

ASW/2003R00488

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Crim. No. 06- 701
v. : Hon.
JOSEPH GIANETTI, JR. : 18 U.S.C. § 1347 and
26 U.S.C. § 7201

I N F O R M A T I O N

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

COUNT 1

(Health Care Fraud)

The Defendant and His Business

1. At all times relevant to this Information:
 - a. Defendant JOSEPH GIANETTI, JR. was a resident of New Jersey who held himself out as a chiropractor licensed to practice in the State of New Jersey.
 - b. Defendant JOSEPH GIANETTI, JR. operated a business, Bridgeview Chiropractic Center, which was located in Fort Lee, New Jersey and provided chiropractic and medical services.
 - c. Defendant JOSEPH GIANETTI, JR. was not a medical doctor, and was not licensed to provide medical services.

2. At various times relevant to this Information, defendant JOSEPH GIANETTI, JR. submitted bills and claims to health care insurers, including Horizon Blue Cross Blue Shield ("HBCBS") for chiropractic services ostensibly provided to patients of Bridgeview Chiropractic Center.

3. In or about early 1999, defendant JOSEPH GIANETTI, JR. hired Dr. R.D., a licensed medical doctor, to provide medical services at Bridgeview Chiropractic Center. Pursuant to this arrangement, defendant JOSEPH GIANETTI, JR. paid Dr. R.D. at an hourly rate to conduct medical evaluations of, and provide medical services to, patients of Bridgeview Chiropractic Center. Defendant JOSEPH GIANETTI, JR. was responsible for handling all billing matters with patients and insurers regarding those medical services.

4. In order to facilitate such billing, Dr. R.D. provided her licensing information to defendant JOSEPH GIANETTI, JR. Defendant JOSEPH GIANETTI, JR. used this information to submit bills and claims to health care insurers, including HBCBS, for medical services provided by Dr. R.D. This arrangement continued until in or about December 1999, when Dr. R.D. ended her employment with Bridgeview Chiropractic Center.

5. In or about November 2000, defendant JOSEPH GIANETTI, JR. hired Dr. J.A., a licensed medical doctor, to provide medical services at Bridgeview Chiropractic Center. As with Dr. R.D.,

defendant JOSEPH GIANETTI, JR. paid Dr. J.A. at an hourly rate, and used Dr. J.A.'s licensing information to submit bills and claims to health care insurers, including HBCBS, for medical services provided by Dr. J.A. This arrangement continued until in or about April 2001, when Dr. J.A. ended his employment with Bridgeview Chiropractic Center.

The Scheme to Defraud

6. From in or about January 2000 through in or about October 2003, in Bergen County in the District of New Jersey and elsewhere, defendant

JOSEPH GIANETTI, JR.

did knowingly and willfully execute and attempt to execute a scheme and artifice to defraud health care benefit programs and to obtain money from such programs by means of false and fraudulent pretenses, representations and promises, in connection with the delivery and payment of health care benefits and services, which scheme and artifice was in substance as described below.

The Object of the Scheme

7. It was a principal object of the scheme for defendant JOSEPH GIANETTI, JR. to submit to HBCBS and other health care insurers false and fraudulent claims in the names of medical doctors R.D. and J.A, in order to obtain payments to which defendant JOSEPH GIANETTI, JR. was not entitled for medical

services that had never been rendered.

The Means and Methods of the Scheme

8. Among the means and methods used by defendant JOSEPH GIANETTI, JR. to carry out the scheme to defraud and effect its unlawful object were those set forth in paragraphs 9 through 15 below.

9. On various occasions from in or about January 2000 through in or about December 2002, defendant JOSEPH GIANETTI, JR. submitted claims to HCBBS and other health care insurers falsely representing that Dr. R.D. had rendered medical services to patients of Bridgeview Chiropractic Center (the "fraudulent R.D. claims"). Many of the fraudulent R.D. claims alleged that Dr. R.D. had rendered medical services at a time when she was no longer employed at Bridgeview Chiropractic Center. In fact, the medical services alleged in the fraudulent R.D. claims had not been rendered at all.

10. In response to the fraudulent R.D. claims, HCBBS and other health care insurers issued insurance checks made payable to Dr. R.D. which were sent to Bridgeview Chiropractic Center. Defendant JOSEPH GIANETTI, JR. converted these checks to his personal use by forging Dr. R.D.'s signature and then either cashing the checks or endorsing them to third parties to whom defendant JOSEPH GIANETTI, JR. owed money.

11. On various occasions from at least in or about November 2000 through in or about October 2003, defendant JOSEPH GIANETTI, JR. submitted claims to HBCBS and other health care insurers falsely representing that Dr. J.A. had rendered medical services to patients of Bridgeview Chiropractic Center (the "fraudulent J.A. claims"). Many of the fraudulent J.A. claims alleged that Dr. J.A. had rendered medical services at a time when he was no longer employed at Bridgeview Chiropractic Center. In fact, the medical services alleged in the fraudulent J.A. claims had not been rendered at all.

12. In response to the fraudulent J.A. claims, HBCBS and other health care insurers issued insurance checks made payable to Dr. J.A. which were sent to Bridgeview Chiropractic Center. Defendant JOSEPH GIANETTI, JR. converted these checks to his personal use by forging Dr. J.A.'s signature and then either cashing the checks or endorsing them to third parties to whom defendant JOSEPH GIANETTI, JR. owed money.

13. By the above means, from in or about January 2000 through in or about December 2002, defendant JOSEPH GIANETTI, JR. obtained approximately \$688,736 from HBCBS and other health care insurers in payment on fraudulent claims for medical services.

14. In or about January 2003, HBCBS began an inquiry into suspicious claims emanating from Bridgeview Chiropractic Center. In connection with this inquiry, representatives of HBCBS

conducted an audit interview at the offices of Bridgeview Chiropractic Center. During that interview, defendant JOSEPH GIANETTI, JR. posed as Dr. J.A. in order to conceal his fraudulent claim scheme.

15. In or about March 2003, defendant JOSEPH GIANETTI, JR., posing as Dr. J.A., met again with representatives of HBCBS to discuss the questionable claims.

In violation of Title 18, United States Code, Section 1347.

COUNT 2
(Tax Evasion)

1. Paragraphs 1 through 5 and 7 through 15 of Count 1 of this Information are hereby realleged and incorporated as though set forth in full herein.

2. At all times relevant to this Information, defendant JOSEPH GIANETTI, JR. operated Bridgeview Chiropractic Center as a sole proprietor. As the sole proprietor, JOSEPH GIANETTI, JR. received income from and incurred expenses on behalf of the business.

3. For tax years 1998 and 1999, defendant JOSEPH GIANETTI, JR. filed U.S. Individual Income Tax Return Forms 1040 which included Schedule C Forms that reported income and expenses of Bridgeview Chiropractic Center.

4. During 2000, defendant JOSEPH GIANETTI, JR. received approximately \$172,701 from HBCBS and other health care insurers in payment on fraudulent claims for medical services. On this income, \$66,011 in tax was due and owing to the United States.

5. Defendant JOSEPH GIANETTI, JR. failed to file with the Internal Revenue Service a U.S. Individual Income Tax Return for tax year 2000, and failed to pay the tax due and owing on his income for that year.

6. During 2001, defendant JOSEPH GIANETTI, JR. received approximately \$118,883 in income from Bridgeview Chiropractic Center, and approximately \$254,070 from HBCBS and other health

care insurers in payment on fraudulent claims for medical services. After deducting legitimate business expenses, \$127,984 in tax was due and owing to the United States on this income.

7. Defendant JOSEPH GIANETTI, JR. failed to file with the Internal Revenue Service a U.S. Individual Income Tax Return for tax year 2001, and failed to pay the tax due and owing on his income for that year.

8. During 2002, defendant JOSEPH GIANETTI, JR. received approximately \$144,828 in income from Bridgeview Chiropractic Center, and approximately \$261,965 from HBCBS and other health care insurers in payment on fraudulent claims for medical services. After deducting legitimate business expenses, \$136,076 in tax was due and owing to the United States on this income.

9. Defendant JOSEPH GIANETTI, JR. failed to file with the Internal Revenue Service a U.S. Individual Income Tax Return for tax year 2002, and failed to pay the tax due and owing on his income for that year.

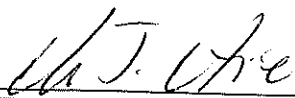
10. By this conduct, defendant JOSEPH GIANETTI, JR. attempted to evade and defeat \$330,071 in income tax due and owing by him to the United States for tax years 2000 through 2002.

11. On or about April 15, 2003, in the District of New Jersey, and elsewhere, defendant

JOSEPH GIANETTI, JR.

did knowingly and willfully attempt to evade and defeat the income tax due and owing by him to the United States for tax year 2002 by failing to make and file with the Internal Revenue Service a U.S. Individual Income Tax Return, Form 1040, for that tax year as required by law, as described in paragraph 9 of this Count; and by failing to pay to the Internal Revenue Service income tax in the amount of \$136,076 due and owing on his income for that tax year, as described in paragraphs 8 and 9 of this Count.

In violation of Title 26, United States Code, Section 7201.



CHRISTOPHER J. CHRISTIE
United States Attorney

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UNITED STATES OF AMERICA

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INFORMATION FOR

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