

ORIGINAL

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DEC 20 2005

IN THE UNITED STATES DISTRICT COURT

LUTHER D. THOMAS, Clerk

By:

[Signature]
Deputy Clerk

FOR THE NORTHERN DISTRICT OF GEORGIA

ATLANTA DIVISION

UNITED STATES OF AMERICA, :

v. :

TOTADA R. SHANTHAVEERAPPA, :
M.D., a/k/a T.R. SHANTHA, M.D., and :
DAN U. BARTOLI, :

Defendants. :

INDICTMENT NO.

1:05CR612

INDICTMENT

THE GRAND JURY CHARGES THAT:

I.

Introduction

(1) TOTADA R. SHANTHAVEERAPPA, M.D., a/k/a T.R. SHANTHA, M.D. ("defendant SHANTHA"), obtained his medical degree from the R.G. Kar Medical College at the University of Calcutta (India) in 1958. Defendant SHANTHA also obtained a Ph.D. in Anatomy and Basic Medical Sciences from Emory University School of Medicine in Atlanta, Georgia, in 1962.

(2) Defendant SHANTHA has been licensed to practice medicine in the State of Georgia since July 26, 1972.

(3) At all times material to this Indictment, defendant SHANTHA owned and operated a medical clinic at 115 Eagle Spring Drive, Stockbridge, Georgia 30281 ("the clinic"), which did business under the names "Integrated Medical Specialists (IMS), LLC" and "Integrated Chemotherapy Specialists (ICS), LLC."

(4) At all times material to this Indictment, defendant SHANTHA was the Medical Director of the clinic.

(5) At all times material to this Indictment, DAN U. BARTOLI ("defendant BARTOLI") assisted defendant SHANTHA in his medical practice and was responsible for ordering "drug" product, conducting patient therapy, administering injections, and compounding "drugs" at the clinic.

**Defendant SHANTHA'S patients and
their treatment**

(6) Defendant SHANTHA used an Internet website, www.iptmd.com, and other forms of advertising to attract patients to the clinic.

(7) Through his website, defendant SHANTHA represented to the public that "there are safe and effective, nontoxic, scientifically based alternative methods that can cure or control most cancer and other chronic disease."

(8) Through his website, defendant SHANTHA promoted the use of Dinitrophenol ("DNP"), a commercial-grade weed killer and insecticide, as a heating agent in intracellular heat therapy; Ukrain, a substance manufactured in

Austria, which has not been approved for medical use in the United States; and hyperbaric oxygen therapy ("HBOT"), an oxygen therapy approved to treat only a limited number of specific medical conditions, such as acute mountain sickness, the "bends," and deep wound healing.

(9) Defendant SHANTHA and others acting on his behalf represented to prospective patients and others that Ukrain, intracellular heat therapy, and HBOT were effective in treating cancer and other life threatening diseases, while knowing and having reason to know that such representations were not true.

Intracellular Hyperthermia Therapy

(10) Many of defendant SHANTHA'S patients at the clinic underwent Intracellular Hyperthermia Therapy (ICHT), also known as Intracellular Metabolic Therapy (ICMT), which defendant SHANTHA described as a patented method of heating cells from "the inside-out" to kill cancer. Defendant SHANTHA often used DNP as a heating agent in ICHT and ICMT. Defendant SHANTHA charged patients as much as \$50,000 for ICHT/ICMT.

Ukrain

(11) At the clinic, defendant SHANTHA administered Ukrain to certain patients intravenously and charged them \$10,000 or more for Ukrain therapy,

while knowing and having reason to know that Ukrain had not been approved for use in the United States.

(12) After receiving Ukrain therapy at the clinic, some of defendant SHANTHA'S patients returned home with a three-week supply of Ukrain or arranged to have a supply of Ukrain shipped to them. The transportation and delivery of Ukrain to patients outside the State of Georgia involved the introduction of Ukrain into interstate commerce.

Hyperbaric Oxygen Therapy

(13) Many of defendant SHANTHA'S patients underwent hyperbaric oxygen therapy (HBOT), which consisted of lying in an oxygenized plastic tent. Advertising approved by defendant SHANTHA promoted the use of HBOT to prevent ascites and pleural fluids if present and to push anti-cancer drugs into cancer cells. Defendant SHANTHA'S advertising claimed cancer cells do not thrive under high oxygen concentrations.

(14) At all times material to this Indictment, certain health care benefit programs provided health insurance benefits or medical services to individuals (commonly referred to as "beneficiaries") pursuant to the terms of a contract or plan of insurance.

(15) At all times material to this Indictment, it was common practice for certain medical practitioners, including defendant SHANTHA, to request payment for medical services rendered to a particular patient by submitting a claim for payment directly to the patient's health care benefit program.

(16) At all times material to this Indictment, every medical practitioner who submitted claims for payment directly to a health care benefit program was required to provide the health care benefit program with a standard form known as a "Health Care Financing Administration Form 1500" ("HCFA 1500").

**Current Procedural Terminology
("CPT") codes and Health Care
Financing Administration Common
Procedure Coding System ("HCPCS")**

(17) At all times material to this Indictment, a medical practitioner requesting payment directly from a health care benefit program was required to identify the treatment provided to the beneficiary by including on the HCFA 1500 the appropriate "Physician's Current Procedural Terminology" ("CPT Codes").

(18) CPT Codes are published by the American Medical Association as a uniform numerical classification of the most common treatments and diagnostic tests performed by physicians and other medical service providers.

(19) Health care providers use CPT Codes to describe medical procedures in the requests for payment that they submit to health care benefit programs, and

the Health Care Financing Administration ("HCFA") uses CPT Codes in government health care reimbursement systems.

(20) The Health Care Financing Administration Common Procedure Coding System ("HCPCS") is a uniform method for health care providers and medical suppliers to report professional services, procedures, and supplies.

(21) There are three levels of HCPCS coding: Level I: CPT; Level II: HCPCS National Codes; and Level III: Local Codes.

II.

Counts 1 through 16

Health Care Fraud

18 U.S.C. § 1347

(22) All of the allegations set forth in paragraphs 1 through 21 are incorporated herein by reference, as if fully restated.

The scheme to defraud

(23) Beginning in or about January 2003, and continuing through the date of this Indictment, defendants SHANTHA and BARTOLI, aided and abetted by each other and by others known and unknown to the Grand Jury, did knowingly and wilfully execute and attempt to execute a scheme and artifice to defraud health care benefit programs and to obtain by means of materially false and fraudulent

pretences, representations, and promises money and property owned and under the control of health care benefit programs in connection with the delivery of and payment for health care benefits and services.

(24) The term "health care benefit program" is defined by 18 U.S.C. § 24 to mean "any public or private plan or contract, affecting commerce, under which any medical benefit, item, or service is provided to any individual, and includes any individual or entity who is providing a medical benefit, item, or service for which payment may be made under the plan or contract.

(25) It was part of the scheme and artifice to defraud that defendant SHANTHA submitted and caused others to submit to certain health care benefit programs claims requesting payment for different medical procedures than were actually performed, knowing and having reason to know that the claims were false and fraudulent when made. For example, defendant SHANTHA caused CPT Code 99190 to be used in requesting payment for the assembly and operation of a pump with oxygenator or heat exchanger (with or without ECG and/or pressure monitoring), when, in fact, defendant SHANTHA had administered hyperbaric therapy.

(26) It was part of the scheme and artifice to defraud that defendant SHANTHA provided false and misleading information on claim forms that he

submitted and caused others to submit to certain health care benefit programs. For example, defendant SHANTHA caused HCPCS Code J9340 (Thiotepa) to be used on claim forms to describe the chemotherapy drug he had purportedly administered to a patient, when, in fact, defendant SHANTHA had administered Ukrain rather than Thiotepa.

**Claims submitted in furtherance of the
scheme to defraud**

(27) On or about the dates listed below, in the Northern District of Georgia and elsewhere, defendants SHANTHA and BARTOLI, aided and abetted by each other and by others known and unknown to the Grand Jury, did knowingly and wilfully execute and attempt to execute a scheme and artifice to defraud the below-listed health care benefit programs and to obtain by means of materially false and fraudulent pretences, representations, and promises money and property owned by, and under the custody and control of, the below-listed health care benefit programs, in connection with the delivery of, and payment for, health care benefits, items, and services in the amounts listed below, by causing to be submitted electronically and by mail insurance claims using the below-listed incorrect and misleading CPT and HCPCS codes in order to obtain payment from the below listed health care benefit programs:

Count	Date of Service	Codes	Amount Requested	Amount Paid	Patient	Insurer's Name
1.	03-03-03	J9340	\$225.00	\$225.00	J.H.	Aetna
2.	08-28-03	J9340	\$900.00	\$265.97	P.M.	BCBS of Florida
3.	08-04-03	J9340	\$450.00	\$202.50	R.H.	BCBS of Georgia
4.	09-03-03	J9340	\$450.00	\$177.79	D.C.	Medicare
5.	02-08-03	J9340	\$675.00	\$406.31	D.P.	Great West
6.	03-04-03	J9340	\$225.00	\$225.00	J.A.	Health Plans, Inc.
7.	01-07-04	J9340	\$506.25	\$354.38	A.H.	Humana, Inc.
8.	03-06-03	J9340	\$225.00	\$112.96	B.B.	Tricare
9.	04-15-03	J9340	\$225.00	\$180.00	J.E.	Public Employees Health Plan
10.	07-08-03	J9340	\$675.00	\$223.20	R.F.	United Health Care
11.	02-25-03	99190	\$750.00	\$514.00	J.H.	Aetna
12.	01-17-03	99190	\$750.00	\$450.00	C.P.	Cigna
13.	11-26-03	99190	\$750.00	\$450.00	F.W.	BCBS of GA
14.	06-10-02	99190	\$840.00	\$840.00	H.L.	United Health Care
15.	02-19-03	99190	\$750.00	\$685.55	S.D.	BCBS of SC
16.	09-25-03	99190	\$750.00	\$750.00	E.B.	Continental General Insurance Company

All in violation of 18 U.S.C. §§ 1347 and 2.

III.

Counts 17 through 21

**Introduction of an Unapproved Drug into
Interstate Commerce**

21 U.S.C. §§ 331(d) and 355(a)

(28) All of the allegations set forth in paragraphs 1 through 27 are incorporated herein by reference, as if fully restated.

The legal status of DNP under federal law

(29) In 1938, Congress amended the Federal Food, Drug and Cosmetic Act, now codified at 21 U.S.C. §§ 301-392, to protect consumers from, among other things, the dangers of untested and unproven experimental new drugs.

(30) The United States Food and Drug Administration ("FDA") is the federal agency responsible for protecting the health and safety of the American public by ensuring, among other things, that drugs are safe and effective for their intended uses before they are introduced into interstate commerce to be used by the citizens of the United States. Generally, before a drug may be held or offered for sale in interstate commerce, the FDA must approve it.

(31) The term "drug" is defined by 21 U.S.C. § 321(g)(1)(B) and (C) to mean 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.

(32) The term "new drug" is defined by 21 U.S.C. § 321(p)(1) as any drug the composition of which is such that it is not generally recognized, among experts qualified by scientific training and experience to evaluate the safety and effectiveness of drugs, as safe and effective for use under the conditions prescribed, recommended, or suggested in the drug's labelling.

(33) For a drug to be "generally recognized" as safe and effective there must be a consensus of opinion among qualified experts that the drug is safe and effective for its intended uses. Moreover, this consensus of expert opinion must be based upon "substantial evidence" consisting of adequate and well-controlled clinical studies that have been published in the scientific (peer reviewed) literature.

New Drug Applications

(34) 21 U.S.C. §§ 331(d) and 355(a) prohibit the introduction or delivery for introduction into interstate commerce, and causing the introduction or delivery for introduction into interstate commerce, of any new drug unless and until a New Drug Application for such drug has been approved by the FDA.

(35) At all times material to this Indictment, defendant SHANTHA intended DNP for use in the cure, mitigation, treatment, and prevention of disease

in man. Therefore, as used by defendant SHANTHA, DNP was a “drug” within the meaning of 21 U.S.C. § 321(g)(1).

(36) DNP is not generally recognized among experts qualified by scientific training and experience to evaluate the safety and effectiveness of drugs as being safe and effective for use under the conditions prescribed and recommended by defendant SHANTHA. Therefore, as used by defendant SHANTHA, DNP was a “new drug” within the meaning of 21 U.S.C. § 321(p).

(37) Defendant SHANTHA did not file with the FDA a New Drug Application for DNP.

(38) The FDA has not approved a New Drug Application for DNP.

(39) No form of DNP has ever been approved by the FDA for any of the uses for which defendant SHANTHA prescribed, recommended, promoted, and labelled it.

(40) DNP is not generally recognized by qualified medical and scientific experts as safe and effective for any of the uses for which defendant SHANTHA prescribed, recommended, promoted, and labelled it.

(41) Defendant SHANTHA violated 21 U.S.C. §§ 331(d) and 355(a) by introducing DNP into interstate commerce, delivering DNP for introduction into

interstate commerce, and causing the introduction and delivery of DNP for introduction into interstate commerce.

Investigational New Drug Procedure

(42) Congress established the Investigational New Drug ("IND") procedure, described in 21 U.S.C. § 355(i) and 21 C.F.R. § 312, to permit proponents of new drugs to obtain a limited exemption from the otherwise applicable prohibition against introducing new drugs into interstate commerce.

(43) The IND exemption permits proponents of unapproved new drugs to introduce new drugs into interstate commerce for the limited purpose of conducting FDA-authorized scientific studies (sometimes referred to as "clinical trials") to gather data to determine a new drug's toxicity and efficacy, and ultimately, if the data is promising, to support a new drug application.

(44) A clinical trial under an IND is a rigorously defined and controlled scientific study, which is conducted by a clinical investigator who is specifically authorized by the FDA to administer the investigational new drug during a specific, FDA-authorized, protocol to patients who meet specific, FDA-authorized, admissions criteria.

(45) Defendant SHANTHA has never submitted an IND for DNP or Ukrain.

(46) Defendant SHANTHA has never enrolled any of his patients in FDA-authorized clinical trials conducted pursuant to IND's for which he was the clinical investigator.

Misbranded drugs

(47) 21 U.S.C. § 331(a) prohibits the introduction or delivery for introduction into interstate commerce of any food, drug, device, or cosmetic that is misbranded.

(48) 21 U.S.C. § 321(f)(1) provides that a drug is misbranded if it fails to bear adequate directions for use. 21 C.F.R. § 201.5 provides that, to bear "adequate directions for use," the labelling for a drug must contain directions under which a lay person can use the drug safely for its intended uses, unless it is a prescription drug for which there is an approved new drug application.

(49) In or about the dates set forth below, in the Northern District of Georgia and elsewhere, defendants SHANTHA and BARTOLI, aided and abetted by each other and by others known and unknown to the Grand Jury, did knowingly, intentionally, and with the intent to defraud and mislead, introduce and deliver for introduction into interstate and foreign commerce, and did cause, counsel, and command the introduction and delivery for introduction into interstate

and foreign commerce, quantities of the unapproved new drug, DNP, for which no application filed pursuant to 21 U.S.C. § 355 had been approved:

COUNT	DATE	SENT FROM	AILMENT	PATIENT
18.	March 2001	Georgia	Lyme disease	M.P.
17.	June 2002	California	Lyme disease	R.R.
19.	August 2002	Georgia	Lyme disease	M.M.
20.	September 2002	International	Lyme disease	S.J.
21.	September 2002	International	Lyme disease	P.L.

All in violation of 21 U.S.C. §§ 331(d) and 355(a) and 18 U.S.C. § 2.

IV.

Count 22

Introduction of a Misbranded Drug into Interstate Commerce

21 U.S.C. § 331(a)

(50) All of the allegations set forth in paragraphs 1 through 49 are incorporated herein by reference, as if fully restated.

(51) In or about June 2002, in the Northern District of Georgia and elsewhere, defendants SHANTHA and BARTOLI, aided and abetted by each other and by others known and unknown to the Grand Jury, did, with the intent to defraud or mislead, cause to be introduced and delivered for introduction into interstate commerce from St. Louis, Missouri to Stockbridge, Georgia a drug,

namely DNP, which, when introduced and delivered into interstate commerce, was misbranded within the meaning of Title 21, United States Code, Section 352(f)(1), in that its labelling did not bear adequate directions for use.

All in violation of 21 U.S.C. § 331(a) and 18 U.S.C. § 2.

V.

Counts 23 through 39

Money Laundering

18 U.S.C. § 1956(a)(1)(B)(i)

(52) All of the allegations set forth in paragraphs 1 through 51 are incorporated herein by reference, as if fully restated.

(53) On or about the dates specified below, in the Northern District of Georgia and elsewhere, defendant SHANTHA, aided and abetted by others known and unknown to the Grand Jury, did knowingly conduct and attempt to conduct the following financial transactions affecting interstate commerce, which involved the proceeds of a specified unlawful activity, that is a scheme to defraud in violation of 18 U.S.C. § 1347, knowing that the transactions were designed in whole and in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of said specified unlawful activity and, while conducting and attempting to conduct such financial transactions, knew that the property involved

in the financial transactions represented the proceeds of some form of unlawful activity:

Count	Date	Description of Financial Transaction
23.	07-18-02	Defendant SHANTHA transferred by quitclaim deed to Devendra T. Shantha and Usha T. Shantha-Martin the real property located at 1657 Kanawha Drive, Stone Mountain, Georgia 30087.
24.	02-21-03	Defendant SHANTHA wrote check #88 in the amount of \$22,333.65, payable to Automobile Professionals, drawn on funds from SouthTrust Bank account #74105619 in the name of Dr. T.R. Shanta, to purchase a 2003 Nissan 350Z, VIN JN1AZ34D43T107986, titled in the name of Devendra Totada Shantha.
25.	05-14-03	Defendant SHANTHA wrote check #1262 to purchase cashier's check #12945262 in the amount of \$116,727.47, payable to Joseph W. Hodges, Jr., P.C., using funds from SouthTrust Bank account #78317827 in the name of ICS-01.
26.	06-17-03	Defendant SHANTHA wrote check #1268 to purchase cashier's check #14182872 in the amount of \$118,854.79 payable to Erica Maya T. Shantha, using funds from SouthTrust Bank account #78317827 in the name of ICS-01.
27.	09-29-03	Defendant SHANTHA caused Bank of America cashier's check #3016115 in the amount of \$10,000, payable to defendant SHANTHA, to be deposited to SunTrust Bank account #3614775603 in the name of William D. Martin and Usha Shantha Martin.
28.	10-29-03	Defendant SHANTHA caused Heidi Schweizer's check #106 in the amount of \$14,000, payable to defendant SHANTHA, to be deposited to SunTrust Bank account #3614775603 in the name of William D. Martin and Usha Shantha Martin.

Count	Date	Description of Financial Transaction
29.	11-06-03	Defendant SHANTHA caused Wells Fargo Bank cashier's check #681903626 in the amount of \$16,000, payable to defendant SHANTHA, to be deposited to SunTrust Bank account #3614775603 in the name of William D. Martin and Usha Shantha Martin.
30.	12-29-03	Defendant SHANTHA wire transferred funds in the amount of \$94,340 from SouthTrust Bank account #74105619, in the name of Dr. T.R. Shanta, to Washington Mutual Bank to pay off a mortgage (loan #10113950) on the real property located at 1657 Kanawha Drive, Stone Mountain, Georgia 30087, which was titled in the names of Devendra T. Shantha and Usha T. Shantha-Martin.
31.	02-19-04	Defendant SHANTHA purchased or caused another to purchase, in the name of Devendra T. Shantha and Usha S. Martin, First Nation Bank official check #467198488 in the amount of \$200,000, payable to Dr. David Autry, using funds derived in whole or in part from First Nation Bank account #40078981 in the name of Erica Maya Shantha and Dr. T.R. Shantha.
32.	03-02-04	Defendant SHANTHA caused SunTrust Bank cashier's check #8803209024 in the amount of \$9,000, payable to David Autry, to be deposited to SunTrust Bank account #3614775603 in the name of William D. Martin and Usha Shantha Martin.
33.	03-05-04	Defendant SHANTHA caused cashier's check #100367676 in the amount of \$21,500, payable to Charles Resy, to be deposited to SunTrust Bank account #3614775603 in the name of William D. Martin and Usha Shantha Martin.

Count	Date	Description of Financial Transaction
34.	03-05-04	Defendant SHANTHA caused Don Taylor's check #5645 in the amount of \$20,000, payable to Usha Martin and endorsed by defendant SHANTHA, to be deposited to SunTrust Bank account #3614775603 in the name of William D. Martin and Usha Shantha Martin.
35.	03-08-04	Defendant SHANTHA caused First Nation Bank cashier's check #4679198563 in the amount of \$8,000, payable to Smith, Welch & Brittain, to be deposited to SunTrust Bank account #3614775603 in the name of William D. Martin and Usha Shantha Martin.
36.	03-09-04	Defendant SHANTHA caused SunTrust Bank cashier's check #3631740093 in the amount of \$6,000, payable to Smith, Welch & Brittain, to be deposited to SunTrust Bank account #3614775603 in the name of William D. Martin and Usha Shantha Martin.
37.	03-22-04	Defendant SHANTHA caused Wachovia Bank cashier's check #766626320 in the amount of \$30,000, payable to Dr. T.R. Shantha from Harold Owen, to be deposited to SunTrust Bank account #3614775603 in the name of William D. Martin and Usha Shantha Martin.
38.	03-22-04	Defendant SHANTHA caused Usha Shantha Martin to write check #1412 in the amount of \$170,000, payable to Jones, Cork & Miller, using funds from SunTrust Bank account #3614775603 in the name of William D. Martin or Usha Shantha Martin.
39.	03-24-04	Defendant SHANTHA caused Totada, LLC to purchase the real property located at 115 Eagle Spring Drive, Stockbridge, Georgia 30281, for \$1,500,000.

All in violation of Title 18, United States Code, Sections 1956(a)(1)(B)(i)

and 2.

VI.

Counts 40 through 66

Money Laundering

18 U.S.C. § 1956(a)(1)(A)(i)

(54) All of the allegations set forth in paragraphs 1 through 53 are incorporated herein by reference, as if fully restated.

(55) On or about the dates specified below, in the Northern District of Georgia and elsewhere, defendant SHANTHA, aided and abetted by others known and unknown to the Grand Jury, did knowingly conduct and attempt to conduct the following financial transactions affecting interstate commerce, which involved the proceeds of a specified unlawful activity, that is a scheme to defraud in violation of 18 U.S.C. § 1347, with the intent to promote the carrying on of said specified unlawful activity, and, while conducting and attempting to conduct such financial transactions, knew that the property involved in the financial transactions, that is monetary instruments in the amounts set forth below, represented the proceeds of some form of unlawful activity:

Count	Date	Description of Financial Transaction
40.	09-17-03	Defendant SHANTHA deposited check #11154 in the amount of \$15,500, drawn on funds from Bank of America account #1029980740 in the name of Jack S. or Sarah D. Newsome, to SouthTrust Bank account #74105619 in the name of Dr. T.R. Shanta.
41.	11-3-03	Defendant SHANTHA deposited check #04273 in the amount of \$16,300, drawn on funds from State Employees' Credit Union account #8604515001, Joe B. Arrowood & Rosemary P. Arrowood, remitters, to SouthTrust Bank account #74105619 in the name of Dr. T.R. Shanta.
42.	12-10-03	Defendant SHANTHA deposited check #5675572 in the amount of \$662.10, drawn on funds from US Bank account #9082110 in the name of Continental General Insurance Company, to First Nation Bank account #40078981 in the name of Erica Maya Shantha and Dr. T.R. Shantha.
43.	12-10-03	Defendant SHANTHA deposited check #5675569 in the amount of \$69, drawn on funds from US Bank account #9082110 in the name of Continental General Insurance Company, to First Nation Bank account #40078981 in the name of Erica Maya Shantha and Dr. T.R. Shantha.
44.	12-18-03	Defendant SHANTHA deposited check #5671775 in the amount of \$2,028, drawn on funds from US Bank account #9082110 in the name of Continental General Insurance Company, to First Nation Bank account #40078981 in the name of Erica Maya Shantha and Dr. T.R. Shantha.
45.	12-18-03	Defendant SHANTHA deposited official check #0165703271 in the amount of \$10,000, drawn on funds from Wells Fargo & Company account #4861505824, to First Nation Bank account #40078981 in the name of Erica Maya Shantha and Dr. T.R. Shantha.

Count	Date	Description of Financial Transaction
46.	01-06-04	Defendant SHANTHA deposited official check #427210552 in the amount of \$10,000, drawn on funds from Municipal Credit Union, New York, New York, D. Mykoosingh, remitter, to First Nation Bank account #40078981 in the name of Erica Maya Shantha and Dr. T.R. Shantha.
47.	01-06-04	Defendant SHANTHA deposited official check #427210600 in the amount of \$11,000, drawn on funds from Municipal Credit Union, New York, New York, D. Mykoosingh, remitter, to First Nation Bank account #40078981 in the name of Erica Maya Shantha and Dr. T.R. Shantha.
48.	01-06-04	Defendant SHANTHA deposited official check #427210601 in the amount of \$9,000, drawn on funds from Municipal Credit Union, New York, New York, D. Mykoosingh, remitter, to First Nation Bank account #40078981 in the name of Erica Maya Shantha and Dr. T.R. Shantha.
49.	01-09-04	Defendant SHANTHA deposited check #5697952 in the amount of \$545, drawn on funds from US Bank account #9082110 in the name of Continental General Insurance Company, to First Nation Bank account #40078981 in the name of Erica Maya Shantha and Dr. T.R. Shantha.
50.	01-09-04	Defendant SHANTHA deposited check #5697951 in the amount of \$185, drawn on funds from US Bank account #9082110 in the name of Continental General Insurance Company, to First Nation Bank account #40078981 in the name of Erica Maya Shantha and Dr. T.R. Shantha.

Count	Date	Description of Financial Transaction
51.	01-09-04	Defendant SHANTHA deposited check #7030 in the amount of \$10,000, drawn on funds from United Community Bank account #1066661 in the name of Steven or Mae Shuman, to First Nation Bank account #40078981 in the name of Erica Maya Shantha and Dr. T.R. Shantha.
52.	01-09-04	Defendant SHANTHA deposited check #2043 in the amount of \$75, drawn on funds from First National Bank of Griffin, Georgia account #1551886 in the name of E.J. Clermont, to First Nation Bank account #40078981 in the name of Erica Maya Shantha and Dr. T.R. Shantha.
53.	01-09-04	Defendant SHANTHA deposited check #930 in the amount of \$20,000, drawn on funds from Brookville National Bank account #930208884 in the name of Waymon Hawkins, Jr., made payable to Dr. T.R. Shantha, to First Nation Bank account #40078981 in the name of Erica Maya Shantha and Dr. T.R. Shantha.
54.	01-09-04	Defendant SHANTHA deposited check #2401 in the amount of \$5,000, drawn on funds from Wachovia National Bank account #11234711 in the name of Sarah Ingram, to First Nation Bank account #40078981 in the name of Erica Maya Shantha and Dr. T.R. Shantha.
55.	01-14-04	Defendant SHANTHA deposited check #2131878 in the amount of \$13,374, drawn on funds from PNC Bank account #1011556965 in the name of AmeriHealth Administrators, to First Nation Bank account #40078981 in the name of Erica Maya Shantha and Dr. T.R. Shantha.
56.	02-03-04	Defendant SHANTHA deposited official check #698903661 in the amount of \$43,500, drawn on funds from Comerica Bank, Detroit, Michigan, Kay Gould-Caskey, remitter, to First Nation Bank account #40078981 in the name of Erica Maya Shantha and Dr. T.R. Shantha.

Count	Date	Description of Financial Transaction
57.	02-13-04	Defendant SHANTHA purchased from First Nation Bank official check #467198473 in the amount of \$20,000, payable to T.R. Shantha.
58.	02-18-04	Defendant SHANTHA wrote check #5236 in the amount of \$2,500, payable to Eagle National Bank, using funds from SunTrust Bank account #8800357579 in the name of Integrated Medical Specialist, LLC, to pay for an appraisal on the real property located at 115 Eagle Spring Drive, Stockbridge, Georgia 30281.
59.	02-19-04	Defendant SHANTHA wrote check #101 in the amount of \$180,000 to purchase a cashier's check payable to David Autry, using funds from First Nation Bank account #40078981 in the name of Erica Maya Shantha and Dr. T.R. Shantha.
60.	02-19-04	Defendant SHANTHA deposited check #1135 in the amount of \$150, drawn on funds from Wachovia Bank account #1010083000582 in the name of Lori & Antonio Maldonado, to First Nation Bank account #40078981 in the name of Erica Maya Shantha and Dr. T.R. Shantha.
61.	02-19-04	Defendant SHANTHA deposited official check #239642006 in the amount of \$25,000, drawn on funds from Merrill Lynch Bank & Trust Co., Helen A Ryznar, remitter, to First Nation Bank account #40078981 in the name of Erica Maya Shantha and Dr. T.R. Shantha.
62.	02-19-04	Defendant SHANTHA deposited cashier's check #200567 in the amount of \$23,500, drawn on funds from Western Corporate Federal Credit Union, to First Nation Bank account #40078981 in the name of Erica Maya Shantha and Dr. T.R. Shantha.

Count	Date	Description of Financial Transaction
63.	02-19-04	Defendant SHANTHA deposited official check #3523681 in the amount of \$21,500, drawn on funds from Sovereign Bank, to First Nation Bank account #40078981 in the name of Erica Maya Shantha and Dr. T.R. Shantha.
64.	02-19-04	Defendant SHANTHA deposited check #1509 in the amount of \$18,500, drawn on funds from Washington Mutual Bank account #440059554881 in the name of Jodi R. Gold and Deborah L. Morris, to First Nation Bank account #40078981 in the name of Erica Maya Shantha and Dr. T.R. Shantha.
65.	03-17-04	Defendant SHANTHA wrote check #519 to purchase a cashier's check in the amount of \$90,000, payable to Jones, Cork & Miller, using funds from SouthTrust Bank account #74105619 in the name of Dr. T.R. Shanta.
66.	03-23-04	Defendant SHANTHA wire transferred funds in the amount of \$10,150 from SouthTrust Bank account #74105619, in the name of Dr. T.R. Shanta, to account #09646772500 in the name of Nowicky Pharma at Bank Austria in Vienna, Austria, to purchase a quantity of Ukrain.

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

and 2.

VII.**Counts 67 through 87****Money Laundering****18 U.S.C. § 1957**

(56) All of the allegations set forth in paragraphs 1 through 55 are incorporated herein by reference, as if fully restated.

(57) On or about the dates set forth below, in the Northern District of Georgia and elsewhere, defendant SHANTHA, aided and abetted by others known and unknown to the Grand Jury, did knowingly engage and attempt to engage in the following monetary transactions by, through, or to a financial institution, affecting interstate commerce, in criminally derived property of a value greater than \$10,000, that is, the deposit, withdrawal, transfer, and exchange of U.S. currency, funds, and monetary instruments in the amounts set forth below, such property having been derived from a specified unlawful activity, that is, a scheme to defraud, in violation of 18 U.S.C. § 1347:

Count	Date	Description of Financial Transaction
67.	10-25-02	Defendant SHANTHA transferred funds in the amount of \$168,304.89 from SouthTrust Bank account #74105619 in the name of Dr. T.R. Shanta to SouthTrust Bank to pay off loan #95365517 in the name of Totada R. Shantha.

Count	Date	Description of Financial Transaction
68.	02-21-03	Defendant SHANTHA wrote check #88 in the amount of \$22,333.65, payable to Automobile Professionals, drawn on funds from SouthTrust Bank account #74105619 in the name of Dr. T.R. Shanta, to purchase a 2003 Nissan 350Z, VIN JN1AZ34D43T107986, titled in the name of Devendra Totada Shantha.
69.	05-14-03	Defendant SHANTHA wrote check #1262 to purchase cashier's check #12945262 in the amount of \$116,727.47, payable to Joseph W. Hodges, Jr., P.C., using funds from SouthTrust Bank account #78317827 in the name of ICS-01.
70.	06-17-03	Defendant SHANTHA wrote check #1268 to purchase cashier's check #14182872 in the amount of \$118,854.79 payable to Erica Maya T. Shantha, using funds from SouthTrust Bank account #78317827 in the name of ICS-01.
71.	09-17-03	Defendant SHANTHA deposited check #11154 in the amount of \$15,500, drawn on funds from Bank of America account #1029980740 in the name of Jack S. or Sarah D. Newsome, to SouthTrust Bank account #74105619 in the name of Dr. T.R. Shanta.
72.	11-3-03	Defendant SHANTHA deposited check #04273 in the amount of \$16,300, drawn on funds from State Employees' Credit Union account #8604515001, Joe B. Arrowood & Rosemary P. Arrowood, remitters, to SouthTrust Bank account #74105619 in the name of Dr. T.R. Shanta.
73.	12-29-03	Defendant SHANTHA wire transferred funds in the amount of \$94,340 from SouthTrust Bank account #74105619, in the name of Dr. T.R. Shanta, to Washington Mutual Bank to pay off a mortgage (loan #10113950) on the real property located at 1657 Kanawha Drive, Stone Mountain, Georgia 30087, which was titled in the names of Devendra T. Shantha and Usha T. Shantha-Martin.

Count	Date	Description of Financial Transaction
74.	01-06-04	Defendant SHANTHA deposited official check #427210600 in the amount of \$11,000, drawn on funds from Municipal Credit Union, New York, New York, D. Mykoosingh, remitter, to First Nation Bank account #40078981 in the name of Erica Maya Shantha and Dr. T.R. Shantha.
75.	01-09-04	Defendant SHANTHA deposited check #930 in the amount of \$20,000, drawn on funds from Brookville National Bank account #930208884 in the name of Waymon Hawkins, Jr., made payable to Dr. T.R. Shantha, to First Nation Bank account #40078981 in the name of Erica Maya Shantha and Dr. T.R. Shantha.
76.	01-14-04	Defendant SHANTHA deposited check #2131878 in the amount of \$13,374, drawn on funds from PNC Bank account #1011556965 in the name of AmeriHealth Administrators, to First Nation Bank account #40078981 in the name of Erica Maya Shantha and Dr. T.R. Shantha.
77.	02-03-04	Defendant SHANTHA deposited official check #698903661 in the amount of \$43,500, drawn on funds from Comerica Bank, Detroit, Michigan, Kay Gould-Caskey, remitter, to First Nation Bank account #40078981 in the name of Erica Maya Shantha and Dr. T.R. Shantha.
78.	02-13-04	Defendant SHANTHA purchased from First Nation Bank official check #467198473 in the amount of \$20,000, payable to T.R. Shantha.
79.	02-19-04	Defendant SHANTHA wrote check #101 in the amount of \$180,000 to purchase a cashier's check payable to David Autry, using funds from First Nation Bank account #40078981 in the name of Erica Maya Shantha and Dr. T.R. Shantha.

Count	Date	Description of Financial Transaction
80.	02-19-04	Defendant SHANTHA purchased or caused another to purchase, in the name of Devendra T. Shantha and Usha S. Martin, First Nation Bank official check #467198488 in the amount of \$200,000, payable to Dr. David Autry, using funds derived in whole or in part from First Nation Bank account #40078981 in the name of Erica Maya Shantha and Dr. T.R. Shantha.
81.	02-19-04	Defendant SHANTHA deposited official check #239642006 in the amount of \$25,000, drawn on funds from Merrill Lynch Bank & Trust Co., Helen A Ryznar, remitter, to First Nation Bank account #40078981 in the name of Erica Maya Shantha and Dr. T.R. Shantha.
82.	02-19-04	Defendant SHANTHA deposited cashier's check #200567 in the amount of \$23,500, drawn on funds from Western Corporate Federal Credit Union, to First Nation Bank account #40078981 in the name of Erica Maya Shantha and Dr. T.R. Shantha.
83.	02-19-04	Defendant SHANTHA deposited official check #3523681 in the amount of \$21,500, drawn on funds from Sovereign Bank, to First Nation Bank account #40078981 in the name of Erica Maya Shantha and Dr. T.R. Shantha.
84.	02-19-04	Defendant SHANTHA deposited check #1509 in the amount of \$18,500, drawn on funds from Washington Mutual Bank account #440059554881 in the name of Jodi R. Gold and Deborah L. Morris, to First Nation Bank account #40078981 in the name of Erica Maya Shantha and Dr. T.R. Shantha.
85.	02-25-04	Defendant SHANTHA wrote check #156 to purchase cashier's check #4679198510 in the amount of \$85,000, payable to 3PN, LLC, using funds from First Nation Bank account #40078981 in the name of Erica Maya Shantha and Dr. T.R. Shantha.

Count	Date	Description of Financial Transaction
86.	03-17-04	Defendant SHANTHA wrote check #519 to purchase a cashier's check in the amount of \$90,000, payable to Jones, Cork & Miller, using funds from SouthTrust Bank account #74105619 in the name of Dr. T.R. Shanta.
87.	03-22-04	Defendant SHANTHA caused Usha Shantha Martin to write check #1412 in the amount of \$170,000, payable to Jones, Cork & Miller, using funds from SunTrust Bank account #3614775603 in the name of William D. Martin or Usha Shantha Martin.

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

VIII.

Criminal Forfeiture Provision

(58) All of the allegations set forth in paragraphs 1 through 57 are incorporated herein by reference, as if fully restated.

(59) Upon conviction of one or more of the federal health care offenses alleged in Counts 1 through 16 of this Indictment, defendants SHANTHA and BARTOLI shall forfeit to the United States, pursuant to 18 U.S.C. § 982(a)(7), all property, real and personal, that constitutes or is derived, directly or indirectly, from gross proceeds traceable to the commission of the offense, including but not limited to the following:

(A) Money Judgment

- (1) A sum of money equal to the total amount of the illegal proceeds derived from the scheme to defraud that is alleged in this Indictment.

(B) Real Property

- (1) All that lot or parcel of land, together with its buildings, appurtenances, improvements, fixtures, attachments and easements, located at 105 Love Drive, Stockbridge, Georgia 30281.
- (2) All that lot or parcel of land, together with its buildings, appurtenances, improvements, fixtures, attachments and easements, located at 1018 River Ridge Drive, Augusta, Georgia 30904.
- (3) All that lot or parcel of land, together with its buildings, appurtenances, improvements, fixtures, attachments and easements, located at 115 Eagle Spring Drive, Stockbridge, Georgia 30281.
- (4) All that lot or parcel of land, together with its buildings, appurtenances, improvements, located at 1657 Kanawha Drive, Stone Mountain, Georgia 30087.

(C) Cash

- (1) All funds in account #78317816, in the name of TRS-01, at SouthTrust Bank.
- (2) All funds in account #44995912, in the name of Dr. T.R. Shantha, at SouthTrust Bank.

- (3) All funds in account #0008800357579, in the name of Integrated Medical Specialists, at SunTrust Bank.
- (4) All funds in account #774157447, in the name of T.R. Shantha, at Ameritrade, Inc.
- (5) All funds in account #772840804, in the name of T.R. Shantha, at Ameritrade, Inc.
- (6) All funds in account #772758058, in the name of T.R. Shantha, at Ameritrade, Inc.
- (7) All funds in account #20619716, in the name of T.R. Shantha, at Deutsche Bank Securities, Inc.
- (8) All funds in account #74105619 in the name of Dr. T.R. Shanta, at SouthTrust Bank.
- (9) All funds in account # 78317827 in the name of ICS-01, at SouthTrust Bank.

(D) Automobiles

- (1) 2003 Nissan 350Z, VIN JN1AZ34D43T107986.

(60) Additionally, as a result of committing one or more of the money-laundering offenses alleged in Counts 23 through 87 of this Indictment, in violation of Title 18, United States Code, Sections 1956 and 1957, defendant SHANTHA shall forfeit to the United States any and all property, real or personal, involved in such offenses and all property traceable to such offenses, pursuant to Title 18, United States Code, Sections 982(a)(1), including, but not limited to:

(A) Money Judgment

- (1) A sum equal to the total amount of money involved in the money laundering offenses that are alleged in Counts 23 through 87 of this Indictment.

(B) Real Property

- (1) All that lot or parcel of land, together with its buildings, appurtenances, improvements, fixtures, attachments and easements, located at 105 Love Drive, Stockbridge, Georgia 30281.
- (2) All that lot or parcel of land, together with its buildings, appurtenances, improvements, fixtures, attachments and easements, located at 1018 River Ridge Drive, Augusta, Georgia 30904.
- (3) All that lot or parcel of land, together with its buildings, appurtenances, improvements, fixtures, attachments and easements, located at 115 Eagle Spring Drive, Stockbridge, Georgia 30281.
- (4) All that lot or parcel of land, together with its buildings, appurtenances, improvements, located at 1657 Kanawha Drive, Stone Mountain, Georgia 30087.

(C) Cash

- (1) All funds in account #78317816, in the name of TRS-01, at SouthTrust Bank.

- (2) All funds in account #44995912, in the name of Dr. T.R. Shantha, at SouthTrust Bank.
- (3) All funds in account #0008800357579, in the name of Integrated Medical Specialists, at SunTrust Bank.
- (4) All funds in account #774157447, in the name of T.R. Shantha, at Ameritrade, Inc.
- (5) All funds in account #772840804, in the name of T.R. Shantha, at Ameritrade, Inc.
- (6) All funds in account #772758058, in the name of T.R. Shantha, at Ameritrade, Inc.
- (7) All funds in account #20619716, in the name of T.R. Shantha, at Deutsche Bank Securities, Inc.
- (8) All funds in account #74105619 in the name of Dr. T.R. Shanta, at SouthTrust Bank.
- (9) All funds in account # 78317827 in the name of ICS-01, at SouthTrust Bank.

(D) Automobiles

- (1) 2003 Nissan 350Z, VIN JN1AZ34D43T107986.

(61) If any of the above-described forfeitable property, as a result of any act or omission of the defendant(s):

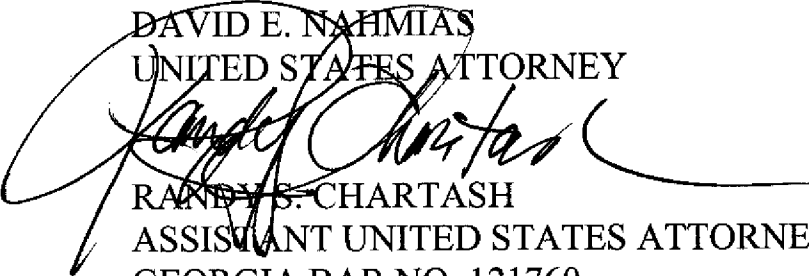
- (A) cannot be located upon the exercise of due diligence;
- (B) has been transferred or sold to, or deposited with, a third party;


- (C) has been placed beyond the jurisdiction of the Court;
- (D) has been substantially diminished in value; or
- (E) has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c), to seek forfeiture of any other property of said defendant up to the value of the forfeitable property described above.

A True BILL
Robert Sobb
FOREPERSON

DAVID E. NAHMIA
UNITED STATES ATTORNEY


RANDY S. CHARTASH
ASSISTANT UNITED STATES ATTORNEY
GEORGIA BAR NO. 121760


J. RUSSELL PHILLIPS
ASSISTANT UNITED STATES ATTORNEY
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