

1 SUPERIOR COURT OF CALIFORNIA
2 COUNTY OF ORANGE, CENTRAL JUSTICE CENTER

ELECTRONICALLY FILED
SUPERIOR COURT OF CALIFORNIA
COUNTY OF ORANGE

12/19/2018
09:14 AM

DAVID H. YAMASAKI, Clerk of the Court
18CF3512

6 THE PEOPLE OF THE STATE OF CALIFORNIA,) FELONY COMPLAINT
7) WARRANT
8 Plaintiff,)
9)
10 vs.) No.
11 MAX HUMBERTO MATOS 02/23/40) OCDA AI11080001
N3430195) OCDA WC10030138
12 AKA MAX H MATOS) OCDA WC10040015
13 JEFFREY SCOTT CATANZARITE 12/26/59) OCDA WC12010017
C4082044) OCDA WC12020004
14 AKA JEFFERY CATANZARITE) OCDA WC12030012
15 RONALD LEE MARTIN 11/08/50) OCDA WC15050022
E3345975) OCDA WC13010006
16 VERONICA MARTIN 09/29/55) OCDA WC15030046
N5108113) OCDA WC12120033
17 AKA VERONICA MARTIN)
18 VERONICA BENAVIDES EAVES)
19 VERONICA ORTIZ)
20 Defendant(s))

21 The Orange County District Attorney charges that in Orange
22 County, California, the law was violated as follows:

23 COUNT 1: On or about and between March 13, 2012 and July 02,
24 2018, in violation of Section 182(a)(1) of the Penal Code
25 (CONSPIRACY TO COMMIT A CRIME), a FELONY, MAX HUMBERTO MATOS,
26 JEFFREY SCOTT CATANZARITE, RONALD LEE MARTIN and VERONICA MARTIN
27 did unlawfully conspire together and with JEFFREY SCOTT
28 CATANZARITE, MAX HUMBERTO MATOS, RONALD LEE MARTIN, VERONICA
MARTIN to commit the crime of FAILING TO DISCLOSE OR CONCEALING
AN EVENT AFFECTING RIGHT OR ENTITLEMENT TO AN INSURANCE BENEFIT,
in violation of Section 550(b)(3) of the Penal Code.

1 It is further alleged that pursuant to and for the purpose of
2 carrying out the objects and purposes of the conspiracy, one and
3 more of the conspirators committed the following overt acts:

4 OVERT ACT 1

5 JEFFREY CATANZARITE, a California licensed chiropractor,
6 incorporated Center for Better Health, A Medical Group, Inc.,
7 (Center for Better Health) as a Medical Professional
8 Corporation.

9 OVERT ACT 2

10 Between 2001 and 2017, JEFFREY CATANZARITE through Center for
11 Better Health, operated a medical clinic in Costa Mesa,
12 California, that provided treatment to workers' compensation
13 claimants.

14 OVERT ACT 3

15 Between January 2011 and December 15, 2015, JEFFREY CATANZARITE
16 and Center for Better Health operated a second clinic located in
17 Riverside, California.

18 OVERT ACT 4

19 Through his company Center for Better Health, JEFFREY
20 CATANZARITE billed workers' compensation carriers for medical,
21 chiropractic, and other medical services such as x-rays,
22 physical therapy, and acupuncture.

23 OVERT ACT 5

24 Between 2008 and 2016, JEFFREY CATANZARITE operated Center for
25 Better Health under the name Southland Spine and Rehabilitation
26 Medical Center, Inc. (Southland Spine).

27 OVERT ACT 6

28 To comply with the laws of Medical Professional Corporations,
JEFFREY CATANZARITE listed himself at all times as a 49-percent
owner of Center for Better Health/Southland Spine, while also
holding the positions of President and Secretary.

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OVERT ACT 7

In 2012, JEFFREY CATANZARITE promoted MAX MATOS, M.D., a treating physician for Center for Better Health/Southland Spine to be its Vice President, Medical Director and gave him a 51 percent ownership interest on paper.

OVERT ACT 8

Despite MAX MATOS's listed ownership interest, JEFFREY CATANZARITE was the sole actual owner of Center for Better Health/Southland Spine, controlling its finances, and being responsible for making all substantive decisions.

OVERT ACT 9

Between 2011 and 2017, JEFFREY CATANZARITE employed VERONICA MARTIN and RONALD MARTIN through their company Priority One Health Resources, to run Center for Better Health/Southland Spine's marketing department.

OVERT ACT 10

Between January 2011 and October 2015, Center for Better Health/Southland Spine, through JEFFREY CATANZARITE, MAX MATOS, VERONICA MARTIN, and RONALD MARTIN, contracted to pay Grupo Medlegal LA and subsequently Medlegal Network, Inc. \$1000 for each patient provided to Center for Better Health/Southland Spine for which it could bill workers' compensation insurers.

OVERT ACT 11

JEFFREY CATANZARITE typically paid Grupo Medlegal LA and Medlegal Network, Inc. \$4,000 per week for 4 patient referrals.

OVERT ACT 12

Employees of Center for Better Health/Southland Spine, including JEFFREY CATANZARITE, RONALD MARTIN, and VERONICA MARTIN, tracked and confirmed each referral from Grupo Medlegal LA and Medlegal Network Inc. as well as the billing status of each referral through weekly emails from Grupo Medlegal LA and Medlegal Network Inc., internal reports, and spreadsheets.

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OVERT ACT 13

If Center for Better Health/Southland Spinal could not provide services and bill insurers for a patient referred from Grupo Medlegal LA or Medlegal Network, Inc., Center for Better Health/Southland Spinal sought and obtained a replacement patient referral from Grupo Medlegal LA or Medlegal Network, Inc.

OVERT ACT 14

Between January 3, 2011, and October 13, 2015, JEFFREY CATANZARITE paid Grupo Medlegal LA \$92,014.66 and Medlegal Network, Inc. \$1,324,219.68 for unlawful patient referrals.

OVERT ACT 15

Between April 15, 2011, and January 19, 2016, Center For Better Health/Southland Spine through JEFFREY CATANZARITE, MAX MATOS, RONALD MARTIN, and VERONICA MARTIN contracted to pay Providence Scheduling, for each patient provided to Center for Better Health/Southland Spine for which it could bill insurers.

OVERT ACT 16

JEFFREY CATANZARITE typically paid Providence Scheduling Inc. \$10,000 to \$15,000 every 45 days for patient referrals.

OVERT ACT 17

Employees of Center for Better Health/Southland Spine, including JEFFREY CATANZARITE, RONALD MARTIN, and VERONICA MARTIN tracked and confirmed each referral from Providence Scheduling, Inc., as well as the billing status of each referral through emails, internal reports, and spreadsheets.

OVERT ACT 18

When Center for Better Health/Southland Spine could not provide services and bill insurers for a patient referred from Providence Scheduling, Inc., Center for Better Health/Southland Spine sought and obtained a replacement patient referral from Providence Scheduling, Inc.

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OVERT ACT 19

Between 2011 and 2016, JEFFREY CATANZARITE paid Providence Scheduling, Inc. \$402,000 for patient referrals with the last payment occurring on January 19, 2016.

OVERT ACT 20

JEFFREY CATANZARITE submitted claims to workers' compensation insurance carriers and failed to disclose his unlawful procurement of patients from Providence Scheduling Inc., Grupo Medlegal LA, and Medlegal Network Inc.

OVERT ACT 21

JEFFREY CATANZARITE, through Center for Better Health/Southland Spine, billed Employers Compensation Insurance Company, beginning July 1, 2015 and ending April 15, 2016, for services it rendered to Cesar P. between June 30, 2015 and March 1, 2016, a patient unlawfully procured through Providence Scheduling Inc.

OVERT ACT 22

JEFFREY CATANZARITE, through Center for Better Health/Southland Spine, billed State Compensation Insurance Fund, beginning July 25, 2014 and ending May 23, 2016, for services it rendered to Armando S. between April 2, 2014 and May 5, 2016, a patient unlawfully procured through Grupo Medlegal LA and Medlegal Network, Inc.

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1 COUNT 2: On or about and between September 02, 2014 and
2 September 15, 2017, in violation of Section 550(b)(3) of the
3 Penal Code (INSURANCE FRAUD), a FELONY, MAX HUMBERTO MATOS,
4 JEFFREY SCOTT CATANZARITE, RONALD LEE MARTIN and VERONICA
5 MARTIN, with the intent to defraud, did unlawfully conceal and
6 knowingly fail to disclose, and did knowingly assist with
7 another person to conceal and fail to disclose the occurrence of
8 an event and a fact that affected the initial and continued
9 material right and entitlement of Center for Better Health/
10 Southland Spine to an insurance benefit and payment, and to the
11 amount of a benefit and payment to which Center for Better
12 Health/Southland Spine was entitled, namely: Failure to Disclose
13 Illegal Referrals from Providence Scheduling Inc. including: 1.
14 Adriana N.; 2. Jose Luis A.; 3. Gerardo V.; 4. Maria M.; 5. Rene
15 M.; 6. Angel R.; 7. Celina H.; 8. Jesus O; 9. John C. (AMERICAN
16 INTERNATIONAL GROUP, INC. - AIG)

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18 COUNT 3: On or about and between September 03, 2014 and March
19 25, 2017, in violation of Section 550(b)(3) of the Penal Code
20 (INSURANCE FRAUD), a FELONY, MAX HUMBERTO MATOS, JEFFREY SCOTT
21 CATANZARITE, RONALD LEE MARTIN and VERONICA MARTIN, with the
22 intent to defraud, did unlawfully conceal and knowingly fail to
23 disclose, and did knowingly assist with another person to
24 conceal and fail to disclose the occurrence of an event and a
25 fact that affected the initial and continued material right and
26 entitlement of Center for Better Health/Southland Spine to an
27 insurance benefit and payment, and to the amount of a benefit
28 and payment to which Center for Better Health/Southland Spine
was entitled, namely: Failure to Disclose Illegal Referrals from
Grupo Medlegal LA and Medlegal Network, Inc., including: 1. Luz
Maria B.; 2. Guillermo C.; 3. Mayra G.; 4. Concepcion B.; 5.
Porfirio M.; 6. Nicolas O.; 7. Carmen P.; 8. Imelda R.; 9.
Ignacio C. (AMERICAN INTERNATIONAL GROUP, INC. - AIG)

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1 COUNT 4: On or about and between September 04, 2014 and January
2 13, 2015, in violation of Section 550(b)(3) of the Penal Code
3 (INSURANCE FRAUD), a FELONY, MAX HUMBERTO MATOS, JEFFREY SCOTT
4 CATANZARITE, RONALD LEE MARTIN and VERONICA MARTIN, with the
5 intent to defraud, did unlawfully conceal and knowingly fail to
6 disclose, and did knowingly assist with another person to
7 conceal and fail to disclose the occurrence of an event and a
8 fact that affected the initial and continued material right and
9 entitlement of Center for Better Health/Southland Spine to an
10 insurance benefit and payment, and to the amount of a benefit
11 and payment to which Center for Better Health/Southland Spine
12 was entitled, namely: Failure to Disclose Illegal Referrals from
13 Providence Scheduling including: 1. Amanda G.; 2. Frankie S.
14 (AMTRUST FINANCIAL)

11 COUNT 5: On or about and between September 04, 2014 and
12 November 16, 2015, in violation of Section 550(b)(3) of the
13 Penal Code (INSURANCE FRAUD), a FELONY, MAX HUMBERTO MATOS,
14 JEFFREY SCOTT CATANZARITE, RONALD LEE MARTIN and VERONICA
15 MARTIN, with the intent to defraud, did unlawfully conceal and
16 knowingly fail to disclose, and did knowingly assist with
17 another person to conceal and fail to disclose the occurrence of
18 an event and a fact that affected the initial and continued
19 material right and entitlement of Center for Better Health/
20 Southland Spine to an insurance benefit and payment, and to the
21 amount of a benefit and payment to which Center for Better
22 Health/Southland Spine was entitled, namely: Failure to Disclose
23 Illegal Referrals from Grupo Medlegal and Medlegal Network,
24 Inc., including: 1. Gregorio B.; 2. Brenda F. (AMTRUST
25 FINANCIAL)

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1 COUNT 6: On or about and between September 02, 2014 and July
2 01, 2017, in violation of Section 550(b)(3) of the Penal Code
3 (INSURANCE FRAUD), a FELONY, MAX HUMBERTO MATOS, JEFFREY SCOTT
4 CATANZARITE, RONALD LEE MARTIN and VERONICA MARTIN, with the
5 intent to defraud, did unlawfully conceal and knowingly fail to
6 disclose, and did knowingly assist with another person to
7 conceal and fail to disclose the occurrence of an event and a
8 fact that affected the initial and continued material right and
9 entitlement of Center for Better Health/Southland Spine to an
10 insurance benefit and payment, and to the amount of a benefit
11 and payment to which Center for Better Health/Southland Spine
12 was entitled, namely: Failure to Disclose Illegal Referrals from
13 Providence Scheduling including: 1. James B.; 2. Mike Arturo R.;
14 3. Suzanne S. (CHUBB GROUP DBA/ESIS)

11 COUNT 7: On or about and between October 14, 2013 and December
12 28, 2016, in violation of Section 550(b)(3) of the Penal Code
13 (INSURANCE FRAUD), a FELONY, MAX HUMBERTO MATOS, JEFFREY SCOTT
14 CATANZARITE, RONALD LEE MARTIN and VERONICA MARTIN, with the
15 intent to defraud, did unlawfully conceal and knowingly fail to
16 disclose, and did knowingly assist with another person to
17 conceal and fail to disclose the occurrence of an event and a
18 fact that affected the initial and continued material right and
19 entitlement of Center for Better Health/Southland Spine to an
20 insurance benefit and payment, and to the amount of a benefit
21 and payment to which Center for Better Health/Southland Spine
22 was entitled, namely: Failing to Disclose Illegal Referrals from
23 Grupo Medlegal and Medlegal Network, Inc.: 1. Victor H.; 2.
24 Antonio A.; 3. Elizabeth B.; 4. Ausencio M.; 5. Rosalba S.; 6.
25 Silvia E.; 7. Jordan G.; 8. Minerva M.; 9. Nancy M.; 10.
26 Hortencia O.; 11. Laura L. (CHUBB GROUP DBA/ESIS)

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1 COUNT 8: On or about and between June 05, 2014 and April 15,
2 2016, in violation of Section 550(b)(3) of the Penal Code
3 (INSURANCE FRAUD), a FELONY, MAX HUMBERTO MATOS, JEFFREY SCOTT
4 CATANZARITE, RONALD LEE MARTIN and VERONICA MARTIN, with the
5 intent to defraud, did unlawfully conceal and knowingly fail to
6 disclose, and did knowingly assist with another person to
7 conceal and fail to disclose the occurrence of an event and a
8 fact that affected the initial and continued material right and
9 entitlement of Center for Better Health/Southland Spine to an
10 insurance benefit and payment, and to the amount of a benefit
11 and payment to which Center for Better Health/Southland Spine
12 was entitled, namely: Failing to Disclose Illegal Referrals from
13 Providence Scheduling: 1. Cesar P.; 2. Samantha F. (EMPLOYERS
14 COMPENSATION INSURANCE COMPANY)

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COUNT 9: On or about and between September 16, 2013 and July
05, 2017, in violation of Section 550(b)(3) of the Penal Code
(INSURANCE FRAUD), a FELONY, MAX HUMBERTO MATOS, JEFFREY SCOTT
CATANZARITE, RONALD LEE MARTIN and VERONICA MARTIN, with the
intent to defraud, did unlawfully conceal and knowingly fail to
disclose, and did knowingly assist with another person to
conceal and fail to disclose the occurrence of an event and a
fact that affected the initial and continued material right and
entitlement of Center for Better Health/Southland Spine to an
insurance benefit and payment, and to the amount of a benefit
and payment to which Center for Better Health/Southland Spine
was entitled, namely: Failing to Disclose Illegal Referrals from
Grupo Medlegal and Medlegal Network, Inc.: 1. Abel R.; 2.
Rodolfo H.; 3. Aurelia R.; 4. Alvaro M.; 5. Rodolfo V.; 6.
Esveidi B.; 7. Walter C.; 8. Alex A.; 9. Jose A.; 10. Francisco
S.; 11. Evaristo A.; 12. Rosario H. (EMPLOYERS COMPENSATION
INSURANCE COMPANY)

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1 COUNT 10: On or about and between December 11, 2014 and June
2 22, 2016, in violation of Section 550(b)(3) of the Penal Code
3 (INSURANCE FRAUD), a FELONY, MAX HUMBERTO MATOS, JEFFREY SCOTT
4 CATANZARITE, RONALD LEE MARTIN and VERONICA MARTIN, with the
5 intent to defraud, did unlawfully conceal and knowingly fail to
6 disclose, and did knowingly assist with another person to
7 conceal and fail to disclose the occurrence of an event and a
8 fact that affected the initial and continued material right and
9 entitlement of Center for Better Health/Southland Spine to an
insurance benefit and payment, and to the amount of a benefit
and payment to which Center for Better Health/Southland Spine
was entitled, namely: Failing to Disclose Illegal Referrals from
Providence Scheduling: Bertha A. (FARMERS INSURANCE)

10 COUNT 11: On or about and between September 01, 2014 and
11 January 18, 2018, in violation of Section 550(b)(3) of the Penal
12 Code (INSURANCE FRAUD), a FELONY, MAX HUMBERTO MATOS, JEFFREY
13 SCOTT CATANZARITE, RONALD LEE MARTIN and VERONICA MARTIN, with
14 the intent to defraud, did unlawfully conceal and knowingly
15 fail to disclose, and did knowingly assist with another person
16 to conceal and fail to disclose the occurrence of an event and a
17 fact that affected the initial and continued material right and
18 entitlement of Center for Better Health/Southland Spine to an
19 insurance benefit and payment, and to the amount of a benefit
20 and payment to which Center for Better Health/Southland Spine
was entitled, namely: Failing to Disclose Illegal Referrals from
Grupo Medlegal and Medlegal Network, Inc.: 1. Maria A.; 2.
Manuela C.; 3. Arturo D.; 4. Lilia N.; 5. Juan R.; 6. Jennifer
C. (FARMERS INSURANCE)

21 COUNT 12: On or about and between August 11, 2014 and September
22 03, 2016, in violation of Section 550(b)(3) of the Penal Code
23 (INSURANCE FRAUD), a FELONY, MAX HUMBERTO MATOS, JEFFREY SCOTT
24 CATANZARITE, RONALD LEE MARTIN and VERONICA MARTIN, with the
25 intent to defraud, did unlawfully conceal and knowingly fail to
26 disclose, and did knowingly assist with another person to
27 conceal and fail to disclose the occurrence of an event and a
28 fact that affected the initial and continued material right and
entitlement of Center for Better Health/Southland Spine to an
insurance benefit and payment, and to the amount of a benefit
and payment to which Center for Better Health/Southland Spine
was entitled, namely: Failing to Disclose Illegal Referrals from
Providence Scheduling: 1. Lisha W.; 2. Reyes R.; 3. Rhonda A.;
4. Jazmin I.; 5. Alberta R. (GALLAGHER BASSETT SERVICES)

1 COUNT 13: On or about and between October 29, 2014 and January
2 11, 2016, in violation of Section 550(b)(3) of the Penal Code
3 (INSURANCE FRAUD), a FELONY, MAX HUMBERTO MATOS, JEFFREY SCOTT
4 CATANZARITE, RONALD LEE MARTIN and VERONICA MARTIN, with the
5 intent to defraud, did unlawfully conceal and knowingly fail to
6 disclose, and did knowingly assist with another person to
7 conceal and fail to disclose the occurrence of an event and a
8 fact that affected the initial and continued material right and
9 entitlement of Center for Better Health/Southland Spine to an
10 insurance benefit and payment, and to the amount of a benefit
11 and payment to which Center for Better Health/Southland Spine
12 was entitled, namely: Failing to Disclose Illegal Referrals from
13 Grupo Medlegal and Medlegal Network, Inc.: 1. Maria S.; 2.
14 Mauricio M.; 3. Claudia M.; 4. Vianney H. (GALLAGHER BASSETT
15 SERVICES)

16 COUNT 14: On or about and between September 02, 2014 and August
17 03, 2017, in violation of Section 550(b)(3) of the Penal Code
18 (INSURANCE FRAUD), a FELONY, MAX HUMBERTO MATOS, JEFFREY SCOTT
19 CATANZARITE, RONALD LEE MARTIN and VERONICA MARTIN, with the
20 intent to defraud, did unlawfully conceal and knowingly fail to
21 disclose, and did knowingly assist with another person to
22 conceal and fail to disclose the occurrence of an event and a
23 fact that affected the initial and continued material right and
24 entitlement of Center for Better Health/Southland Spine to an
25 insurance benefit and payment, and to the amount of a benefit
26 and payment to which Center for Better Health/Southland Spine
27 was entitled, namely: Failing to Disclose Illegal Referrals from
28 Providence Scheduling: 1. Monica N.; 2. Miguel O.; 3. Shirley
N.; 4. Crystal D. (THE HARTFORD)

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1 COUNT 15: On or about and between September 02, 2014 and
2 September 18, 2017, in violation of Section 550(b)(3) of the
3 Penal Code (INSURANCE FRAUD), a FELONY, MAX HUMBERTO MATOS,
4 JEFFREY SCOTT CATANZARITE, RONALD LEE MARTIN and VERONICA
5 MARTIN, with the intent to defraud, did unlawfully conceal and
6 knowingly fail to disclose, and did knowingly assist with
7 another person to conceal and fail to disclose the occurrence of
8 an event and a fact that affected the initial and continued
9 material right and entitlement of Center for Better Health/
10 Southland Spine to an insurance benefit and payment, and to the
11 amount of a benefit and payment to which Center for Better
Health/Southland Spine was entitled, namely: Failing to Disclose
Illegal Referrals from Grupo Medlegal and Medlegal Network,
Inc.: 1. Mario H.; 2. Elsa D.; 3. Francisco E.; 4. Guadalupe P.;
5. Maria R.; 6. Arturo G.; 7. Marcos S.; 8. Adelina R.; 9.
Wilfredo P. (THE HARTFORD)

12 COUNT 16: On or about and between September 02, 2014 and August
13 21, 2017, in violation of Section 550(b)(3) of the Penal Code
14 (INSURANCE FRAUD), a FELONY, MAX HUMBERTO MATOS, JEFFREY SCOTT
15 CATANZARITE, RONALD LEE MARTIN and VERONICA MARTIN, with the
16 intent to defraud, did unlawfully conceal and knowingly fail to
17 disclose, and did knowingly assist with another person to
18 conceal and fail to disclose the occurrence of an event and a
19 fact that affected the initial and continued material right and
20 entitlement of Center for Better Health/Southland Spine to an
21 insurance benefit and payment, and to the amount of a benefit
and payment to which Center for Better Health/Southland Spine
was entitled, namely: Failing to Disclose Illegal Referrals from
Grupo Medlegal and Medlegal Network, Inc.: Gabriel A. (THE
HARTFORD)

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1 COUNT 17: On or about and between September 02, 2014 and July
2 26, 2017, in violation of Section 550(b)(3) of the Penal Code
3 (INSURANCE FRAUD), a FELONY, MAX HUMBERTO MATOS, JEFFREY SCOTT
4 CATANZARITE, RONALD LEE MARTIN and VERONICA MARTIN, with the
5 intent to defraud, did unlawfully conceal and knowingly fail to
6 disclose, and did knowingly assist with another person to
7 conceal and fail to disclose the occurrence of an event and a
8 fact that affected the initial and continued material right and
9 entitlement of Center for Better Health/Southland Spine to an
10 insurance benefit and payment, and to the amount of a benefit
11 and payment to which Center for Better Health/Southland Spine
12 was entitled, namely: Failing to Disclose Illegal Referrals from
13 Providence Scheduling: 1. Kate Y.; 2. Justin V.; 3. Anthony H.
14 (LIBERTY MUTUAL INSURANCE)

11 COUNT 18: On or about and between September 03, 2014 and March
12 01, 2018, in violation of Section 550(b)(3) of the Penal Code
13 (INSURANCE FRAUD), a FELONY, MAX HUMBERTO MATOS, JEFFREY SCOTT
14 CATANZARITE, RONALD LEE MARTIN and VERONICA MARTIN, with the
15 intent to defraud, did unlawfully conceal and knowingly fail to
16 disclose, and did knowingly assist with another person to
17 conceal and fail to disclose the occurrence of an event and a
18 fact that affected the initial and continued material right and
19 entitlement of Center for Better Health/Southland Spine to an
20 insurance benefit and payment, and to the amount of a benefit
21 and payment to which Center for Better Health/Southland Spine
22 was entitled, namely: Failing to Disclose Illegal Referrals from
23 Grupo Medlegal and Medlegal Network, Inc.: 1. Isabel B.; 2. Nora
24 B.; 3. Sandra F.; 4. Miguel P.; 5. Thelma L.; 6. Rosina C.; 7.
25 Alfredo A.; 8. Eduardo Z. (LIBERTY MUTUAL INSURANCE)

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1 COUNT 19: On or about and between September 12, 2014 and June
2 20, 2016, in violation of Section 550(b)(3) of the Penal Code
3 (INSURANCE FRAUD), a FELONY, MAX HUMBERTO MATOS, JEFFREY SCOTT
4 CATANZARITE, RONALD LEE MARTIN and VERONICA MARTIN, with the
5 intent to defraud, did unlawfully conceal and knowingly fail to
6 disclose, and did knowingly assist with another person to
7 conceal and fail to disclose the occurrence of an event and a
8 fact that affected the initial and continued material right and
9 entitlement of Center for Better Health/Southland Spine to an
10 insurance benefit and payment, and to the amount of a benefit
11 and payment to which Center for Better Health/Southland Spine
12 was entitled, namely: Failing to Disclose Illegal Referrals from
13 Grupo Medlegal and Medlegal Network, Inc.: 1. Josefina P.
14 (LIBERTY MUTUAL INSURANCE)

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COUNT 20: On or about and between July 07, 2014 and November
13, 2017, in violation of Section 550(b)(3) of the Penal Code
(INSURANCE FRAUD), a FELONY, MAX HUMBERTO MATOS, JEFFREY SCOTT
CATANZARITE, RONALD LEE MARTIN and VERONICA MARTIN, with the
intent to defraud, did unlawfully conceal and knowingly fail to
disclose, and did knowingly assist with another person to
conceal and fail to disclose the occurrence of an event and a
fact that affected the initial and continued material right and
entitlement of Center for Better Health/Southland Spine to an
insurance benefit and payment, and to the amount of a benefit
and payment to which Center for Better Health/Southland Spine
was entitled, namely: Failing to Disclose Illegal Referrals from
Providence Scheduling: 1. Ruben C.; 2. Francisco C.; 3. Ricardo
G.; 4. Loreto A.; 5. Ali H.; 6. Ricky M.; 7. Rafael R.; 8. Jack
A.; 9. Francisco C.; 10. Wade B.; 11. Oscar L.; 12. Art G.; 13.
Ofelia P.; 14. Joseph S.; 15. Kurt B.; 16. Martin B.; 17. Ronald
B.; 18. Bernie R. (STATE COMPENSATION INSURANCE FUND)

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1 COUNT 21: On or about and between July 08, 2014 and February
2 23, 2018, in violation of Section 550(b)(3) of the Penal Code
3 (INSURANCE FRAUD), a FELONY, MAX HUMBERTO MATOS, JEFFREY SCOTT
4 CATANZARITE, RONALD LEE MARTIN and VERONICA MARTIN, with the
5 intent to defraud, did unlawfully conceal and knowingly fail to
6 disclose, and did knowingly assist with another person to
7 conceal and fail to disclose the occurrence of an event and a
8 fact that affected the initial and continued material right and
9 entitlement of Center for Better Health/Southland Spine to an
10 insurance benefit and payment, and to the amount of a benefit
and payment to which Center for Better Health/Southland Spine
was entitled, namely: Failing to Disclose Illegal Referrals from
Grupo Medlegal and Medlegal Network, Inc.: 1. Juan S.; 2. David
G.; 3. Angel B.; 4. Eduardo A.; 5. Carlos L.; 6. Amner D. (STATE
COMPENSATION INSURANCE FUND)

11 COUNT 22: On or about and between July 25, 2014 and May 23,
12 2016, in violation of Section 550(b)(3) of the Penal Code
13 (INSURANCE FRAUD), a FELONY, MAX HUMBERTO MATOS, JEFFREY SCOTT
14 CATANZARITE, RONALD LEE MARTIN and VERONICA MARTIN, with the
15 intent to defraud, did unlawfully conceal and knowingly fail to
16 disclose, and did knowingly assist with another person to
17 conceal and fail to disclose the occurrence of an event and a
18 fact that affected the initial and continued material right and
19 entitlement of Center for Better Health/Southland Spine to an
20 insurance benefit and payment, and to the amount of a benefit
and payment to which Center for Better Health/Southland Spine
was entitled, namely: Failing to Disclose Illegal Referrals from
Grupo Medlegal and Medlegal Network, Inc.: Armando M. (STATE
COMPENSATION INSURANCE FUND)

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1 COUNT 23: On or about and between December 04, 2014 and
2 November 07, 2017, in violation of Section 550(b)(3) of the
3 Penal Code (INSURANCE FRAUD), a FELONY, MAX HUMBERTO MATOS,
4 JEFFREY SCOTT CATANZARITE, RONALD LEE MARTIN and VERONICA
5 MARTIN, with the intent to defraud, did unlawfully conceal and
6 knowingly fail to disclose, and did knowingly assist with
7 another person to conceal and fail to disclose the occurrence of
8 an event and a fact that affected the initial and continued
9 material right and entitlement of Center for Better Health/
10 Southland Spine to an insurance benefit and payment, and to the
11 amount of a benefit and payment to which Center for Better
12 Health/Southland Spine was entitled, namely: Failing to Disclose
13 Illegal Referrals from Providence Scheduling: 1. Tahai T.; 2.
14 Sirilo M.; 3. David M.; 4. Yaneth C.; 5. Deshemia J.; 6. Melanie
15 R. (SEDGWICK CLAIMS MANAGEMENT SERVICES)

16 COUNT 24: On or about and between December 08, 2014 and
17 September 06, 2017, in violation of Section 550(b)(3) of the
18 Penal Code (INSURANCE FRAUD), a FELONY, MAX HUMBERTO MATOS,
19 JEFFREY SCOTT CATANZARITE, RONALD LEE MARTIN and VERONICA
20 MARTIN, with the intent to defraud, did unlawfully conceal and
21 knowingly fail to disclose, and did knowingly assist with
22 another person to conceal and fail to disclose the occurrence of
23 an event and a fact that affected the initial and continued
24 material right and entitlement of Center for Better Health/
25 Southland Spine to an insurance benefit and payment, and to the
26 amount of a benefit and payment to which Center for Better
27 Health/Southland Spine was entitled, namely: Failing to Disclose
28 Illegal Referrals from Grupo Medlegal and Medlegal Network,
Inc.: 1. Agustin O.; 2. Mirna T.; 3. Gerardo R. (SEDGWICK CLAIMS
MANAGEMENT SERVICES)

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1 COUNT 25: On or about and between September 02, 2014 and March
2 14, 2018, in violation of Section 550(b)(3) of the Penal Code
3 (INSURANCE FRAUD), a FELONY, MAX HUMBERTO MATOS, JEFFREY SCOTT
4 CATANZARITE, RONALD LEE MARTIN and VERONICA MARTIN, with the
5 intent to defraud, did unlawfully conceal and knowingly fail to
6 disclose, and did knowingly assist with another person to
7 conceal and fail to disclose the occurrence of an event and a
8 fact that affected the initial and continued material right and
9 entitlement of Center for Better Health/Southland Spine to an
10 insurance benefit and payment, and to the amount of a benefit
11 and payment to which Center for Better Health/Southland Spine
12 was entitled, namely: Failing to Disclose Illegal Referrals from
13 Providence Scheduling: 1. Mario P.; 2. Rosa P.; 3. Rosa D.; 4.
14 Susan N.; 5. Mario N.; 6. Ernesto D.; 7. Annette F.; 8. Joyce
15 W.; 9. Esequiel S.; 10. Carol B. (THE TRAVELERS COMPANIES, INC.)

11 COUNT 26: On or about and between September 02, 2014 and
12 November 10, 2017, in violation of Section 550(b)(3) of the
13 Penal Code (INSURANCE FRAUD), a FELONY, MAX HUMBERTO MATOS,
14 JEFFREY SCOTT CATANZARITE, RONALD LEE MARTIN and VERONICA
15 MARTIN, with the intent to defraud, did unlawfully conceal and
16 knowingly fail to disclose, and did knowingly assist with
17 another person to conceal and fail to disclose the occurrence of
18 an event and a fact that affected the initial and continued
19 material right and entitlement of Center for Better Health/
20 Southland Spine to an insurance benefit and payment, and to the
21 amount of a benefit and payment to which Center for Better
22 Health/Southland Spine was entitled, namely: Failing to Disclose
23 Illegal Referrals from Grupo Medlegal and Medlegal Network,
24 Inc.: 1. Maria C.; 2. Gloria A.; 3. Gloria D.; 4. Arturo M.; 5.
25 Emilia B.; 6. Mauricio C. (THE TRAVELERS COMPANIES, INC.)

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1 COUNT 27: On or about and between September 09, 2014 and July
2 02, 2018, in violation of Section 550(b)(3) of the Penal Code
3 (INSURANCE FRAUD), a FELONY, MAX HUMBERTO MATOS, JEFFREY SCOTT
4 CATANZARITE, RONALD LEE MARTIN and VERONICA MARTIN, with the
5 intent to defraud, did unlawfully conceal and knowingly fail to
6 disclose, and did knowingly assist with another person to
7 conceal and fail to disclose the occurrence of an event and a
8 fact that affected the initial and continued material right and
9 entitlement of Center for Better Health/Southland Spine to an
10 insurance benefit and payment, and to the amount of a benefit
11 and payment to which Center for Better Health/Southland Spine
12 was entitled, namely: Failing to Disclose Illegal Referrals from
13 Providence Scheduling: 1. Luis L.; 2. Ernesto D.; 3. Eugena S.
14 (TRISTAR INSURANCE GROUP)

11 COUNT 28: On or about and between November 12, 2014 and
12 February 05, 2016, in violation of Section 550(b)(3) of the
13 Penal Code (INSURANCE FRAUD), a FELONY, MAX HUMBERTO MATOS,
14 JEFFREY SCOTT CATANZARITE, RONALD LEE MARTIN and VERONICA
15 MARTIN, with the intent to defraud, did unlawfully conceal and
16 knowingly fail to disclose, and did knowingly assist with
17 another person to conceal and fail to disclose the occurrence of
18 an event and a fact that affected the initial and continued
19 material right and entitlement of Center for Better Health/
20 Southland Spine to an insurance benefit and payment, and to the
21 amount of a benefit and payment to which Center for Better
22 Health/Southland Spine was entitled, namely: Failing to Disclose
23 Illegal Referrals from Grupo Medlegal and Medlegal Network,
24 Inc.: 1. Olga Z. (TRISTAR INSURANCE GROUP)

21 COUNT 29: On or about and between March 13, 2012 and January
22 26, 2018, in violation of Section 550(b)(3) of the Penal Code
23 (INSURANCE FRAUD), a FELONY, MAX HUMBERTO MATOS, JEFFREY SCOTT
24 CATANZARITE, RONALD LEE MARTIN and VERONICA MARTIN, with the
25 intent to defraud, did unlawfully conceal and knowingly fail to
26 disclose, and did knowingly assist with another person to
27 conceal and fail to disclose the occurrence of an event and a
28 fact that affected the initial and continued material right and
entitlement of Center for Better Health/Southland Spine to an
insurance benefit and payment, and to the amount of a benefit
and payment to which Center for Better Health/Southland Spine
was entitled, namely: Failing to Disclose Illegal Referrals from
Providence Scheduling: 1. Monique S.; 2. Sylvia H.; 3. Judy G.;
4. Adelaida U.; 5. David H. (YORK RISK SERVICES)

1 COUNT 30: On or about and between June 23, 2013 and May 12,
2 2016, in violation of Section 550(b)(3) of the Penal Code
3 (INSURANCE FRAUD), a FELONY, MAX HUMBERTO MATOS, JEFFREY SCOTT
4 CATANZARITE, RONALD LEE MARTIN and VERONICA MARTIN, with the
5 intent to defraud, did unlawfully conceal and knowingly fail to
6 disclose, and did knowingly assist with another person to
7 conceal and fail to disclose the occurrence of an event and a
8 fact that affected the initial and continued material right and
9 entitlement of Center for Better Health/Southland Spine to an
10 insurance benefit and payment, and to the amount of a benefit
11 and payment to which Center for Better Health/Southland Spine
12 was entitled, namely: Failing to Disclose Illegal Referrals from
13 Grupo Medlegal and Medlegal Network, Inc.: 1. Aurora G.; 2.
14 Rafaela S.; 3. Norma G. (YORK RISK SERVICES)

11 COUNT 31: On or about and between September 04, 2014 and August
12 09, 2015, in violation of Section 550(b)(3) of the Penal Code
13 (INSURANCE FRAUD), a FELONY, MAX HUMBERTO MATOS, JEFFREY SCOTT
14 CATANZARITE, RONALD LEE MARTIN and VERONICA MARTIN, with the
15 intent to defraud, did unlawfully conceal and knowingly fail to
16 disclose, and did knowingly assist with another person to
17 conceal and fail to disclose the occurrence of an event and a
18 fact that affected the initial and continued material right and
19 entitlement of Center for Better Health/Southland Spine to an
20 insurance benefit and payment, and to the amount of a benefit
21 and payment to which Center for Better Health/Southland Spine
22 was entitled, namely: Failing to Disclose Illegal Referrals from
23 Providence Scheduling: 1. Maria B. (ZENITH INSURANCE)

20 COUNT 32: On or about and between September 02, 2014 and March
21 27, 2018, in violation of Section 550(b)(3) of the Penal Code
22 (INSURANCE FRAUD), a FELONY, MAX HUMBERTO MATOS, JEFFREY SCOTT
23 CATANZARITE, RONALD LEE MARTIN and VERONICA MARTIN, with the
24 intent to defraud, did unlawfully conceal and knowingly fail to
25 disclose, and did knowingly assist with another person to
26 conceal and fail to disclose the occurrence of an event and a
27 fact that affected the initial and continued material right and
28 entitlement of Center for Better Health/Southland Spine to an
insurance benefit and payment, and to the amount of a benefit
and payment to which Center for Better Health/Southland Spine
was entitled, namely: Failing to Disclose Illegal Referrals from
Grupo Medlegal and Medlegal Network, Inc.: 1. Serafin A. (ZENITH
INSURANCE)

1 COUNT 33: On or about and between October 24, 2014 and January
2 11, 2018, in violation of Section 550(b)(3) of the Penal Code
3 (INSURANCE FRAUD), a FELONY, MAX HUMBERTO MATOS, JEFFREY SCOTT
4 CATANZARITE, RONALD LEE MARTIN and VERONICA MARTIN, with the
5 intent to defraud, did unlawfully conceal and knowingly fail to
6 disclose, and did knowingly assist with another person to
7 conceal and fail to disclose the occurrence of an event and a
8 fact that affected the initial and continued material right and
9 entitlement of Center for Better Health/Southland Spine to an
10 insurance benefit and payment, and to the amount of a benefit
11 and payment to which Center for Better Health/Southland Spine
12 was entitled, namely: Failing to Disclose Illegal Referrals from
13 Providence Scheduling: 1. Sherman F.; 2. Bruno C.; 3. Oscar U.;
14 4. Casey R.; 5. Jonathan W. (ZURICH NA)

11 COUNT 34: On or about and between September 04, 2014 and
12 November 22, 2016, in violation of Section 550(b)(3) of the
13 Penal Code (INSURANCE FRAUD), a FELONY, MAX HUMBERTO MATOS,
14 JEFFREY SCOTT CATANZARITE, RONALD LEE MARTIN and VERONICA
15 MARTIN, with the intent to defraud, did unlawfully conceal and
16 knowingly fail to disclose, and did knowingly assist with
17 another person to conceal and fail to disclose the occurrence of
18 an event and a fact that affected the initial and continued
19 material right and entitlement of Center for Better Health/
20 Southland Spine to an insurance benefit and payment, and to the
21 amount of a benefit and payment to which Center for Better
22 Health/Southland Spine was entitled, namely: Failing to Disclose
23 Illegal Referrals from Grupo Medlegal and Medlegal Network,
24 Inc.: 1. Manuel V.; 2. Victor Q.; 3. Lucia C.; 4. Jose Luis S.;
25 5. Cecilia L.; 6. Florencia S.; 7. Jose Luis R. (ZURICH NA)

21 COUNT 35: On or about and between March 13, 2012 and July 02,
22 2018, in violation of Section 549 of the Penal Code (FALSE AND
23 FRAUDULENT CLAIM), a FELONY, MAX HUMBERTO MATOS, JEFFREY SCOTT
24 CATANZARITE, RONALD LEE MARTIN and VERONICA MARTIN did
25 unlawfully solicit, accept, and refer business to and from
26 Providence Scheduling, Inc., with the knowledge that, and with
27 reckless disregard for whether Providence Scheduling, Inc.
28 intended to violate Penal Code section 550 and Insurance Code
section 1871.4.

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1 COUNT 36: On or about and between March 13, 2012 and July 02,
2 2018, in violation of Section 3215 of the Labor Code (REFERRAL
3 OF CLIENTS FOR COMPENSATION), a FELONY, MAX HUMBERTO MATOS,
4 JEFFREY SCOTT CATANZARITE, RONALD LEE MARTIN and VERONICA MARTIN
5 did unlawfully offer, deliver, receive, and accept a rebate,
6 refund, commission, preference, patronage, dividend, discount
7 and other consideration, as compensation and inducement for
8 referring clients and patients to perform and obtain services
9 and benefits.

10 COUNT 37: On or about and between March 13, 2012 and July 02,
11 2018, in violation of Section 750(a) of the Insurance Code,
12 (UNLAWFUL OFFER OR RECEIPT OF CONSIDERATION BY CLAIMS HANDLER
13 FOR REFERRAL), a FELONY, MAX HUMBERTO MATOS, JEFFREY SCOTT
14 CATANZARITE, RONALD LEE MARTIN and VERONICA MARTIN, while
15 engaged in the practice of processing, presenting, and
16 negotiating claims under policies of insurance, unlawfully
17 offered, delivered, received, and accepted any rebates, refunds,
18 commissions, and other consideration in the form of money and
19 otherwise as compensation and inducement to and from Providence
20 Scheduling, Inc. for the referral and procurement of clients,
21 cases, patients, and customers.

22 COUNT 38: On or about and between March 18, 2012 and July 02,
23 2018, in violation of Section 650 of the Business & Professions
24 Code (REBATES FOR PATIENT REFERRALS), a MISDEMEANOR, MAX
25 HUMBERTO MATOS, JEFFREY SCOTT CATANZARITE, RONALD LEE MARTIN and
26 VERONICA MARTIN, a person licensed under the Healing Arts
27 Division of this Code and the Chiropractic Initiative Act, did
28 unlawfully offer, deliver, receive, and accept any rebate,
refund, commission, preference, patronage dividend, discount,
and other consideration as compensation and inducement for
referring patients, clients, and customers to Providence
Scheduling.

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OTHER ALLEGATION(S)

As to Count(s) 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33 and 34, it is further alleged pursuant to Penal Code sections 803(c)/801.5 (STATUTE OF LIMITATION TOLLED), that the offense(s) of Penal Code 550(b)(3) FAILING TO DISCLOSE OR CONCEALING EVENT AFFECTING RIGHT OR ENTITLEMENT TO AN INSURANCE BENEFIT is a felony, and no victim of the offense and no law enforcement agency chargeable with the investigation and prosecution of the offense had actual or constructive knowledge of the offense prior to the date of October 15, 2015, when it was discovered by OCDA Investigator Rick Bradley. Payments from Southland Spine/Center for Better Health to Providence Scheduling, Grupo Medlegal, and Medlegal Network, Inc., were discovered pursuant to a search warrant for financial records executed on Wells Fargo Bank. The offense was not discovered earlier because no one was aware of payments made by Southland Spine/Center for Better Health to Providence Scheduling, Grupo Medlegal, or Medlegal Network, Inc. prior to that date.

ENHANCEMENT(S)

It is further alleged pursuant to Penal Code section 186.11(a) (1)/(2) (AGGRAVATED WHITE COLLAR CRIME - OVER \$500,000), that as to counts 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37 and 38, defendants MAX HUMBERTO MATOS, JEFFREY SCOTT CATANZARITE, RONALD LEE MARTIN and VERONICA MARTIN engaged in a pattern of related fraudulent felony conduct involving the taking of more than five hundred thousand dollars (\$500,000).

I declare under penalty of perjury, on information and belief, that the foregoing is true and correct.

Dated 12-19-2018 at Orange County, California.

SS/AC 18F13561

TONY RACKAUCKAS, DISTRICT ATTORNEY

by: /s/ STEVEN SCHRIVER
STEVEN SCHRIVER, Deputy District Attorney

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RESTITUTION CLAIMED

- None
- \$ _____
- To be determined

BAIL RECOMMENDATION:

- MAX HUMBERTO MATOS - \$ 800,000.00
- JEFFREY SCOTT CATANZARITE - \$ 800,000.00
- RONALD LEE MARTIN - \$ 800,000.00
- VERONICA MARTIN - \$ 800,000.00

NOTICES:

The People request that defendant and counsel disclose, within 15 days, all of the materials and information described in Penal Code section 1054.3, and continue to provide any later-acquired materials and information subject to disclosure, and without further request or order.

Pursuant to Welfare & Institutions Code §827 and California Rule of Court 5.552, notice is hereby given that the People will seek a court order to disseminate the juvenile case file of the defendant/minor, if any exists, to all parties in this action, through their respective attorneys of record, in the prosecution of this case.