

STATE OF INDIANA,)
)
Petitioner,)
)
v.)
)
WILBERT CALVIN STREETER, D.O.)
License Number: 02000543A,)
)
Respondent.)

FILED
DEC 16 2004
HEALTH PROFESSIONS
BUREAU

FINDINGS OF FACT AND ORDER

The Medical Licensing Board of Indiana ("Board") held an administrative hearing on December 2, 2004 in Room C of the Conference Center, Indiana Government Center South, 302 West Washington Street, Indianapolis, Indiana, concerning a disciplinary complaint filed against Wilbert Calvin Streeter, D.O., ("Respondent").

Deputy Attorney General James R. Holden represented the State of Indiana. Respondent appeared in person and by counsel, Kenneth Kern.

The Board, after considering the evidence presented and taking official notice of its file in this matter, by a vote of 4-0-0, issues the following Findings of Fact and Order:

FINDINGS OF FACT

1. Respondent's address on file with the Board is 2275 South 625 West, Topeka, IN 46571 and he is a duly licensed osteopathic physician holding Indiana license number 02000543A, which expired on June 30, 2003.

COUNT I

1. Respondent was a licensed doctor of osteopathy and owned and operated the Highland Medical Center in Highland, Indiana.

2. Beginning in or around January 1991 and continuing through August 1996,

Respondent participated in a scheme and artifice to defraud and to obtain money by materially false and fraudulent pretenses and representations, and used the United States Mails and a commercial interstate carrier in furtherance of the scheme.

3. Beginning in or around January 1991 and continuing through August 1996,

Respondent did knowingly combine, conspire, confederate to conduct and attempt to conduct a financial transaction with the knowledge that the financial transaction involved the proceeds of an unlawful activity, to wit: mail fraud in violation of Title 18, U.S.C. Section 1341, with the intent to promote the carrying on of the specified unlawful activity in violation of Title 18, U.S.C. Section 1956(a)(1)(A)(i).

4. Beginning in or around January 1993 and continuing through October 1996,

Respondent did unlawfully, willfully, and knowingly combine, conspire, confederate and agree with others to commit an offense against the United States, namely violations of Title 42, U.S.C. Section 1320a-7b(b)(1)(A).

5. On or about July 20, 2000, Respondent was indicted by a grand jury in a

superceding indictment in the United States District Court in the Northern District of Indiana Hammond Division under cause number 2:00 CR 125 RL for violating 18 U.S.C. Section 371 for conspiracy to commit offense or to defraud United States, 42 U.S.C. § 1320a-7b for criminal penalties for acts involving Federal health care programs, 18 U.S.C. § 1341 for mail fraud, 18 U.S.C. § 1956(h) for laundering of monetary instruments, 18 U.S.C. § 1956(a)(1)(A)(i) for the laundering of monetary instruments with the intent to promote the carrying on of specified unlawful activity, and 18 U.S.C. § 1957 for engaging in monetary transactions in property derived from specified unlawful activity.

6. On or about November 15, 2000, Respondent was indicted by a grand jury in the United States District Court in the Northern District of Indiana Hammond Division under cause number 2:00 CR 125 RL for his treatments involving cancer patients. Respondent treated his cancer patients with drugs that he received primarily from Mexico and that were not approved by the FDA for the treatment of cancer.

7. On or about January 25, 2002, Respondent plead guilty to participating in a scheme to defraud insurance companies from January 1990 through August 1996. Respondent admitted that he specialized in the treatment of cancer patients and prescribed drugs that were not approved by the FDA for the treatment of cancer. Respondent further admitted that he participated in a scheme to defraud the patients' insurance companies of at least \$1.8 million by billing the insurance companies for services, such as chemotherapy, that the patients never actually received.

8. Respondent was sentenced on or about February 12, 2003 and was ordered to spend twenty-one (21) months in incarceration and ordered to pay \$1.8 million in restitution.

ULTIMATE FINDINGS OF FACT

The conduct described above constitutes a violation of the following:

1. Indiana Code § 25-1-9-4(a)(1)(B) in that the practitioner has engaged in fraud or material deception in the course or professional services or activities;
2. Indiana Code § 25-1-9-4(a)(2) in that the practitioner has been convicted of a crime that has a direct bearing on the practitioner's ability to continue to practice competently; and

3. Indiana Code § 25-1-9-4(a)(4)(B) in that the practitioner has continued to practice although the practitioner has become unfit to practice due to failure to keep abreast of current professional theory or practice.

COUNT II

1. On or about April 23, 2001, Respondent submitted his renewal form to the Health Professions Bureau.

2. On the renewal form, signed by the Respondent on April 23, 2001, Respondent claimed "No" to in his response to question number 4, which asks if Respondent has ever been convicted of or pled guilty to a violation of a state or federal law or are criminal charges currently pending.

3. Respondent answered untruthfully to the question because he knew there were criminal charges pending against the him.

ULTIMATE FINDINGS OF FACT

The conduct described above constitutes a violation of Indiana Code § 25-1-9-4(a)(1)(A) in that the practitioner has engaged in knowingly cooperated in fraud or material deception in order to obtain a license to practice.

ADDITIONAL FINDINGS OF FACT AND CONCLUSIONS OF LAW

1. The Board also heard testimony that the Respondent had held himself out to be a physician while working at Nature's Alternative Healthfood store in Elkhart, IN following his release from prison when his medical license was in fact expired.

2. The conduct described above constitutes a violation of Indiana Code § 25-1-9-4(a)(3) in that the practitioner has knowingly violated a state statute or rule or federal statute or regulation regulating the profession in question.

ORDER

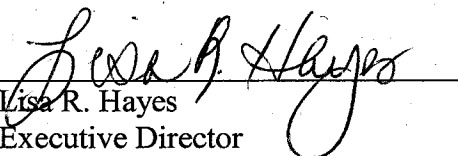
Based upon the above Findings of Fact, the Board issues the following Order:

1. Respondent's Indiana Osteopathic Physician's license is hereby **REVOKED**.

SO ORDERED, this 16th day of December, 2004.

MEDICAL LICENSING BOARD OF INDIANA

By:



Lisa R. Hayes
Executive Director
Health Professions Bureau

Copies to:

Wilbert Calvin Streeter, D.O.
2275 South 625 West
Topeka, IN 46571
CERTIFIED MAIL# 7003 3110 0004 5106 4449
RETURN RECEIPT REQUESTED

Wilbert Calvin Streeter, D.O.
6452 Independence Dr.
Portage, MI 49024

Kenneth Kern, Esq.
PO Box 321
Indianapolis, IN 46260

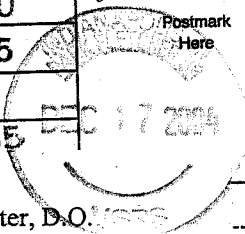
Deputy Attorney General James R. Holden
OFFICE OF THE INDIANA ATTORNEY GENERAL
Indiana Government Center South
302 West Washington Street, Fifth Floor
Indianapolis, IN 46204-2770

7003 3110 0004 5106 4449

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

HRS FAULT AL USE

Postage	\$.60	
Certified Fee	2.30	
Return Receipt Fee (Endorsement Required)	1.75	
Restricted Delivery Fee (Endorsement Required)	4.65	
To:	Wilbert C. Streeter, D.O. 2275 South 675 West Topeka, IN 46571	
Ser.	PS Form 3811, August 2001	

Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Wilbert C. Streeter, D.O.
2275 South 675 West
Topeka, IN 46571

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Addressee
x *W. C. Streeter*

B. Received by (Printed Name) C. Date of Delivery
 12-21-04

D. Is delivery address different from item 1? Yes
 if YES, enter delivery address below: No

3. Service-Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

2. Article Number 7003 3110 0004 5106 4449 F.F.O.
 (Transfer from service)

PS Form 3811, August 2001 Domestic Return Receipt 2ACPRI-03-Z-0985

STATE OF INDIANA,

Petitioner,

v.

Wilbert Calvin Streeter, D.O.,
License Number: 02000543A,

Respondent.

FILED

NOV 19 2003

HEALTH PROFESSIONS
BUREAU

NOTICE OF PROPOSED DEFAULT

A final hearing was scheduled to be held on September 25, 2003, before the Medical Licensing Board of Indiana ("Board") in the Conference Center of the Indiana Government Center South Building, Conference Room C, 302 West Washington Street, Indianapolis, Indiana, 46204, to consider the complaint filed on or about May 28, 2003 against the Respondent, Wilbert Calvin Streeter, D.O., by the State of Indiana.

The State of Indiana was represented by Shelley M. Johnson, Deputy Attorney General. The Respondent failed to appear in person or by counsel.

The Board, after taking official notice of its file in the matter and pursuant to Indiana Code § 4-21.5-3-24, by a vote of 6-0-0, issues a Notice of Proposed Default on the following grounds:

1. Respondent is a licensed medical doctor in the State of Indiana having been issued license number 02000543A.
2. Respondent's address listed with the Health Professions Bureau is 23672 US Highway 20, Elkhart, IN 46516.
3. A Complaint was filed by the State of Indiana against the Respondent in this

matter on or about May 28, 2003.

4. On August 19, 2003, the Health Professions Bureau sent a notice to Respondent at his last reported address, informing Respondent of the date, time and place of the final hearing on the State's Complaint scheduled for September 25, 2003. Respondent failed to appear.

5. Pursuant to Indiana Code 4-21.5-3-20, Respondent was provided adequate notice of the final hearing and failed to appear for the scheduled hearing on September 25, 2003.

ORDER

For the Respondent's failure to appear for the scheduled hearing, the Board issued the following Notice of Proposed Default:

In accordance with Indiana Code § 4-21.5-3-24, the Respondent must file a written motion within seven (7) days of service of this Order requesting the Board not enter a default order in this case and stating the reasons relied upon for that request. Failure of the Respondent to file such a written motion within seven (7) days shall result in the issuance of a default order. If the Respondent timely files a motion, the Board shall consider said motion along with any relevant facts in determining whether a default order should be entered. Should a default order be entered against the Respondent, the Board may hold further proceedings it deems appropriate to complete this case without the participation of the Respondent.

SO ORDERED, this 19th day of November, 2003.

MEDICAL LICENSING BOARD OF INDIANA

By: Lisa R. Hayes
Lisa R. Hayes
Executive Director
Health Professions Bureau

cc:

Wilbert Calvin Streeter, D.O.
23672 US Highway 20
Elkhart, IN 46516

SENT CERTIFIED MAIL NO. 7002 3150 0000 1730 6579
RETURN RECEIPT REQUESTED

Shelley M. Johnson
OFFICE OF THE ATTORNEY GENERAL
Indiana Government Center South
402 West Washington Street
Indianapolis, Indiana 46204-2770
Telephone Number: (317)233-3715

BEFORE THE INDIANA STATE
MEDICAL LICENSING BOARD
CAUSE NO.: 2003 MLB 0022

STATE OF INDIANA,)

Petitioner,)

v.)

Wilbert Calvin Streeter, D.O.,)
License Number: 02000543A,)

Respondent.)

FILED

MAY 28 2003

HEALTH PROFESSIONS
BUREAU

COMPLAINT

The State of Indiana, by counsel, Deputy Attorney General, Shelley M. Johnson, on behalf of the Office of the Attorney General ("Petitioner"), and pursuant to Indiana Code § 25-1-7-7 et seq., Ind. Code §25-1-5-3, Ind. Code §25-22.5 et. seq., the Administrative Orders and Procedures Act, Ind. Code § 4-21.5-3 et seq. and Ind. Code § 25-1-9 et. seq. files its Complaint against the Medical license of Wilbert Calvin Streeter, D.O. ("Respondent"), and in support alleges and states:

COUNT I

1. Respondent's address on file with the Board is 23672 U.S. Highway 20, Elkhart, Indiana 46516 and he is a duly licensed medical doctor holding Indiana license number 02000543A.

2. Respondent was a licensed doctor of osteopathy and owned and operated the Highland Medical Center in Highland, Indiana.

3. Beginning in or around January 1991 and continuing to in or about August 1996, Respondent participated in a scheme and artifice to defraud and to obtain money by materially false and fraudulent pretenses and representations, and used the United States Mails and a commercial interstate carrier in furtherance of the scheme.

4. Beginning in or around January 1991 and continuing to in or around August 1996, Respondent did knowingly combine, conspire, confederate to conduct and attempt to conduct a financial transaction with the knowledge that the financial transaction involved the proceeds of an unlawful activity, to wit: mail fraud in violation of Title 18, U.S.C. Section 1341,

with the intent to promote the carrying on of the specified unlawful activity in violation of Title 18, U.S.C. Section 1956(a)(1)(A)(i).

5. Beginning in or around January 1993 and continuing through October 1996, Respondent did unlawfully, willfully, and knowingly combine, conspire, confederate and agree with others to commit an offense against the United States, namely violations of Title 42, United States Code, Section 1320a-7b(b)(1)(A).

6. On or about July 20th, 2000, the Respondent was indicted by a grand Jury in a superceding indictment in the United States District Court in the Northern District of Indiana Hammond Division under cause number 2:00 CR 125 RL for violating 18 U.S.C. Section 371 for conspiracy to commit offense or to defraud United States, 42 U.S.C. § 1320a-(7)b(b) for criminal penalties for acts involving Federal health care programs, 18 U.S.C. § 1341 for mail fraud, 18 U.S.C. § 1956(h) for laundering of monetary instruments, 18 U.S.C. § 1956(A)(1)(a)(i) for the laundering of monetary instruments with the intent to promote the carrying on of specified unlawful activity, and 18 U.S.C. § 1957 for engaging in monetary transactions in property derived from specified unlawful activity. (Attached hereto as Exhibit A and incorporated by reference herein).

7. On or about November 15th, 2000, Respondent was indicted by a grand jury in the United States District Court in the Northern District of Indiana Hammond Division under cause number 2:00 CR 125 RL for his treatments involving cancer patients (Attached hereto as Exhibit B and incorporated by reference herein). Respondent treated his cancer patients with drugs that he received primarily from Mexico and which were not approved by the FDA for the treatment of cancer. During the course of this conspiracy, due to the advanced nature of their cancer, several patients died in the apartments provided by Respondent whose deaths were not properly reported. Additionally, many of the patients who died had death certificates that purported to bear the signature of Respondent, but were in fact signed by someone else.

8. On or about January 25th, 2002, Respondent plead guilty to participating in a scheme to defraud insurance companies from January 1990 through August 1996 (Attached hereto as Exhibit C and incorporated by reference herein). Respondent admitted that he specialized in the treatment of cancer patients and prescribed drugs that were not approved by the FDA for the treatment of cancer. Respondent further admitted that he participated in a scheme to defraud the patients' insurance companies of at least \$1.8 million by billing the insurance companies for services, such as chemotherapy, that the patients never actually received.

9. Respondent was sentenced on or about February 12, 2003 and was ordered to

spend twenty-one (21) months in incarceration and ordered to pay \$1.8 million in restitution (Attached hereto as Exhibit D and incorporated by reference herein).

10. The conduct described above constitutes a violation of Indiana Code § 25-1-9-4(a)(1)(B) in that the practitioner has engaged in fraud or material deception in the course or professional services or activities; Indiana Code § 25-1-9-4(a)(2) in that the practitioner has been convicted of a crime that has a direct bearing on the practitioner's ability to continue to practice competently; Indiana Code § 25-1-9-4(a)(4) in that the practitioner has continued to practice although the practitioner has become unfit to practice due to failure to keep abreast of current professional theory or practice.

11. The above violations warrant the imposition of sanctions upon the Respondent's Indiana medical license.

COUNT II

12. On or about April 23, 2001 Respondent submitted his renewal form to the Health Profession Bureau.

13. On the renewal form, signed by the Respondent on April 23, 2001, Respondent claimed "No" to question number 4, which asks if Respondent has ever been convicted of or pled guilty to a violation of a state or federal law or are criminal charges currently pending.

14. Therefore, Respondent answered untruthfully to the question as to whether criminal charges were pending against him on his renewal application. He checked that there were no criminal charges pending, when in fact, there were criminal charges pending against the Respondent.

15. The conduct described above constitutes a violation of Indiana Code § 25-1-9-4(a)(1)(A) in that the practitioner has knowingly cooperated in fraud or material deception in order to obtain a license to practice.

16. The above violations warrant the imposition of disciplinary sanctions against the Respondent's Indiana medical license.

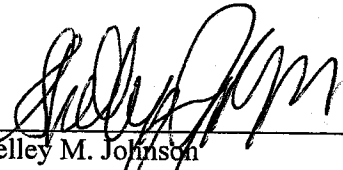
WHEREFORE, Petitioner demands an order against the Respondent, that:

1. Imposes the appropriate disciplinary sanction;
2. Directs Respondent to immediately pay all the cost incurred in the prosecution of this case;

3. Provides any other relief the Board deems just and proper.

Respectfully submitted,

STEVE CARTER
Attorney General of Indiana

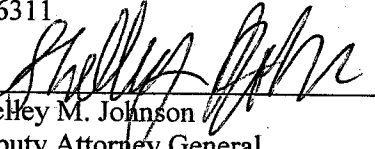
By: 
Shelley M. Johnson
Deputy Attorney General
Attorney Number: 22412-49

CERTIFICATE OF SERVICE

I certify that a copy of the foregoing "Complaint" has been served upon the Respondent listed below, by United States mail, first class postage prepaid, on this, 28th day of May, 2003.

Wilbert Calvin Streeter, D.O.
23672 U.S. Highway 20
Elkhart, Indiana 46516

Kevin Milner, Esquire
202 Joliet Street
Dyer, IN 46311


Shelley M. Johnson
Deputy Attorney General
Attorney No. 22412-49

Office of the Attorney General
Indiana Government Center South, Fifth Floor
402 West Washington Street
Indianapolis, Indiana 46204-2770
(317) 233-3715

SMJ/ydh:43309

FILED

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF INDIANA
HAMMOND DIVISION

00 NOV 15 PM 4:51

STEPHEN J. BINK
CLERK
FOR THE UNITED STATES DISTRICT
COURT OF INDIANA

UNITED STATES OF AMERICA,

v.

2: 00 CR 125 RL

WILBERT C. STREETER
WALTER KONHORST
JERRY AVERILL

) 18 U.S.C. § 371
) 42 U.S.C. § 1320a-7b(b)
) 18 U.S.C. § 1341
) 18 U.S.C. § 1956(h)
) 18 U.S.C. § 1956(A)(1)(a)(i)
) 18 U.S.C. § 1957

SUPERSEDING INDICTMENT

THE GRAND JURY CHARGES:

At all times material to this indictment:

Introductory Allegations Common to All Counts

DEFENDANTS AND OTHER CO-CONSPIRATORS

1. The defendant, WILBERT STREETER, was a licensed doctor of osteopathy and owned and operated the Highland Medical Center (HMC) at 9635 Saric Court, Highland, Indiana.
2. The defendant, JERRY AVERILL, was the Business Administrator for the Highland Medical Center. As the Business Administrator, JERRY AVERILL managed the day-to-day operations and staff at HMC under the direction of WILBERT STREETER.
3. The defendant, WALTER KONHORST, was employed at the Highland Medical Center by WILBERT STREETER. WALTER KONHORST was responsible at HMC for ordering drugs and supplies, for making bank deposits and withdrawals and for other duties

assigned to him at HMC by JERRY AVERILL and WILBERT STREETER.

4. Robert Waite was the owner of ProPharma Sterile Products, Inc., which was located at 6111 Harrison St., Merrillville, Indiana. ProPharma was a provider of medical supplies and services and was authorized to submit reimbursement claims to Medicare for medical supplies and services provided to Medicare patients.

FDA REGULATORY STRUCTURE

5. The United States Food and Drug Administration (hereinafter referred to as "FDA") is the federal agency charged with the responsibility of protecting the health and safety of the American public by ensuring that drugs are safe and effective for their intended use before they may be offered for sale to the people of this country.

6. "Drugs" are articles intended for use in the diagnosis, cure, mitigation, treatment or prevention of disease in man or other animals, and articles (other than food) intended to affect the structure or any function of the body of man or other animals.

7. It is illegal to introduce or deliver for introduction into interstate commerce a new drug unless a new drug application for the drug has been approved by the FDA as safe and effective for use under the conditions prescribed, recommended, or suggested by its labeling.

FDA APPROVED CANCER TREATMENTS

8. The conventional treatment of cancer usually involves surgery, radiation, chemotherapy, or a combination of these. Chemotherapy is the use of chemical therapy in the cure and/or control of malignant tumors. There is a wide variety of FDA approved chemotherapeutic agents recognized as safe and effective when administered by a licensed practitioner for the uses under the conditions prescribed, recommended, or suggested in the

labeling thereof. These chemotherapeutic agents include Cytosan, Adriamycin, Vincristine, and Bleomycin.

STREETER'S MEDICAL PRACTICE

9. STREETER'S medical practice at HMC specialized in the treatment of terminal or near terminal cancer patients. STREETER'S cancer patients came from all over the country and were sold on his cancer treatment program through an aggressive marketing plan headed up by WILBERT STREETER and JERRY AVERILL.

10. Because many of STREETER'S patients came to northwest Indiana from around the country, STREETER's office would arrange for accommodations for the patients at local motels. Many patients were also housed in apartments that were above the HMC. During the course of the conspiracy, due to the advanced nature of their cancer, several patients died in the apartments above the HMC and their deaths were not properly reported. In addition, many of the patients who died had death certificates that purported to bear the signature of WILBERT STREETER but were in fact signed by someone else.

11. STREETER treated his cancer patients with drugs that he received primarily from Mexico and which were not approved by the FDA for the treatment of cancer. The unapproved drugs were received at HMC from ASN Research via a commercial carrier like United Parcel Service and were stored primarily in a credenza located in JERRY AVERILL's office.

STREETER prescribed, among others, the following unapproved drugs to his cancer patients:

a. Laetrile is an unapproved drug that was prescribed by STREETER to his patients at HMC for the treatment of cancer. Laetrile is derived from apricot pits that contain amygdalin. At HMC, laetrile was referred to as "B Vits", "Amygdalina", or "B17". Laetrile is a clear or

yellow fluid contained in 10cc brown colored ampules labeled "Amigdalina" or a white powder contained in brown glass bottles.

b. Injectable Peptides is an unapproved drug that was prescribed by STREETER to his patients at the HMC for the treatment of cancer. Peptides have the appearance of dirty brown water and were administered at HMC intramuscularly.

c. Biozyme is an unapproved drug that was prescribed by STREETER to his patients at HMC for the treatment of cancer. Biozyme is a clear solution and is supplied in 3cc brown ampules labeled "BIOZYME" and which contain other Spanish writing. Biozyme was administered at HMC intramuscularly.

d. Injectable shark cartilage is an unapproved drug that was prescribed by STREETER to his patients at HMC for the treatment of cancer. Shark Cartilage is a clear solution and is supplied in 2cc clear single dose vial labeled "ARTRIN-RHEUM, Shark Cartilage." Shark Cartilage was administered at HMC intramuscularly.

e. Thymus is an unapproved drug that was prescribed by STREETER to his patients at HMC for the treatment of cancer. Thymus is supplied in 2cc brown ampules labeled "Thymus 50 mg/ml, Germany". Thymus was administered at HMC intramuscularly.

f. Tumorex is an unapproved drug that was prescribed by STREETER to his patients at HMC for the treatment of cancer. Tumorex is a clear solution and is supplied in clear glass multidose vials labeled Homeopathic Solution. Tumorex was used intramuscularly, intravenously, and sometimes injected directly into the tumor.

g. Met-Bal is an unapproved drug that was prescribed by STREETER to his patients at HMC for the treatment of cancer. Met-Bal is a transparent solution and is supplied in multidose

glass bottles with a label that reads "Met-Bal". Met-Bal was administered intravenously.

h. Una De Gato is an unapproved drug that was prescribed by STREETER to his patients at HMC for the treatment of cancer. Una De Gato is a clear solution and is supplied in 50ml multidose clear glass bottles with a label that reads "UNA DE GATO". Una De Gato was administered intravenously.

i. Gervital is an unapproved drug that was prescribed by STREETER to his patients at HMC for the treatment of cancer. Gervital, also known as GH3, is a clear solution contained in a 2ml brown colored ampule labeled "Gervital" on a white label. Gervital is administered intramuscularly.

12. In addition to the unapproved drugs listed in paragraph 11, for cancer patients who could afford an additional approximate \$10,000 to \$20,000 expense, HMC offered an unapproved "Live Cell" therapy. Patients were told that "Live Cells" were cells taken from organs of cows, pigs and other organisms. The injected substance had the consistency of sand or freeze dried coffee grounds and resulted in significant pain upon injection.

13. STREETER and AVERILL also offered a treatment to cancer patients at HMC which STREETER and AVERILL referred to as the "Shake and Bake." The Shake and Bake involved the injection of an unapproved substance into the patient which caused the patient to shake violently and have an elevated body temperature with the intent to first "shake" and then "bake" the cancer out of the patient.

MEDICAL BILLINGS TO PRIVATE INSURANCE COMPANIES

14. When submitting a claim to private insurance companies for services or supplies provided to an eligible beneficiary, the claimant, often the provider of the service or supplies, must

submit a completed HCFA Form 1500, Health Insurance Claim Form. The form requires the claimant to list the patient/beneficiary's name and identification number, the patient's address, the patient's diagnosis or nature of the illness, the service provided, along with the date of the service, the place where the service was provided, the appropriate procedure code for the service or drug administered, and the amount claimed. The form also requires that the claim be signed by the provider or its representative and that the provider's name and address be listed. Insurance companies rely on the provider's honesty and integrity in submitting the claim form.

15. In the health care industry, common procedure codes have been established for the billing of diagnoses, treatments, and drugs. These codes are used and relied upon by health care providers in the filing of claim forms and by insurers in assessing the claims for payment.

THE FEDERAL MEDICARE PROGRAM

16. Medicare is a government health insurance program for the disabled and aged. Medicare pays for medical supplies and services that are properly provided to eligible Medicare beneficiaries.

17. To make a claim for Medicare reimbursement for medical supplies and services, the supplier was required to complete either a Medicare Health Insurance Claim form ("Form HCFA 1500") or an electronic claim and submit it to an administrator of the Medicare Program accompanied by a Medicare Certificate of Medical Necessity form which included, among other things, a physician's diagnosis of a beneficiary's medical condition, a list of the medical supplies prescribed, and a determination that the prescribed medical supplies are medically necessary for that beneficiary.

18. AdminaStar Federal was responsible for the administration of the Medicare program

in Indiana. Pursuant to its contract with the United States Department of Health and Human Services, Health Care Finance Administration ("HCFA"), AdminaStar received and processed claims for covered services and products supplied by Medicare providers.

19. In order to ensure that doctors have no conflict of interest in deciding whether to prescribe particular medical supplies and services for individuals insured by Medicare, and make the determination whether to prescribe such supplies and services based solely on independent, professional judgment, Section 1320a-7b of Title 42, United States Code, specifically prohibits doctors who prescribe medical supplies and services, from receiving any type of remuneration from the provider of the medical supplies and services.

COUNT ONE – CONSPIRACY

Objects of the Conspiracy

20. The Grand Jury realleges and incorporates by reference paragraphs 1 through 19 of this Indictment as if fully set forth herein.

21. Beginning on or before January 1, 1991 and continuing through in or around August, 1996, the exact dates being unknown to the Grand Jury, in the Northern District of Indiana, and elsewhere, the defendants,

**WILBERT STREETER,
JERRY AVERILL and
WALTER KONHORST**

did unlawfully, willfully and, knowingly combine, conspire, confederate and agree with one another and with others known and unknown to the grand jury, to commit the following offenses against the United States:

a. To knowingly devise and intend to devise a scheme and artifice to defraud and to

obtain money from various insurance companies and from cancer patients through false and fraudulent representations and promises, and for the purpose of executing such scheme, used and caused to be the United States Mails and private and commercial interstate carriers in furtherance of the scheme in violation of Title 18, United States Code, Section 1341.

b. To unlawfully, willfully and knowingly solicit and receive remunerations in the form of kickbacks directly and indirectly, overtly and covertly, in cash in return for referring Medicare patients to a company for the furnishing and arranging for the furnishing of items and services for which payment might have been made in whole or in part under Subchapter XVIII of Chapter 7 of Title 42, United States Code, entitled "Health Insurance for Aged and Disabled," (hereinafter "Medicare), in violation of Title 42, United States Code, Section 1320a-7b(b)(1)(A).

Manner and Means of the Conspiracy

22. Among the manner and means used by the defendants to achieve the objects of the conspiracy were the following:

23. It was part of the conspiracy that the STREETER and AVERILL aggressively marketed HMC and its services to terminally ill cancer patients.

24. It was further part of the conspiracy that when a new cancer patient would come to HMC, STREETER would meet with the patient and evaluate him. The patient would also be sent to meet with AVERILL who, as the business manager and after consulting with STREETER, would explain to the patient the cancer treatment program and the cost to the cancer patient.

25. It was further part of the conspiracy that AVERILL and STREETER would make an assessment of the cancer patient's suitability for the cancer treatment program and would approve their acceptance into the program. The decision by STREETER and AVERILL to enroll a

patient into the cancer treatment program had little or nothing to do with the patient's medical condition. Rather, the decision was based exclusively on whether the patient had private medical insurance or available funds to pay for the program directly.

26. It was further part of the conspiracy that at the initial meeting with the patient, AVERILL, at STREETER's direction, demanded a cash deposit from the patient of up to \$12,000. The amount of the deposits and the treatments itself was not standard; rather, the amounts were based on AVERILL and STREETER's assessment of the patient's ability to pay. The patient's were told that if their insurance company paid STREETER's claim, then the deposit would be refunded to the patient.

27. It was further part of the conspiracy that on some occasions, deposits were received from patients, claims were filed and paid by the insurance company, but the deposit money was never refunded to the patients, thus allowing STREETER and AVERILL to fraudulently collect both from the insurance company and from the patient.

28. It was further part of the conspiracy that on some occasions, AVERILL would request that the patients write their deposit checks to the "International Supply Company." AVERILL falsely and fraudulently told the patients that International Supply Company was the entity who supplied HMC with its drugs. In fact, the International Supply Company was a shell company that was established by AVERILL and STREETER as another means to fraudulently obtain money.

29. It was further part of the conspiracy that some patients who received the "Live Cell" treatment would question why the treatment was so expensive. In response, AVERILL would falsely claim that the drugs being purchased for the "Live Cell" came from Mexico and were very

expensive. To support this bogus claim and to convince the cancer patient, AVERILL and KONHORST created false and fraudulent invoices under the name "Pharma Del Mar, Mexico City, Mexico" which was a completely fictitious entity created by AVERILL and KONHORST. AVERILL and KONHORST would then write bogus numbers on the fake Pharma Del Mar invoices to make it appear to the patients that the cost of the Live Cells was very high when in fact the cost was a fraction of the amount represented.

30. It was further part of the conspiracy that AVERILL knew what type of cancer the patient had and would look up in a reference book what type of services and chemotherapy drugs were ordinarily required to treat that particular type of cancer. After the patient began STREETER's program, AVERILL, at STREETER's direction, would prepare a bogus list of chemotherapy drugs that the patient was supposed to be getting and this list would be submitted to a billing clerk at HMC who would prepare the health care claim form that was to be submitted to the insurance company.

31. It was further part of the conspiracy that, based on the false and phony information provided by AVERILL at STREETER's direction, fraudulent claim forms were submitted to the patients' insurance companies to make it appear to the insurers that approved medical services and drugs were being provided when, in fact, the patients were receiving unapproved drugs, for which the insurance companies would not have made payment had they been told the truth.

32. It was further part of the conspiracy that STREETER was aware of the fraudulent billings to various insurance companies and authorized his staff at HMC to affix his signature to the claim forms with a rubber stamp.

33. It was further part of the conspiracy that the United States Mails and interstate

commercial carriers were used by STREETER and AVERILL to submit the fraudulent claims; it was further part of the conspiracy that, as a result of the fraudulent claims submitted, STREETER and AVERILL caused the various insurance companies to use the United States Mails in sending the checks to HMC in payment of the fraudulent claims.

34. It was further part of the conspiracy that when an insurance company wanted to audit a bill that it received from HMC to verify that the patient received the services that HMC was claiming, the insurance company would request that the patient's file be forwarded to it. In these instances, so as to keep the insurance companies in the dark about the use of the unapproved drugs, STREETER and AVERILL instructed KONHORST to rewrite the patient's medical chart to make it appear that the patient received chemotherapy when in fact the patient received unapproved drugs. The fraudulent and bogus rewritten medical files were then sent to the insurance company to make it appear that the original claim form was bonafide.

35. It was further part of the conspiracy that as a result of the fraudulent insurance claims filed and caused to be filed by STREETER and AVERILL, various insurance companies were defrauded out of at least \$1.8 million.

36. It was also part of the conspiracy that STREETER and KONHORST referred patients to ProPharma for the purpose of ProPharma being a provider of medical supplies and services to certain HMC cancer patients who were insured by Medicare. In exchange for referring the patients to ProPharma, STREETER and KONHORST demanded, solicited and received kickback payments from ProPharma for making the referrals.

37. It was also part of the conspiracy that in order to cover up the kickback scheme, STREETER and KONHORST utilized the J.T. Supply Company, a completely fictitious company

created by STREETER, AVERILL and KONHORST, and instructed Waite and ProPharma to make the kickback payments in the form of checks written to J.T. Supply. The purpose of J.T. Supply Company was to make it appear that Waite and ProPharma were writing checks to a legitimate medical supply company when, in fact, J.T. Supply was a shell company with no assets and no legitimate purpose.

38. It was also part of the conspiracy that to further cover up the kickback scheme, instead of depositing the checks made payable to J.T. Supply, STREETER signed and caused to be signed many of the checks over to various private high schools, colleges and universities as a means to make tuition payments for his children.

39. It was also part of the conspiracy that to further cover up the kickback scheme, WALTER KONHORST generated bogus invoices under the name J.T. Supply and provided those invoices to Robert Waite to make it appear that the kickback checks were for legitimate medical supplies purchased by ProPharma.

40. It was also part of the conspiracy that between January, 1993 and March, 1996, ProPharma received referrals from STREETER of cancer patients who were on Medicare. These referrals were accompanied by Certificates of Medical Necessity signed by STREETER, and ProPharma billed Medicare approximately \$93,000 for the provision of medical supplies that were based on those Certificates of Medical Necessity.

41. It was also part of the conspiracy that between January, 1993 and August, 1995, STREETER received approximately \$25,000 in kickback payments from Waite and ProPharma in the form of checks written to J.T. Supply.

Overt Acts

42. In furtherance of the conspiracy, and to accomplish and effect the objects thereof, one or more of the following overt acts, among others, were committed in the Northern District of Indiana by members of the conspiracy as listed below::

a. On or about October 16, 1995, STREETER examined breast cancer patient "CM" and prescribed unapproved drugs for treatment of her cancer.

b. On or about January 11, 1996, AVERILL prepared a bogus list of chemotherapy drugs that cancer patient "CM" supposedly received at HMC and gave that fraudulent list to another co-conspirator for the preparation of an insurance claim forms.

c. On or about January 11, 1996, a co-conspirator known to the Grand Jury prepared 10 fraudulent health insurance claim forms for services supposedly supplied by STREETER to cancer patient "CM" totaling \$8,855.

d. On March 5, 1996, a co-conspirator known to the Grand Jury prepared 14 fraudulent health insurance claim forms for services supposedly supplied by STREETER to cancer patient "CM" totaling \$12,397.

e. On or about April 3, 1996, a co-conspirator known to the Grand Jury faxed the fraudulent claim forms listed in overt acts c and d above to Aetna Insurance for breast cancer patient "CM."

f. On or about October 3, 1995, STREETER examined breast cancer patient "JF" and prescribed unapproved drugs for treatment of her cancer.

g. On or about April 9, 1996, a co-conspirator known to the Grand Jury prepared 16 fraudulent health insurance claim forms for services supposedly supplied by STREETER to cancer patient "JF" totaling \$14,914.

- h. On May 21, 1996, a co-conspirator known to the Grand Jury sent via United Parcel Service the fraudulent claim forms listed in overt act g above to Principal Financial Group of Aurora, Illinois for breast cancer patient "JF."
- i. On or about May 2, 1995, STREETER examined brain cancer patient "DF" and prescribed unapproved drugs for treatment of his cancer.
- j. On or about November 22, 1995, STREETER prescribed the home administration of unapproved drugs by cancer patient "DF."
- k. On or about January 24, 1996, AVERILL prepared a bogus list of chemotherapy drugs that cancer patient "DF" supposedly received at HMC and gave that fraudulent list to another co-conspirator for the preparation of insurance claim forms.
- l. On or about January 24, 1996, a co-conspirator known to the Grand Jury prepared 12 fraudulent health insurance claim forms for services supposedly supplied by STREETER to cancer patient "DF" totaling \$13,174.
- m. On or about May 30, 1996, a co-conspirator known to the Grand Jury prepared 17 fraudulent health insurance claim forms for services supposedly supplied by STREETER to cancer patient "DF" totaling \$18,821.
- n. On or about May 30, 1996, a co-conspirator known to the Grand Jury sent via United Parcel Service the fraudulent claim forms listed in overt act m above to Massachusetts Mutual Insurance for services supposedly supplied to brain cancer patient "DF."
- o. On or about June 28, 1993, STREETER examined cancer patient "KC" and prescribed unapproved drugs for treatment of his cancer.
- p. In response to a request from Aetna Insurance for the office notes of STREETER for

cancer patient "KC", in or around August, 1993 KONHORST rewrote a portion of the medical chart of cancer patient "KC" to make it appear that "KC" received chemotherapy at HMC when in fact "KC" received unapproved drugs for the treatment of his cancer.

q. On or about March 27, 1995, STREETER examined breast cancer patient "MS" and prescribed unapproved drugs for treatment of her cancer.

r. On or about February 22, 1994, AVERILL and KONHORST created a fictitious purchase order under the name "Pharma Del Mar, Mexico City, Mexico" and falsely wrote \$16,000 on the purchase order as the cost of "Live Cells". KONHORST and AVERILL then used the fake purchase order to falsely justify to a cancer patient why the live cell treatment was so expensive and to fraudulently get them to pay the inflated amount.

s. On or about May 2, 1994, AVERILL and KONHORST created a fictitious purchase order under the name "Pharma Del Mar, Mexico City, Mexico" and falsely wrote \$16,000 on the purchase order as the cost of "Live Cells". KONHORST and AVERILL then used the fake purchase order to falsely justify to a cancer patient why the live cell treatment was so expensive and to fraudulently get them to pay the inflated amount.

t. On or about August 15, 1994, AVERILL and KONHORST created a fictitious purchase order under the name "Pharma Del Mar, Mexico City, Mexico" and falsely wrote \$16,000 on the purchase order as the cost of "Live Cells". KONHORST and AVERILL then used the fake purchase order to falsely justify to a cancer patient why the live cell treatment was so expensive and to fraudulently get them to pay the inflated amount.

u. In or around August, 1993, WILBERT STREETER referred a Medicare patient to ProPharma.

- v. In or around April, 1995, WILBERT STREETER referred a Medicare patient to ProPharma.
- w. In or around March, 1996, WILBERT STREETER referred a Medicare patient to ProPharma.
- x. On or about September 9, 1993, Robert Waite signed a check on the ProPharma account at Gainer Bank in the amount of \$1,539.50 and made payable to J.T. Supply.
- y. On or about November 2, 1993, Robert Waite signed a check on the ProPharma account at Gainer Bank in the amount of \$1,509.04 and made payable to J.T. Supply.
- z. On or about December 1, 1993, Robert Waite signed a check on the ProPharma account at Gainer Bank in the amount of \$1,249.99 and made payable to the J.T. Supply.
- aa. On or about January 20, 1994, Robert Waite signed a check on the ProPharma account at Gainer Bank in the amount of \$1,541.07 and made payable to the J.T. Supply.
- bb. On or about February 24, 1994, Robert Waite signed a check on the ProPharma account at Gainer Bank in the amount of \$1,495.70 and made payable to the J.T. Supply.
- cc. On or about April 13, 1994, Robert Waite signed a check on the ProPharma account at Gainer Bank in the amount of \$1,496.88 and made payable to the J.T. Supply.
- dd. On or about November 8, 1994, Robert Waite signed a check on the ProPharma account at Gainer Bank in the amount of \$1,509.00 and made payable to the J.T. Supply.
- ee. On or about December 22, 1994, Robert Waite signed a check on the ProPharma account at Gainer Bank in the amount of \$502.50 and made payable to the J.T. Supply.
- ff. On or about January 24, 1995, Robert Waite signed a check on the ProPharma account at Gainer Bank in the amount of \$986.00 and made payable to the J.T. Supply.

gg On or about August 14, 1995, Robert Waite signed a check on the ProPharma account at Gainer Bank in the amount of \$1,010.56 and made payable to the J.T. Supply.

All in violation of Title 18, United States Code, Section 371.

THE GRAND JURY FURTHER CHARGES:

Count 2 – Receipt of Medicare Kickbacks

1. The allegations contained in paragraphs 1 through 19 and 36 through 41 of this Indictment are repeated, realleged and incorporated by reference as if fully set forth herein.
2. On or about August 14, 1995, the exact date being unknown to the Grand Jury, in the Northern District of Indiana, the defendants,

**WILBERT STREETER
and
WALTER KONHORST**

unlawfully, willfully, and knowingly did solicit and receive remuneration (including kickbacks and bribes) directly and indirectly, overtly and covertly, in cash and kind from other persons in return for referring individuals to a person for the furnishing and arranging for the furnishing of items and services for which payment may have been and was made, in whole or in part, under Medicare, to wit: WILBERT STREETER and WALTER KONHORST, defendants herein, solicited and received \$1,010.56 in the form of a check made payable to J. T. Supply from ProPharma in return for referring a Medicare Beneficiary to ProPharma for the furnishing of medical supplies for which payment was made and might have been made, in whole or in part, under the Medicare program, Subchapter XVIII of Chapter 7 of Title 42, United States Code, entitled "Health Insurance for Aged & Disabled."

All in violation of Title 42, United States Code, Section 1320a-7b(b)(1)(A) and Title 18, United States Code, Section 2.

THE GRAND JURY FURTHER CHARGES:

Counts 3 - 9 -- Mail Fraud

1. The allegations contained in paragraphs 1 through 19 of this Indictment are repeated, realleged and incorporated by reference as if fully set forth herein.

The Scheme

2. Beginning in or around January, 1991 and continuing to in on about August, 1996, the exact dates being unknown to the Grand Jury, in the Northern District of Indiana, the defendants

**WILBERT C. STREETER,
WALTER KONHORST, and
JERRY AVERILL**

knowingly devised and intended to devise a scheme and artifice to defraud and to obtain money by materially false and fraudulent pretenses and representations, and used the United States Mails and a commercial interstate carrier in furtherance of the scheme.

3. It was part of the scheme that WILBERT STREETER held himself out as a cancer specialist and STREETER and AVERILL aggressively marketed HMC and its services to terminally ill cancer patients.

4. It was further part of the scheme that when a new cancer patient would come to HMC, STREETER would meet with the patient and evaluate him. The patient would also be sent to meet with AVERILL who, as the business manager and after consulting with STREETER, would explain to the patient the cancer treatment program and the cost to the cancer patient.

5. It was further part of the scheme that AVERILL and STREETER would make an assessment of the cancer patient's suitability for the cancer treatment program and would approve

their acceptance into the program. The decision by STREETER and AVERILL to enroll a patient into the cancer treatment program had little or nothing to do with the patient's medical condition. Rather, the decision was based exclusively on whether the patient had private medical insurance or available funds to pay for the program directly.

6. It was further part of the scheme that at the initial meeting with the patient, AVERILL, at STREETER's direction, demanded a cash deposit from the patient of up to \$12,000. The amount of the deposits and the treatments itself was not standard; rather, the amounts were based on AVERILL and STREETER's assessment of the patient's ability to pay. The patient's were told that if their insurance company paid STREETER's claim, then the deposit would be refunded to the patient.

7. It was further part of the scheme that on many occasions, deposits were received from patients, claims were filed and paid by the insurance company, but the deposit money was never refunded to the patients, thus allowing STREETER and AVERILL to fraudulently collect both from the insurance company and from the patient.

8. It was further part of the scheme that on some occasions, AVERILL would request that the patients write their deposit checks to the "International Supply Company." AVERILL falsely and fraudulently told the patients that International Supply Company was the entity who supplied HMC with its drugs. In fact, the International Supply Company was a shell company that was established by AVERILL and STREETER as another means to fraudulently obtain money.

9. It was further part of the scheme that some patients who received the "Live Cell" treatment would question why the treatment was so expensive. In response, AVERILL would

falsely claim that the drugs being purchased for the "Live Cell" came from Mexico and were very expensive. To support this bogus claim and to convince the cancer patient, AVERILL and KONHORST created false and fraudulent invoices under the name "Pharma Del Mar, Mexico City, Mexico" which was a completely fictitious entity created by AVERILL and KONHORST. AVERILL and KONHORST would then write bogus numbers on the fake Pharma Del Mar invoices to make it appear to the patients that the cost of the Live Cells was very high when in fact the cost was a fraction of the amount represented.

10. It was further part of the scheme that AVERILL knew what type of cancer the patient had and would look up in a reference book what type of services and chemotherapy drugs were ordinarily required to treat that particular type of cancer. After the patient began STREETER's program, AVERILL, at STREETER's direction, would prepare a bogus list of chemotherapy drugs that the patient was supposed to be getting and this list would be submitted to a billing clerk at HMC who would prepare the health care claim form that was to be submitted to the insurance company.

11. It was further part of the scheme that STREETER, AVERILL, KONHORST, and others tricked insurance companies into paying for unapproved drugs and services so that STREETER, AVERILL, KONHORST and others known to the Grand Jury could enrich themselves.

12. It was further part of the scheme that STREETER, AVERILL and KONHORST would and did cause HMC employees to mail insurance claims using incorrect and misleading medical billing codes in order to obtain payment from the insurers.

13. It was further part of the scheme that STREETER, AVERILL and KONHORST

caused HMC employees to fill out health care claim forms showing that cancer patients received traditional chemotherapy drugs and services when in fact they received unapproved drugs such as Laetrile and shark cartilage.

14. It was further part of the scheme that STREETER and AVERILL caused HMC employees to submit claim forms to insurance companies for services that were never rendered on the claimed date of service.

15. It was further part of the scheme that STREETER and AVERILL caused health care claim forms to be submitted to insurance companies for the service of administering drugs at HMC during times when the patients were actually administering the unapproved drugs themselves at home.

16. It was further part of the scheme that the false claim forms submitted to the insurance companies were material because the insurers would not have paid the claims had they known what was actually being prescribed and administered to the cancer patients at HMC.

17. It was further part of the scheme that when an insurance company wanted to audit a bill that it received from HMC to verify that the patient received the services that HMC was claiming, the insurance company would request that the patient's file be forwarded to it. In these instances, so as to keep the insurance companies in the dark about the use of the unapproved drugs, STREETER and AVERILL instructed KONHORST to rewrite the patient's medical chart to make it appear that the patient received chemotherapy when in fact the patient received unapproved drugs. The fraudulent and bogus rewritten medical files were then sent to the insurance company to make it appear that the original claim form was bonafide.

18. It was further part of the conspiracy that as a result of the fraudulent insurance claims

filed and caused to be filed by STREETER and AVERILL, various insurance companies were defrauded out of at least \$1.8 million.

19. It was further part of the scheme that STREETER was aware of the fraudulent billings to various insurance companies and authorized his staff at HMC to affix his signature to the fraudulent claim forms with a rubber stamp.

MAILINGS IN FURTHERANCE OF THE SCHEME

20. For the purpose of executing the above referenced scheme and attempting so to do, the defendants, WILBERT C. STREETER, JERRY AVERILL, and WALTER KONHORST, knowingly used the United States Mails and commercial interstate carrier and caused to be delivered by the United States Mails and commercial interstate carrier as to each count listed below, according to the directions thereon, the following items:

<u>Count</u>	<u>Date</u>	<u>Description of Mailed Matter</u>
3	April 12, 1996	Check in the amount of \$4,771 from Aetna U.S. Healthcare and sent via United States Mail to "WC Streeter 9635 Saric Court Highland, IN 46322"
4	April 23, 1996	Check in the amount of \$16,421 from Aetna U.S. Healthcare and sent via United States Mail to "WC Streeter 9635 Saric Court Highland, IN 46322"
5	May 21, 1996	Fraudulent claim form sent next day air via commercial interstate carrier United Parcel Service from the HMC in Highland, Indiana to the Principal Financial Group, 1245 Corporate Blvd., Suite 200, Aurora, Illinois, 60504
6	June 17, 1996	Check in the amount of \$14,229 from the Principal Financial Group of Aurora, Illinois sent via United States Mail to "Highland Med Center, 9635 Saric Court, Highland, IN 46322"
7	June 24, 1996	Check in the amount of \$615 from the Principal Financial

Group of Aurora, Illinois sent via United States Mail to
"Highland Med Center, 9635 Saric Court, Highland, IN
46322"

- 8 May 30, 1996 Fraudulent claim form sent next day air via commercial
interstate carrier United Parcel Service from the HMC in
Highland, Indiana to Massachusetts Mutual, P.O. Box 6004,
Matteson, Illinois, 60443
- 9 June 7, 1996 Check in the amount of \$18,214.99 from Massachusetts
Mutual sent via United States Mail to the "Highland
Medical Center 9635 Saric Ct. Highland, IN 46322"

All in violation of Title 18, United States Code, Sections 1341 and 2.

THE GRAND JURY FURTHER CHARGES:

Count 10 – Conspiracy to Commit Money Laundering

At all times relevant to this Indictment:

1. Paragraphs 1 through 41 of this Indictment are incorporated by reference as though fully set forth herein.

The Conspiracy and its Object

2. Beginning in or around January, 1991, and continuing to in or around August, 1996, the exact dates being unknown to the Grand Jury, in the Northern District of Indiana, and elsewhere, the defendants,

**WILBERT C. STREETER,
JERRY AVERILL and
WALTER T. KONHORST**

did knowingly combine, conspire, confederate and agree together and with each other, and others known and unknown to the Grand Jury, to commit the following offenses against the United States:

To conduct and attempt to conduct a financial transaction with the knowledge that the financial transaction involved the proceeds of an unlawful activity, to wit: mail fraud in violation of Title 18, United States Code, Section 1341, with the intent to promote the carrying on of the specified unlawful activity all in violation of Title 18, United States Code, Section 1956(a)(1)(A)(i).

Manner and Means of the Conspiracy

3. It was part of the conspiracy that STREETER and AVERILL regularly paid themselves and the other co-conspirators in cash from the proceeds of the scheme to defraud.
4. It was further part of the conspiracy that WILBERT STREETER and JERRY AVERILL opened a bank account, account number 0977890, under the name Highland Medical Center at the Griffith, Indiana branch of the Calumet National Bank, a bank whose deposits were insured by the Federal Deposit Insurance Corporation.
5. It was further part of the conspiracy that STREETER and AVERILL received in excess of \$1.8 million from various insurance companies as a result of the scheme to defraud relating to the submission of false claims for chemotherapy and related services that were never in fact provided to the cancer patients.
6. It was further part of the conspiracy that checks resulting from the scheme to defraud insurance companies would arrive at the HMC nearly every day and those checks would be brought to the Calumet National Bank by either WALTER KONHORST or another person known to the Grand Jury.
7. It was further part of the conspiracy that AVERILL, at the direction of STREETER, would entice patients to write down payment checks to begin their cancer treatments and these checks would also be brought to the Calumet National Bank by KONHORST or by another person known to the Grand Jury.
8. It was further part of the conspiracy that JERRY AVERILL would decide which insurance checks and down payment patient checks would be deposited in the Calumet National account to help run the business of HMC and which checks would be cashed out.

9. It was further part of the conspiracy that AVERILL would give the fraudulent insurance and patient checks to KONHORST, or another person known to the Grand Jury, to bring to the Calumet National Bank and instructed them on which checks should be deposited and which should be cashed.

10. It was further part of the conspiracy that STREETER instructed KONHORST to sign STREETER's name to the checks that would be cashed.

11. It was further part of the conspiracy that KONHORST or another person known to the Grand Jury would bring the cash back to HMC on nearly a daily basis and give it to either AVERILL or STREETER to be distributed amongst the co-conspirators.

12. It was further part of the conspiracy that STREETER and AVERILL received approximately \$1 million in cash by causing KONHORST and another person known to the Grand Jury to cash insurance checks and checks received from patients that resulted from the scheme to defraud.

13. It was further part of the conspiracy that the withdrawal of the money in the form of cash was necessary to promote the scheme to defraud because STREETER used the cash that was generated to regularly pay himself, AVERILL, KONHORST and others to entice them to continue with the scheme.

14. It was further part of the conspiracy that, in order to further promote the scheme to defraud, checks were regularly written off of the Calumet National Bank Account to ASN Research for the purchase of FDA unapproved drugs that were used to treat the cancer patients.

15. It was further part of the conspiracy that, shortly after the IRS placed a levy on the account at Calumet National Bank, a new account was established at Sand Ridge Bank at the

direction of JERRY AVERILL and WILBERT STREETER.

16. It was further part of the conspiracy that the new account at Sand Ridge Bank, account number 447064, was opened in the name of International Supply Company.

17. It was further part of the conspiracy that new patients were instructed to write checks to International Supply Company to begin their cancer therapy. The patients were falsely told that International Supply Company was the company that supplied HMC with the cancer drugs when in fact it was a shell company opened to further promote the fraud scheme.

18. It was further part of the conspiracy that patient checks were deposited in the Sand Ridge account.

19. It was further part of the conspiracy that another individual known to the Grand Jury wrote checks on the Sand Ridge account to cash for distribution to STREETER, AVERILL and KONHORST to further promote the scheme to defraud.

Overt Acts

20. In furtherance of and to effect the objectives of the conspiracy and to accomplish its purpose and objectives, one or more of the following overt acts, among others, were committed in the Northern District of Indiana:

On or about the dates listed below as to each overt act, WALTER KONHORST and another person known to the Grand Jury cashed at Calumet National Bank the insurance checks listed below, such checks being the proceeds of an unlawful scheme to defraud, so that cash would be available to promote the scheme by paying the co-conspirators:

<u>OVERT ACT</u>	<u>AMOUNT OF CHECK CASHED</u>	<u>DATE CASHED</u>	<u>INSURANCE COMPANY PAYING THE CHECK</u>
a	\$24,076	1/17/96	Massachusetts Mutual
b	\$5,684	2/2/96	Aetna
c	\$5,635.20	1/31/96	Aetna
d	\$3138	2/21/96	John Alden
e	\$5871.96	4/3/96	Cigna- Delta
f	\$5248	4/24/96	Mass Mutual
g	\$3540	6/3/96	Mutual of Omaha
h	\$8322	6/18/96	Cigna-Delta
i	\$5026	7/2/96	Mutual of Omaha

On or about the dates listed below as to each overt act WILBERT STREETER and JERRY AVERILL caused another co-conspirator known to the Grand Jury to write the following checks on the Calumet National Bank account of HMC, account number 0977890, to ASN Research for the purchase of unapproved drugs which were needed to promote the fraud scheme being perpetrated on various insurance companies:

<u>OVERT ACT</u>	<u>DATE OF CHECK TO ASN RESEARCH</u>	<u>AMOUNT OF CHECK</u>	<u>CHECK NUMBER</u>
j	1/8/96	\$3514	11673
k	1/16/96	\$4015	11734
l	2/12/96	\$1730	11861
m	2/13/96	\$1704	11866
n	2/15/96	\$3490	11884

o	2/27/96	\$4975	11936
p	5/7/96	\$3864	12277
q	5/29/96	\$3148	12374
r	6/3/96	\$3349	12388

All in violation of Title 18, United States Code, Section 1956(h).

Count 11

THE GRAND JURY FURTHER CHARGES:

On or about May 7, 1996, the exact date being unknown to the Grand Jury, in the Northern District of Indiana, Hammond Division, the defendants,

**WILBERT STREETER and
JERRY AVERILL**

did knowingly conduct a financial transaction affecting interstate commerce, to-wit: the defendants caused a check to be written to ASN Research, check number 12277, on account number 0977890, at Calumet National Bank, a bank whose deposits were then insured by the Federal Deposit Insurance Corporation, which involved the proceeds of a specified unlawful activity, that is, a mail fraud scheme in violation of Title 18, United States Code, Section 1341, with the intent to promote the carrying on of said specified unlawful activity, and that while conducting such financial transaction knew that the property involved in the financial transaction represented the proceeds of some form of unlawful activity.

All in violation of Title 18, United States Code, Sections 1956(a)(1)(A)(i) and 2.

Count 12

THE GRAND JURY FURTHER CHARGES:

On or about May 29, 1996, the exact date being unknown to the Grand Jury, in the Northern District of Indiana, Hammond Division, the defendants,

**WILBERT STREETER, and
JERRY AVERILL**

did knowingly conduct a financial transaction affecting interstate commerce, to-wit: the defendants caused a check to be written to ASN Research, check number 12374, on account number 0977890 at Calumet National Bank, a bank whose deposits were then insured by the Federal Deposit Insurance Corporation, which involved the proceeds of a specified unlawful activity, that is, a mail fraud scheme in violation of Title 18, United States Code, Section 1341, with the intent to promote the carrying on of said specified unlawful activity, and that while conducting such financial transaction knew that the property involved in the financial transaction represented the proceeds of some form of unlawful activity.

All in violation of Title 18, United States Code, Sections 1956(a)(1)(A)(i) and 2.

Count 13

THE GRAND JURY FURTHER CHARGES:

On or about June 3, 1996, the exact date being unknown to the Grand Jury, in the Northern District of Indiana, Hammond Division, the defendants,

**WILBERT STREETER, and
JERRY AVERILL**

did knowingly conduct a financial transaction affecting interstate commerce, to-wit: the defendants caused a check to be written to ASN Research, check number 12388, on account number 0977890 at Calumet National Bank, a bank whose deposits were then insured by the Federal Deposit Insurance Corporation, which involved the proceeds of a specified unlawful activity, that is, a mail fraud scheme in violation of Title 18, United States Code, Section 1341, with the intent to promote the carrying on of said specified unlawful activity, and that while conducting such financial transaction knew that the property involved in the financial transaction represented the proceeds of some form of unlawful activity.

All in violation of Title 18, United States Code, Sections 1956(a)(1)(A)(i) and 2.

Count 14

THE GRAND JURY FURTHER CHARGES:

On or about January 10, 1996, the exact date being unknown to the Grand Jury, in the Northern District of Indiana, Hammond Division, the defendants,

**WILBERT STREETER, and
JERRY AVERILL**

did knowingly engage and attempt to engage in a monetary transaction through a financial institution, affecting interstate or foreign commerce, in criminally derived property of a value greater than \$10,000, that is by cashing a check in the amount of \$24,076 at the Calumet National Bank, a bank whose deposits were then insured by the Federal Deposit Insurance Corporation, such property having been derived from a specified unlawful activity, that is, mail fraud in violation of Title 18, United States Code, Section 1341.

All in violation of Title 18, United States Code, Sections 1957 and 2

Count 15

THE GRAND JURY FURTHER CHARGES:

On or about March 13, 1996, the exact date being unknown to the Grand Jury, in the Northern District of Indiana, Hammond Division, the defendants,

**WILBERT STREETER, and
JERRY AVERILL**

did knowingly engage and attempt to engage in a monetary transaction through a financial institution, affecting interstate or foreign commerce, in criminally derived property of a value greater than \$10,000, that is by cashing a check in the amount of \$10,899 at the Calumet National Bank, a bank whose deposits were then insured by the Federal deposit Insurance Corporation, such property having been derived from a specified unlawful activity, that is mail fraud in violation of Title 18, United States Code, Section 1341.

All in violation of Title 18, United States Code, Sections 1957 and 2

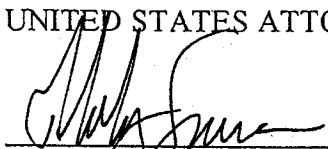
A TRUE BILL:



FOREPERSON

DAVID CAPP
UNITED STATES ATTORNEY

By:

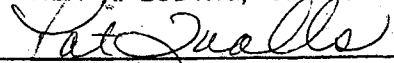

Philip P. Simon
Assistant United States Attorney

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF INDIANA

I hereby certify that the foregoing is a true copy of the original on file in this court and copies.

STEPHEN R. LUDWIG, CLERK

By


DEPUTY CLERK

Date

3/22/02

Medicare paid for medical supplies and services that were properly provided to eligible Medicare beneficiaries.

e. To make a claim for Medicare reimbursement for medical supplies and services, the supplier was required to complete either a Medicare Health Insurance Claim form ("Form HCFA 1500") or an electronic claim and submit it to an administrator of the Medicare Program accompanied by a Medicare Certificate of Medical Necessity form which included, among other things, a physician's diagnosis of a beneficiary's medical condition, a list of the medical supplies prescribed, and a determination that the prescribed medical supplies are medically necessary for that beneficiary.

f. AdminaStar Federal was responsible for the administration of the Medicare program in Indiana. Pursuant to its contract with the United States Department of Health and Human Services, Health Care Finance Administration ("HCFA"), AdminaStar received and processed claims for covered services and products supplied by Medicare providers.

g. In order to ensure that doctors have no conflict of interest in deciding whether to prescribe particular medical supplies and services for individuals insured by Medicare, and make the determination whether to prescribe such supplies and services based solely on independent, professional judgment, Section 1320a-7b of Title 42, United States Code, specifically prohibits doctors who prescribe medical supplies and services, from receiving any type of remuneration from the provider of the medical supplies and services.

The Kickback Conspiracy

2. Beginning in or around January 1993, and continuing through in or around October, 1996, the exact dates being unknown to the grand jury, in the Northern District of Indiana, and

elsewhere, the defendants,

WILBERT C. STREETER
and
WALTER T. KONHORST

did unlawfully, willfully and, knowingly combine, conspire, confederate and agree with one another and with others known and unknown to the grand jury, to commit an offense against the United States, namely, violations of Title 42, United States Code, Section 1320a-7b(b)(1)(A).

Object of the Conspiracy

3. The object of the conspiracy was for WILBERT STREETER to unlawfully, willfully and knowingly solicit and receive remunerations in the form of kickbacks directly and indirectly, overtly and covertly, in cash from ProPharma in return for referring Medicare patients to ProPharma for the furnishing and arranging for the furnishing of items and services for which payment might have been made in whole or in part under Subchapter XVIII of Chapter 7 of Title 42, United States Code, entitled "Health Insurance for Aged and Disabled," (hereinafter "Medicare), in violation of Title 42, United States Code, Section 1320a-7b(b)(1)(A), to wit, Wilbert Streeter would and did receive remuneration by check in return for referring patients to ProPharma for the furnishing of medical supplies for which payment might have been made and was made in whole or in part under Medicare.

Manner and Means of the Conspiracy

4. Among the manner and means used by the defendants, WILLIAM STREETER and WALTER KONHORST, to achieve the objects of the conspiracy were the following:

a. STREETER and KONHORST referred patients to ProPharma for the purpose of ProPharma being a provider of medical supplies and services to the Medicare patients. In

exchange for referring the patients to ProPharma, STREETER and KONHORST demanded, solicited and received kickback payments from ProPharma for making the referrals.

b. In order to cover up the kickback scheme, STREETER and KONHORST created the J.T. Supply Company and instructed Waite and ProPharma to make the kickback payments in the form of checks written to J.T. Supply. The purpose of J.T. Supply Company was to make it appear that Waite and ProPharma were writing checks to a legitimate medical supply company when, in fact, J.T. Supply was a shell company with no assets and no legitimate purpose.

c. To further cover up the kickback scheme, instead of depositing the checks made payable to J.T. Supply, STREETER signed and caused to be signed many of the checks over to various private high schools, colleges and universities as a means to make tuition payments for his children.

d. To further cover up the kickback scheme, WALTER KONHORST generated bogus invoices under the name J.T. Supply and provided those invoices to Robert Waite to make it appear that the kickback checks were for legitimate medical supplies purchased by ProPharma..

e. Between January, 1993 and March, 1996, ProPharma received Medicare patient referrals from STREETER accompanied by Certificates of Medical Necessity signed by STREETER, and ProPharma billed Medicare approximately \$93,000 for the provision of medical supplies that were based on those Certificates of Medical Necessity.

f. Between January, 1993 and August, 1995, STREETER received approximately \$25,000 in kickback payments from Waite and ProPharma in the form of checks written to J.T. Supply.

Overt Acts

5. In furtherance of the conspiracy, and to accomplish the objects thereof, one or of the following overt acts, among others, were committed in the Northern District of Indiana:

a. In or around August, 1993, WILBERT STREETER referred a Medicare patient to ProPharma.

b. In or around April, 1995, WILBERT STREETER referred a Medicare patient to ProPharma.

c. In or around March, 1996, WILBERT STREETER referred a Medicare patient to ProPharma.

d. On or about September 9, 1993, Robert Waite signed a check on the ProPharma account at Gainer Bank in the amount of \$1,539.50 and made payable to J.T. Supply.

e. On or about November 2, 1993, Robert Waite signed a check on the ProPharma account at Gainer Bank in the amount of \$1,509.04 and made payable to J.T. Supply.

f. On or about December 1, 1993, Robert Waite signed a check on the ProPharma account at Gainer Bank in the amount of \$1,249.99 and made payable to the J.T. Supply.

g. On or about January 20, 1994, Robert Waite signed a check on the ProPharma account at Gainer Bank in the amount of \$1,541.07 and made payable to the J.T. Supply.

h. On or about February 24, 1994, Robert Waite signed a check on the ProPharma account at Gainer Bank in the amount of \$1,495.70 and made payable to the J.T. Supply.

i. On or about April 13, 1994, Robert Waite signed a check on the ProPharma account at Gainer Bank in the amount of \$1,496.88 and made payable to the J.T. Supply.

j. On or about November 8, 1994, Robert Waite signed a check on the ProPharma

account at Gainer Bank in the amount of \$1,509.00 and made payable to the J.T. Supply.

k. On or about December 22, 1994, Robert Waite signed a check on the ProPharma account at Gainer Bank in the amount of \$502.50 and made payable to the J.T. Supply.

l. On or about January 24, 1995, Robert Waite signed a check on the ProPharma account at Gainer Bank in the amount of \$986.00 and made payable to the J.T. Supply.

m. On or about August 14, 1995, Robert Waite signed a check on the ProPharma account at Gainer Bank in the amount of \$1,010.56 and made payable to the J.T. Supply.

All in violation of Title 18, United States Code, Section 371.

THE GRAND JURY FURTHER CHARGES:

Count 2

6. The allegations contained in paragraphs 1 and 4 of this Indictment are repeated, realleged and incorporated by reference as if fully set forth herein.

7. On or about August 14, 1995, the exact date being unknown to the Grand Jury, in the Northern District of Indiana, the defendants,

**WILBERT STREETER
and
WALTER KONHORST**

unlawfully, willfully, and knowingly did solicit and receive remuneration (including kickbacks and bribes) directly and indirectly, overtly and covertly, in cash and kind from other persons in return for referring individuals to a person for the furnishing and arranging for the furnishing of items and services for which payment may have been and was made, in whole or in part, under Medicare, to wit: WILBERT STREETER and WALTER KONHORST, defendants herein, solicited and received \$1,010.56 in the form of a check made payable to J.T. Supply from ProPharma in return for referring a Medicare Beneficiary to ProPharma for the furnishing of medical supplies for which payment was made and might have been made, in whole or in part, under the Medicare program, Subchapter XVIII of Chapter 7 of Title 42, United States Code, entitled "Health Insurance for Aged & Disabled."

All in violation of Title 42, United States Code, Section 1320a-7b(b)(1)(A) and Title 18,
United States Code, Section 2.

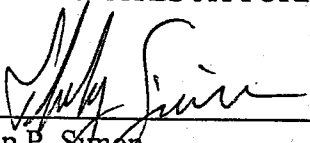
A TRUE BILL:



FOREPERSON

DAVID CAPP
UNITED STATES ATTORNEY

By:



Philip P. Simon
Assistant United States Attorney

FILED

JAN 25 2002

At _____ M
STEPHEN R. LUDWIG, Clerk
U.S. DISTRICT COURT
NORTHERN DISTRICT OF INDIANA

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF INDIANA
HAMMOND DIVISION

UNITED STATES OF AMERICA,)
)
 v.)
)
 WILBERT C. STREETER)
)
 Defendant.)

CAUSE NO. 2:00 CR 125JM

PETITION TO ENTER A CHANGE OF PLEA

The defendant above named respectfully represents to the Court as follows:

1. My full true name is Wilbert Calvin Streeter and I request that all proceedings against me be had in the name which I here declare to be my true name.

2. I was born on 12/20/38 in the City of Hope in the State of Michigan. I have attended school and completed 22 years of education and I have the ability to read, write, and speak the English language.

3. I am represented by counsel and my lawyer's name is Kevin Milner.

4. I have received a copy of the Superseding Indictment and have read and discussed it with my attorney. I acknowledge that I am charged with the following violations of Title 18, United States Code: Section 371, Section 1341, Section 1956(h), Section 1956(a)(1)(A)(i), and Section 1957. I fully understand the nature and elements of these charges.

5. I have told my lawyer the facts and surrounding circumstances as known to me concerning the matters mentioned in the Superseding Indictment and believe that my lawyer is fully informed as to all such matters. My lawyer has since informed me and has counseled and advised me as to the nature of every accusation against me and as to any possible defenses I might have in this case.

6. I understand that I am entitled to have all of my rights which may be involved in this matter explained to me, and that I have the right to have any questions I may have answered for me.

7. I understand that I have a right to plead NOT GUILTY to any offense charged against me, and that under a plea of NOT GUILTY the Constitution guarantees me:

(a) the right to a speedy and public trial by a twelve-person jury of my peers, selected according to law, in the Northern District of Indiana which must return a unanimous verdict of GUILTY before I can be convicted;

In such a jury trial, the jury would be composed of twelve lay persons selected at random. My attorney and I would participate in the selection of the jurors, which includes the ability to remove prospective jurors for cause where actual bias or other disqualification is shown, or without cause by exercising so-called peremptory challenges. The jury would have to agree unanimously before it could return a verdict of either GUILTY or NOT GUILTY. The jury would be instructed that I am presumed innocent, and that it could not convict me unless, after hearing all the evidence, it was persuaded of my guilt beyond a reasonable doubt, and that it was to consider each count of the Indictment separately.

(b) the right to see, hear and cross-examine all the witnesses against me at my trial;

(c) the right to use the power and process of the Court to compel the production of any evidence, including the attendance of any witnesses, in my favor at my trial;

(d) the right to the assistance of counsel at every stage of the proceedings, including upon an appeal if need be;

(e) at trial, I would have a privilege against self-incrimination so that I could decline to testify, and no inference of guilt could be drawn from my refusal to testify. If I desired to do so, I could testify in my own behalf;

(f) that in the event that I should be found GUILTY of the charge against me, I would have the right to appeal my conviction on such charge to a higher court.

8. Except for the assistance of counsel at every critical stage of the proceeding, I understand that by pleading GUILTY I am waiving all the rights set forth in the prior paragraph. My attorney has explained those rights to me and the consequences of my waiver of those rights.

9. Notwithstanding the above, I have, with the assistance of counsel, entered into an agreement with the United States Attorney's Office of the Northern District of Indiana as follows:

- a. I will plead GUILTY to Count 15 of the Superseding Indictment charging me with the offense of money laundering. I am entering this plea of guilty to this offense because I am in fact GUILTY.

(1) In pleading guilty, I acknowledge and admit the following facts: From approximately January, 1990 through August, 1996 I participated in a scheme to defraud insurance companies as alleged in the superseding indictment. In particular, I admit that I was a doctor of osteopathy and operated the Highland Medical Center (HMC) in Highland, Indiana. One of the things that I specialized in was the treatment of terminally ill cancer patients. The treatment that I most often prescribed to my cancer patients involved the use of drugs that were not approved by the FDA for the treatment of cancer. I knew that my patients' insurance companies would not pay for this type of therapy. Thus, I participated in a scheme to defraud those companies by billing the insurance companies for services, such as chemotherapy, that the patients never actually received. On one occasion my office received a check in the amount of \$10,899 that were the proceeds of the fraud scheme. Thereafter, on or about March 13, 1996, I directed one member of my staff to engage in a monetary transaction through a financial institution, affecting interstate commerce, in criminally derived property of a value of greater than \$10,000, that is by directing the cashing of the check in the amount of \$10,899 at the Calumet National Bank, a bank whose deposits were then insured by the Federal Deposit Insurance Corporation, such property having been derived from a specified unlawful activity, that is mail fraud, in violation of Title 18, United States Code, section 1341.

- b. In consideration of my plea of guilty, I understand that the United States of America agrees, pursuant to Rule 11(e)(1)(A) of the Federal Rules of Criminal Procedure, to move for the dismissal of the remaining Counts of the Superseding Indictment pending against me, at the time of sentencing.
- c. I understand that my case is governed by the Sentencing Guidelines and that before the precise sentence can be determined, the Court will have to take several factors into consideration under the Sentencing Guidelines, including, but not limited to, my prior criminal record, if any; the amount of the total loss suffered as a result of my entire criminal conduct; the amount of money involved in the money laundering

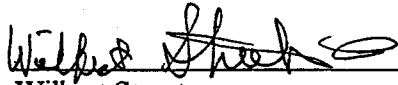
scheme; as well as other factors. I understand that the particular sentencing guidelines applicable to my case will be determined solely by the Court based upon input from me, my attorney, the United States and an investigation by the United States Probation Office.

- d. I understand that the maximum possible penalty that may be imposed by law for my conviction of the Count to which I am pleading guilty is a maximum term of incarceration of ten (10) years and a fine of \$250,000.
- e. I understand that should I be sentenced to any term of incarceration as it relates to the Superseding Indictment, such term may be followed by a term of supervised release. I understand that if the Court sentences me to a term of imprisonment of more than one year, that such term of imprisonment must be followed by a term of supervised release of at least 2 years but not more than 3 years. I further understand that should I be sentenced to a term of supervised release, that I will have to live my life under certain conditions set by the Court, and that should I violate any of those conditions that the Court can revoke the supervised release and sentence me to serve an additional term of imprisonment.
- f. I understand that in accordance with federal law, 18 U.S.C. §3013, upon entry of judgment of conviction, I understand that I am expected to pay a special assessment in the amount of \$50 for the count to which I am pleading guilty, in addition to any other penalty imposed.
- g. Pursuant to Title 18, United States Code, Section 3663A(a)(3), I agree to make restitution to anyone proximately harmed by any of the conduct for which I am charged in the superseding indictment in an amount to be determined by the Court. I further agree that the Court in ordering restitution is not limited by the offense to which I am pleading guilty but instead may order restitution for my entire conduct.
- h. Pursuant to Federal Rules of Criminal Procedure 11(e)(1)(C) the Government agrees that I should receive the minimum sentence under the applicable guideline range in this case. Furthermore, the Government and I further agree pursuant to Federal Rule of Criminal Procedure 11(e)(1)(C) that the appropriate final offense level for my case is 16. I further understand that if the Court rejects this paragraph of the plea agreement, it will notify me in open court and afford me the opportunity to withdraw my plea of guilty.
- i. I understand that the United States of America reserves the right to tell the Court the good things about me and the bad things about me; the United States of America also reserves the right to present evidence which may affect my sentencing guideline range; and the United States of America reserves the right to fully apprise the Court of the nature of the criminal conduct.
- j. In further consideration for my plea of GUILTY the United States agrees that I reserve the right at the time of sentencing to ask the Court for a downward departure pursuant to

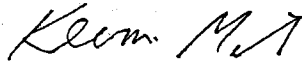
U.S.S.G. § 5K2.0. I further understand that the United States reserves the right to oppose any such request for a downward departure.

- k. I am aware that my sentence will be determined in accordance with the United States Sentencing Guidelines. I am also aware that a sentence imposed under the Guidelines does not provide for parole. I agree that the Court has jurisdiction and authority to impose any sentence within the statutory maximum set forth above in paragraph 9(d) of this plea agreement. With that understanding, I expressly waive my right to appeal my sentence on any ground, including any appeal right conferred by Title 18, United States Code, Section 3742. I also agree not to contest my sentence or the manner in which it was determined in any post-conviction proceeding, including, but not limited to, a proceeding under Title 18, United States Code, Section 2255.
 - l. I understand that if I violate any of the above provisions that the United States of America may ask the Court to set aside the plea agreement, and if the Court does so, I understand that I can then be prosecuted for all criminal offenses that I may have committed.
 - m. I understand that this agreement is being submitted to the Court pursuant to Rule 11(e)(4) of the Federal Rules of Criminal Procedure. Under that provision, should the Court reject this plea agreement, it will so notify me in open court and afford me the opportunity to then withdraw this plea of GUILTY. I understand that if I then persist in my GUILTY plea, the disposition of the case may be less favorable to me than that contemplated by this plea agreement.
10. I am prepared to state to the Court my reasons based on the facts in this matter that cause me to believe that I am GUILTY as charged.
11. I believe that my lawyer has done all that anyone could do to counsel and assist me, and that I now understand the proceedings in this case against me.
12. I declare that I offer my plea of GUILTY freely and voluntarily and of my own accord, and no promises have been made to me other than those contained in this petition, nor have I been threatened in any way by anyone to cause me to plead GUILTY in accordance with this petition.

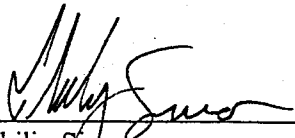
13. I understand and acknowledge that this petition, once filed with the Court, is a public document and available for public viewing.



Wilbert Streeter
Defendant



Kevin Milner
Attorney for Defendant

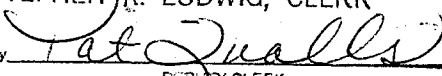


Philip Simon
Acting United States Attorney

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF INDIANA

I hereby certify that the foregoing is a true copy of the original on file in this court

and court
STEPHEN R. LUDWIG, CLERK

By 

DEPUTY CLERK

Date 3/22/02

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF INDIANA
HAMMOND DIVISION**

**JUDGMENT IN A CRIMINAL CASE
(For Offenses Committed on
or After November 1, 1987)**

UNITED STATES OF AMERICA)
)
v.)
)
WILBERT C. STREETER,)
Defendant)

Cause No. 2:00 CR 125-01

**Kevin E. Milner,
Attorney for Defendant**

THE DEFENDANT pleaded guilty to Count 15 of the Superseding Indictment.

Accordingly, the Court has adjudicated that the defendant is guilty of the following offense:

<u>Title & Section</u>	<u>Nature of Offense</u>	<u>Date Offense Concluded</u>	<u>Count No.</u>
Title 18, § 1957	Unlawful Monetary Transaction	March 13, 1996	15

Defendant is sentenced as provided in pages 3 through 6 of this Judgment. The sentence is imposed pursuant to the Sentencing Reform Act of 1984.

Counts 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13 and 14 are **DISMISSED** on motion of the United States.

IT IS ORDERED that defendant shall pay to the United States a special assessment of \$ 50.00 which shall be paid in full immediately to the Clerk, U.S. District Court, 5400 Federal Plaza, Hammond, Indiana 46320.

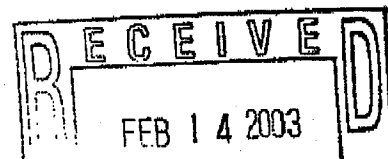
IT IS FURTHER ORDERED that the defendant shall notify the United States Attorney for this district, within 30 days, of any change of name, residence, mailing address, or material change in the defendant's economic circumstances until the restitution and special assessment imposed by this judgment are fully paid.

OPTIONAL FORM 99 (7-90)

FAX TRANSMITTAL

To Ryan Claxton From Phil Simon # of pages 7

Dept./Agency _____ Phone # _____



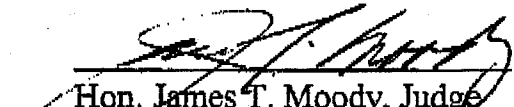
Defendant: Wilbert C. Streeter
Cause No.: 2:00 CR 125-01

Judgment - Page 2

Defendant Social Security No.:
331-34-4632

February 12, 2003
Date of Imposition of Sentence

Defendant's Date of Birth:
December 20, 1938


Hon. James T. Moody, Judge
United States District Court

Defendant's USM No.:
06344-027

Defendant's Residence and
Mailing address:

2275 South 625 West
Topeka, Indiana 46571

February 12, 2003
Date

Defendant: Wilbert C. Streeter
Cause No.: 2:00 CR 125-01

Judgment - Page 3

IMPRISONMENT

The defendant, Wilbert C. Streeter, is hereby committed to the custody of the United States Bureau of Prisons to be imprisoned for a term of Twenty-one (21) months.

The defendant shall surrender for service of sentence at the institution designated by the United States Bureau of Prisons before 2:00 p.m. on April 1, 2003, as notified by the United States Marshal or the probation office.

RETURN

I have executed this Judgment as follows:

Defendant delivered on _____ to _____
at _____, with a certified copy of this Judgment.

United States Marshal

By: _____
Deputy Marshal

Defendant: Wilbert C. Streeter
Cause No.: 2:00 CR 125-01

Judgment - Page 4

SUPERVISED RELEASE

Upon release from imprisonment, the defendant shall be on supervised release for a term of two (2) years. Within 72 hours of release from the custody of the United States Bureau of Prisons, the defendant shall report to the probation office in the district to which the defendant is released.

STANDARD CONDITIONS OF SUPERVISION

While the defendant is on supervised release, the defendant shall not commit another federal, state or local crime, shall not illegally possess a controlled substance, shall refrain from any unlawful use of a controlled substance, and shall comply with the following standard conditions previously adopted by this Court:

- 1) The defendant shall not leave the judicial district or other specified geographic area without the permission of the Court or Probation Officer;
- 2) The defendant shall report to the Probation Office as directed by the Court or Probation Officer and shall submit a truthful and complete written report within the first five (5) days of each month;
- 3) The defendant shall answer truthfully all inquiries by the Probation Officer and follow the instructions of the Probation Officer;
- 4) The defendant shall support his dependents and meet other family responsibilities;
- 5) The defendant shall work regularly at a lawful occupation unless excused by the Probation Officer for schooling, training, or other acceptable reasons;
- 6) The defendant shall notify the probation officer at least ten days prior to any change in residence or employment;
- 7) The defendant shall refrain from excessive use of alcohol and shall not purchase, possess, use, distribute, or administer any narcotic or other controlled substance, or any paraphernalia related to such substances except as prescribed by a physician;
- 8) The defendant shall not frequent places where controlled substances are illegally sold, used, distributed, or administered;
- 9) The defendant shall not associate with any persons engaged in criminal activity, and shall not associate with any person convicted of a felony unless granted permission to do so by the Probation Officer;

Defendant: Wilbert C. Streeter
Cause No.: 2:00 CR 125-01

Judgment - Page 5

- 10) The defendant shall permit a Probation Officer to visit him at any time at home or elsewhere and shall permit confiscation of any contraband observed in plain view by the Probation Officer;
- 11) The defendant shall notify the Probation Officer within seventy-two (72) hours of being arrested or questioned by a law enforcement officer;
- 12) The defendant shall not enter into any agreement to act as an informer or a special agent of a law enforcement agency without the permission of the court;
- 13) The defendant as directed by the Probation Officer, shall notify third parties of risks that may be occasioned by the defendant's criminal record or personal history or characteristics, and shall permit the Probation Officer to make such notifications and to confirm the defendant's compliance with such notification requirement;
- 14) The defendant shall pay any restitution and special assessment imposed; and
- 15) The defendant shall notify the probation officer of any material change in his economic circumstances that might affect his ability to pay any unpaid special assessment and restitution.

In addition, the defendant shall comply with the following special conditions:

- 1) The defendant shall not possess a firearm, destructive device, or any other dangerous weapon;
- 2) The defendant shall pay the restitution that is imposed by this judgment and that remains unpaid at the commencement of the term of supervised release in accordance with the Court ordered payment of the restitution;
- 3) The defendant shall not incur new credit charges or open additional lines of credit without the approval of the probation officer unless the defendant is in compliance with the Court ordered payment of the restitution; and
- 4) The defendant shall provide the probation officer with access to any requested financial information.

RESTITUTION

The Court finds that the following persons have suffered injury compensable under the Victim and Witness Protection Act in the amounts indicated: Aetna U.S. Healthcare, in the amount of \$161,635.25; BC-BS of Illinois, in the amount of \$1,312.00; Budd Company (John Hancock), in the amount of \$33,117.00; Cannonball (Coresource), in the amount of \$97,798.00; Centra Benefit Services, in the amount of \$74,579.70; Cigna Healthcare, in the amount of \$446,456.24; CNA (REGIT) (CAPPS), in the amount of

Defendant: Wilbert C. Streeter
Cause No.: 2:00 CR 125-01

Judgment - Page 6

\$63,475.14; Dana Corp. (John Hancock), in the amount of \$61,768.00; Highmark Blue Cross, in the amount of \$24,692.32; Highmark Blue Shield, in the amount of \$39,268.50; HRM (CTB Inc.), in the amount of \$20,788.60; John Alden Life Ins. Co., in the amount of \$65,269.13; Mass Mutual (UniCARE), in the amount of \$122,665.19; Mutual of Omaha, in the amount of \$28,869.74; Principal Financial Group, in the amount of \$115,156.30; Prudential Health Care, in the amount of \$421,040.50; TIME (FORTIS), in the amount of \$8,362.50; United Health Care (Metro & Travel), in the amount of \$61,469.84; and Wisconsin Physicians Service, in the amount of \$54,678.84.

It is ORDERED that the defendant make restitution to such persons totaling \$1,902,382.70, except that no further payment shall be required after the sum of the amounts actually paid by all defendants has fully covered all of the compensable injuries. Any payment made by the defendant shall be divided among the persons named in proportion to their compensable injuries.

Payment of the restitution shall be due immediately. Payment shall be made to the Clerk of the Court for transfer to the persons named.

FINE

The Court is imposing no fine because of defendant's inability to pay both a fine and restitution and payment of restitution is paramount.

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF INDIANA
HAMMOND DIVISION

UNITED STATES OF AMERICA)

v.)

WILBERT C. STREETER)

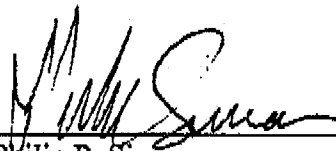
CAUSE NO. 2:00 CR 125 JM

ORDER FOR DISMISSAL

Pursuant to Rule 48(a) of the Federal Rules of Criminal Procedure and by leave of Court endorsed hereon, the United States Attorney for the Northern District of Indiana hereby dismisses Counts 1 through 14 of the Superseding Indictment against Wilbert C. Streeter, defendant.

JOSEPH S. VAN BOKKELEN
UNITED STATES ATTORNEY

By:


Philip P. Simon
Assistant United States Attorney

Leave of Court is granted for the filing of the foregoing dismissal.

DATED: 2/12/03


HONORABLE JAMES T. MOODY
UNITED STATES JUDGE