

**ATTACHMENT A**

**STIPULATION OF FACTS**

*The undersigned parties stipulate and agree that if this case had proceeded to trial, this Office would have proven the following facts beyond a reasonable doubt. The undersigned parties also stipulate and agree that the following facts do not encompass all of the evidence that would have been presented had this matter proceeded to trial.*

From 2011 to 2017, Walter Reed provided health services to military families and individuals serving on active duty, individuals returning from war, veterans, and elected officials. The Walter Reed Prosthetics and Orthotics department provided a full range of prosthetic and orthotic services, including prosthetic limbs, and support for wounded warriors. During this time period, the Walter Reed Prosthetics and Orthotics department created multiple Blanket Purchase Agreements (BPAs), which were a government purchase mechanism.<sup>2</sup>

From 1991 to 2017, Timothy Hamilton ("Hamilton") worked as a civilian employee of Walter Reed. From 2014 to 2017, Hamilton held a supervisory position in the Walter Reed Prosthetics and Orthotics department. Hamilton's duties included ordering products for patients pursuant to BPAs, managing inventory levels, and assigning orthotic work to peers/subordinates.

In or about 2009, Hamilton and Person A reached an agreement after drinks. The initial conversation contemplated that Hamilton would see patients on behalf of Company A. In reality, Person A paid Hamilton in return for Person A being able to use Hamilton's certification for Person A's business, Company A. Hamilton provided Person A with a copy of Hamilton's Orthotist certification. Hamilton's certification was later used by Company A in connection with accreditation by the Board of Certification, which is a national accreditation entity. Company A also submitted documentation to CMS, which is part of HHS and administers Medicare, listing Hamilton as an Company A Orthotist/provider.<sup>3</sup> Hamilton's Orthotist certification was also displayed at Company A's headquarters in Bethesda, Maryland. Orthocare notified Hamilton that his information was being used for Orthocare's submissions to the BOC and for Medicare credentialing. Hamilton only saw 1-2 Orthocare patients during the time period 2011 to 2015 and consulted on no more than six other procedures. Nevertheless, Company A provided medical treatment to many individuals that required the involvement of a certified Orthotist and billed insurers for this treatment.

From in or about 2009 to in or about October 2015, Hamilton received financial payments approximately once a month via electronic funds transfer from Company A. The

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<sup>2</sup> The Walter Reed Prosthetics and Orthotics department used the Blanket Purchase Agreements instead of more traditional government procurement mechanisms.

<sup>3</sup> Person A was certified as an Orthotic Fitter, and not as a Prosthetist or Orthotist. Person A needed to have someone on his staff who was clinically trained and certified as an Orthotist in order for Company A to treat patients needing custom Orthotist services.

amount of the payments varied at times.<sup>4</sup> In total, Person A caused Company A to pay Hamilton more than \$45,000. Hamilton purposefully allowed Company A and Person A to use his certification as an Orthotist in return for the payments of money.

From 2011 to 2015, Company A fraudulently billed insurers for Orthotic services it was not qualified to provide. This was a fraud on the insurers, including the government insurance programs Medicare, Medicaid, and Tricare, and private insurers such as Blue Cross Blue Shield and Aetna. Aside from the few instances identified above, Hamilton did not care for Company A patients nor did he supervise their care in any way. Instead, Hamilton allowed Person A/Company A to use his certification. As to the remaining patients receiving Orthotist services, Company A used Hamilton's credentials to submit fraudulent insurance claims of more than \$150,000. This billing related to more than 200 patients involved in more than 225 claims.

Beginning in January 2015, Company A had an Orthotist other than Hamilton on staff. Hamilton continued to receive payments from Company A until at least October 15, 2015. During 2015--after Company A had another Orthotist on staff--Hamilton received more than \$9,900.

From in or about 2012 to in or about 2015, Hamilton also received more than \$15,000 in stored benefit cards, checks, and other benefits such as tickets, lodging, etc. from Company B, which had business before Walter Reed's Prosthetic and Orthotics Department and was operated by Person B.<sup>5</sup> By way of examples, in July 2012, Person B paid for Hamilton to travel to an orthotics seminar offered by Townsend, one of the companies that manufactured products used at Walter Reed. In September 2013, Person B paid for Hamilton to travel to Orlando, Florida with Person B. In October 2013, Person B paid for himself, Hamilton and a Walter Reed supervisor, Person C, to stay at Bally's Atlantic City. In January 2014, Person B paid for Hamilton to attend a Wizards fantasy basketball event with Person B. Person B also paid for Hamilton to attend more than five Wizards games. In April 2014, Person B paid for Person C and Hamilton to travel to Tampa, Florida. In 2015, Person B paid for Hamilton to travel to Daytona Beach, Florida.

During the same time period Hamilton was receiving payments from Company A and benefits from Person B/Company B, Hamilton ordered products on behalf of Walter Reed from Company A and Company B. For example, on July 15, 2015--the same day Hamilton received more than \$2,700 from Company A--Hamilton ordered Orthotics from Company A for a Walter Reed patient. Similarly, a Company B invoice dated July 1, 2015, shows that Hamilton ordered more than \$25,000 of products on behalf of Walter Reed from Company B. Twelve of the line items on the invoice were ordered "per Tim Hamilton." On October 17, 2016, Hamilton

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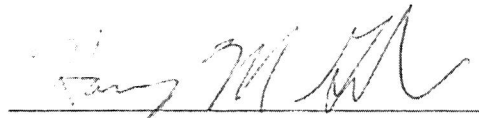
<sup>4</sup> In June 2011, Hamilton received a \$250 "parking reimbursement" and in December 2011, he received a \$1,000 "bonus."

<sup>5</sup> These payments included amounts Hamilton received for seeing Company B patients, which consisted of approximately \$50 for measuring Company B patients and \$50 for fitting Company B patients.

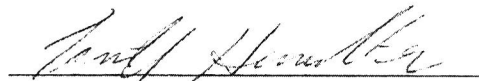
admitted to federal agents that he had repeatedly ordered products from Company A and Company B during 2014-2017.

On October 27, 2016, Hamilton met with federal agents about the ongoing federal investigation. During the meeting, Hamilton falsely claimed that he had never received any money from Person B or Person A and that he wasn't aware of any conflicts of interest. Hamilton also falsely stated that he never received any cash or anything of value from any of the vendors or manufacturers with which the P&O did business.

SO STIPULATED:



Harry M. Gruber  
Dana Brusca  
Assistant United States Attorneys



Timothy Hamilton  
Defendant

TWH 10/5/2019



Martin Himeles  
Counsel for Defendant

MSH - 7/10/2019