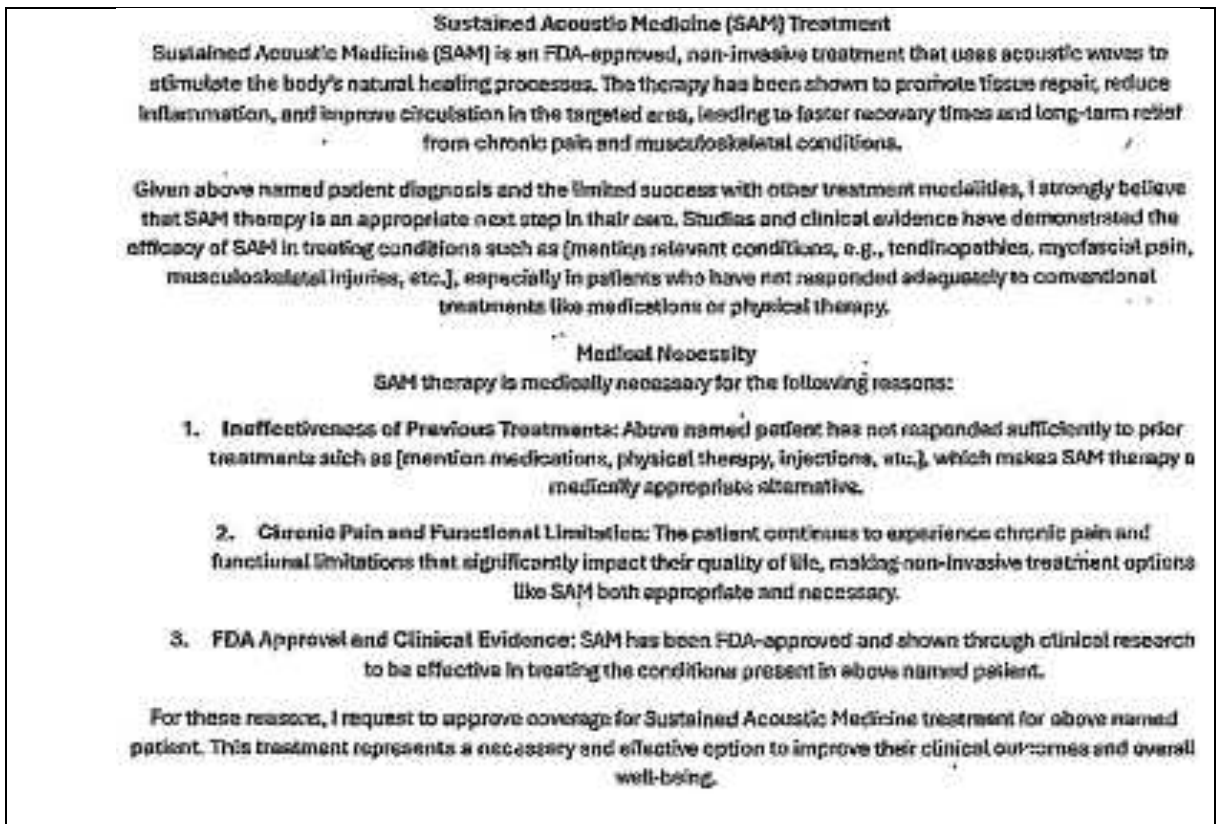
292. As part of their fraudulent scheme, the Referring Providers purportedly prescribed, and the Defendants purportedly dispensed and billed for SAM Units and associated coupling patches under HCPCS E1399 resulting in charges of \$5,100.00 per Insured who purportedly received the device, as identified in Exhibits "10" and "11" even though at best, the DME Providers

dispensed cheap devices, to the extent any device was dispensed at all.

293. Commercial insurers do not provide reimbursement for SAM Units. Aetna, for example, states that it considers “hands-free” ultrasound and low frequency sound devices – like the SAM Units – to be experimental and investigational because their clinical values have not been established.

294. Virtually all of the charges for SAM Units the Defendants submitted, or caused to be submitted, were pursuant to preprinted SAM Unit prescription forms. These prescription forms were distributed to the Referring Providers to sign and were then photocopied as part of the Defendants’ scheme bill GEICO for medically unnecessary Fraudulent Equipment.

295. To create the false impression that the SAM Units dispensed by the Defendants were medically necessary, the prescriptions contained the following preprinted language on each prescription issued to Insureds:



296. The prescriptions purportedly issued by the Referring Providers make vague references to an Insured’s “diagnosis and limited success with other treatment modalities” without further elaborating on or detailing their complaints.

297. Further, and also in support of the fact that the prescriptions issued by the Referring Providers for SAM Units were not medically necessary and issued pursuant to the Defendants’ predetermined fraudulent protocol, the prescription forms contained a section where the Referring Providers were instructed to include information about the Insured’s specific medical condition, yet each of the Referring Providers simply left in the instructions to “[mention relevant conditions, e.g., tendinopathies, myofascial pain, musculoskeletal injuries, etc.]” instead of adding actual medical information about the Insured:

[mention relevant conditions, e.g., tendinopathies, myofascial pain, musculoskeletal injuries, etc.],

298. In a legitimate setting, when a patient injured in a motor vehicle accident seeks treatment by a healthcare provider, the patient’s subjective complaints would be evaluated, and the treating provider would direct a specific course of treatment based upon the patients’ individual symptoms or presentation and assess whether that course of treatment was working before prescribing a DME device, like a SAM Unit, that has not sufficiently been proven effective for treating the injuries sustained by the Insureds involved in automobile accidents.

299. Instead, the SAM Units identified in Exhibits “10” and “11” were often prescribed to Insureds before the Referring Provider even had time to assess whether the Insureds’ conservative care had resolved the Insured’s injuries.

300. For these reasons in each of the claims identified in Exhibits “10” and “11” the Defendants falsely represented that SAM Units were medically necessary, and were, therefore,

eligible to collect No-Fault Benefits, when, in fact, the prescriptions for the SAM Units were not medically necessary. Rather they were prescribed pursuant to predetermined fraudulent protocols and collusive arrangements among Defendants, Clinic Controllers, and other John Doe Defendants.

D. The Defendants' Manipulation of the Prescriptions

301. Once the Defendants obtained the prescriptions purportedly issued by the Referring Providers as a result of the Defendants' collusive arrangements with the John Doe Defendants, the Defendants used the prescriptions to bill GEICO for whatever DME they wanted.

302. In doing so, the Defendants did not bill GEICO for medically necessary DME as determined by a licensed healthcare provider. Instead, the Defendants unlawfully decided what DME to provide Insureds without a proper prescription from a licensed healthcare provider.

303. Upon obtaining the vague and generic prescriptions from Clinic Controllers or other persons associated with the Clinics pursuant to the predetermined protocols and collusive arrangements described above, the Defendants were provided with the opportunity to choose one of several different pieces of Fraudulent Equipment, with varying reimbursement rates in the applicable fee schedule, that relate to the vague and generic terms indicated in the prescriptions.

304. The ability to choose which specific type of DME to provide an individual is specifically reserved for healthcare providers authorized by law to prescribe DME.

305. As unlicensed healthcare professionals, the Paper Owner Defendants were and are not legally authorized to prescribe or direct that an Insured receive any specific type of DME. Similarly, the DME Providers are not licensed professional corporations and do not employ any healthcare professionals who can legally prescribe or direct that an Insured receive any specific type of DME.

306. However, when the Defendants received vague and generic prescriptions for

Fraudulent Equipment to purportedly provide Insureds, many of the items in the prescriptions were not specific enough to identify a specific item of DME that could be provided to the Insureds.

307. As a result, and as part of their common scheme, whenever the vague and generic prescriptions identified a type of Fraudulent Equipment that had multiple different HCPCS Codes, which are based on the specific and unique features associated with the item, the Defendants each chose to bill GEICO using the same specific HCPCS Codes thereby representing that they purportedly provided those unique pieces of Fraudulent Equipment to the Insureds.

308. In a legitimate setting, upon receiving a vague and generic prescription for a type of DME, the provider of DME would contact the referring healthcare provider to request clarification on the specific items and features necessary to dispense to each patient.

309. However, in all of the claims identified in Exhibits “1” – “11”, whenever there was a vague and generic prescription for a type of DME, the Defendants never contacted the Referring Provider to request clarification. Instead, the Defendants made their own determination as to which unique item of Fraudulent Equipment to provide each Insured.

310. For example, at times, the Referring Providers issued prescriptions for an “Ultrasound Therapy” Device, in response to which the Defendants chose to purportedly provide Insureds with an Osteo Stim Device which meant to promote bone growth after a fracture in certain specific conditions.

311. The prescriptions issued by the Referring Providers did not identify a specific type of DME, beyond the description of an “Ultrasound Therapy” Device, and the Defendants did not obtain any additional documentation from the Referring Providers approving or otherwise acknowledging that the Osteo Stim Device was medically necessary or appropriate for the Insureds.

312. Similarly, the Defendants improperly decided what type of PCD to provide to Insureds without a valid definitive prescription from the Referring Providers.

313. Specifically, the prescriptions issued by the Referring Providers were for a “Pneumatic compression device (high pressure)” or “DVT prophylaxis system/Intermittent Compression Therapy” which did not definitively state the type of PCD to be provided to the Insureds. For example, the prescriptions did not: (i) provide a specific HCPCS Code for the PCD to be provided; or (ii) provide sufficient detail to direct Defendants to a unique type of PCD.

314. While the prescriptions issued by the Referring Providers did not identify a specific type of medically necessary PCD for the Insureds, the Defendants chose to purportedly supply Insureds with a PCD meant for patients with an arterial insufficiency and did not obtain any additional documentation from the Referring Providers approving or otherwise acknowledging this specific type of PCD – either by HCPCS Code or a detailed description – was medically necessary for the Insureds.

315. These prescriptions issued by the Referring Providers were intended to and actually provided the Defendants with the opportunity to select from among several different pieces of Fraudulent Equipment, each having varying reimbursement rates in the Fee Schedule.

316. In a legitimate clinical setting, when a DME provider obtains a prescription that did not contain a HCPCS Code or a sufficient description to identify a specific item of DME, the DME provider would contact the referring healthcare provider to request clarification on the specific items that were being requested, including the features and requirements to dispense the appropriate DME prescribed to each patient.

317. As also part of a legitimate clinical setting, the DME provider would have the referring healthcare provider sign documentation to confirm that the specific item of DME –

identified by HCPCS Code or a detailed description – was medically necessary for the patient, or at a minimum would document the conversation with the healthcare provider in a contemporaneous note included in the patient’s file.

318. Upon information and belief, the Defendants never contacted the Referring Providers to seek instruction and/or clarification but rather made their own determination as to the specific Fraudulent Equipment purportedly provided to each Insured.

319. The Fraudulent Equipment provided to the Insureds identified in Exhibits “1” – “11” to the extent that the Fraudulent Equipment was actually provided – by the Defendants was not based on: (i) prescriptions by the Referring Providers that contained sufficient detail to identify unique types DME; or (ii) a determination by a licensed healthcare provider that the specific items dispensed to the Insureds were medical necessity. Rather, the Fraudulent Equipment identified in Exhibits “1” – “11” was the result of decisions made by the Defendants.

320. In all the claims identified in Exhibits “1” – “11” that were based upon vague and generic language contained in the prescriptions, the Defendants falsely represented that the Fraudulent Equipment purportedly provided to Insureds was based upon prescriptions for reasonable and medically necessary DME issued by healthcare providers with lawful authority to do so. To the contrary, the Fraudulent Equipment was purportedly provided by the Defendants’ own determination of what unique types of Fraudulent Equipment to purportedly provide and therefore was not eligible for reimbursement of No-Fault Benefits.

E. The Defendants’ Common Fraudulent Misrepresentations Regarding the DME Purportedly Dispensed

321. In addition to obtaining medically unnecessary prescriptions based upon predetermined fraudulent protocols, collusive arrangements with the John Doe Defendants and dispensing the Fraudulent Equipment without a licensed healthcare provider determining the

specific DME was medically necessary, the Defendants each submitted bills to GEICO that misrepresented the DME provided to the Insureds – to the extent that any DME actually was provided.

322. As part of Defendants’ common scheme and controlled by the Secret Owner, the bills submitted to GEICO and other New York automobile insurers by Defendants made virtually identical misrepresentations regarding the HCPCS Codes used for the Fee Schedule items purportedly provided and the maximum reimbursement rate charged for Non-Fee Schedule items.

323. Moreover, and as explained below, the bills submitted to GEICO by the Defendants each misrepresented, to the extent that any Fraudulent Equipment was provided: (i) the Fee Schedule items matched the HCPCS Codes identified in the bills to GEICO, when they did not; and (ii) the charges for Non-Fee Schedule items were for permissible reimbursement rates, when they were not.

324. Thereafter, the Defendants would submit multiple bills to GEICO for Fraudulent Equipment that was provided to Insureds on the same date in an attempt to conceal the scheme to fraudulently bill GEICO for Fraudulent Equipment purportedly provided to GEICO’s Insureds by artificially lowering the amount of any one bill submitted to GEICO.

1. The Defendants Fraudulently Misrepresented the Fee Schedule Items Purportedly Provided

325. When Defendants submitted bills to GEICO and other New York automobile insurers, they represented that the Fraudulent Equipment was not only provided to the Insureds, but also that the HCPCS codes used on the bills properly described the type of Fraudulent Equipment that was provided to the Insureds.

326. As part of the Defendants’ common scheme and their operation at the direction and control of the Secret Owner, each of the DME Providers made virtually identical

misrepresentations in the HCPCS Codes used to bill GEICO.

327. As indicated above, the Fee Schedule specifically defines the requirements for each HCPCS Code to bill for DME.

328. Additionally, Palmetto provides specific characteristics and requirements that DME must meet in order to qualify for reimbursement under a specific HCPCS Code for both Fee Schedule items and Non-Fee Schedule items.

329. By submitting bills to GEICO containing specific HCPCS Codes, Defendants each represented that the Fraudulent Equipment they purportedly provided to Insureds appropriately corresponded to the HCPCS Codes contained within each bill.

330. However, in most of the claims for Fraudulent Equipment identified in Exhibits “1” – “11”, when Defendants submitted bills to GEICO, they fraudulently represented to GEICO that the HCPCS codes used to bill GEICO were accurate and appropriate for the Fraudulent Equipment purportedly provided to the Insureds – to the extent that any Fraudulent Equipment was actually provided.

331. To the extent that Defendants provided any of the Fraudulent Equipment, the HCPCS codes in the bills submitted to GEICO routinely severely misrepresented the type of Fraudulent Equipment that was purportedly provided to the Insureds.

332. For example, when the DME Providers billed GEICO for PCDs under HCPCS Code E0675 seeking \$2,826.70, the use of this HCPCS Code severely misrepresented the type of Fraudulent Equipment that was purportedly provided to the Insureds.

333. Despite billing GEICO – and other New York automobile insurers – using HCPCS Code E0675, the item provided by the DME Providers – to the extent the DME Providers dispensed any item to the Insureds – did not comport with the requirements necessary to bill under HCPCS

Code E0675 and was instead a cheap, poorly made item not reimbursable at \$2,826.70 per unit.

334. Additionally, when the DME Providers billed for Osteo Stim Devices under E0747, E0748, and E0760 for either \$3,300.00 or \$2,700.00, the use of these HCPCS Codes in the bills submitted to GEICO severely misrepresented the type of Fraudulent Equipment that was purportedly provided to the Insureds.

335. Despite billing GEICO – and other New York automobile insurers – using HCPCS Codes E0747, E0748, or E0760, the items provided by the Defendants – to the extent the Defendants provided any items to the Insureds – did not comport with the requirements necessary to bill under HCPCS Codes E0747, E0748, or E0760 and were instead cheap, poorly made items not reimbursable at either \$3,300.00 or \$2,700.00 per unit.

336. Further, when the DME Providers billed GEICO for Triad Infrared Light Heat Pads under HCPCS Code E0221 seeking \$2,100.00, the use of this HCPCS Code severely misrepresented the type of Fraudulent Equipment that was purportedly provided to the Insureds.

337. Despite billing GEICO – and other New York automobile insurers – using HCPCS Code E0221, the item provided by the DME Providers – to the extent the DME Providers dispensed any item to the Insureds – did not comport with the requirements necessary to bill under HCPCS Code E0221 and was instead a cheap, poorly made item not reimbursable at \$2,100.00 per unit.

338. In many of the claims for Fee Schedule items identified within Exhibits “1” – “11”, to the extent that any Fraudulent Equipment was actually provided, the Defendants fraudulently misrepresented the HCPCS Codes identified in their billing to GEICO in order to increase the amount of No-Fault Benefits they could obtain, and were therefore not entitled to collect No-Fault Benefits in the first instance.

2. The Defendants Fraudulently Misrepresented the Rate of Reimbursement for Non-Fee Schedule Items

339. When Defendants submitted bills to GEICO for Non-Fee Schedule items, i.e., the PEMF Devices, CCTSs, Cure Max Cold Laser Devices, etc., Defendants requested reimbursement rates that were unique and purportedly based upon the specific Fraudulent Equipment purportedly provided to Insureds.

340. As indicated above, under the No-Fault Laws, Non-Fee Schedule items are reimbursable as the lesser of: (i) 150% of the legitimate acquisition cost; or (ii) the cost to the general public for the same item.

341. By submitting bills to GEICO for Non-Fee Schedule items, Defendants each represented that they requested permissible reimbursement amounts that were calculated as the lesser of: (i) 150% of the legitimate acquisition cost; or (ii) the cost to the general public for the specific item.

342. Instead, the Defendants submitted bills to GEICO for Non-Fee Schedule items with nearly the same charges that virtually always misrepresented and dramatically inflated the permissible reimbursement amount:

Item	Dispensed By:	Code	Charge(s)
Pulsed Electromagnetic Field Therapy Device	ELNB LV Ortho Healing Recovery Willis Equipment People's Choice S&D Legal Assistant Newtimesupply GB Ortho Gamlev Ortho CSupply New Way	E1399	\$4,724.00; \$4,766.24; \$4,766.25; \$4,500.00
Cold Compression Therapy System	Willis Equipment People's Choice S&D Legal Assistant Newtimesupply GB Ortho	E1399	\$1,650.00; \$1,800.00

	New Way		
SAM Unit	Newtimesupply New Way	E1399	\$5,100.00

343. The Defendants were able to perpetrate this scheme to fraudulently overcharge for these Non-Fee Schedule items by providing Insureds – to the extent they actually provided any Fraudulent Equipment – with low-cost and low-quality Fraudulent Equipment.

344. When the Defendants submitted bills to GEICO seeking No-Fault Benefits for these Non-Fee Schedule items, the charges were fraudulently represented as 150% of the Defendants’ acquisition cost of purportedly high-quality items. In actuality, the Defendants’ legitimate acquisition cost for the low-quality items was significantly less.

345. In keeping with the fact that the Defendants fraudulently represented the permissible reimbursement amounts in the bills submitted to GEICO for the Non-Fee Schedule items solely for their financial benefit, the Defendants purposefully attempted to conceal their effort to overcharge GEICO for Non-Fee Schedule items by submitting fraudulent acquisition invoices in conjunction with their bills which purported to reflect the purchase of Fraudulent Equipment from sham DME wholesalers.

346. The Defendants did not include legitimate invoices showing their actual cost to acquire the low-quality Non-Fee Schedule items in their bills to GEICO because these invoices would have shown that the permissible reimbursement amounts were significantly less than the drastically inflated charges contained their billing to GEICO.

347. In each of the claims identified within Exhibits “1” – “11” for Non-Fee Schedule items, the Defendants fraudulently misrepresented in the bills submitted to GEICO that the charges were the lesser of 150% of the acquisition cost or the cost to the general public. The Defendants’ misrepresentations regarding Non-Fee Schedule items inflated the charges submitted to GEICO

and resulted in Defendants obtaining payment from GEICO under the New York No-Fault laws to which Defendants were never entitled.

F. The Fraudulent Billing Defendants Submitted or Caused to be Submitted to GEICO

348. To support their fraudulent charges, Defendants systematically submitted or caused to be submitted hundreds of NF-3 forms or HCFA-1500 forms to GEICO through and in the names of the DME Providers, seeking payment for Fraudulent Equipment.

349. The NF-3 forms or HCFA-1500 forms that Defendants submitted or caused to be submitted to GEICO were false and misleading in the following material respects:

- (i) The NF-3 forms, HCFA-1500 forms, and the prescriptions uniformly misrepresented to GEICO that the Defendants provided Fraudulent Equipment pursuant to legitimate prescriptions from licensed healthcare providers for reasonable and medically necessary DME and therefore were entitled to receive No-Fault Benefits. In fact, the Defendants were not entitled to receive No-Fault Benefits because, to the extent that the Defendants provided any Fraudulent Equipment, it was pursuant to a fraudulent scheme that was designed and implemented to exploit the patients for financial gain so as to benefit the Defendants and others not presently known, without regard for genuine patient care, and included dispensing Fraudulent Equipment that was not medically necessary and prescribed pursuant to predetermined fraudulent protocols;
- (ii) The NF-3 forms, HCFA-1500 forms, and the prescriptions uniformly misrepresented to GEICO that the Defendants provided Fraudulent Equipment pursuant to legitimate prescriptions from licensed healthcare providers for reasonable and medically necessary DME and therefore were entitled to receive No-Fault Benefits. In fact, the Defendants were not entitled to receive No-Fault Benefits because, to the extent that the Defendants provided any Fraudulent Equipment, it was pursuant to a fraudulent scheme that included dispensing Fraudulent Equipment based on prescriptions secured through collusive arrangements with the John Doe Defendants, including prescriptions that were otherwise illegitimate because they contained photocopied, stamped, or otherwise duplicated signatures;
- (iii) The NF-3 forms, HCFA-1500 forms, and the prescriptions uniformly misrepresented to GEICO that the Defendants provided Fraudulent Equipment pursuant to legitimate prescriptions from licensed healthcare providers for reasonable and medically necessary DME and therefore were entitled to receive No-Fault Benefits. In fact, the Defendants were not entitled to receive No-Fault

Benefits because, to the extent that the Defendants provided any Fraudulent Equipment, it was based on decisions made by laypersons, not based upon lawful prescriptions from licensed healthcare providers for medically necessary items;

- (iv) The NF-3 forms, HCFA-1500 forms, and treatment reports uniformly misrepresented to GEICO that the Defendants provided Fraudulent Equipment that directly corresponded to the HCPCS Codes contained within each form and therefore were entitled to receive No-Fault Benefits. In fact, the Defendants were not entitled to receive No-Fault Benefits because – to the extent that the Defendants provided any Fraudulent Equipment to the Insureds – the Fraudulent Equipment often did not meet the specific requirements for the HCPCS Codes identified in the NF-3 forms and HCFA-1500 forms; and
- (v) The NF-3 forms, HCFA-1500 forms, and treatment reports, prescriptions, and delivery receipts uniformly misrepresented to GEICO the reimbursement amount for the Non-Fee Schedule items provided to the Insureds, to the extent that the Defendants provided any Fraudulent Equipment and therefore were entitled to receive No-Fault Benefits. In fact, the Defendants were not entitled to receive No-Fault Benefits because – to the extent that the Defendants provided any Fraudulent Equipment to the Insureds – falsified the permissible reimbursement amounts for Fraudulent Equipment identified in the NF-3 forms and HCFA-1500 forms, including the submission of fabricated wholesale invoices to justify the exorbitant charges to GEICO.

III. The Defendants' Fraudulent Concealment and GEICO's Justifiable Reliance

350. The Defendants legally and ethically are obligated to act honestly and with integrity in connection with the provision of DME to Insureds, and their actual submission of charges to GEICO.

351. To induce GEICO to promptly pay the charges for Fraudulent Equipment, Defendants have gone to great lengths to systematically conceal their fraud.

352. Specifically, the Defendants knowingly misrepresented and concealed facts in order to prevent GEICO from discovering that the provision of the Fraudulent Equipment was pursuant to a common insurance fraud scheme that was designed and implemented to exploit the patients for financial gain so as to benefit the Defendants and others not presently known (i.e. the John Doe Defendants), without regard for genuine patient care.

353. Additionally, the Defendants knowingly misrepresented and concealed facts in order to prevent GEICO from discovering that the provision of the Fraudulent Equipment was pursuant to an insurance fraud scheme, which included dispensing Fraudulent Equipment that was not medically necessary and prescribed pursuant to predetermined fraudulent protocols and secured through collusive arrangements, including prescriptions that contained photocopied, stamped, or otherwise duplicated signatures.

354. Defendants also knowingly misrepresented and concealed that the prescriptions for Fraudulent Equipment were based upon decisions made by laypersons who did not have the legal authority to issue medically necessary DME, and not by an actual healthcare provider's prescription for medically necessary DME, in order to prevent GEICO from discovering that Fraudulent Equipment were billed to GEICO for financial gain.

355. In addition, the Defendants knowingly misrepresented and concealed facts to prevent GEICO from discovering that the HCPCS Codes for Fraudulent Equipment contained in the bills submitted by the Defendants to GEICO did not accurately reflect the type of Fraudulent Equipment purportedly provided to the Insureds.

356. Finally, Defendants also knowingly misrepresented the permissible reimbursement amount of the Non-Fee Schedule items contained in the bills submitted by Defendants to GEICO and included fabricated wholesale invoices in order to prevent GEICO from discovering that Non-Fee Schedule items were billed to GEICO for financial gain.

357. The Defendants operated their fraudulent scheme in a fashion designed to frustrate GEICO's efforts to identify fraud, shifting the billing from one DME Provider to the next over the course several months. The billing and supporting documentation submitted by Defendants, when viewed in isolation, did not reveal its fraudulent nature.

358. The Defendants hired law firms to pursue collection of the fraudulent charges from GEICO and other insurers. These law firms routinely filed expensive and time-consuming litigation against GEICO and other insurers if the charges were not promptly paid in full.

359. GEICO is under statutory and contractual obligations to promptly and fairly process claims within 30 days. The facially valid documents submitted to GEICO in support of the fraudulent charges at issue, combined with the material misrepresentations and fraudulent litigation activity described above, were designed to and did cause GEICO to rely upon them. As a result, GEICO incurred damages of more than \$2,000,000.00 based upon the fraudulent charges representing payments made by GEICO to Defendants in reliance on their submitted billing.

360. Based upon Defendants' material misrepresentations and other affirmative acts to conceal their fraud from GEICO, GEICO did not discover and could not reasonably have discovered that its damages were attributable to fraud until shortly before it filed this Complaint.

FIRST CAUSE OF ACTION

Against the DME Providers

**(ELNB, LV Ortho, Healing Recovery, Willis Equipment, People's Choice, S&D Legal Assistant, Newtimesupply, GB Ortho, Gamlev Ortho, CSupply, and New Way)
(Declaratory Judgment, 28 U.S.C. §§ 2201 and 2202)**

361. GEICO repeats and realleges each and every allegation contained in this Complaint as if fully set forth at length herein.

362. There is an actual case in controversy between GEICO and each of the DME Providers regarding more than \$10 million in fraudulent billing that has been submitted to GEICO in the names of the DME Providers.

363. The DME Providers have no right receive payment for any pending bills submitted to GEICO because the bills for Fraudulent Equipment were not based upon medical necessity but were instead submitted as part of an insurance fraud scheme that was designed and implemented to exploit the patients for financial gain so as to benefit the Defendants and others not presently

known (i.e. the John Doe Defendants), without regard for genuine patient care.

364. The DME Providers have no right to receive payment for any pending bills submitted to GEICO because the bills for Fraudulent Equipment were pursuant to an insurance fraud scheme, which included dispensing Fraudulent Equipment that was not medically necessary and prescribed pursuant to predetermined fraudulent protocols and prescriptions secured through collusive arrangements, including prescriptions that were otherwise illegitimate because they contained photocopied, stamped, or otherwise duplicated signatures.

365. The DME Providers have no right to receive payment for any pending bills submitted to GEICO because the DME Providers purportedly provided Fraudulent Equipment as a result of decisions made by laypersons, not based upon prescriptions issued by healthcare providers who are licensed to issue such prescriptions.

366. The DME Providers have no right to receive payment for any pending bills submitted to GEICO because – to the extent the DME Providers actually provided any Fraudulent Equipment – the DME Providers fraudulently misrepresented the type of Fraudulent Equipment purportedly provided to Insureds as the HCPCS Codes identified in the bills did not accurately represent the Fraudulent Equipment provided to the Insureds.

367. The DME Providers have no right to receive payment for any pending bills submitted to GEICO because – to the extent the DME Providers provided any Fraudulent Equipment – the DME Providers fraudulently misrepresented that the charges for Non-Fee Schedule items contained within the bills to GEICO were less than or equal to the maximum permissible reimbursement amount, including the submission of fabricated wholesale invoices to justify the exorbitant charges to GEICO for these items.

368. Accordingly, GEICO requests a judgment pursuant to the Declaratory Judgment

Act, 28 U.S.C. §§ 2201 and 2202, declaring that Defendants have no right to receive payment for any pending bills submitted to GEICO under the names of ELNB, LV Ortho, Healing Recovery, Willis Equipment, People’s Choice, S&D Legal Assistant, Newtimesupply, GB Ortho, Gamlev Ortho, CSupply, and New Way.

SECOND CAUSE OF ACTION
Against the Paper Owner Defendants and John Doe Defendant “1”
(Violation of RICO, 18 U.S.C. § 1962(c))

369. GEICO repeats and realleges each and every allegation contained in this Complaint as if fully set forth at length herein.

370. ELNB, LV Ortho, Healing Recovery, Willis Equipment, People’s Choice, S&D Legal Assistant, Newtimesupply, GB Ortho, Gamlev Ortho, CSupply, and New Way together constitute an association-in-fact “enterprise” (the “DME Provider Enterprise”), as that term is defined in 18 U.S.C. § 1961(4), that engages in activities which affect interstate commerce.

371. The members of the DME Provider Enterprise are and have been associated through time, joined in purpose and organized in a manner amenable to hierarchal and consensual decision making, with each member fulfilling a specific and necessary role to carry out and facilitate its common purpose. Specifically, ELNB, LV Ortho, Healing Recovery, Willis Equipment, People’s Choice, S&D Legal Assistant, Newtimesupply, GB Ortho, Gamlev Ortho, CSupply, and New Way are ostensibly independent businesses – with different names and tax identification numbers – that were used as vehicles to achieve a common purpose – namely, to facilitate the submission of fraudulent charges to GEICO and other New York automobile insurers.

372. The DME Provider Enterprise operated under eleven separate names and tax identification numbers in order to limit the time period and volume of bills submitted under any individual name, in an attempt to avoid attracting the attention and scrutiny of GEICO and other

insurers to the volume of billing and the pattern of fraudulent charges originating from any one business. Accordingly, the carrying out of this scheme would be beyond the capacity of each member of the DME Provider Enterprise acting singly or without the aid of each other.

373. The DME Provider Enterprise is distinct from and has an existence beyond the pattern of racketeering that is described herein, namely by recruiting, employing, overseeing and coordinating many individuals who have been responsible for facilitating and performing a wide variety of administrative and ostensibly professional functions beyond the acts of mail fraud (i.e., the submission of the fraudulent bills to GEICO and other insurers), by creating and maintaining patient files and other records, by recruiting and supervising personnel, by negotiating and executing various contracts and/or illegal verbal agreements, by maintaining the bookkeeping and accounting functions necessary to manage the receipt and distribution of the insurance proceeds, and by retaining collection lawyers whose services also were used to generate payments from insurance companies to support all of the aforesaid functions.

374. The Paper Owner Defendants and John Doe Defendant “1” have each been employed by and/or associated with the DME Provider Enterprise.

375. Paper Owner Defendants and John Doe Defendant “1” knowingly have conducted and/or participated, directly or indirectly, in the conduct of the DME Provider Enterprise’s affairs through a pattern of racketeering activity consisting of repeated violations of the federal mail fraud statute, 18 U.S.C. § 1341, based upon the use of the United States mails to submit or cause to be submitted thousands of fraudulent charges seeking payments that the DME Provider Enterprise was not eligible to receive under the No-Fault Laws, because: (i) the bills submitted to GEICO for the provision Fraudulent Equipment were not based upon medical necessity but were instead submitted pursuant to an insurance fraud scheme that was designed and implemented to exploit the

patients for financial gain so as to benefit the Defendants and others not presently known, without regard for genuine patient care, and included dispensing Fraudulent Equipment that was not medically necessary and prescribed pursuant to predetermined fraudulent protocols; (ii) the Fraudulent Equipment was dispensed based on prescriptions secured through collusive arrangements with the John Doe Defendants and issued pursuant to predetermined protocols, including prescriptions that were otherwise illegitimate because they contained photocopied, stamped, or otherwise duplicated signatures; (iii) the Fraudulent Equipment was dispensed pursuant to decisions by laypersons who are not legally authorized to prescribe DME; (iv) to the extent the DME Providers actually provided any Fraudulent Equipment, the DME Providers each fraudulently misrepresented the type of Fraudulent Equipment purportedly provided to Insureds as the HCPCS Codes identified in the bills did not accurately represent the Fraudulent Equipment provided to the Insureds; and (v) to the extent the DME Providers actually provided any Fraudulent Equipment, the DME Providers fraudulently misrepresented that the reimbursement rate for the Non-Fee Schedule items were less than or equal to the maximum permissible reimbursement amount when in fact these amounts were grossly inflated and well above the maximum permissible reimbursement amount as the DME Providers submitted fabricated wholesale invoices in an effort to justify their exorbitant charges to GEICO. The fraudulent billings and corresponding mailings submitted to GEICO that comprise, in part, the pattern of racketeering activity identified through the date of this Complaint are described in the chart annexed hereto as Exhibits “1” – “11”.

376. The DME Providers Enterprise’s business is racketeering activity, inasmuch as the enterprise exists for the purpose of submitting fraudulent charges to insurers. The predicate acts of mail fraud are the regular ways in which the Paper Owner Defendants and John Doe Defendant “1” operated the DME Providers, inasmuch as the DME Providers never operated as a legitimate

DME provider, never was entitled to bill for or collect No-Fault Benefits and acts of mail fraud therefore were essential in order for the DME Providers to function. Furthermore, the intricate planning required to carry out and conceal the predicate acts of mail fraud implies a threat of continued criminal activity, as does the fact that Defendants continue to bill GEICO and other New York automobile insurers and attempt collection on the fraudulent billing submitted through the DME Providers to the present day.

377. The DME Providers Enterprise is engaged in inherently unlawful acts inasmuch as it continues to attempt collection on fraudulent billing submitted to GEICO and other New York automobile insurers. These inherently unlawful acts are taken by the DME Providers Enterprise in pursuit of inherently unlawful goals – namely, the theft of money from GEICO and other insurers through fraudulent No-fault billing.

378. GEICO has been injured in its business and property by reason of the above-described conduct in that it has paid at least \$2.4 million pursuant to the fraudulent bills submitted by Defendants through the DME Providers Enterprise.

379. By reason of its injury, GEICO is entitled to treble damages, costs, and reasonable attorneys' fees pursuant to 18 U.S.C. § 1964(c), and any other relief the Court deems just and proper.

THIRD CAUSE OF ACTION
Against the Paper Owner Defendants and the John Doe Defendants
(Violation of RICO, 18 U.S.C. § 1962(d))

380. GEICO repeats and realleges each and every allegation contained in this Complaint as if fully set forth at length herein.

381. The DME Providers Enterprise is an association-in-fact “enterprise” as that term is defined in 18 U.S.C. § 1961(4), that engages in activities which affect interstate commerce.

382. The Paper Owner Defendants and the John Doe Defendants are employed by and/or associated with the DME Providers Enterprise.

383. The Paper Owner Defendants and the John Doe Defendants knowingly have agreed, combined and conspired to conduct and/or participate, directly or indirectly, in the conduct of the DME Providers Enterprise's affairs through a pattern of racketeering activity consisting of repeated violations of the federal mail fraud statute, 18 U.S.C. § 1341, based upon the use of the United States mails to submit or cause to be submitted fraudulent charges seeking payments that the DME Providers were not eligible to receive under the No-Fault Laws because: (i) the bills submitted to GEICO for the provision Fraudulent Equipment were not based upon medical necessity but were instead submitted pursuant to an insurance fraud scheme that was designed and implemented to exploit the patients for financial gain so as to benefit the Defendants and others not presently known, without regard for genuine patient care, and included dispensing Fraudulent Equipment that was not medically necessary and prescribed pursuant to predetermined fraudulent protocols; (ii) the Fraudulent Equipment was dispensed based on prescriptions secured through collusive arrangements with the John Doe Defendants and issued pursuant to predetermined protocols, including prescriptions that were otherwise illegitimate because they contained photocopied, stamped, or otherwise duplicated signatures; (iii) the Fraudulent Equipment was dispensed pursuant to decisions by laypersons who are not legally authorized to prescribe DME; (iv) to the extent the DME Providers actually provided any Fraudulent Equipment, the DME Providers each fraudulently misrepresented the type of Fraudulent Equipment purportedly provided to Insureds as the HCPCS Codes identified in the bills did not accurately represent the Fraudulent Equipment provided to the Insureds; and (v) to the extent the DME Providers actually provided any Fraudulent Equipment, the DME Providers fraudulently misrepresented that the

reimbursement rate for the Non-Fee Schedule items were less than or equal to the maximum permissible reimbursement amount when in fact these amounts were grossly inflated and well above the maximum permissible reimbursement amount as the DME Providers submitted fabricated wholesale invoices in an effort to justify their exorbitant charges to GEICO. The fraudulent billings and corresponding mailings submitted to GEICO that comprise, in part, the pattern of racketeering activity identified through the date of this Complaint are described in the chart annexed hereto as Exhibits “1” – “11”.

384. The Paper Owner Defendants and the John Doe Defendants knew of, agreed to and acted in furtherance of the common overall objective (i.e., to defraud GEICO and other insurers of money) by submitting or facilitating the submission of fraudulent charges to GEICO.

385. GEICO has been injured in its business and property by reason of the above-described conduct in that it has paid at least \$2.4 million pursuant to the fraudulent bills submitted by Defendants through the DME Providers Enterprise.

386. By reason of its injury, GEICO is entitled to treble damages, costs, and reasonable attorneys’ fees pursuant to 18 U.S.C. § 1964(c), and any other relief the Court deems just and proper.

FOURTH CAUSE OF ACTION
Against ELNB, Rubinfayn, and John Doe Defendant “1”
(Common Law Fraud)

387. GEICO incorporates, as though fully set forth herein, each and every allegation in the paragraphs set forth above.

388. ELNB, Rubinfayn, and John Doe Defendant “1” intentionally and knowingly made false and fraudulent statements of material fact to GEICO and concealed material facts from GEICO in the course of their submission of hundreds of fraudulent charges seeking payment for

the Fraudulent Equipment.

389. The false and fraudulent statements of material fact and acts of fraudulent concealment include: (i) in every claim, that the Fraudulent Equipment that was dispensed was for reasonable and medically necessary DME when in fact it was dispensed pursuant to an insurance fraud scheme that was designed and implemented to exploit the patients for financial gain so as to benefit the Defendants and others not presently known, without regard for genuine patient care, and included dispensing Fraudulent Equipment that was not medically necessary and prescribed pursuant to predetermined fraudulent protocols, (ii) in every claim, that the Fraudulent Equipment dispensed was pursuant to a legitimate prescription from a licensed healthcare provider, when in fact the Fraudulent Equipment was dispensed based on prescriptions secured through collusive arrangements with the John Doe Defendants and issued pursuant to predetermined protocols, including prescriptions that were otherwise illegitimate because they contained photocopied, stamped, or otherwise duplicated signatures; (iii) in many claims, that Fraudulent Equipment was issued based upon legitimate prescriptions by licensed healthcare providers when the Fraudulent Equipment was provided, to the extent any Fraudulent Equipment was provided, pursuant to decisions from laypersons who are not legally authorized to prescribe DME; (iv) in many claims, that Fraudulent Equipment provided to the Insureds accurately reflected the HCPCS Codes contained in the bills submitted to GEICO when the Fraudulent Equipment provided, to the extent that any Fraudulent Equipment actually was provided, did not meet the requirements for the specific HCPCS Codes billed to GEICO; and (v) the representation that the reimbursement rate for the Non-Fee Schedule items were less than or equal to the maximum permissible reimbursement amount when in fact these amounts were grossly inflated and well above the maximum permissible reimbursement amount and included the submission of fabricated wholesale invoices to justify the

exorbitant charges to GEICO. A representative sample of the fraudulent billings and corresponding mailings submitted to GEICO identified through the date of this Complaint are described, in part, in the chart annexed hereto as Exhibit “1”.

390. ELNB, Rubinfayn, and John Doe Defendant “1” intentionally made the above-described false and fraudulent statements and concealed material facts in a calculated effort to induce GEICO to pay charges submitted through ELNB that were not compensable under New York no-fault insurance laws.

391. GEICO justifiably relied on these false and fraudulent representations and acts of fraudulent concealment, and as a proximate result has been injured in its business and property by reason of the above-described conduct in that it has paid at least \$17,000.00 pursuant to the fraudulent bills submitted by ELNB, Rubinfayn, and John Doe Defendant “1”.

392. ELNB, Rubinfayn, and John Doe Defendant “1” extensive fraudulent conduct demonstrates a high degree of moral turpitude and wanton dishonesty that entitles GEICO to recover punitive damages.

393. Accordingly, by virtue of the foregoing, GEICO is entitled to compensatory and punitive damages, together with interest and costs, and any other relief the Court deems just and proper.

FIFTH CAUSE OF ACTION
Against ELNB, Rubinfayn, and John Doe Defendant “1”
(Unjust Enrichment)

394. GEICO incorporates, as though fully set forth herein, each and every allegation in the paragraphs set forth above.

395. As set forth above, ELNB, Rubinfayn, and John Doe Defendant “1” have engaged in improper, unlawful, and/or unjust acts, all to the harm and detriment of GEICO.

396. When GEICO paid the bills and charges submitted by or on behalf of ELNB for No-Fault Benefits, it reasonably believed that it was legally obligated to make such payments based on Defendants' improper, unlawful, and/or unjust acts.

397. ELNB, Rubinfayn, and John Doe Defendant "1" have been enriched at GEICO's expense by GEICO's payments, which constituted a benefit that ELNB, Rubinfayn, and John Doe Defendant "1" voluntarily accepted notwithstanding their improper, unlawful, and unjust billing scheme.

398. The retention of GEICO's payments by ELNB, Rubinfayn, and John Doe Defendant "1" violates fundamental principles of justice, equity and good conscience.

399. By reason of the above, ELNB, Rubinfayn, and John Doe Defendant "1" have been unjustly enriched in an amount to be determined at trial, but in no event less than \$17,000.00.

SIXTH CAUSE OF ACTION
Against LV Ortho, Ostopowitz, and John Doe Defendant "1"
(Common Law Fraud)

400. GEICO incorporates, as though fully set forth herein, each and every allegation in the paragraphs set forth above.

401. LV Ortho, Ostopowitz, and John Doe Defendant "1" intentionally and knowingly made false and fraudulent statements of material fact to GEICO and concealed material facts from GEICO in the course of their submission of hundreds of fraudulent charges seeking payment for the Fraudulent Equipment.

402. The false and fraudulent statements of material fact and acts of fraudulent concealment include: (i) in every claim, that the Fraudulent Equipment that was dispensed was for reasonable and medically necessary DME when in fact it was dispensed pursuant to an insurance fraud scheme that was designed and implemented to exploit the patients for financial gain so as to

benefit the Defendants and others not presently known, without regard for genuine patient care, and included dispensing Fraudulent Equipment that was not medically necessary and prescribed pursuant to predetermined fraudulent protocols, (ii) in every claim, that the Fraudulent Equipment dispensed was pursuant to a legitimate prescription from a licensed healthcare provider, when in fact the Fraudulent Equipment was dispensed based on prescriptions secured through collusive arrangements with the John Doe Defendants and issued pursuant to predetermined protocols, including prescriptions that were otherwise illegitimate because they contained photocopied, stamped, or otherwise duplicated signatures; (iii) in many claims, that Fraudulent Equipment was issued based upon legitimate prescriptions by licensed healthcare providers when the Fraudulent Equipment was provided, to the extent any Fraudulent Equipment was provided, pursuant to decisions from laypersons who are not legally authorized to prescribe DME; (iv) in many claims, that Fraudulent Equipment provided to the Insureds accurately reflected the HCPCS Codes contained in the bills submitted to GEICO when the Fraudulent Equipment provided, to the extent that any Fraudulent Equipment actually was provided, did not meet the requirements for the specific HCPCS Codes billed to GEICO; and (v) the representation that the reimbursement rate for the Non-Fee Schedule items were less than or equal to the maximum permissible reimbursement amount when in fact these amounts were grossly inflated and well above the maximum permissible reimbursement amount and included the submission of fabricated wholesale invoices to justify the exorbitant charges to GEICO. A representative sample of the fraudulent billings and corresponding mailings submitted to GEICO identified through the date of this Complaint are described, in part, in the chart annexed hereto as Exhibit “2”.

403. LV Ortho, Ostopowitz, and John Doe Defendant “1” intentionally made the above-described false and fraudulent statements and concealed material facts in a calculated effort to

induce GEICO to pay charges submitted through LV Ortho that were not compensable under New York no-fault insurance laws.

404. GEICO justifiably relied on these false and fraudulent representations and acts of fraudulent concealment, and as a proximate result has been injured in its business and property by reason of the above-described conduct in that it has paid at least \$87,000.00 pursuant to the fraudulent bills submitted by LV Ortho, Ostopowitz, and John Doe Defendant “1”.

405. LV Ortho, Ostopowitz, and John Doe Defendant “1” extensive fraudulent conduct demonstrates a high degree of moral turpitude and wanton dishonesty that entitles GEICO to recover punitive damages.

406. Accordingly, by virtue of the foregoing, GEICO is entitled to compensatory and punitive damages, together with interest and costs, and any other relief the Court deems just and proper.

SEVENTH CAUSE OF ACTION
Against LV Ortho, Ostopowitz, and John Doe Defendant “1”
(Unjust Enrichment)

407. GEICO incorporates, as though fully set forth herein, each and every allegation in the paragraphs set forth above.

408. As set forth above, LV Ortho, Ostopowitz, and John Doe Defendant “1” have engaged in improper, unlawful, and/or unjust acts, all to the harm and detriment of GEICO.

409. When GEICO paid the bills and charges submitted by or on behalf of LV Ortho for No-Fault Benefits, it reasonably believed that it was legally obligated to make such payments based on Defendants’ improper, unlawful, and/or unjust acts.

410. LV Ortho, Ostopowitz, and John Doe Defendant “1” have been enriched at GEICO’s expense by GEICO’s payments, which constituted a benefit that LV Ortho, Ostopowitz,

and John Doe Defendant “1” voluntarily accepted notwithstanding their improper, unlawful, and unjust billing scheme.

411. The retention of GEICO’s payments by LV Ortho, Ostopowitz, and John Doe Defendant “1” violates fundamental principles of justice, equity and good conscience.

412. By reason of the above, LV Ortho, Ostopowitz, and John Doe Defendant “1” have been unjustly enriched in an amount to be determined at trial, but in no event less than \$87,000.00.

EIGHTH CAUSE OF ACTION
Against Healing Recovery, Kemashvili, and John Doe Defendant “1”
(Common Law Fraud)

413. GEICO incorporates, as though fully set forth herein, each and every allegation in the paragraphs set forth above.

414. Healing Recovery, Kemashvili, and John Doe Defendant “1” intentionally and knowingly made false and fraudulent statements of material fact to GEICO and concealed material facts from GEICO in the course of their submission of hundreds of fraudulent charges seeking payment for the Fraudulent Equipment.

415. The false and fraudulent statements of material fact and acts of fraudulent concealment include: (i) in every claim, that the Fraudulent Equipment that was dispensed was for reasonable and medically necessary DME when in fact it was dispensed pursuant to an insurance fraud scheme that was designed and implemented to exploit the patients for financial gain so as to benefit the Defendants and others not presently known, without regard for genuine patient care, and included dispensing Fraudulent Equipment that was not medically necessary and prescribed pursuant to predetermined fraudulent protocols, (ii) in every claim, that the Fraudulent Equipment dispensed was pursuant to a legitimate prescription from a licensed healthcare provider, when in fact the Fraudulent Equipment was dispensed based on prescriptions secured through collusive

arrangements with the John Doe Defendants and issued pursuant to predetermined protocols, including prescriptions that were otherwise illegitimate because they contained photocopied, stamped, or otherwise duplicated signatures; (iii) in many claims, that Fraudulent Equipment was issued based upon legitimate prescriptions by licensed healthcare providers when the Fraudulent Equipment was provided, to the extent any Fraudulent Equipment was provided, pursuant to decisions from laypersons who are not legally authorized to prescribe DME; (iv) in many claims, that Fraudulent Equipment provided to the Insureds accurately reflected the HCPCS Codes contained in the bills submitted to GEICO when the Fraudulent Equipment provided, to the extent that any Fraudulent Equipment actually was provided, did not meet the requirements for the specific HCPCS Codes billed to GEICO; and (v) the representation that the reimbursement rate for the Non-Fee Schedule items were less than or equal to the maximum permissible reimbursement amount when in fact these amounts were grossly inflated and well above the maximum permissible reimbursement amount and included the submission of fabricated wholesale invoices to justify the exorbitant charges to GEICO. A representative sample of the fraudulent billings and corresponding mailings submitted to GEICO identified through the date of this Complaint are described, in part, in the chart annexed hereto as Exhibit “3”.

416. Healing Recovery, Kemashvili, and John Doe Defendant “1” intentionally made the above-described false and fraudulent statements and concealed material facts in a calculated effort to induce GEICO to pay charges submitted through Healing Recovery that were not compensable under New York no-fault insurance laws.

417. GEICO justifiably relied on these false and fraudulent representations and acts of fraudulent concealment, and as a proximate result has been injured in its business and property by reason of the above-described conduct in that it has paid at least \$206,000.00 pursuant to the

fraudulent bills submitted by Healing Recovery, Kemashvili, and John Doe Defendant “1”.

418. Healing Recovery, Kemashvili, and John Doe Defendant “1” extensive fraudulent conduct demonstrates a high degree of moral turpitude and wanton dishonesty that entitles GEICO to recover punitive damages.

419. Accordingly, by virtue of the foregoing, GEICO is entitled to compensatory and punitive damages, together with interest and costs, and any other relief the Court deems just and proper.

NINTH CAUSE OF ACTION
Against Healing Recovery, Kemashvili, and John Doe Defendant “1”
(Unjust Enrichment)

420. GEICO incorporates, as though fully set forth herein, each and every allegation in the paragraphs set forth above.

421. As set forth above, Healing Recovery, Kemashvili, and John Doe Defendant “1” have engaged in improper, unlawful, and/or unjust acts, all to the harm and detriment of GEICO.

422. When GEICO paid the bills and charges submitted by or on behalf of Healing Recovery for No-Fault Benefits, it reasonably believed that it was legally obligated to make such payments based on Defendants’ improper, unlawful, and/or unjust acts.

423. Healing Recovery, Kemashvili, and John Doe Defendant “1” have been enriched at GEICO’s expense by GEICO’s payments, which constituted a benefit that Healing Recovery, Kemashvili, and John Doe Defendant “1” voluntarily accepted notwithstanding their improper, unlawful, and unjust billing scheme.

424. The retention of GEICO’s payments by Healing Recovery, Kemashvili, and John Doe Defendant “1” violates fundamental principles of justice, equity and good conscience.

425. By reason of the above, Healing Recovery, Kemashvili, and John Doe Defendant

“1” have been unjustly enriched in an amount to be determined at trial, but in no event less than \$206,000.00.

TENTH CAUSE OF ACTION
Against Willis Equipment, Mirzokandov, and John Doe Defendant “1”
(Common Law Fraud)

426. GEICO incorporates, as though fully set forth herein, each and every allegation in the paragraphs set forth above.

427. Willis Equipment, Mirzokandov, and John Doe Defendant “1” intentionally and knowingly made false and fraudulent statements of material fact to GEICO and concealed material facts from GEICO in the course of their submission of hundreds of fraudulent charges seeking payment for the Fraudulent Equipment.

428. The false and fraudulent statements of material fact and acts of fraudulent concealment include: (i) in every claim, that the Fraudulent Equipment that was dispensed was for reasonable and medically necessary DME when in fact it was dispensed pursuant to an insurance fraud scheme that was designed and implemented to exploit the patients for financial gain so as to benefit the Defendants and others not presently known, without regard for genuine patient care, and included dispensing Fraudulent Equipment that was not medically necessary and prescribed pursuant to predetermined fraudulent protocols, (ii) in every claim, that the Fraudulent Equipment dispensed was pursuant to a legitimate prescription from a licensed healthcare provider, when in fact the Fraudulent Equipment was dispensed based on prescriptions secured through collusive arrangements with the John Doe Defendants and issued pursuant to predetermined protocols, including prescriptions that were otherwise illegitimate because they contained photocopied, stamped, or otherwise duplicated signatures; (iii) in many claims, that Fraudulent Equipment was issued based upon legitimate prescriptions by licensed healthcare providers when the Fraudulent

Equipment was provided, to the extent any Fraudulent Equipment was provided, pursuant to decisions from laypersons who are not legally authorized to prescribe DME; (iv) in many claims, that Fraudulent Equipment provided to the Insureds accurately reflected the HCPCS Codes contained in the bills submitted to GEICO when the Fraudulent Equipment provided, to the extent that any Fraudulent Equipment actually was provided, did not meet the requirements for the specific HCPCS Codes billed to GEICO; and (v) the representation that the reimbursement rate for the Non-Fee Schedule items were less than or equal to the maximum permissible reimbursement amount when in fact these amounts were grossly inflated and well above the maximum permissible reimbursement amount and included the submission of fabricated wholesale invoices to justify the exorbitant charges to GEICO. A representative sample of the fraudulent billings and corresponding mailings submitted to GEICO identified through the date of this Complaint are described, in part, in the chart annexed hereto as Exhibit “4”.

429. Willis Equipment, Mirzokandov, and John Doe Defendant “1” intentionally made the above-described false and fraudulent statements and concealed material facts in a calculated effort to induce GEICO to pay charges submitted through Willis Equipment that were not compensable under New York no-fault insurance laws.

430. GEICO justifiably relied on these false and fraudulent representations and acts of fraudulent concealment, and as a proximate result has been injured in its business and property by reason of the above-described conduct in that it has paid at least \$349,000.00 pursuant to the fraudulent bills submitted by Willis Equipment, Mirzokandov, and John Doe Defendant “1”.

431. Willis Equipment, Mirzokandov, and John Doe Defendant “1” extensive fraudulent conduct demonstrates a high degree of moral turpitude and wanton dishonesty that entitles GEICO to recover punitive damages.

432. Accordingly, by virtue of the foregoing, GEICO is entitled to compensatory and punitive damages, together with interest and costs, and any other relief the Court deems just and proper.

ELEVENTH CAUSE OF ACTION
Against Willis Equipment, Mirzokandov, and John Doe Defendant “1”
(Unjust Enrichment)

433. GEICO incorporates, as though fully set forth herein, each and every allegation in the paragraphs set forth above.

434. As set forth above, Willis Equipment, Mirzokandov, and John Doe Defendant “1” have engaged in improper, unlawful, and/or unjust acts, all to the harm and detriment of GEICO.

435. When GEICO paid the bills and charges submitted by or on behalf of Willis Equipment for No-Fault Benefits, it reasonably believed that it was legally obligated to make such payments based on Defendants’ improper, unlawful, and/or unjust acts.

436. Willis Equipment, Mirzokandov, and John Doe Defendant “1” have been enriched at GEICO’s expense by GEICO’s payments, which constituted a benefit that Willis Equipment, Mirzokandov, and John Doe Defendant “1” voluntarily accepted notwithstanding their improper, unlawful, and unjust billing scheme.

437. The retention of GEICO’s payments by Willis Equipment, Mirzokandov, and John Doe Defendant “1” violates fundamental principles of justice, equity and good conscience.

438. By reason of the above, Willis Equipment, Mirzokandov, and John Doe Defendant “1” have been unjustly enriched in an amount to be determined at trial, but in no event less than \$349,000.00.

TWELFTH CAUSE OF ACTION
Against People’s Choice, Berrios, and John Doe Defendant “1”
(Common Law Fraud)

439. GEICO incorporates, as though fully set forth herein, each and every allegation in the paragraphs set forth above.

440. People's Choice, Berrios, and John Doe Defendant "1" intentionally and knowingly made false and fraudulent statements of material fact to GEICO and concealed material facts from GEICO in the course of their submission of hundreds of fraudulent charges seeking payment for the Fraudulent Equipment.

441. The false and fraudulent statements of material fact and acts of fraudulent concealment include: (i) in every claim, that the Fraudulent Equipment that was dispensed was for reasonable and medically necessary DME when in fact it was dispensed pursuant to an insurance fraud scheme that was designed and implemented to exploit the patients for financial gain so as to benefit the Defendants and others not presently known, without regard for genuine patient care, and included dispensing Fraudulent Equipment that was not medically necessary and prescribed pursuant to predetermined fraudulent protocols, (ii) in every claim, that the Fraudulent Equipment dispensed was pursuant to a legitimate prescription from a licensed healthcare provider, when in fact the Fraudulent Equipment was dispensed based on prescriptions secured through collusive arrangements with the John Doe Defendants and issued pursuant to predetermined protocols, including prescriptions that were otherwise illegitimate because they contained photocopied, stamped, or otherwise duplicated signatures; (iii) in many claims, that Fraudulent Equipment was issued based upon legitimate prescriptions by licensed healthcare providers when the Fraudulent Equipment was provided, to the extent any Fraudulent Equipment was provided, pursuant to decisions from laypersons who are not legally authorized to prescribe DME; (iv) in many claims, that Fraudulent Equipment provided to the Insureds accurately reflected the HCPCS Codes contained in the bills submitted to GEICO when the Fraudulent Equipment provided, to the extent

that any Fraudulent Equipment actually was provided, did not meet the requirements for the specific HCPCS Codes billed to GEICO; and (v) the representation that the reimbursement rate for the Non-Fee Schedule items were less than or equal to the maximum permissible reimbursement amount when in fact these amounts were grossly inflated and well above the maximum permissible reimbursement amount and included the submission of fabricated wholesale invoices to justify the exorbitant charges to GEICO. A representative sample of the fraudulent billings and corresponding mailings submitted to GEICO identified through the date of this Complaint are described, in part, in the chart annexed hereto as Exhibit “5”.

442. People’s Choice, Berrios, and John Doe Defendant “1” intentionally made the above-described false and fraudulent statements and concealed material facts in a calculated effort to induce GEICO to pay charges submitted through People’s Choice that were not compensable under New York no-fault insurance laws.

443. GEICO justifiably relied on these false and fraudulent representations and acts of fraudulent concealment, and as a proximate result has been injured in its business and property by reason of the above-described conduct in that it has paid at least \$482,000.00 pursuant to the fraudulent bills submitted by People’s Choice, Berrios, and John Doe Defendant “1”.

444. People’s Choice, Berrios, and John Doe Defendant “1” extensive fraudulent conduct demonstrates a high degree of moral turpitude and wanton dishonesty that entitles GEICO to recover punitive damages.

445. Accordingly, by virtue of the foregoing, GEICO is entitled to compensatory and punitive damages, together with interest and costs, and any other relief the Court deems just and proper.

THIRTEENTH CAUSE OF ACTION
Against People’s Choice, Berrios, and John Doe Defendant “1”

(Unjust Enrichment)

446. GEICO incorporates, as though fully set forth herein, each and every allegation in the paragraphs set forth above.

447. As set forth above, People's Choice, Berrios, and John Doe Defendant "1" have engaged in improper, unlawful, and/or unjust acts, all to the harm and detriment of GEICO.

448. When GEICO paid the bills and charges submitted by or on behalf of People's Choice for No-Fault Benefits, it reasonably believed that it was legally obligated to make such payments based on Defendants' improper, unlawful, and/or unjust acts.

449. People's Choice, Berrios, and John Doe Defendant "1" have been enriched at GEICO's expense by GEICO's payments, which constituted a benefit that People's Choice, Berrios, and John Doe Defendant "1" voluntarily accepted notwithstanding their improper, unlawful, and unjust billing scheme.

450. The retention of GEICO's payments by People's Choice, Berrios, and John Doe Defendant "1" violates fundamental principles of justice, equity and good conscience.

451. By reason of the above, People's Choice, Berrios, and John Doe Defendant "1" have been unjustly enriched in an amount to be determined at trial, but in no event less than \$482,000.00.

FOURTEENTH CAUSE OF ACTION
Against S&D Legal Assistant, Alexandre, and John Doe Defendant "1"
(Common Law Fraud)

452. GEICO incorporates, as though fully set forth herein, each and every allegation in the paragraphs set forth above.

453. S&D Legal Assistant, Alexandre, and John Doe Defendant "1" intentionally and knowingly made false and fraudulent statements of material fact to GEICO and concealed material

facts from GEICO in the course of their submission of hundreds of fraudulent charges seeking payment for the Fraudulent Equipment.

454. The false and fraudulent statements of material fact and acts of fraudulent concealment include: (i) in every claim, that the Fraudulent Equipment that was dispensed was for reasonable and medically necessary DME when in fact it was dispensed pursuant to an insurance fraud scheme that was designed and implemented to exploit the patients for financial gain so as to benefit the Defendants and others not presently known, without regard for genuine patient care, and included dispensing Fraudulent Equipment that was not medically necessary and prescribed pursuant to predetermined fraudulent protocols, (ii) in every claim, that the Fraudulent Equipment dispensed was pursuant to a legitimate prescription from a licensed healthcare provider, when in fact the Fraudulent Equipment was dispensed based on prescriptions secured through collusive arrangements with the John Doe Defendants and issued pursuant to predetermined protocols, including prescriptions that were otherwise illegitimate because they contained photocopied, stamped, or otherwise duplicated signatures; (iii) in many claims, that Fraudulent Equipment was issued based upon legitimate prescriptions by licensed healthcare providers when the Fraudulent Equipment was provided, to the extent any Fraudulent Equipment was provided, pursuant to decisions from laypersons who are not legally authorized to prescribe DME; (iv) in many claims, that Fraudulent Equipment provided to the Insureds accurately reflected the HCPCS Codes contained in the bills submitted to GEICO when the Fraudulent Equipment provided, to the extent that any Fraudulent Equipment actually was provided, did not meet the requirements for the specific HCPCS Codes billed to GEICO; and (v) the representation that the reimbursement rate for the Non-Fee Schedule items were less than or equal to the maximum permissible reimbursement amount when in fact these amounts were grossly inflated and well above the maximum permissible

reimbursement amount and included the submission of fabricated wholesale invoices to justify the exorbitant charges to GEICO. A representative sample of the fraudulent billings and corresponding mailings submitted to GEICO identified through the date of this Complaint are described, in part, in the chart annexed hereto as Exhibit “6”.

455. S&D Legal Assistant, Alexandre, and John Doe Defendant “1” intentionally made the above-described false and fraudulent statements and concealed material facts in a calculated effort to induce GEICO to pay charges submitted through S&D Legal Assistant that were not compensable under New York no-fault insurance laws.

456. GEICO justifiably relied on these false and fraudulent representations and acts of fraudulent concealment, and as a proximate result has been injured in its business and property by reason of the above-described conduct in that it has paid at least \$279,000.00 pursuant to the fraudulent bills submitted by S&D Legal Assistant, Alexandre, and John Doe Defendant “1”.

457. S&D Legal Assistant, Alexandre, and John Doe Defendant “1” extensive fraudulent conduct demonstrates a high degree of moral turpitude and wanton dishonesty that entitles GEICO to recover punitive damages.

458. Accordingly, by virtue of the foregoing, GEICO is entitled to compensatory and punitive damages, together with interest and costs, and any other relief the Court deems just and proper.

FIFTEENTH CAUSE OF ACTION
Against S&D Legal Assistant, Alexandre, and John Doe Defendant “1”
(Unjust Enrichment)

459. GEICO incorporates, as though fully set forth herein, each and every allegation in the paragraphs set forth above.

460. As set forth above, S&D Legal Assistant, Alexandre, and John Doe Defendant “1”

have engaged in improper, unlawful, and/or unjust acts, all to the harm and detriment of GEICO.

461. When GEICO paid the bills and charges submitted by or on behalf of S&D Legal Assistant for No-Fault Benefits, it reasonably believed that it was legally obligated to make such payments based on Defendants' improper, unlawful, and/or unjust acts.

462. S&D Legal Assistant, Alexandre, and John Doe Defendant "1" have been enriched at GEICO's expense by GEICO's payments, which constituted a benefit that S&D Legal Assistant, Alexandre, and John Doe Defendant "1" voluntarily accepted notwithstanding their improper, unlawful, and unjust billing scheme.

463. The retention of GEICO's payments by S&D Legal Assistant, Alexandre, and John Doe Defendant "1" violates fundamental principles of justice, equity and good conscience.

464. By reason of the above, S&D Legal Assistant, Alexandre, and John Doe Defendant "1" have been unjustly enriched in an amount to be determined at trial, but in no event less than \$279,000.00.

SIXTEENTH CAUSE OF ACTION
Against Newtimesupply, Vynarskyy, and John Doe Defendant "1"
(Common Law Fraud)

465. GEICO incorporates, as though fully set forth herein, each and every allegation in the paragraphs set forth above.

466. Newtimesupply, Vynarskyy, and John Doe Defendant "1" intentionally and knowingly made false and fraudulent statements of material fact to GEICO and concealed material facts from GEICO in the course of their submission of hundreds of fraudulent charges seeking payment for the Fraudulent Equipment.

467. The false and fraudulent statements of material fact and acts of fraudulent concealment include: (i) in every claim, that the Fraudulent Equipment that was dispensed was for

reasonable and medically necessary DME when in fact it was dispensed pursuant to an insurance fraud scheme that was designed and implemented to exploit the patients for financial gain so as to benefit the Defendants and others not presently known, without regard for genuine patient care, and included dispensing Fraudulent Equipment that was not medically necessary and prescribed pursuant to predetermined fraudulent protocols, (ii) in every claim, that the Fraudulent Equipment dispensed was pursuant to a legitimate prescription from a licensed healthcare provider, when in fact the Fraudulent Equipment was dispensed based on prescriptions secured through collusive arrangements with the John Doe Defendants and issued pursuant to predetermined protocols, including prescriptions that were otherwise illegitimate because they contained photocopied, stamped, or otherwise duplicated signatures; (iii) in many claims, that Fraudulent Equipment was issued based upon legitimate prescriptions by licensed healthcare providers when the Fraudulent Equipment was provided, to the extent any Fraudulent Equipment was provided, pursuant to decisions from laypersons who are not legally authorized to prescribe DME; (iv) in many claims, that Fraudulent Equipment provided to the Insureds accurately reflected the HCPCS Codes contained in the bills submitted to GEICO when the Fraudulent Equipment provided, to the extent that any Fraudulent Equipment actually was provided, did not meet the requirements for the specific HCPCS Codes billed to GEICO; and (v) the representation that the reimbursement rate for the Non-Fee Schedule items were less than or equal to the maximum permissible reimbursement amount when in fact these amounts were grossly inflated and well above the maximum permissible reimbursement amount and included the submission of fabricated wholesale invoices to justify the exorbitant charges to GEICO. A representative sample of the fraudulent billings and corresponding mailings submitted to GEICO identified through the date of this Complaint are described, in part, in the chart annexed hereto as Exhibit "7".

468. Newtimesupply, Vynarskyy, and John Doe Defendant “1” intentionally made the above-described false and fraudulent statements and concealed material facts in a calculated effort to induce GEICO to pay charges submitted through Newtimesupply that were not compensable under New York no-fault insurance laws.

469. GEICO justifiably relied on these false and fraudulent representations and acts of fraudulent concealment, and as a proximate result has been injured in its business and property by reason of the above-described conduct in that it has paid at least \$317,000.00 pursuant to the fraudulent bills submitted by Newtimesupply, Vynarskyy, and John Doe Defendant “1”.

470. Newtimesupply, Vynarskyy, and John Doe Defendant “1” extensive fraudulent conduct demonstrates a high degree of moral turpitude and wanton dishonesty that entitles GEICO to recover punitive damages.

471. Accordingly, by virtue of the foregoing, GEICO is entitled to compensatory and punitive damages, together with interest and costs, and any other relief the Court deems just and proper.

SEVENTEENTH CAUSE OF ACTION
Against Newtimesupply, Vynarskyy, and John Doe Defendant “1”
(Unjust Enrichment)

472. GEICO incorporates, as though fully set forth herein, each and every allegation in the paragraphs set forth above.

473. As set forth above, Newtimesupply, Vynarskyy, and John Doe Defendant “1” have engaged in improper, unlawful, and/or unjust acts, all to the harm and detriment of GEICO.

474. When GEICO paid the bills and charges submitted by or on behalf of Newtimesupply for No-Fault Benefits, it reasonably believed that it was legally obligated to make such payments based on Defendants’ improper, unlawful, and/or unjust acts.

475. Newtimesupply, Vynarskyy, and John Doe Defendant “1” have been enriched at GEICO’s expense by GEICO’s payments, which constituted a benefit that Newtimesupply, Vynarskyy, and John Doe Defendant “1” voluntarily accepted notwithstanding their improper, unlawful, and unjust billing scheme.

476. The retention of GEICO’s payments by Newtimesupply, Vynarskyy, and John Doe Defendant “1” violates fundamental principles of justice, equity and good conscience.

477. By reason of the above, Newtimesupply, Vynarskyy, and John Doe Defendant “1” have been unjustly enriched in an amount to be determined at trial, but in no event less than \$317,000.00.

EIGHTEENTH CAUSE OF ACTION
Against GB Ortho, Golykin, and John Doe Defendant “1”
(Common Law Fraud)

478. GEICO incorporates, as though fully set forth herein, each and every allegation in the paragraphs set forth above.

479. GB Ortho, Golykin, and John Doe Defendant “1” intentionally and knowingly made false and fraudulent statements of material fact to GEICO and concealed material facts from GEICO in the course of their submission of hundreds of fraudulent charges seeking payment for the Fraudulent Equipment.

480. The false and fraudulent statements of material fact and acts of fraudulent concealment include: (i) in every claim, that the Fraudulent Equipment that was dispensed was for reasonable and medically necessary DME when in fact it was dispensed pursuant to an insurance fraud scheme that was designed and implemented to exploit the patients for financial gain so as to benefit the Defendants and others not presently known, without regard for genuine patient care, and included dispensing Fraudulent Equipment that was not medically necessary and prescribed

pursuant to predetermined fraudulent protocols, (ii) in every claim, that the Fraudulent Equipment dispensed was pursuant to a legitimate prescription from a licensed healthcare provider, when in fact the Fraudulent Equipment was dispensed based on prescriptions secured through collusive arrangements with the John Doe Defendants and issued pursuant to predetermined protocols, including prescriptions that were otherwise illegitimate because they contained photocopied, stamped, or otherwise duplicated signatures; (iii) in many claims, that Fraudulent Equipment was issued based upon legitimate prescriptions by licensed healthcare providers when the Fraudulent Equipment was provided, to the extent any Fraudulent Equipment was provided, pursuant to decisions from laypersons who are not legally authorized to prescribe DME; (iv) in many claims, that Fraudulent Equipment provided to the Insureds accurately reflected the HCPCS Codes contained in the bills submitted to GEICO when the Fraudulent Equipment provided, to the extent that any Fraudulent Equipment actually was provided, did not meet the requirements for the specific HCPCS Codes billed to GEICO; and (v) the representation that the reimbursement rate for the Non-Fee Schedule items were less than or equal to the maximum permissible reimbursement amount when in fact these amounts were grossly inflated and well above the maximum permissible reimbursement amount and included the submission of fabricated wholesale invoices to justify the exorbitant charges to GEICO. A representative sample of the fraudulent billings and corresponding mailings submitted to GEICO identified through the date of this Complaint are described, in part, in the chart annexed hereto as Exhibit “8”.

481. GB Ortho, Golykin, and John Doe Defendant “1” intentionally made the above-described false and fraudulent statements and concealed material facts in a calculated effort to induce GEICO to pay charges submitted through GB Ortho that were not compensable under New York no-fault insurance laws.

482. GEICO justifiably relied on these false and fraudulent representations and acts of fraudulent concealment, and as a proximate result has been injured in its business and property by reason of the above-described conduct in that it has paid at least \$118,000.00 pursuant to the fraudulent bills submitted by GB Ortho, Golykin, and John Doe Defendant “1”.

483. GB Ortho, Golykin, and John Doe Defendant “1” extensive fraudulent conduct demonstrates a high degree of moral turpitude and wanton dishonesty that entitles GEICO to recover punitive damages.

484. Accordingly, by virtue of the foregoing, GEICO is entitled to compensatory and punitive damages, together with interest and costs, and any other relief the Court deems just and proper.

NINETEENTH CAUSE OF ACTION
Against GB Ortho, Golykin, and John Doe Defendant “1”
(Unjust Enrichment)

485. GEICO incorporates, as though fully set forth herein, each and every allegation in the paragraphs set forth above.

486. As set forth above, GB Ortho, Golykin, and John Doe Defendant “1” have engaged in improper, unlawful, and/or unjust acts, all to the harm and detriment of GEICO.

487. When GEICO paid the bills and charges submitted by or on behalf of GB Ortho for No-Fault Benefits, it reasonably believed that it was legally obligated to make such payments based on Defendants’ improper, unlawful, and/or unjust acts.

488. GB Ortho, Golykin, and John Doe Defendant “1” have been enriched at GEICO’s expense by GEICO’s payments, which constituted a benefit that GB Ortho, Golykin, and John Doe Defendant “1” voluntarily accepted notwithstanding their improper, unlawful, and unjust billing scheme.

489. The retention of GEICO's payments by GB Ortho, Golykin, and John Doe Defendant "1" violates fundamental principles of justice, equity and good conscience.

490. By reason of the above, GB Ortho, Golykin, and John Doe Defendant "1" have been unjustly enriched in an amount to be determined at trial, but in no event less than \$118,000.00.

TWENTIETH CAUSE OF ACTION
Against Gamlev Ortho, Gamkrelidze, and John Doe Defendant "1"
(Common Law Fraud)

491. GEICO incorporates, as though fully set forth herein, each and every allegation in the paragraphs set forth above.

492. Gamlev Ortho, Gamkrelidze, and John Doe Defendant "1" intentionally and knowingly made false and fraudulent statements of material fact to GEICO and concealed material facts from GEICO in the course of their submission of hundreds of fraudulent charges seeking payment for the Fraudulent Equipment.

493. The false and fraudulent statements of material fact and acts of fraudulent concealment include: (i) in every claim, that the Fraudulent Equipment that was dispensed was for reasonable and medically necessary DME when in fact it was dispensed pursuant to an insurance fraud scheme that was designed and implemented to exploit the patients for financial gain so as to benefit the Defendants and others not presently known, without regard for genuine patient care, and included dispensing Fraudulent Equipment that was not medically necessary and prescribed pursuant to predetermined fraudulent protocols, (ii) in every claim, that the Fraudulent Equipment dispensed was pursuant to a legitimate prescription from a licensed healthcare provider, when in fact the Fraudulent Equipment was dispensed based on prescriptions secured through collusive arrangements with the John Doe Defendants and issued pursuant to predetermined protocols, including prescriptions that were otherwise illegitimate because they contained photocopied,

stamped, or otherwise duplicated signatures; (iii) in many claims, that Fraudulent Equipment was issued based upon legitimate prescriptions by licensed healthcare providers when the Fraudulent Equipment was provided, to the extent any Fraudulent Equipment was provided, pursuant to decisions from laypersons who are not legally authorized to prescribe DME; (iv) in many claims, that Fraudulent Equipment provided to the Insureds accurately reflected the HCPCS Codes contained in the bills submitted to GEICO when the Fraudulent Equipment provided, to the extent that any Fraudulent Equipment actually was provided, did not meet the requirements for the specific HCPCS Codes billed to GEICO; and (v) the representation that the reimbursement rate for the Non-Fee Schedule items were less than or equal to the maximum permissible reimbursement amount when in fact these amounts were grossly inflated and well above the maximum permissible reimbursement amount and included the submission of fabricated wholesale invoices to justify the exorbitant charges to GEICO. A representative sample of the fraudulent billings and corresponding mailings submitted to GEICO identified through the date of this Complaint are described, in part, in the chart annexed hereto as Exhibit “9”.

494. Gamlev Ortho, Gamkrelidze, and John Doe Defendant “1” intentionally made the above-described false and fraudulent statements and concealed material facts in a calculated effort to induce GEICO to pay charges submitted through Gamlev Ortho that were not compensable under New York no-fault insurance laws.

495. GEICO justifiably relied on these false and fraudulent representations and acts of fraudulent concealment, and as a proximate result has been injured in its business and property by reason of the above-described conduct in that it has paid at least \$135,000.00 pursuant to the fraudulent bills submitted by Gamlev Ortho, Gamkrelidze, and John Doe Defendant “1”.

496. Gamlev Ortho, Gamkrelidze, and John Doe Defendant “1” extensive fraudulent

conduct demonstrates a high degree of moral turpitude and wanton dishonesty that entitles GEICO to recover punitive damages.

497. Accordingly, by virtue of the foregoing, GEICO is entitled to compensatory and punitive damages, together with interest and costs, and any other relief the Court deems just and proper.

TWENTY-FIRST CAUSE OF ACTION
Against Gamlev Ortho, Gamkrelidze, and John Doe Defendant “1”
(Unjust Enrichment)

498. GEICO incorporates, as though fully set forth herein, each and every allegation in the paragraphs set forth above.

499. As set forth above, Gamlev Ortho, Gamkrelidze, and John Doe Defendant “1” have engaged in improper, unlawful, and/or unjust acts, all to the harm and detriment of GEICO.

500. When GEICO paid the bills and charges submitted by or on behalf of Gamlev Ortho No-Fault Benefits, it reasonably believed that it was legally obligated to make such payments based on Defendants’ improper, unlawful, and/or unjust acts.

501. Gamlev Ortho, Gamkrelidze, and John Doe Defendant “1” have been enriched at GEICO’s expense by GEICO’s payments, which constituted a benefit that Gamlev Ortho, Gamkrelidze, and John Doe Defendant “1” voluntarily accepted notwithstanding their improper, unlawful, and unjust billing scheme.

502. The retention of GEICO’s payments by Gamlev Ortho, Gamkrelidze, and John Doe Defendant “1” violates fundamental principles of justice, equity and good conscience.

503. By reason of the above, Gamlev Ortho, Gamkrelidze, and John Doe Defendant “1” have been unjustly enriched in an amount to be determined at trial, but in no event less than \$135,000.00.

TWENTY-SECOND CAUSE OF ACTION
Against CSupply, Lanoix, and John Doe Defendant “1”
(Common Law Fraud)

504. GEICO incorporates, as though fully set forth herein, each and every allegation in the paragraphs set forth above.

505. CSupply, Lanoix, and John Doe Defendant “1” intentionally and knowingly made false and fraudulent statements of material fact to GEICO and concealed material facts from GEICO in the course of their submission of hundreds of fraudulent charges seeking payment for the Fraudulent Equipment.

506. The false and fraudulent statements of material fact and acts of fraudulent concealment include: (i) in every claim, that the Fraudulent Equipment that was dispensed was for reasonable and medically necessary DME when in fact it was dispensed pursuant to an insurance fraud scheme that was designed and implemented to exploit the patients for financial gain so as to benefit the Defendants and others not presently known, without regard for genuine patient care, and included dispensing Fraudulent Equipment that was not medically necessary and prescribed pursuant to predetermined fraudulent protocols, (ii) in every claim, that the Fraudulent Equipment dispensed was pursuant to a legitimate prescription from a licensed healthcare provider, when in fact the Fraudulent Equipment was dispensed based on prescriptions secured through collusive arrangements with the John Doe Defendants and issued pursuant to predetermined protocols, including prescriptions that were otherwise illegitimate because they contained photocopied, stamped, or otherwise duplicated signatures; (iii) in many claims, that Fraudulent Equipment was issued based upon legitimate prescriptions by licensed healthcare providers when the Fraudulent Equipment was provided, to the extent any Fraudulent Equipment was provided, pursuant to decisions from laypersons who are not legally authorized to prescribe DME; (iv) in many claims,

that Fraudulent Equipment provided to the Insureds accurately reflected the HCPCS Codes contained in the bills submitted to GEICO when the Fraudulent Equipment provided, to the extent that any Fraudulent Equipment actually was provided, did not meet the requirements for the specific HCPCS Codes billed to GEICO; and (v) the representation that the reimbursement rate for the Non-Fee Schedule items were less than or equal to the maximum permissible reimbursement amount when in fact these amounts were grossly inflated and well above the maximum permissible reimbursement amount and included the submission of fabricated wholesale invoices to justify the exorbitant charges to GEICO. A representative sample of the fraudulent billings and corresponding mailings submitted to GEICO identified through the date of this Complaint are described, in part, in the chart annexed hereto as Exhibit “10”.

507. CSupply, Lanoix, and John Doe Defendant “1” intentionally made the above-described false and fraudulent statements and concealed material facts in a calculated effort to induce GEICO to pay charges submitted through Gamlev Ortho that were not compensable under New York no-fault insurance laws.

508. GEICO justifiably relied on these false and fraudulent representations and acts of fraudulent concealment, and as a proximate result has been injured in its business and property by reason of the above-described conduct in that it has paid at least \$74,000.00 pursuant to the fraudulent bills submitted by CSupply, Lanoix, and John Doe Defendant “1”.

509. CSupply, Lanoix, and John Doe Defendant “1” extensive fraudulent conduct demonstrates a high degree of moral turpitude and wanton dishonesty that entitles GEICO to recover punitive damages.

510. Accordingly, by virtue of the foregoing, GEICO is entitled to compensatory and punitive damages, together with interest and costs, and any other relief the Court deems just and

proper.

TWENTY-THIRD CAUSE OF ACTION
Against CSupply, Lanoix, and John Doe Defendant “1”
(Unjust Enrichment)

511. GEICO incorporates, as though fully set forth herein, each and every allegation in the paragraphs set forth above.

512. As set forth above, CSupply, Lanoix, and John Doe Defendant “1” have engaged in improper, unlawful, and/or unjust acts, all to the harm and detriment of GEICO.

513. When GEICO paid the bills and charges submitted by or on behalf of CSupply No-Fault Benefits, it reasonably believed that it was legally obligated to make such payments based on Defendants’ improper, unlawful, and/or unjust acts.

514. CSupply, Lanoix, and John Doe Defendant “1” have been enriched at GEICO’s expense by GEICO’s payments, which constituted a benefit that CSupply, Lanoix, and John Doe Defendant “1” voluntarily accepted notwithstanding their improper, unlawful, and unjust billing scheme.

515. The retention of GEICO’s payments by CSupply, Lanoix, and John Doe Defendant “1” violates fundamental principles of justice, equity and good conscience.

516. By reason of the above, CSupply, Lanoix, and John Doe Defendant “1” have been unjustly enriched in an amount to be determined at trial, but in no event less than \$74, 000.00.

TWENTY-FOURTH CAUSE OF ACTION
Against New Way, Dolha, and John Doe Defendant “1”
(Common Law Fraud)

517. GEICO incorporates, as though fully set forth herein, each and every allegation in the paragraphs set forth above.

518. New Way, Dolha, and John Doe Defendant “1” intentionally and knowingly made

false and fraudulent statements of material fact to GEICO and concealed material facts from GEICO in the course of their submission of hundreds of fraudulent charges seeking payment for the Fraudulent Equipment.

519. The false and fraudulent statements of material fact and acts of fraudulent concealment include: (i) in every claim, that the Fraudulent Equipment that was dispensed was for reasonable and medically necessary DME when in fact it was dispensed pursuant to an insurance fraud scheme that was designed and implemented to exploit the patients for financial gain so as to benefit the Defendants and others not presently known, without regard for genuine patient care, and included dispensing Fraudulent Equipment that was not medically necessary and prescribed pursuant to predetermined fraudulent protocols, (ii) in every claim, that the Fraudulent Equipment dispensed was pursuant to a legitimate prescription from a licensed healthcare provider, when in fact the Fraudulent Equipment was dispensed based on prescriptions secured through collusive arrangements with the John Doe Defendants and issued pursuant to predetermined protocols, including prescriptions that were otherwise illegitimate because they contained photocopied, stamped, or otherwise duplicated signatures; (iii) in many claims, that Fraudulent Equipment was issued based upon legitimate prescriptions by licensed healthcare providers when the Fraudulent Equipment was provided, to the extent any Fraudulent Equipment was provided, pursuant to decisions from laypersons who are not legally authorized to prescribe DME; (iv) in many claims, that Fraudulent Equipment provided to the Insureds accurately reflected the HCPCS Codes contained in the bills submitted to GEICO when the Fraudulent Equipment provided, to the extent that any Fraudulent Equipment actually was provided, did not meet the requirements for the specific HCPCS Codes billed to GEICO; and (v) the representation that the reimbursement rate for the Non-Fee Schedule items were less than or equal to the maximum permissible reimbursement

amount when in fact these amounts were grossly inflated and well above the maximum permissible reimbursement amount and included the submission of fabricated wholesale invoices to justify the exorbitant charges to GEICO. A representative sample of the fraudulent billings and corresponding mailings submitted to GEICO identified through the date of this Complaint are described, in part, in the chart annexed hereto as Exhibit “11”.

520. New Way, Dolha, and John Doe Defendant “1” intentionally made the above-described false and fraudulent statements and concealed material facts in a calculated effort to induce GEICO to pay charges submitted through New Way that were not compensable under New York no-fault insurance laws.

521. GEICO justifiably relied on these false and fraudulent representations and acts of fraudulent concealment, and as a proximate result has been injured in its business and property by reason of the above-described conduct in that it has paid at least \$355,000.00 pursuant to the fraudulent bills submitted by New Way, Dolha, and John Doe Defendant “1”.

522. New Way, Dolha, and John Doe Defendant “1” extensive fraudulent conduct demonstrates a high degree of moral turpitude and wanton dishonesty that entitles GEICO to recover punitive damages.

523. Accordingly, by virtue of the foregoing, GEICO is entitled to compensatory and punitive damages, together with interest and costs, and any other relief the Court deems just and proper.

TWENTY-FIFTH CAUSE OF ACTION
Against New Way, Dolha, and John Doe Defendant “1”
(Unjust Enrichment)

524. GEICO incorporates, as though fully set forth herein, each and every allegation in the paragraphs set forth above.

525. As set forth above, New Way, Dolha, and John Doe Defendant “1” have engaged in improper, unlawful, and/or unjust acts, all to the harm and detriment of GEICO.

526. When GEICO paid the bills and charges submitted by or on behalf of New Way No-Fault Benefits, it reasonably believed that it was legally obligated to make such payments based on Defendants’ improper, unlawful, and/or unjust acts.

527. New Way, Dolha, and John Doe Defendant “1” have been enriched at GEICO’s expense by GEICO’s payments, which constituted a benefit that New Way, Dolha, and John Doe Defendant “1” voluntarily accepted notwithstanding their improper, unlawful, and unjust billing scheme.

528. The retention of GEICO’s payments by New Way, Dolha, and John Doe Defendant “1” violates fundamental principles of justice, equity and good conscience.

529. By reason of the above, New Way, Dolha, and John Doe Defendant “1” have been unjustly enriched in an amount to be determined at trial, but in no event less than \$355,000.00.

TWENTY-SIXTH CAUSE OF ACTION
Against the John Doe Defendants
(Common Law Fraud)

530. GEICO incorporates, as though fully set forth herein, each and every allegation in the paragraphs set forth above.

531. The John Doe Defendants knowingly aided and abetted the fraudulent scheme that was perpetrated on GEICO by the DME Providers, Paper Owner Defendants, and John Doe Defendant “1”.

532. The acts of the John Doe Defendants in furtherance of the fraudulent scheme included, among other things, knowingly engaging in collusive arrangements with the Defendants for the procurement of medically unnecessary prescriptions for Fraudulent Equipment issued

pursuant to a pre-determined protocol to maximize profits without regard to patient care and routing those prescriptions directly to the DME Providers, Paper Owner Defendants, and John Doe Defendant “1” and bypassing the Insureds.

533. The conduct of the John Doe Defendants in furtherance of the fraudulent scheme was significant and material. The conduct of the John Doe Defendants was a necessary part of and was critical to the success of the fraudulent scheme because, without their actions, there would have been no opportunity for ME Providers, Paper Owner Defendants, and John Doe Defendant “1” to bill for Fraudulent Equipment and obtain payment from GEICO and other insurers.

534. The John Doe Defendants aided and abetted the fraudulent scheme in a calculated effort to induce GEICO into paying charges to the DME Providers for medically unnecessary Fraudulent Equipment because they sought to continue profiting through the fraudulent scheme.

535. The conduct of the John Doe Defendants caused GEICO to pay more than \$2.4 million pursuant to the fraudulent bills submitted through the DME Providers.

536. This extensive fraudulent conduct demonstrates a high degree of moral turpitude and wanton dishonesty that entitles GEICO to recover punitive damages.

537. Accordingly, by virtue of the foregoing, GEICO is entitled to compensatory and punitive damages, together with interest and costs, and any other further relief the Court deems just and proper.

JURY DEMAND

538. Pursuant to Federal Rule of Civil Procedure 38(b), GEICO demands a trial by jury.

WHEREFORE, Plaintiffs Government Employees Insurance Company, GEICO Indemnity Company, GEICO General Insurance Company and GEICO Casualty Company demand that a Judgment be entered in their favor:

A. On the First Cause of Action against ELNB, LV Ortho, Healing Recovery, Willis Equipment, People’s Choice, S&D Legal Assistant, Newtimesupply, GB Ortho, Gamlev Ortho, CSupply, and New Way for a declaration pursuant to the Declaratory Judgment Act, 28 U.S.C. §§ 2201 and 2202, that ELNB, LV Ortho, Healing Recovery, Willis Equipment, People’s Choice, S&D Legal Assistant, Newtimesupply, GB Ortho, Gamlev Ortho, CSupply, and New Way have no right to receive payment for any pending bills submitted to GEICO;

B. On the Second Cause of action against the Paper Owner Defendants and John Doe Defendant “1” for compensatory damages in favor of GEICO in an amount to be determined at trial but more than \$2.4 million together with treble damages, costs, and reasonable attorneys’ fees pursuant to 18 U.S.C. § 1964(c) plus interest;

C. On the Third Cause of Action against the Paper Owner Defendants and the John Doe Defendants for compensatory damages in favor of GEICO in an amount to be determined at trial but more than \$2.4 million together with treble damages, costs, and reasonable attorneys’ fees pursuant to 18 U.S.C. § 1964(c) plus interest;

D. On the Fourth Cause of Action against Rubinfayn, ELNB, and John Doe Defendant “1” for compensatory damages in favor of GEICO in an amount to be determined at trial but in excess of \$17,000.00, together with punitive damages, costs, interest and such other and further relief as this Court deems just and proper;

E. On the Fifth Cause of Action against Rubinfayn, ELNB, and John Doe Defendant “1” for more than \$17,000.00 in compensatory damages, plus costs and interest and such other and further relief as this Court deems just and proper;

F. On the Sixth Cause of Action against Ostopowitz, LV Ortho, and John Doe Defendant “1” for compensatory damages in favor of GEICO in an amount to be determined at trial but in excess of \$87,000.00, together with punitive damages, costs, interest and such other and further relief as this Court deems just and proper;

G. On the Seventh Cause of Action against Ostopowitz, LV Ortho, and John Doe Defendant “1” for more than \$87,000.00 in compensatory damages, plus costs and interest and such other and further relief as this Court deems just and proper;

H. On the Eighth Cause of Action against Kemashvili, Healing Recovery, and John Doe Defendant “1” for compensatory damages in favor of GEICO in an amount to be determined at trial but in excess of \$206,000.00, together with punitive damages, costs, interest and such other and further relief as this Court deems just and proper;

I. On the Ninth Cause of Action against Kemashvili, Healing Recovery, and John Doe Defendant “1” for more than \$206,000.00 in compensatory damages, plus costs and interest and such other and further relief as this Court deems just and proper;

J. On the Tenth Cause of Action against Mirzokandov, Willis Equipment, and John Doe Defendant “1” for compensatory damages in favor of GEICO in an amount to be determined at trial but in excess of \$349,000.00, together with punitive damages, costs, interest and such other and further relief as this Court deems just and proper;

K. On the Eleventh Cause of Action against Mirzokandov, Willis Equipment, and John Doe Defendant “1” for more than \$349,000.00 in compensatory damages, plus costs and interest and such other and further relief as this Court deems just and proper;

L. On the Twelfth Cause of Action against Berrios, People’s Choice, and John Doe Defendant “1” for compensatory damages in favor of GEICO in an amount to be determined at trial but in excess of \$482,000.00, together with punitive damages, costs, interest and such other and further relief as this Court deems just and proper;

M. On the Thirteenth Cause of Action against Berrios, People’s Choice, and John Doe Defendant “1” for more than \$482,000.00 in compensatory damages, plus costs and interest and such other and further relief as this Court deems just and proper;

N. On the Fourteenth Cause of Action against Alexandre, S&D Legal Assistant, and John Doe Defendant “1” for compensatory damages in favor of GEICO in an amount to be determined at trial but in excess of \$279,000.00, together with punitive damages, costs, interest and such other and further relief as this Court deems just and proper;

O. On the Fifteenth Cause of Action against Alexandre, S&D Legal Assistant, and John Doe Defendant “1” for more than \$279,000.00 in compensatory damages, plus costs and interest and such other and further relief as this Court deems just and proper;

P. On the Sixteenth Cause of Action against Vynarskyy, Newtimesupply, and John Doe Defendant “1” for compensatory damages in favor of GEICO in an amount to be determined at trial but in excess of \$317,000.00, together with punitive damages, costs, interest and such other and further relief as this Court deems just and proper;

Q. On the Seventeenth Cause of Action against Vynarskyy, Newtimesupply, and John Doe Defendant “1” for more than \$317,000.00 in compensatory damages, plus costs and interest and such other and further relief as this Court deems just and proper;

R. On the Eighteenth Cause of Action against Golyнкиn, GB Ortho, and John Doe Defendant “1” for compensatory damages in favor of GEICO in an amount to be determined at trial but in excess of \$118,000.00, together with punitive damages, costs, interest and such other and further relief as this Court deems just and proper;

S. On the Nineteenth Cause of Action against Golyнкиn, GB Ortho, and John Doe Defendant “1” for more than \$118,000.00 in compensatory damages, plus costs and interest and such other and further relief as this Court deems just and proper;

T. On the Twentieth Cause of Action against Gamkrelidze, Gamlev Ortho, and John Doe Defendant “1” for compensatory damages in favor of GEICO in an amount to be determined at trial but in excess of \$135,000.00, together with punitive damages, costs, interest and such other and further relief as this Court deems just and proper;

U. On the Twenty-First Cause of Action against Gamkrelidze, Gamlev Ortho, and John Doe Defendant “1” for more than \$135,000.00 in compensatory damages, plus costs and interest and such other and further relief as this Court deems just and proper;

V. On the Twenty-Second Cause of Action against Lanoix, CSupply, and John Doe Defendant “1” for compensatory damages in favor of GEICO in an amount to be determined at trial but in excess of \$74,000.00, together with punitive damages, costs, interest and such other and further relief as this Court deems just and proper;

W. On the Twenty-Third Cause of Action against Lanoix, CSupply, and John Doe Defendant “1” for more than \$74,000.00 in compensatory damages, plus costs and interest and such other and further relief as this Court deems just and proper;

X. On the Twenty-Fourth Cause of Action against Dolha, New Way, and John Doe Defendant “1” for compensatory damages in favor of GEICO in an amount to be determined at trial but in excess of \$355,000.00, together with punitive damages, costs, interest and such other and further relief as this Court deems just and proper;

Y. On the Twenty-Fifth Cause of Action against Dolha, New Way, and John Doe Defendant “1” for more than \$355,000.00 in compensatory damages, plus costs and interest and such other and further relief as this Court deems just and proper; and

Z. On the Twenty-Sixth Cause of Action against the John Doe Defendants for compensatory damages in favor of GEICO in an amount to be determined at trial but in excess of \$2.4 million, together with punitive damages, costs, interest and such other and further relief as this Court deems just and proper.

Dated: May 13, 2026
Uniondale, New York

RIVKIN RADLER LLP

By: /s/ Barry I. Levy

Barry I. Levy, Esq.
Michael Vanunu, Esq.
Philip P. Nash, Esq.
Rawson Jahan, Esq.

926 RXR Plaza
Uniondale, New York 11556
(516) 357-3000

Counsel for Plaintiffs Government Employees Insurance Company, GEICO Indemnity Company, GEICO General Insurance Company and GEICO Casualty Company