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UNITED STATES DISTRICT COURT
DISTRICT OF CONNECTICUT

3:20mj19 RAR

STATE OF CONNECTICUT : ss: Hartford, Connecticut

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COUNTY OF HARTFORD : **FILED UNDER SEAL**

AFFIDAVIT OF JEFFREY W. ANDERSON

I, Jeffrey W. Anderson, a Special Agent with the U.S. Department of Health and Human Services, Office of Inspector General (HHS-OIG), having been duly sworn, state:

INTRODUCTION AND AGENT BACKGROUND

1. I am a Special Agent with the United States Department of Health and Human Services, Office of Inspector General (“HHS-OIG”), where I have been employed since July 2015. I am a graduate of the Criminal Investigator Training Program at the Federal Law Enforcement Training Center (“FLETC”) in Glynco, Georgia, and I have a Bachelor of Science in Business Administration from the Whittemore School of Business, University of New Hampshire in 2010. Before becoming a Special Agent, I was employed as an auditor with HHS-OIG for five years.

2. As an HHS-OIG Special Agent, I am responsible for investigating allegations of fraud against the various programs under HHS’s jurisdiction, including the Medicare and Medicaid programs. I have participated in numerous investigations involving those programs and have interviewed witnesses, conducted surveillance, reviewed claims data, medical records and other business records. I have also assisted with the execution of search and arrest warrants.

3. I am an investigative or law enforcement officer of the United States and I am

empowered by law to conduct investigations of and to make arrests for offenses enumerated in Title 18. I am the co-case agent responsible for the ongoing investigation of ANTHONY J. TODT (“TODT”).

4. I base this affidavit upon my personal knowledge, upon information and documents provided to me by other investigators assigned to this investigation, and upon information and documents provided by third parties. I have not included each and every fact known to me from the investigation; rather, I have submitted sufficient information to establish probable cause for the requested warrant.

5. I submit this affidavit in support of an application for a criminal complaint and arrest warrant for ANTHONY J. TODT (“TODT”) for committing health care fraud in violation of Title 18 U.S.C. § 1347.

PROBABLE CAUSE

6. Along with other Special Agents from the Office of Inspector General of the U.S. Department of Health and Human Services (“HHS-OIG”) and the Federal Bureau of Investigation (“FBI”), I am investigating TODT, a licensed physical therapist and owner of PERFORMANCE EDGE SPORTS LLC, a Connecticut LLC which does business as FAMILY PHYSICAL THERAPY at two locations in Colchester, Connecticut. FAMILY PHYSICAL THERAPY currently has physical therapy offices at both 7 PARK AVENUE, SUITE 4, COLCHESTER, CONNECTICUT, and 744 MIDDLETOWN ROAD, COLCHESTER, CONNECTICUT. Our agencies are investigating allegations that TODT and FAMILY PHYSICAL THERAPY are engaged in a health care fraud scheme involving the submission of fraudulent claims for physical therapy sessions to the Connecticut Medicaid Program and to private health insurance plans, including Anthem Blue Cross Blue

Shield, for physical therapy services that were not in fact rendered to patients.

BACKGROUND

I. The Medicaid Program in Connecticut

7. The Connecticut Department of Social Services (“DSS”) provides medical assistance to low-income persons and people who could otherwise support themselves if not for the fact that they have excessive health care costs. DSS provides this assistance through the Connecticut Medical Assistance Program (CTMAP). CTMAP offers a comprehensive health care benefit package that includes the following:

- a. HUSKY A - Family Medicaid;
- b. HUSKY B - State Children’s Health Insurance Program (“SCHIP”);
- c. HUSKY C - previously referred to as Medicaid, Title XIX, fee-for-service, or Adult Medicaid; and
- d. HUSKY D - previously referred to as Medicaid for Low Income Adults (“MLIA”).

8. The HUSKY programs identified above are joint federal-state government programs designed primarily to finance the provision of the medical services to the indigent. This affidavit refers to the various HUSKY programs above collectively known as “Medicaid.” DSS administers these Medicaid programs in Connecticut. The Medicaid program is administered at the federal level by the Centers for Medicare and Medicaid Services (“CMS”) and is funded approximately 50 percent by the federal government. The remaining approximately 50 percent is funded by the State of Connecticut.

9. Medicaid is a public plan or contract that pays claims submitted by participating health care providers for medically necessary benefits, items, and services rendered to Medicaid members. As such, Medicaid is a “health care benefit program” under 18 U.S.C. § 24(b).

10. Participating providers in the Medicaid program are required to maintain medical documentation of the services provided to Medicaid members for at least five years from the date of service.

11. It is possible for Medicaid members to have one or more additional sources of coverage for health care services, including coverage by other health insurers or programs. By law, all of the available third party resources, including public or private health insurance plans, must meet their legal obligation to pay claims before the Medicaid program pays for the care of an individual eligible for Medicaid. As such, Medicaid is generally the payer of last resort.

12. Unlike many other health benefit plans, Medicaid does not send Explanation of Benefits (EOB) forms to its members for claims submitted to Medicaid. As a result, Medicaid members generally do not know if a provider has billed Medicaid for services that the member did not in fact receive.

II. Anthem Blue Cross Blue Shield

13. Anthem Blue Cross Blue Shield (“Anthem”) is a national private health insurance company which insures patients in Connecticut and elsewhere. Because Anthem is a private plan or contract that pays claims submitted by participating health care providers for medically necessary benefits, items, and services rendered to Anthem insureds, Anthem is a “health care benefit program” under 18 U.S.C. § 24(b).

14. Anthem has a Special Investigations Unit (“SIU”) that investigates any allegations of fraud committed by any of the thousands of medical providers who treat patients insured by

Anthem. When an allegation of fraud is received, Anthem's SIU will initiate an investigation to determine its credibility. This investigation can include interviewing Anthem's insureds, reviewing claims data, and performing medical record reviews of providers. If Anthem's SIU finds that there is evidence to support the allegations, they will refer the matter to law enforcement agencies, including the FBI, for additional investigation.

III. Cigna

15. Cigna is a national private health insurance company which insures patients in Connecticut and elsewhere. Because Cigna is a private plan or contract that pays claims submitted by participating health care providers for medically necessary benefits, items, and services rendered to Cigna insureds, Cigna is a "health care benefit program" under 18 U.S.C. § 24(b).

IV. How Providers Bill Medicaid and Private Insurance: CPT Codes

16. In order to bill health care benefit programs such as Medicaid, Anthem, and Cigna, providers use a five-digit number, known as a Current Procedural Terminology ("CPT") code, that identifies the nature and complexity of the service provided. The CPT codes are listed in a manual that is published annually by the American Medical Association. CPT codes are universally used by health care providers to bill government and private health insurance programs for services rendered. Virtually every medical procedure has its own CPT code and Medicaid and private insurance companies pay a specified amount of money for each CPT code billed.

17. The CPT codes that TODT and FAMILY PHYSICAL THERAPY typically use to bill Medicaid, Anthem, and Cigna are those commonly used by physical therapists. The three

codes TODT and FAMILY PHYSICAL THERAPY most frequently use are described as follows in the CPT manual:

Therapeutic Procedures.

A manner of effecting change through the application of clinical skills and/or services that attempt to improve function.

Physician or other qualified health care professional (ie, therapist) required to have direct (one-on-one) patient contact.

- 97110 Therapeutic procedure, 1 or more areas, each 15 minutes; therapeutic exercises to develop strength and endurance, range of motion and flexibility
- 97112 neuromuscular reeducation of movement, balance, coordination, kinesthetic sense, posture, and/or proprioception for sitting and/or standing activities
- 97140 Manual therapy techniques (eg, mobilization/manipulation, manual lymphatic drainage, manual traction) 1 or more regions, each 15 minutes

18. As can be seen from the description of the codes in the CPT manual, the three codes above, like many physical therapy CPT codes, contain a time component (15 minutes). For many common physical therapy services, a physical therapist bills his time spent with patients in 15-minute increments, or units. During a patient encounter, a physical therapist may render more than one “unit” of such a timed code to a patient during a particular physical therapy session. For example, if a physical therapist spends a half hour with a patient performing a “therapeutic procedure” described above in CPT Code 97110, that therapist could bill for two units of CPT code 97110 for that session. Again, broadly stated, if a physical therapist billed for one unit of CPT code 97110, that would indicate that the therapist spent approximately 15 minutes with that patient.

19. Another component of the CPT codes described above and typically used by TODT and FAMILY PHYSICAL THERAPY is that the codes require “direct (one-on-one)

patient contact.” For this reason, broadly stated, a physical therapist cannot bill for more than approximately four 15-minute units of therapy during a given hour.

20. Typically, providers submit CPT codes using an electronic claim form, formerly known as a CMS 1500. The CMS 1500 form, completed by a provider or its billing contractor, includes, among other information, the name and provider number of the provider who rendered the service (the “rendering provider”); the name of the patient who received the service; the date the service was performed; a code delineating where the service was provided; the procedure that was rendered (identified by CPT code); in the case of timed physical therapy services, the number of units of the CPT code/procedure billed; and the diagnosis of the patient’s condition for which the service was rendered. Most providers, including TODT and FAMILY PHYSICAL THERAPY, submit claims to Medicaid and private health care benefit programs electronically.

21. When a provider submits a claim, the provider certifies that the services identified on the form were “medically indicated and necessary for the health of the patient.”

V. TODT and FAMILY PHYSICAL THERAPY

22. ANTHONY J. TODT is licensed by the State of Connecticut as a physical therapist. His license, number 6462, was first granted on August 10, 1999.

23. PERFORMANCE EDGE SPORTS, LLC (“PERFORMANCE”) is a physical therapy provider which registered with the Connecticut Secretary of State on May 19, 2008. The registered owner is ANTHONY J. TODT. PERFORMANCE operates two physical therapy offices through a d/b/a known as FAMILY PHYSICAL THERAPY at two locations in Colchester, Connecticut: 7 PARK AVENUE, SUITE 4, COLCHESTER, CONNECTICUT, and 744 MIDDLETOWN ROAD, COLCHESTER, CONNECTICUT. In this affidavit, “FAMILY

PHYSICAL THERAPY” is used to refer to PERFORMANCE and FAMILY PHYSICAL THERAPY.

24. FAMILY PHYSICAL THERAPY operates a website available at <http://family-pt.com>. When accessed on January 7, 2020, the website contained a list of “Clinical Staff” for FAMILY PHYSICAL THERAPY. Listed under that heading were TODT, TODT’s wife, Megan Todt, and three other licensed physical therapists, whose initials are M.M., E.D., and A.R., and two physical therapy assistants. The website contained photographs of all five of these individuals, along with a brief biographical section for the providers. The biography for TODT states, “Anthony is licensed in California, Florida, and Connecticut and has had the fortune to further his Physical Therapy experience through experiences throughout the country and his involvement in rehabilitating professional athletes, progressive surgical procedures, and continues to improve his knowledge through continuing education in the same.”

25. TODT and FAMILY PHYSICAL THERAPY have been a participating provider in the Medicaid program since at least 2012.

VI. WebPT

26. WebPT is an online service provider that provides web-based practice management software exclusively for physical therapists. According to WebPT’s website, www.WebPT.com, the company’s software offers cloud-based electronic medical record keeping, client and insurance billing, a full-featured calendar and a client portal for communication and scheduling for outpatient physical rehab organizations. According to WebPT’s website, WebPT is located at [REDACTED], Phoenix, Arizona.

27. TODT and FAMILY PHYSICAL THERAPY use WebPT to create and submit electronic medical records. As a result, TODT and FAMILY PHYSICAL THERAPY have the

capability to create or upload patient medical records to include progress notes, treatment plans, prior authorizations and patient referral documents in order to be stored electronically by WebPT.

TODT'S HEALTH CARE FRAUD SCHEME

28. In or about April 2019, the FBI and HHS-OIG initiated an investigation of TODT and FAMILY PHYSICAL THERAPY. Our investigation has learned that TODT and FAMILY PHYSICAL THERAPY are engaged in a scheme to defraud Medicaid, Anthem, Cigna, and other health care benefit programs by billing those plans for physical therapy services that were not provided.

29. As part of our investigation, agents interviewed a cooperating witness identified herein as CW-1. CW-1 is the mother of [REDACTED] children, who were born on [REDACTED] 2008. The children are identified herein as Child-1A and Child-1B. CW-1, Child-1A and Child-1B are all Medicaid members.

30. According to CW-1, Child-1A and Child-1B [REDACTED]

[REDACTED]

31. [REDACTED] CW-1 raised Child-1A and Child-1B on her own. [REDACTED]

[REDACTED]

[REDACTED] her children receiving coverage from Medicaid. [REDACTED]

[REDACTED]

[REDACTED]

32. [REDACTED] Child-1A and Child-1B received medical care from their primary care physician and from an orthopedist at Connecticut Children's Medical Center (CCMC). The orthopedist recommended that the two children start physical therapy at CCMC in Hartford. [REDACTED] CW-1 looked for a physical therapy practice near their home that accepted Medicaid patients and treated children. CW-1 identified FAMILY PHYSICAL THERAPY, which was approximately [REDACTED] from their home.

33. According to CW-1, Child-1A and Child-1B then received physical therapy at FAMILY PHYSICAL THERAPY for many years. CW-1 identified ANTHONY TODT as the owner of FAMILY PHYSICAL THERAPY and stated TODT is known as "Tony." CW-1 stated that TODT initially opened FAMILY PHYSICAL THERAPY with TODT's wife, whom CW-1 identified by name. CW-1 said that Child-1A and Child-1B usually were treated by physical therapists at FAMILY PHYSICAL THERAPY who specialized in pediatrics, rather than by TODT. CW-1 estimated that the children received physical therapy from TODT about 10-20% of the time, when a pediatric specialist was not available.

34. The appointments for Child-1A and Child-1B varied from week to week, as they depended upon CW-1's personal schedule and the availability of the pediatric physical therapists. Their appointments for the two children were always held on the same day, once or twice a week. When the children were school aged, the sessions were held after school. CW-1 would wait in the lobby with one child while the other received physical therapy. The sessions lasted about 30 minutes for each child. CW-1 and her children mainly attended appointments at

FAMILY PHYSICAL THERAPY's office at 7 PARK AVENUE, SUITE 4, COLCHESTER, CONNECTICUT. For a period of about a year, CW-1 brought her children to a FAMILY PHYSICAL THERAPY office that formerly operated in East Hampton because TODT told CW-1 that TODT planned to start a pediatric treatment program and offer water therapy at that location. CW-1 brought the children to the East Hampton office even though it was a longer drive from their home to that location. The water therapy program never started, and eventually the East Hampton location was closed, so CW-1 and her children resumed treatments at the 7 PARK AVENUE, SUITE 4, COLCHESTER, CONNECTICUT location.

35. During the course of her children's treatment at FAMILY PHYSICAL THERAPY, CW-1 learned that TODT's wife and children had moved to Florida, and believes the move had something to do with health issues that TODT's wife was experiencing. According to CW-1, TODT flies from Connecticut to Florida on Thursday evenings or Friday mornings to live with his family, and TODT returns to Connecticut on Monday evenings for work. TODT told CW-1 that while in Connecticut, TODT had been staying at FAMILY PHYSICAL THERAPY's Colchester office and TODT would shower at the gym, then return to the office to sleep.

36. CW-1 is "one hundred percent" confident that her children never received physical therapy more than twice a week at FAMILY PHYSICAL THERAPY, and that the children's sessions were never conducted on back-to-back days or on a Saturday or Sunday. CW-1 stated she would remember if that had happened, because [REDACTED]

[REDACTED]

37. According to CW-1, scheduling appointments at FAMILY PHYSICAL THERAPY "was a mess" due to the high turnover among the pediatric physical therapists. Each

time a new pediatric physical therapist was assigned, CW-1 would have to adapt to that therapist's work schedule. On one occasion, a physical therapist who did not usually treat Child-1A and Child-1B covered for the regularly assigned therapist who was not in the office on that day. According to CW-1, the covering physical therapist "wasn't sure what to do" for the children's treatment because the therapist was unable to identify any records for the children.

38. Sometime in 2018, TODT told CW-1 that TODT no longer had a pediatric physical therapist on staff and CW-1 would have to find a different physical therapy practice for her children. CW-1 eventually located a practice in Lisbon, Connecticut, and her children began receiving services there. When the children transferred, the Lisbon physical therapy practice asked FAMILY PHYSICAL THERAPY for Child-1A's and Child-1B's records. According to CW-1, although the Lisbon practice sent several emails to TODT asking TODT to provide the treatment records, FAMILY PHYSICAL THERAPY's staff was uncooperative. When CW-1 or her children's new physical therapist contacted TODT directly about the records, TODT would typically reply, "I've been busy, I'll get to it." It took the Lisbon practice approximately four months to obtain the records.

39. According to CW-1, when TODT finally provided her children's records to the Lisbon practice, the records were "falsified." The records for Child-1A and Child-1B appeared to be mirror images of each other, as if TODT had performed the same service to both children, which did not make sense, because the children had different abilities. According to CW-1, the new physical therapist treating the children at the Lisbon practice did not believe that TODT was performing the treatment indicated in the notes.

40. According to CW-1, the patient records TODT provided to the Lisbon physical therapy practice also contained notes for additional dates of service that did not reconcile with the actual appointment dates for her children.

41. Although CW-1 is adamant that her children never had more than two physical therapy appointments in one week and never had appointments on consecutive days, according to claims data obtained from the Medicaid program, between January 8, 2015 and May 16, 2018 (a period of approximately 176 weeks), TODT and FAMILY PHYSICAL THERAPY billed Medicaid for having provided 3 or more dates of services in one week (between Monday and Friday) to Child-1A for 62 separate weeks. On 29 of those weeks, TODT and FAMILY PHYSICAL THERAPY billed for 4 or more dates of service provided to Child-1A in a single week. On 3 weeks, TODT and PHYSICAL THERAPY billed Medicaid for having provided physical therapy services for 5 days, that is to say, every day Monday to Friday, to Child-1A. In the Medicaid claims data, TODT is identified as the rendering provider who personally provided all of the physical therapy services.

42. According to Medicaid claims data, nearly every time TODT and FAMILY PHYSICAL THERAPY billed Medicaid for physical therapy services provided to Child 1-A, TODT and FAMILY PHYSICAL THERAPY also billed for having provided physical therapy to Child 1-B. Although CW-1 is adamant that her children never had more than two physical therapy appointments in one week and never had appointments on consecutive days, according to claims data obtained from the Medicaid program, between January 8, 2015 and May 16, 2018 (a period of approximately 176 weeks), TODT and FAMILY PHYSICAL THERAPY billed Medicaid for having provided 3 or more dates of services in one week (between Monday and Friday) to Child-1B for 60 separate weeks. On 29 of those weeks, TODT and FAMILY

PHYSICAL THERAPY billed for 4 or more dates of service provided to Child-1B in a single week. On 3 weeks, TODT and PHYSICAL THERAPY billed Medicaid for having provided physical therapy services for 5 days during that particular week, that is to say, every day Monday to Friday, to Child-1B. In the Medicaid claims data, TODT is identified as the rendering provider who personally provided all of the physical therapy services.

43. According to CW-1, on March 16, 2016, Child-1A [REDACTED]

[REDACTED]

[REDACTED] During this time, [REDACTED] Child-1A took a month off from physical therapy [REDACTED] Despite the fact that Child-1A was [REDACTED]

[REDACTED] not receiving physical therapy, TODT and FAMILY PHYSICAL THERAPY billed Medicaid for physical therapy sessions purportedly provided on March 23 and 25 of 2016. CW-1 stated these dates are not accurate because [REDACTED]

[REDACTED] Child 1-A would not have been able to attend physical therapy. During this time, Child 1-B also stopped going to physical therapy for a month to six weeks [REDACTED] According to Medicaid claims data,

TODT and FAMILY PHYSICAL THERAPY billed Medicaid for physical therapy sessions purportedly provided to Child-1B on March 23, 25, 30, and April 1, 6, 8, and 13, 2016.

44. As part of our investigation, agents also interviewed an individual identified herein as CW-2. CW-2 is the mother of [REDACTED] identified herein as Child-2. In 2017, CW-2 and Child-2 lived in Norwich, Connecticut with CW-2's two other children. CW-2 and her children were all Medicaid members. In addition, at times, the children were also covered by a Cigna health plan held by CW-2's ex-husband.

45. In January 2017, [REDACTED] Child-2 tore his [REDACTED] [REDACTED] playing basketball. Child-2 had surgery on [REDACTED] and subsequently began to receive physical therapy at FAMILY PHYSICAL THERAPY a few weeks after his surgery. CW-2 brought Child-2 to all of his physical therapy sessions, at the 7 PARK AVENUE, SUITE 4, COLCHESTER location. CW-2 identified the owner of FAMILY PHYSICAL THERAPY as “Tony,” which I understand to be ANTHONY TODT. Child-2 mainly saw TODT for physical therapy, but on occasion saw a few other staff providers.

46. After his surgery, Child-2 initially had physical therapy sessions twice a week, then gradually decreased to once a week. The sessions were typically held on Wednesdays and Fridays. Although CW-2 believes Child-2 might have had three sessions in one week, Child-2 never had four, five, or six sessions in any week.

47. In October 2017, Child-2 completed his physical therapy rehabilitation, and TODT performed an assessment of Child-2’s [REDACTED] and cleared him to return to playing basketball. According to CW-2, Child-2’s final appointment with his orthopedic surgeon was on October 25, 2017, and on that date the surgeon medically cleared Child-2 to return to basketball. Investigators have verified this date using records from the orthopedic surgeon’s practice. Child-2 needed this medical clearance in order to try out for his school basketball team. Child-2 did not attend any physical therapy sessions at FAMILY PHYSICAL THERAPY after Child-2 was cleared to play basketball.

48. Despite the fact that Child-2 did not receive any physical therapy sessions at FAMILY PHYSICAL THERAPY after October 25, 2017, TODT and FAMILY PHYSICAL THERAPY billed Medicaid for physical therapy services purportedly provided to Child-2 on 172 individual dates of service between November 1, 2017 and December 5, 2018, and Medicaid

paid TODT \$17,194 for these claims. For 23 weeks during this time period, TODT billed Medicaid for having provided physical therapy services to Child-2 on four or more dates during the week.

49. Despite the fact that Child-2 did not receive physical therapy services after October 25, 2017, TODT and FAMILY PHYSICAL THERAPY billed Medicaid for physical therapy services purportedly provided to Child-2 on 55 individual dates of service between January 1, 2018 and May 3, 2018. TODT and FAMILY PHYSICAL SERVICES also billed Cigna for physical therapy services purportedly provided to Child-2 on 51 of the 55 dates of service billed to Medicaid. Medicaid paid TODT and FAMILY PHYSICAL THERAPY \$5,209 for these services, and Cigna paid TODT and FAMILY PHYSICAL THERAPY \$4,685 for these services. On 15 weeks of during this time, TODT and FAMILY PHYSICAL SERVICES billed Medicaid for services provided on three or more dates during the week.

50. In June and July 2018 respectively, Child-2 and CW-2 moved to North Carolina. Child-2's father drove from North Carolina to Connecticut to pick up Child-2 after the school year ended, and CW-2 recalls that Child-2 was in North Carolina during a family birthday on June 21, 2018. Despite the fact that Child-2 and CW-2 had moved to North Carolina, TODT and FAMILY PHYSICAL THERAPY billed Medicaid for physical therapy services purportedly provided to Child-2 between July 2, 2018 and December 5, 2018 on 64 individual dates of service, including 9 weeks in which TODT and FAMILY PHYSICAL THERAPY purportedly provided physical therapy on four dates of service during each of those weeks. Medicaid paid TODT and FAMILY PHYSICAL THERAPY \$7,077 for these claims.

51. Despite the fact that TODT and FAMILY PHYSICAL THERAPY billed Medicaid for 64 individual dates of service between July 2, 2018 and December 5, 2018, TODT

and FAMILY PHYSICAL THERAPY did not bill Cigna for any services during this time. Based on my training and experience, I believe this indicates that TODT and FAMILY PHYSICAL THERAPY were not billing Medicaid merely by mistake; instead, TODT and FAMILY THERAPY falsely billed Medicaid knowing that Medicaid did not provide Explanation of Benefits forms to Medicaid members.

52. As part of our investigation, DSS reviewed Medicaid claims data to determine whether TODT and FAMILY PHYSICAL THERAPY billed Medicaid for physical therapy purportedly provided to any Medicaid members while those members were admitted as an inpatient at a hospital. We identified one Medicaid patient who suffered from [REDACTED] and according to Medicaid data was an inpatient at Boston Children's Hospital between August 14, 2017 and September 7, 2017, when the patient was [REDACTED] years old. Despite the fact that the child was at Boston Children's Hospital, TODT and FAMILY PHYSICAL therapy billed Medicaid for physical therapy services purportedly provided to the child by TODT on August 15, 16, 17, and 18, 2017. Medicaid paid TODT and FAMILY PHYSICAL SERVICES \$334.71 for these claims.

53. As part of our investigation, agents interviewed an individual identified herein as CW-3. CW-3 is the mother of two children, identified herein as Child-3A and Child-3B. During the past few years, some of the children's medical bills were covered by Medicaid; in some instances, the children's medical expenses were also covered by a plan held by the children's father, who is CW-3's ex-husband. The husband's health plan is issued by Anthem Blue Cross. On some other occasions, the children were covered by an Aetna plan issued to the second wife of CW-3's ex-husband.

54. In January 2018, Child-3A fell and dislocated his [REDACTED] Child-3A tried physical therapy at FAMILY PHYSICAL THERAPY with TODT to try to strengthen the [REDACTED]. Eventually, Child-3A had surgery to repair [REDACTED] in April 2018. After surgery, Child-3A resumed physical therapy with TODT at the 744 MIDDLETOWN ROAD, COLCHESTER CONNECTICUT location. (This area is sometimes referred to as the Westchester section of Colchester). CW-3 identified TODT as “Tony,” the owner of FAMILY PHYSICAL THERAPY.

55. According to CW-3, Child-3A’s last physical therapy appointment following his [REDACTED] surgery was in July 2018. CW-3 maintained detailed, color-coded 16-month family calendars which recorded the dates of family events and appointments, including Child-3A’s physical therapy appointments. CW-3 provided investigators with her original two family calendars for the periods of 9/2016-12/2017 and 9/2017-12/2018.

56. According to CW-3, Child-3A had physical therapy no more than twice a week. Child-3A never had any physical therapy from January to May 28, 2019. On May 28, 2019, Child-3A returned to FAMILY PHYSICAL THERAPY for a recent [REDACTED] injury to his shoulder.

57. As part of our investigation, agents also interviewed Child-3A, who is now [REDACTED] years old. Child-3A stated [REDACTED]

[REDACTED]

[REDACTED] According to CW-3, Child 3-A’s last appointment with TODT and FAMILY PHYSICAL THERAPY was in July 2018. There are no physical therapy appointments for Child-3A on the family calendars after July 29, 2018.

58. Despite the fact that CW-3 [REDACTED] stated that Child-3A never had physical therapy more than twice a week, according to claims data from Anthem Blue Cross, TODT and FAMILY PHYSICAL THERAPY billed Anthem for having provided physical therapy services to Child-3A on three or more days in a given week (Monday through Friday) on each of 9 weeks from May 15, 2018 to July 26, 2018. On 3 of these weeks, TODT and FAMILY PHYSICAL THERAPY billed Anthem for having provided physical therapy to Child-3A on four or more days that week.

59. Despite the fact that CW-3 stated that Child-3A did not have any physical therapy appointments with TODT or FAMILY PHYSICAL THERAPY after July 2018 and the family calendars produced by CW-3 do not have any physical therapy appointment for Child-3A scheduled after July 19, 2018, TODT and FAMILY PHYSICAL THERAPY billed Anthem for physical therapy services purportedly provided to Child 3-A on 124 separate dates of service between July 24, 2018 and April 17, 2019. On each of those dates of service, TODT and FAMILY PHYSICAL THERAPY billed Anthem for at least 8 units of physical therapy with TODT identified as the provider who rendered the service, representing that TODT spent approximately 2 hours on each day providing physical therapy services to Child-3A. For 34 of the weeks during this time, TODT and FAMILY PHYSICAL THERAPY billed Anthem for having provided physical therapy on at least 3 dates during that week (Monday through Friday); for 10 of these weeks, TODT and FAMILY PHYSICAL THERAPY billed Anthem for having provided physical therapy to Child-3A on four days that week. On one week August 6-10, 2018, TODT and FAMILY PHYSICAL THERAPY billed Anthem for having provided physical therapy to Child-3A on all five days, Monday through Friday inclusive. All told, Anthem paid

TODT and FAMILY PHYSICAL THERAPY a total of \$22,964 for the claims for dates of service for physical therapy between July 24, 2018 and April 17, 2019.

60. According to CW-3, TODT and his family moved to Florida for reasons related to TODT's wife, which is consistent with the similar statement from CW-1. According to CW-3, TODT flies back and forth between Florida and Connecticut each week, and works in Connecticut on Tuesdays, Wednesdays, and Thursdays.

61. As part of our investigation, agents interviewed an individual identified herein as CW-4. CW-4 and her family, including CW-4's husband and two children, Child-4A and Child-4B, were insured by a plan issued by Anthem through CW-4's husband's employer. From time to time, CW-4, her husband, and both children received physical therapy from TODT and FAMILY PHYSICAL THERAPY at various times between January 5, 2015 and February 7, 2019. The family received physical therapy at FAMILY PHYSICAL THERAPY's headquarters, at 7 PARK AVENUE, SUITE 4, COLCHESTER, CONNECTICUT until October 2017, when FAMILY PHYSICAL THERAPY opened its second office at 744 MIDDLETOWN ROAD, COLCHESTER, CONNECTICUT, in the Westchester section of Colchester.

62. On February 18, 2019, CW-4 had an appointment with her accountant to go over her taxes. In order to prepare for that appointment, CW-4 logged into her online Anthem account to print a copy of the proof of insurance form. While in her account, which she had not logged into for a long time, CW-4 reviewed her most recent claims and discovered that TODT and FAMILY PHYSICAL THERAPY had been billing Anthem for many appointments that she and her family did not attend. According to CW-4, CW-4 routinely did not review Explanation of Benefits forms CW-4 received from Anthem. In March 2019, CW-4 contacted Anthem to report the billing fraud.

63. CW-4 maintained a family calendar that identified the physical therapy appointments that her family members had at FAMILY PHYSICAL THERAPY during 2017. CW-4 provided this calendar to agents for our investigation. According to CW-4, CW-4 and Child-4A had their “last legitimate appointment” with TODT at FAMILY PHYSICAL THERAPY on February 7, 2019. At most, CW-4 and Child-4A went to FAMILY PHYSICAL THERAPY once a week. Child 4B did not have a single appointment in 2019. According to CW-4, if CW-4’s husband went to an appointment in 2019, it was for one appointment in January for [REDACTED].

64. Despite the fact that CW-4, CW-4’s husband, Child-4A and Child 4-B did not have any appointments with FAMILY PHYSICAL THERAPY after February 7, 2019, TODT and FAMILY PHYSICAL THERAPY billed Anthem for physical therapy services purportedly provided to CW-4, CW-4’s husband, and Child 4A on 21 separate dates of service between February 11, 2019 and March 21, 2019. These services were purportedly provided as frequently as four times a week for three weeks in February 2019, and three times a week for three weeks in March 2019. TODT and FAMILY PHYSICAL THERAPY billed Anthem for physical therapy services purportedly provided to Child 4-B on 20 of the 21 same dates of service between February 11, 2019 and March 21, 2019. Anthem paid TODT and FAMILY PHYSICAL THERAPY a total of \$16,928 for these services.

65. According to CW-4, in addition to the fraudulent claims in February and March 2019, TODT and FAMILY PHYSICAL THERAPY submitted claims for physical therapy services to CW-4’s family members on numerous other occasions when they did not in fact receive physical therapy. For example, on January 1, 2019, CW-4 and her family traveled to a relative’s home [REDACTED] to celebrate the holiday. No one in her family went to FAMILY

PHYSICAL THERAPY for an appointment on this day. Despite the fact that the family was [REDACTED] on that day, TODT and FAMILY PHYSICAL THERAPY billed Anthem for physical therapy services purportedly provided to all four family members on January 1, 2019, and Anthem paid TODT and FAMILY PHYSICAL THERAPY a total of \$989.13 for these claims.

66. According to CW-4 and her family calendar, from Friday, June 23, 2017 through Sunday, June 25, 2017, the entire family was in Pennsylvania [REDACTED] and no one received physical therapy on those dates. Despite this fact, TODT and FAMILY PHYSICAL THERAPY billed Anthem for physical therapy services purportedly provided to CW-4's husband, Child-4A, and Child-4B on June 23, 2017. From Thursday, June 29, 2017 through Thursday, July 6, 2017, CW-4, Child-4A, and Child-4B were in North Carolina. Despite this fact, TODT and FAMILY PHYSICAL THERAPY billed Anthem for physical therapy sessions purportedly provided to Child-4A and Child-4B on June 29, July 5, and July 6, 2017.

67. According to CW-4, from July 8, 2017 through July 15, 2017, she and her family were on a "stay in state" vacation, and did not go to any physical therapy sessions that week. Despite this fact, TODT and FAMILY PHYSICAL THERAPY billed Anthem for physical therapy sessions purportedly provided to Child-4A, Child-4B, and CW-4's husband on July 11, 12, and 13, 2017.

68. Similar to the statements from CW-1 and CW-3, CW-4 stated that TODT moved his family to Florida approximately two years ago. According to CW-4, as a result, TODT worked at FAMILY PHYSICAL THERAPY on Tuesdays, Wednesdays, and Thursdays, and was off on Mondays, Fridays, and the weekend. According to CW-4, TODT takes a flight from

Florida to Connecticut on Monday nights or Tuesday mornings and returns to Florida on Thursday nights or Friday mornings.

69. Investigators asked CW-4 if her family ever paid co-pays or deductibles to TODT and FAMILY PHYSICAL THERAPY for any of their physical therapy appointments. According to CW-4, they did not pay anything to TODT or FAMILY PHYSICAL THERAPY. When CW-4 asked TODT about co-pays and deductibles, TODT told her not to worry about it, telling her that she was on his “friends and family plan,” and that he would accept what insurance paid him.

70. As part of our investigation, agents interviewed an individual identified herein as CW-5 on December 9, 2019. At all times relevant to this affidavit, CW-5 was a Medicaid member. CW-5 explained that she received physical therapy at various times from 2013 to 2017 at FAMILY PHYSICAL THERAPY’s office, which at the time had a practice located at Healthtrax in Enfield, Connecticut. CW-5 stated that she went to no more than 10 physical therapy sessions following [REDACTED] surgery in November of 2013.

71. CW-5 stated that she went back to FAMILY PHYSICAL THERAPY after undergoing a second [REDACTED] surgery in April of 2015. During these physical therapy appointments, CW-5 recalled being treated at the Enfield office by a male named “Tony”, but that “Tony” subsequently left to go work at a FAMILY PHYSICAL THERAPY office in Colchester, Connecticut. CW-5 commented that she went to her scheduled appointments for a month, but that she stopped going to them because she “doesn’t like physical therapy” and added that if she was scheduled for two appointments in a week, then she would only go to one appointment.

72. Finally, in June of 2017, CW-5 broke her [REDACTED] and went back to FAMILY PHYSICAL THERAPY for treatment in August of 2017. CW-5 estimated that she went to only five appointments at FAMILY PHYSICAL THERAPY following her [REDACTED] injury in 2017.

73. CW-5 added that [REDACTED] and would not have attended physical therapy for [REDACTED] in the fall of 2017 because she started working [REDACTED].

74. CW-5 informed this affiant that she did not receive any physical therapy at all from FAMILY PHYSICAL THERAPY in 2016, 2018 or 2019 and that she has not been to physical therapy in the past two years. CW-5 also never attended physical therapy appointments at FAMILY PHYSICAL THERAPY on Saturdays, or on back to back days

75. Despite denying that she ever received physical therapy at FAMILY PHYSICAL THERAPY in 2016, 2018 or 2019, TODT and FAMILY PHYSICAL THERAPY billed Medicaid for physical therapy services purportedly provided to CW-5 on 10 dates of service in 2016, 128 dates of service in 2018 and 40 dates of service in 2019. Medicaid paid TODT and FAMILY PHYSICAL THERAPY \$21,493 for these services.

76. Furthermore, the FAMILY PHYSICAL THERAPY office in Enfield closed at the end of December in 2018.

77. As part of our investigation, agents interviewed an individual identified herein as CW-6 on December 4, 2019. CW-6 explained that his daughter, who was born in 2010, is a Medicaid member. CW-6 stated that over a year ago, his daughter injured [REDACTED] [REDACTED]. After this injury, CW-6 took his daughter to see her primary care physician who recommended that his daughter try physical therapy for [REDACTED] at FAMILY PHYSICAL THERAPY. CW-6 explained that his daughter went to the FAMILY

PHYSICAL THERAPY office in Enfield, Connecticut for her appointments on a weekly basis for one month to a month and a half. CW-6 stated that his daughter never attended more than two physical therapy appointments in one week and estimated that she attended six to seven appointments in total, but not more than ten.

78. This affiant then showed CW-6 a printout of the sessions that TODT and FAMILY PHYSICAL THERAPY billed to Medicaid for allegedly treating CW-6's daughter. Upon reviewing the printout, CW-6 advised that his daughter did not attend physical therapy "that many times" and stated that his daughter only went to physical therapy for a maximum of two months. CW-6 further stated, "That's fraud. They [are] taking advantage of the system."

79. Despite CW-6's statement that his daughter did not receive more than approximately 10 physical therapy sessions at FAMILY PHYSICAL THERAPY in 2019, TODT and FAMILY PHYSICAL THERAPY billed Medicaid for physical therapy services purportedly provided to CW-6's daughter on 103 dates of service in 2019. Medicaid paid TODT and FAMILY PHYSICAL THERAPY \$12,673 for these services.

TODT and FAMILY PHYSICAL THERAPY bill Medicaid for physical therapy services purportedly provided on Saturdays, when FAMILY PHYSICAL THERAPY is closed.

80. A review of Medicaid claims data indicates that from March 2019 through August 2019, TODT and FAMILY PHYSICAL THERAPY billed Medicaid for physical therapy services that were purportedly provided on the first Saturday of every month. All of the patients who purportedly received these services were eighteen years old or younger, with the exception of one patient who was 19 at the time.

81. On August 3, 2019, agents conducted surveillance from approximately 7 a.m. to 7 p.m. on TODT's and FAMILY PHYSICAL THERAPY's offices at 7 PARK AVENUE, SUITE 4, COLCHESTER, CONNECTICUT, and 744 MIDDLETOWN ROAD, COLCHESTER,

CONNECTICUT. These two locations are FAMILY PHYSICAL THERAPY's only offices. The agents observed that both offices were closed on that date. The offices were dark, and no patients or employees were seen entering or within FAMILY PHYSICAL THERAPY's offices. This was consistent with information obtained from a screen capture of FAMILY PHYSICAL THERAPY's website on or about May 1, 2019, in which the website stated that FAMILY PHYSICAL THERAPY's office hours were 7 a.m. to 7 p.m. Monday through Friday, and no weekend office hours were listed.

82. Despite the fact that TODT's and FAMILY PHYSICAL THERAPY's offices were closed on August 3, 2019, TODT and FAMILY PHYSICAL THERAPY billed Medicaid for physical therapy services purportedly provided to 16 different children on that day. Each of the children was billed as receiving 9 units of physical therapy on that day. According to the 15-minute time component for each of the units, this means that TODT and FAMILY PHYSICAL THERAPY billed Medicaid for providing approximately over 2 hours of physical therapy for each of the 16 children. The total time for the services purportedly provided to the children totals is approximately 36 hours of physical therapy during that one day. According to the claims, TODT was the rendering provider for all of these claims.

83. Three of the 16 children have the same distinctive last name. All three of these children purportedly received 9 units of physical therapy from TODT and FAMILY PHYSICAL THERAPY on August 3, 2019.

84. According to a screen capture of FAMILY PHYSICAL THERAPY's website on or about May 1, 2019, in addition to Medicaid, Anthem, and Cigna, TODT and FAMILY PHYSICAL THERAPY accept insurance from Aetna, Connecticare, Diversified Insurance Company, Medicare, Oxford, TRICARE, and United Healthcare.

The Search Warrant Obtained For FAMILY PHYSICAL THERAPY's WebPT Account

85. On October 4, 2019, agents applied for and obtained a search warrant for FAMILY PHYSICAL THERAPY'S and TODT's WebPT account. That warrant was executed shortly thereafter, and agents from HHS-OIG and the FBI reviewed the information that was produced by WebPT in response to the search warrant. The WebPT information provides additional evidence that supports probable cause to believe that TODT and FAMILY PHYSICAL THERAPY are committing violations of federal law, including 18 U.S.C. § 1347 (health care fraud).

86. As stated in paragraphs 80 and 81 above, on August 3, 2019, agents conducted surveillance on FAMILY PHYSICAL THERAPY's offices at 7 PARK AVENUE, SUITE 4, COLCHESTER, CONNECTICUT, and 744 MIDDLETOWN ROAD, COLCHESTER, CONNECTICUT. These two locations are FAMILY PHYSICAL THERAPY's only offices. The agents observed that both offices were closed on that date. TODT and FAMILY PHYSICAL THERAPY billed Medicaid for physical therapy services purportedly provided to 16 different children that day. A review of the patient schedule for FAMILY PHYSICAL THERAPY in WebPT showed no patients scheduled for physical therapy appointments on August 3, 2019. In addition, there were no electronic patient notes in WebPT for the 16 children to support the physical services that were billed and paid to TODT's and FAMILY PHYSICAL THERAPY for services purportedly provided on August 3, 2019. According to the claims for the 16 children, TODT was the rendering provider for all of these claims, which totaled 36 hours of physical therapy in one day.

87. As is typical of most electronic health record or electronic medical record software programs, the WebPT platform contained a function that is commonly referred to as an

“audit log.” Generally speaking, an audit log provides a record of each time a particular medical record is accessed or changed. The audit log also usually identifies which particular authorized user in the platform viewed, accessed, or changed a medical record.

88. A review of the 2019 Audit Log for WebPT showed three activities by TODT on August 3, 2019 during which TODT viewed only one patient file. According to the Audit Log, there were no other activities by any other employee of FAMILY PHYSICAL THERAPY on August 3, 2019.

89. As previously stated above, TODT travels from Florida to Connecticut to work at FAMILY PHYSICAL THERAPY SERVICES during weekdays, and returns to Florida on the weekends. Our investigation has obtained records from Southwest Airlines indicating that on Friday August 2, 2019, TODT traveled on a Southwest Airlines flight from Bradley International Airport and arrived at Orlando International Airport. According to records from Southwest, on Tuesday August 6, 2019, TODT returned to Connecticut via a Southwest Airline flight from Florida.

90. Information from the WebPT Audit Log indicates that when TODT accessed the WebPT account on August 3, 2019, he did so from an Internet Protocol (“IP”) address identified with a location in Florida. This IP address and the records of TODT’s travel on Southwest Airlines further corroborates that TODT and FAMILY PHYSICAL THERAPY did not provide services to 16 Medicaid child patients on August 3, 2019.

91. According to Medicaid claims data from January 1, 2017 through October 17, 2019, Medicaid paid TODT and FAMILY PHYSICAL THERAPY for physical therapy services purportedly provided on the following Saturdays: 8/17/19, 7/6/19, 6/1/19, 5/4/19, 3/2/19, 2/2/19, 12/1/18, and 2/3/18. In total, TODT and FAMILY PHYSICAL THERAPY were paid \$20,833

for rendering physical therapy services to 33 patients in a total of 148 appointments on these Saturdays. In addition, TODT and FAMILY PHYSICAL THERAPY were also paid by Medicaid for services purportedly provided on October 1, 2017 and July 1, 2017, which were both Sundays. On these dates, TODT and FAMILY PHYSICAL THERAPY were paid \$1,657 for rendering physical therapy services to 9 patients for 13 appointments. TODT is listed as the performing provider for all of these services.

92. For the Saturday and Sunday dates of service listed in the preceding paragraph, there were no patients scheduled for appointments in the WebPT schedule.

93. Agents reviewed the WebPT records for appointments scheduled for Child-1A, described above in paragraphs 41 through 45. According to the WebPT records, Child-1A was scheduled for a total of 208 separate appointments on dates between January 1, 2015 through April 30, 2018. Despite the fact that Child-1A was scheduled for only 208 appointments, with the last scheduled appointment on April 30, 2018, Medicaid paid TODT and FAMILY PHYSICAL THERAPY for physical therapy services purportedly provided to Child-1A on 391 different dates of service between January 1, 2015 and May 16, 2018. In other words, Medicaid paid TODT and FAMILY PHYSICAL THERAPY for 163 dates of service for Child-1A when there is no record of Child-1A having had any appointment.

94. Agents reviewed the WebPT records for appointments scheduled for Child-1B, described above in paragraphs 41 through 45. According to the WebPT records, Child-1B was scheduled for a total of 220 separate appointments on dates between January 1, 2015 through April 30, 2018. Despite the fact that Child-1B was scheduled for only 220 appointments, with the last scheduled appointment on April 30, 2018, Medicaid paid TODT and FAMILY PHYSICAL THERAPY for physical therapy services purportedly provided to Child-1B on 395

different dates of service between January 1, 2015 and May 16, 2018. In other words, Medicaid paid TODT and FAMILY PHYSICAL THERAPY for 175 individual dates of service for Child-1B when there is no record of Child-1B having had any appointment.

95. Agents reviewed the WebPT records for appointments scheduled for Child-2, described above in paragraphs 50 and 51. According to the WebPT records, Child-2 was scheduled for a total of 36 separate appointments on dates between March 9, 2017 and October 5, 2017. Despite the fact that Child-2 was scheduled for 36 appointments, with the last scheduled appointment on October 5, 2017, Medicaid paid TODT and FAMILY PHYSICAL THERAPY a total of \$23,532 for physical therapy services purportedly provided to Child-2 on 238 different individual dates of service between March 9, 2017 and December 5, 2018.

96. According to the WebPT records, there appears to be only 16 electronic patient notes for physical therapy services provided to Child-2, all of which were either electronically signed or co-signed by TODT. An electronic patient note completed by a user identified in the Web-PT Audit Log as "front desk" on October 5, 2017 indicates that Child-2 was discharged from physical therapy by FAMILY PHYSICAL THERAPY on that date. There were no additional patient notes after this discharge date. As stated in paragraph 50 above, Child-2 moved to North Carolina in June 2018. Despite the fact that Child-2 was apparently discharged on October 5, 2017 and moved to North Carolina in June 2018, Medicaid paid TODT and FAMILY PHYSICAL THERAPY \$17,194 for physical therapy services purportedly provided to Child-2 on 172 individual separate dates of service between November 1, 2017 and December 5, 2018.

97. Agents reviewed the WebPT records for appointments scheduled for Child-3A, described above in paragraphs 58 through 62. According to the WebPT records, Child-3A was

scheduled for a total of 47 separate appointments between January 25, 2018 through May 30, 2019. Despite the fact that Child-3A was scheduled for only 47 appointments, Medicaid and Anthem paid TODT and FAMILY PHYSICAL THERAPY for physical therapy services purportedly provided to Child-3A on a total of 169 different individual dates of service between January 26, 2018 and April 17, 2019. In other words, Medicaid and Anthem paid TODT and FAMILY PHYSICAL THERAPY for 122 dates of service for Child-3A when there is no record of Child-3A having had any appointment.

98. As stated previously in paragraph 65, despite the fact that CW-4 and her family members did not receive any services from TODT or FAMILY PHYSICAL THERAPY on January 1, 2019, TODT and FAMILY PHYSICAL THERAPY submitted claims to Anthem for physical therapy services purportedly provided on January 1, 2019 to all four members of CW-4's family. A review of the WebPT schedule indicates that there were no appointments for any patients scheduled for January 1, 2019. Despite this fact, our investigation has determined that in addition to billing Anthem for services purportedly provided to CW-4's family on January 1, 2019, TODT and FAMILY PHYSICAL THERAPY also billed Medicaid for physical therapy services purportedly provided to 16 different Medicaid patients on January 1, 2019.

99. Consistent with the information described above in paragraph 52 concerning a TODT and FAMILY PHYSICAL THERAPY billing Medicaid for physical therapy services purportedly provided to a child who had [REDACTED] was an inpatient in Boston Children's Hospital between August 14, 2017 and September 7, 2017, there were no scheduled appointments in WebPT for the child between August 14 and September 7, 2019. According to the schedule in WebPT, the child's last scheduled appointment was on August 3, 2017.

Airline Records Confirm TODT's Pattern of Travel Between Florida and Connecticut

100. Records obtained from JetBlue Airline and Southwest Airline confirm that TODT regularly and typically travels between Florida and Connecticut each week, arriving in Connecticut at the beginning of the business week and returning to Florida for the weekend.

The WebPT Account Was Accessed From Over Two Hundred Different IP Addresses

101. According to the WebPT Audit Log, between August 25, 2019 and October 6, 2019, the WebPT account was accessed over 1,330 times from a total of approximately 233 different IP addresses by usernames identified as Anthony J. Todt, Anthony Todt, or Tony Todt. In addition to Connecticut locations, these IP addresses resolved to locations in seven other states, including Florida, Georgia, Kentucky, Maryland, New York, Ohio, and Texas. This pattern of usage indicates that a mobile device (e.g., laptop computer, mobile phone, tablet, or iPad), was used to access or provide an Internet connection for other mobile devices to access the WebPT system.

TODT and FAMILY PHYSICAL THERAPY have taken loans or advances from over twenty commercial lenders to fund their business.

102. A review of the records of PERFORMANCE EDGE SPORTS, LLC d/b/a FAMILY PHYSICAL THERAPY's bank account at People's United Bank, N.A. for the time frame January 2015 to June of 2018 indicates that TODT and FAMILY PHYSICAL THERAPY took out loans or advances from over twenty different commercial lenders to fund their business during this time. For example, in the month of August of 2017 alone, PERFORMANCE EDGE SPORTS LLC's People's United Bank account transferred over \$99,000 to the companies Quick Fix Capital, Biz Advance NOW, Prime Business, On Deck Capital, Saturn Funding, Capital Merchant, Spark Funding, and Kabbage Inc. In my experience, commercial lenders such as these provide short term loans or advances to borrowers in need of an immediate cash influx,

against the accounts receivable of the borrower's business. These lenders then obtain payment from their borrowers through automated daily withdrawals directly from the borrower's bank account, typically on business days. In order to adhere to the typical agreements advancing such funds, a borrower must ensure that there is enough money in the borrower's bank account to cover the automated withdrawals. For TODT and FAMILY PHYSICAL THERAPY, the deposits to cover the automated withdrawals for the loans and advances came from payments from Medicaid, Medicare, and private health insurance plans.

Execution of Search Warrants and TODT's Admission That He Fraudulently Billed Medicaid and Private Health Insurance Plans for Physical Therapy Services That Were Not Rendered

103. On November 20, 2019, our investigation sought and obtained federal search warrants for TODT and FAMILY PHYSICAL THERAPY's two physical therapy offices, located at 7 Park Avenue, Suite 4 and 744 Middletown Road in Colchester. Agents executed the searches on November 21, 2019. During the execution of these warrants, agents seized numerous electronic devices, paper records and patient files. Agents also interviewed TODT while the warrants were being executed. During this interview, TODT stated that he has owned and operated the FAMILY PHYSICAL THERAPY practices for eleven years and that he was currently the only individual responsible for billing.

104. After first denying that he had billed Medicaid and private insurance for services that were not rendered, TODT admitted to perpetrating this scheme. When specifically asked if he routinely billed for services that he didn't provide, TODT replied, "Yes." TODT elaborated that he started "adding stuff" when he performed the billing and randomly chose the patients that he submitted extra claims for payment for. When the agents inquired if TODT was working with anyone at FAMILY PHYSICAL THERAPY to orchestrate his fraud scheme, TODT stated, "No,

it's me." The agents further asked TODT if other employees at FAMILY PHYSICAL THERAPY were aware that he was billing for services that were not rendered and TODT replied, "No." When questioned as to the motivation for committing this fraudulent scheme, TODT stated that he started borrowing money from lenders because it was "easier." TODT stated that he kept having to bill for services that were not rendered to keep pace with the personal loans that he took out. When asked if he was living above his means, TODT replied, "That's the best way to put it." When the agents asked TODT if his wife, Megan, knew about his fraudulent billing practices, TODT responded, "No, only me." TODT then asked the agents how long the investigative process would last and stated that he wanted to plead guilty.

105. When the agents finished executing the search warrants, they requested that TODT have an attorney contact them as soon as possible. On the day following the search warrant, the agents had a subsequent conversation with TODT and he stated that he was planning to meet with a friend of his that was an attorney in the afternoon. TODT told the agents that he hoped his friend would assist with obtaining an attorney. During this conversation, TODT stated that he was planning to return to Connecticut the week of December 8, 2019.

106. When the agents did not hear back from TODT or an attorney in November, they contacted him again on December 4, 2019. During this conversation, TODT again maintained that he was in the process of retaining an attorney and that he was scheduled to meet with the attorney the following week in Connecticut.

107. Agents subsequently spoke to two FAMILY PHYSICAL THERAPY employees who stated that TODT told them that he would be coming up to Connecticut to treat patients and continue the practice on several occasions in late 2019, but that he never did. These employees

also told this affiant that some of their paychecks had bounced and that they eventually had stopped being paid completely.

108. One employee stated that she was in sporadic contact with TODT over text message and that TODT promised that she would be paid and that he would return to Connecticut, but that he never followed through on his promises. Because TODT's employees were not being paid, they stopped coming in to work and both FAMILY PHYSICAL THERAPY practices in Colchester closed.

109. After not hearing from TODT or an attorney in December, the agents contacted one of TODT's relatives in Connecticut on January 7, 2020. This relative stated that she too was having a hard time maintaining contact with TODT and that she was worried about him because he was not communicating with her or his family as he usually would. This relative stated that TODT also told her that he would be coming back to Connecticut on various dates to address his legal problems but that he would never follow through on his promises.

110. This relative actually became so concerned with the lack of communication from TODT and TODT's family, that she called the Sheriff's Office in Florida in the area where she believes TODT was residing and asked that they conduct a wellness check on TODT's house. On December 29, 2019, the Sheriff's Office conducted this wellness check and reported that they could not locate TODT and that the house he was thought to be living in was boarded up.

111. During subsequent conversations with TODT's relative, she stated that she and her family were all very concerned about TODT's state of mind and were anxious to locate him and his family.

112. On January 7, 2020, an agent involved in this investigation went to the FAMILY PHYSICAL THERAPY location at 744 MIDDLETOWN ROAD in COLCHESTER,

CONNECTICUT and discovered a “Notice to Quit (End) Possession” letter that had been served by the State Marshall on January 6, 2020. This notice stated that TODT had failed to pay rent at the property in December of 2019 and in January of 2020 and that the amount of outstanding rent with late fess was \$6,290.

113. On January 7, 2020, this affiant interviewed the landlord of the property. This landlord stated that TODT had only paid \$1,500 in rent at that location since November of 2019 and that he owed over \$6,000 in back rent.

CONCLUSION

114. For the reasons set forth herein, I submit that there is probable cause to believe, and I do believe, that ANTHONY J. TODT has committed violations of Title 18 U.S.C. §1347 (Health Care Fraud). I respectfully request the issuance of the requested criminal complaint and arrest warrant.

REQUEST FOR SEALING

115. I further request that this affidavit, the criminal complaint, and the requested warrant be placed under seal by the Court until the time of the initial appearance in order to ensure the safety and well-being of law enforcement officers and individuals cooperating with law enforcement.

Special Agent Jeffrey W. Anderson
Office of the Inspector General
United States Department of Health and Human Services

Subscribed and sworn to before me on January ____, 2020

/s/ Robert A. Richardson

HONORABLE ROBERT A. RICHARDSON
UNITED STATES MAGISTRATE JUDGE