

UNITED STATES DISTRICT COURT
DISTRICT OF SOUTH CAROLINA
AIKEN DIVISION

UNITED STATES OF AMERICA

v.

DEE ALICE MOTON

CRIMINAL NO.

1:25-810
18 U.S.C. § 2

18 U.S.C. § 1347

18 U.S.C. § 982(a)(7)

28 U.S.C. § 2461(c)

INDICTMENT**BACKGROUND**

AT ALL TIMES RELEVANT TO THIS INDICTMENT:

1. Defendant **DEE ALICE MOTON**, a resident of Hephzibah, Georgia, owned and operated Flowing Hands Massage Clinical Therapy, LLC (hereinafter “Flowing Hands”), a massage therapy service provider located at 6350 Woodside Executive Park, Aiken, South Carolina, 29803, which is in the District of South Carolina.

2. Defendant **DEE ALICE MOTON** was and is as of the date of this Indictment a licensed massage therapist in the state of South Carolina and has maintained a license since January 17, 2014.

3. Defendant **DEE ALICE MOTON** was registered with the National Plan and Provider Enumeration System (NPPES). As a registered provider, the Defendant, **DEE ALICE MOTON**, received a National Provider Identifier (NPI) number. The Defendant **DEE ALICE MOTON**’s NPI number ends in 6071.

The United States Department of Veterans Affairs and its Community Care Network

4. The United States Department of Veterans Affairs (VA) is a division of the executive branch of the federal government. Among other things, the VA provides medical

treatment for veterans of each branch of the armed services. Veterans usually receive medical treatment at a VA hospital or other VA medical facility, but, in certain circumstances, veterans can receive treatment outside of a VA facility through a community care program.

5. In 2018, the United States Congress passed the Maintaining Internal Systems and Strengthening Integrated Outside Networks Act (the “Mission Act”). The Mission Act consolidated previously existing VA community care programs into a new veterans community care program that was intended to ensure veterans chose the VA for their healthcare needs even if they did not live near a VA facility or if they needed a specific type of specialized care.

6. Under the Mission Act, the VA administered community care services through the VA Community Care Network (CCN). The CCN provided a mechanism by which a veteran can receive care from a community provider that is paid for by the VA. The CCN can be utilized by veterans who require a specific type of care that cannot be provided by a VA facility in a timely manner or when the nearest VA facility is too far away from their home. The CCN covers care for veterans, but not their families or dependents. The CCN awards contracts to Third-Party Administrators (TPA) who process payment claims from providers and issue payments to the providers on behalf of the VA.

7. The CCN is a public plan or contract that pays claims submitted by participating health care providers for medically necessary benefits, items, and services rendered to veterans. As such, The CCN is a “health care benefit program” under Title 18, United States Code, Section 24(b).

8. OptumHealth Care Solutions, LLC (“Optum”) is a TPA who was awarded a contract by the VA to administer care to veterans in the States of South Carolina and Georgia

under the CCN. Optum partnered with United Healthcare to provide a network of medical services as part of the CCN.

9. In addition to providing traditional medical care such as primary care providers, laboratories, specialty providers, hospitals, and pharmacies as part of the CCN, Optum also provided access to physical therapy, occupational therapy, massage therapy, speech therapy, and chiropractic services.

10. When a provider bills a TPA, such as Optum, for services rendered to a veteran, they utilize Current Procedure Terminology (CPT) codes to detail which services were provided and for how long. Some CPT codes are time based, some CPT codes are based on the specialty of the provider, and others indicate that specific care was rendered virtually. The following are examples of CPT codes:

- a. CPT code 97124 is the code for massage therapy for 15 minutes. A provider who wished to bill a TPA for fifteen minutes of massage therapy would list code 97124 on the claim they submitted to the TPA.
- b. CPT code 99215 represents a high level of medical decision making by a doctor or other qualified health provider, or a meeting that exceeds 40 minutes of total time.
- c. CPT code 99442 denotes a phone call between 11 and 20 minutes between a physician or other qualified health professional and a patient in lieu of an appointment.

11. When the VA utilizes a TPA, a provider submits a claim to the TPA and receives payment from the TPA. The VA then reimburses the TPA after payment is made to the provider.

Flowing Hands

12. On its website, Flowing Hands advertises itself as a provider of “Clinical Massage Therapy” and lists a variety of services it provides and conditions it treats, which include neuromuscular disorders, myoskeletal alignment, and nerve entrapment pain relief.

13. Some of the services offered by Flowing Hands are covered by certain health care programs and/or plans if they are deemed medically necessary.

14. Flowing Hands entered into an agreement with Optum on or about June 15, 2021 (hereinafter the “Optum Agreement”) to act as a community health care provider for veterans under the CCN as administered by Optum.

15. The Optum Agreement stated in pertinent part the following:

- a. Flowing Hands agreed that, as a provider of medical services, it would maintain an appropriate license to enable it to lawfully perform the Optum Agreement.
- b. Flowing Hands will “maintain adequate medical, financial and administrative records related to Covered Services rendered by Provider or Participating Provider under this Agreement, including claims records, for at least 6 years.”
- c. Flowing Hands would submit claims “only for services performed by Provider or Participating Provider(s).”
- d. Flowing Hands providers “are not authorized to deliver service to an eligible veteran until a VA-approved referral is received. The VA will send a referral with information about the Veteran and the type of care the Veteran can receive.”

16. The Optum Agreement defined an approved referral as follows: "... the approved referral relates to a specified number of visits and/or services related to a Standard Episode of Care, and the approved services must be rendered within the specified timeframe. This process requires that an approved referral be provided 'prior to' rendering the specified service."

17. A Standard Episode of Care (SEOC), as defined by the Optum Agreement, is a set of clinically related health care services for a specific unique illness or medical condition, diagnosis, or procedure provided by an authorized provider during a defined, authorized period of time not to exceed one year. The SEOC sets forth the CPT codes that were approved for each veteran's authorized treatment.

18. The SEOC did not list Evaluation and Management ("E&M") codes because they are not part of the VA-approved referrals that the Defendant, **DEE ALICE MOTON** and Flowing Hands received. However, the SEOC did authorize an initial 60-minute evaluation that "may include adjunctive modalities and therapeutic exercise procedures may also be utilized (if indicated)."

19. The SEOCs that the Defendant, **DEE ALICE MOTON**, and Flowing Hands primarily received were 1.7.6 and 1.7.7. Both of these SEOCs did not list CPT codes 99215, 99214, 99213, 99211, 99205, or 99244 as authorized codes.

20. At Flowing Hands, services rendered and provided were detailed in Subjective Objective Assessment Plan (SOAP) notes that are documented by massage therapists and then given to the front desk to assist in creating bills to be sent to Optum.

21. On its website, Flowing Hands advertises that it accepts Optum insurance.

COUNTS 1 through 14
18 U.S.C. § 1347
(Health Care Fraud)

THE GRAND JURY CHARGES:

22. Paragraphs 1 through 20 of this Indictment are incorporated herein by reference.

The Scheme and Artifice to Defraud

23. From on or about June 15, 2021, through at least August 9, 2023, in the District of South Carolina and elsewhere, the Defendant, **DEE ALICE MOTON**, and others known and unknown to the Grand Jury, as a principal and/or aider and abettor, in connection with the delivery of and payment for health care benefits, items, and services, did knowingly and willfully execute, and attempt to execute, a scheme and artifice to defraud a health care benefit program affecting commerce, as defined by Title 18, United States Code, Section 24(b), that is, the Veteran's Administration Community Care Network, in that the Defendant, **DEE ALICE MOTON**, did knowingly, intentionally, and unlawfully bill the Veteran's Administration Community Care Network by and through its TPA, OptumHealth Care Solutions LLC, knowing that the claims were false, fictitious, and fraudulent in that the services, or a portion of the services, were not provided, and obtained by means of materially false and fraudulent pretenses, representations, and promises, money and property owned by, and under the custody and control of said health care benefit program.

Manner and Means of the Scheme and Artifice

The manner and means by which the Defendant, **DEE ALICE MOTON**, as a principal and/or aider and abettor, sought to accomplish the scheme to defraud included, among other things, the following:

24. Flowing Hands and the Defendant, **DEE ALICE MOTON**, as an approved provider under the Veteran's Administration Community Care Network ("CCN"), would receive referrals for authorized veterans. The referral included a detailed SEOC. Specifically, the SEOC would set forth what services the veteran was authorized to receive, including the length for each service and the number of visits authorized.

25. Despite the SEOC and the referral, which set forth the authorized treatment, the Defendant, **DEE ALICE MOTON**, as a principal and/or aider and abettor, as part of the scheme and artifice to defraud, would bill Optum, the TPA who administered the CCN benefits, for services that were never rendered and/or for services that were in excess of the services actually provided.

26. For example, the Defendant, **DEE ALICE MOTON**, as a principal and/or aider and abettor, would bill Optum for multiple evaluation and management codes (E&M codes) on a single claim. However, the E&M codes were mutually exclusive such that it was not possible all the services were rendered.

27. Further, the Defendant, **DEE ALICE MOTON**, as a principal and/or aider and abettor, would submit claims to Optum with CPT codes for specialized services that were not rendered to VA beneficiaries, such as: wheelchair therapy to patients who were not in wheelchairs; aquatic therapy when Flowing Hands had no pool and was otherwise unable to render those services; and remote physiologic monitoring to patients who had pacemakers, for patients who did not have pacemakers.

28. Further, the Defendant, **DEE ALICE MOTON**, as a principal and/or aider and abettor, would submit claims and bill for services that were not rendered and/or that were in

excess of the services provided by billing for quantities of authorized CPT codes that were in excess of the amount of therapy provided and documented by the SOAP notes.

29. Further, the Defendant, **DEE ALICE MOTON**, as a principal and/or aider and abettor, submitted claims and billed for remote or telehealth services on the same dates and times that she billed for in-person treatments when the remote and/or telehealth services were not provided.

Acts in Execution or Attempted Execution of the Scheme and Artifice

30. On or about the dates set forth below, in the District of South Carolina and elsewhere, the Defendant, **DEE ALICE MOTON**, as a principal and/or aider and abettor, in connection with the delivery of and payment for health care benefits, items, and services, did knowingly and willfully execute, and attempt to execute, the above-described scheme and artifice to defraud a health care benefit program affecting commerce, as defined by Title 18, United States Code, Section 24(b), that is, The Veterans Administration Community Care Network, and to obtain by means of materially false and fraudulent pretenses, representations, and promises, money and property owned by, and under the custody and control of said health care benefit program, in that the Defendant, as listed below, submitted and caused the submission of the following false and fraudulent claims for the services listed below, for the beneficiaries listed below, knowing that the claims were false, fictitious, and fraudulent in that the services, or a portion of the services, were not provided.

Count	Claim Number	Veteran Number	Date of Service	Date of Claim
1	I261X0704	3681	9/16/2022	9/19/2022
2	J206X6P28	9163	7/25/2023	7/26/2023
3	I136X151K	0959	5/16/2022	5/17/2022
4	H336X5L49	1457	11/1/2021	12/3/2021

5	I104X2136	2548	4/14/2022	4/15/2022
6	I090X6532	4768	3/2/2022	3/2/2022
7	I265X18DJ	0580	9/21/2022	9/23/2022
8	I059X5FVL	3604	11/10/2021	12/3/2021
9	I133X1XL5	4479	5/13/2022	5/14/2022
10	I215X2YPJ	5384	4/20/2022	4/21/2022
11	I115X2SCK	3047	9/22/2022	9/23/2022
12	I075X56JW	3325	3/16/2022	3/17/2022
13	I061X5HWM	9915	3/2/2022	3/3/2022
14	I004X4CYB	1457	1/4/2022	1/5/2022

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

FORFEITURE

HEALTH CARE FRAUD:

Upon conviction for violation of Title 18, United States Code, Section 1347 as charged in this Indictment, the Defendant, **DEE ALICE MOTON**, shall forfeit to the United States all of the Defendant's rights, title, and interest in and to any property, real and personal, which constitutes, is traceable, or is derived from any proceeds the Defendant obtained, directly or indirectly, as a result of such offenses.

PROPERTY:

Pursuant to Title 18, United States Code, Section 982(a)(7) and Title 28, United States Code, Section 2461(c), the property which is subject to forfeiture upon conviction of the Defendant for the offenses charged in this Indictment includes, but is not limited to, the following:

Proceeds/Forfeiture Judgment:

A sum of money equal to all proceeds the Defendant obtained, directly or indirectly, from the offenses charged in this Indictment, that is, a minimum of \$1,764,628.76 in United States currency and all interest and proceeds traceable thereto, and/or such sum that equals all property derived from or traceable to her violation of 18 U.S.C. § 1347.

SUBSTITUTION OF ASSETS:

If any of the property described above as being subject to forfeiture, as a result of any act or omission of a Defendant:

- (a) cannot be located upon the exercise of due diligence;
- (b) has been transferred or sold to, or deposited with, a third person;
- (c) has been placed beyond the jurisdiction of the Court;
- (d) has been substantially diminished in value; or
- (e) has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p) to seek forfeiture of any other property of the Defendant up to an amount equivalent to the value of the above-described forfeitable property;

Pursuant to Title 18, United States Code, Section 982(a)(7) and Title 28, United States Code, Section 2461(c).

A true BILL

~~FOREPERSON~~

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