

United States District Court

Western District Of Wisconsin

UNITED STATES OF AMERICA

JUDGMENT IN A CRIMINAL CASE
(for offenses committed on or after November 1, 1987)

V.

Case Number: 05-CR-72-C-01

HEALTH VISIONS CORPORATION

Defendant's Attorney: T. Christopher Kelly

The defendant, Health Visions Corporation, pleaded guilty to count 1 of the second superseding indictment.

Counts 2-74 of the second superseding indictment are dismissed on the motion of the United States.

The original and superseding indictments are dismissed on the motion of the United States.

ACCORDINGLY, the court has adjudicated defendant guilty of the following offense(s):

Title & Section	Nature of Offense	Date Offense Concluded	Count Number(s)
18 U.S.C. §§ 1341 and 2	Mail Fraud, a Class B felony	May 14, 2004	1

The defendant is sentenced as provided in pages 2 through 9 of this judgment. The sentence is imposed pursuant to the Sentencing Reform Act of 1984.

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

Defendant's Date of Birth:

April 24, 2008

Defendant's USM No.:

Date of Imposition of Judgment

Defendant's Residence Address:

/s/ Barbara B. Crabb

Defendant's Mailing Address:Building 3000 Upper Cubi
Zambales Highway
Subic Bay Freeport Zone
Olongapo City, Philippines 2200Barbara B. Crabb
District Judge

April 25, 2008

Date Signed:

PROBATION

As to count one of the second superseding indictment, it is ordered that defendant is placed on probation for a term of five years.

While on probation, defendant shall not commit another federal, state, or local crime.

While on probation, defendant shall not illegally possess a controlled substance.

If defendant has been convicted of a felony, defendant shall not possess a firearm or destructive device while on probation.

If this judgment imposes a fine or a restitution obligation, it shall be a condition of probation that defendant pay any such fine or restitution that remains unpaid at the commencement of the term of supervision in accordance with the Schedule of Payments set forth in the Financial Penalties sheet of this judgment.

Defendant shall comply with the standard conditions that have been adopted by this court (set forth on the next page).

As special conditions of probation, defendant shall:

- (1) Provide financial information to the supervising U.S. probation officer, as directed;
- (2) Pay any outstanding financial obligation in monthly installments of not less than \$2,500 by the last day of each month as directed by the supervising U.S. probation officer; and
- (3) Execute a Stipulation and Consent to the Issuance of an Order of Prohibition, permanently excluding defendant from participating in the TRICARE program or any other United States governmental program.

Further, it is ordered that no later than ten months from entry of this judgment, defendant is to liquidate for fair market value all of its property, whether held in its own name or that of any nominee. "Property" includes but is not limited to the property listed in attachment A to this judgment. The net proceeds of any sale, that is, the gross proceeds less only taxes, payment of perfected liens, reasonable attorneys fees and professional real estate fees connected with the liquidation of the assets are to be paid to the Clerk of Court for the Western District of Wisconsin, to be disbursed in accordance with this judgment and any subsequent order entered by this court.

STANDARD CONDITIONS OF SUPERVISION

- 1) Defendant shall not leave the judicial district without the permission of the court or probation officer;
- 2) Defendant shall report to the probation officer as directed by the court or probation officer and shall submit a truthful and complete written report within the first five days of each month;
- 3) Defendant shall answer truthfully all inquiries by the probation officer and follow the instructions of the probation officer;
- 4) Defendant shall support his or her dependents and meet other family responsibilities;
- 5) Defendant shall work regularly at a lawful occupation unless excused by the probation officer for schooling, training, or other acceptable reasons;
- 6) Defendant shall notify the probation officer at least ten days prior to any change in residence or employment;
- 7) Defendant shall refrain from excessive use of alcohol and shall not purchase, possess, use, distribute or administer any narcotic or other controlled substance, or any paraphernalia related to such substances except as prescribed by a physician;
- 8) Defendant shall not frequent places where controlled substances are illegally sold, used, distributed, or administered;
- 9) Defendant shall not associate with any persons engaged in criminal activity, and shall not associate with any person convicted of a felony unless granted permission to do so by the probation officer;
- 10) Defendant shall permit a probation officer to visit him or her at any time at home or elsewhere and shall permit confiscation of any contraband observed in plain view by the probation officer;
- 11) Defendant shall notify the probation officer within seventy-two hours of being arrested or questioned by a law enforcement officer;
- 12) Defendant shall not enter into any agreement to act as an informer or a special agent of a law enforcement agency without the permission of the court;
- 13) As directed by the probation officer, defendant shall notify third parties of risks that may be occasioned by defendant's criminal record or personal history or characteristics, and shall permit the probation officer to make such notifications and to confirm defendant's compliance with such notification requirement.

CRIMINAL MONETARY PENALTIES

Defendant shall pay the following total financial penalties in accordance with the schedule of payments set forth below.

<u>Count</u>	<u>Assessment</u>	<u>Fine</u>	<u>Restitution</u>	<u>Forfeiture</u>
1	\$400.00	\$500,000.00	\$99,915,131.00	\$910,910.60
Total	\$400.00	\$500,000.00	\$99,915,131.00	\$910,910.60

As to count one of the second superseding indictment, it is adjudged that defendant Health Visions Corporation is to pay a \$400 criminal assessment penalty to the Clerk of Court for the Western District of Wisconsin immediately following sentencing.

Further, it is adjudged that defendant Health Visions Corporation is to make restitution in the amount of \$99,915,131, payable to the Clerk of Court for the Western District of Wisconsin for disbursement to Tri-Care Management Activity, 16401 East Centretch Parkway in Aurora, Colorado 80011-9043. The restitution obligation is joint and several with codefendant Thomas Arthur Lutz and is due and payable immediately following sentencing.

Defendant Health Visions Corporation is to forfeit \$910,910.60 as charged in count 75. Defendant is to continue to liquidate all of its assets in the Philippines and deposit the net proceeds from the asset liquidation into a trust account. In a subsequent court order, I will designate the manner in which the funds are to be applied to satisfy the special assessment penalty, restitution obligation and fine.

Further, it is adjudged that defendant is to pay a fine in the amount of \$500,000 within 90 days of the date of judgment. No interest is to accrue on the fine unless it is not paid in full within 90 days of the date of judgment.

SCHEDULE OF PAYMENTS

Payments shall be applied in the following order:

- (1) assessment;
- (2) restitution;
- (3) fine principal;
- (4) cost of prosecution;
- (5) interest;
- (6) penalties.

The total fine and other monetary penalties shall be due in full immediately unless otherwise stated elsewhere.

Unless the court has expressly ordered otherwise in the special instructions above, if the judgment imposes a period of imprisonment, payment of monetary penalties shall be due during the period of imprisonment. All criminal monetary penalties, except those payments made through the Federal Bureau of Prisons' Inmate Financial Responsibility Program, are made to the clerk of court, unless otherwise directed by the court, the probation officer, or the United States Attorney.

The defendant shall receive credit for all payments previously made toward any criminal monetary penalties imposed.

In the event of a civil settlement between victim and defendant, defendant must provide evidence of such payments or settlement to the Court, U.S. Probation office, and U.S. Attorney's office so that defendant's account can be credited.

Attachment A**Property in the Republic of Costa Rica****1. Clinic**

Heredia, San Joaquin de Flores, de la Capilla Santa Marta 300 MTS al Norte,
Frente a Pulperia los Kolitas
Costa Rica

Property in the Republic of the Philippines**1. Land, building, equipment, supplies and ambulances of
Health Visions Corporation**

#15 Lindayag Street, East Tapinac
Ologapo City

**2. Land, building, equipment, supplies and ambulances of
Philippine International Hospital**

#654 Malabanas Road , Plaridel 1, Angeles City

**3. Land, building, equipment, supplies and ambulances of
Saint John the Baptist Marikina Hospital**

#22 Betel Nut Street, corner Santa Ana Street , Barangay San Roque, Marikina City

**4. Lease for the land and buildings, and the equipment, supplies and ambulances of
Subic Bay Medical Center**

3000 Zambales Highway Upper Cubi, Subic Bay Freeport Zone

**5. Land, building, equipment, supplies and ambulances of
Total Life Care**

#9 Lower Kalaklan, corner Maine Street , Olongapo City

**6. Land, building, equipment, supplies and ambulances of
Riverfront International Hospital**

Molo, Iloilo City

7. Warehouse

No. 1 Barangay Barreto, Olongapo City

**8. Certain land situated in the Barrio of Lower Kalaklan, Olongapo City, Republic of the
Philippines**

Lot no. 1623, Ta-308

Title No. T-10613

Book XVIII, page 13 Registry of Deeds for Olongapo City

Entered July 17, 2002

9. Certain land situated in Barrio Santol, City of Angles, Republic of the Philippines

Lot 7-A, of the subdivision plan, Psd-03-085720, being a portion of Lot 7, Block 28,
(LRC) Psd-23701)

Title No. 11601a

Book 581, Page 13 Registry of Deeds for Angles City

Entered July 18

10. Certain land situated in the Barrio of Cawag, Municipality of Subic, Province of Zambales, Republic of the Philippines
Lot No. 17162, Cad. 547-D
Title No. T-54787
Book 1-280, page 87 Registry of Deeds for the Province of Zambales
Entered June 13, 2002
11. Certain land situated in the City of Angles, Republic of the Philippines
Lot No. 654 of the Cadastral Survey of Angles,
Title No. 119187
Book ___, page 187 Registry of Deeds for Angles City
Entered September 6, 2001
12. Certain land situated in Iloilo City, Republic of the Philippines
Lot No. 1402 of the Cadastral Survey of Iloilo, Cad. 547-D
Title No. T-142569
Book ___, page 69 Registry of Deeds for Iloilo City
Entered July 14, 2003
13. Certain land situated in the City of Angles, Republic of the Philippines
Lot No. 2 of the consolidated-subdivision plan Poos-03-00991 being a portion of Lot 1 (LRC) Psd-2126; Lot 5 Block 58 (LRC) Psd-23701; Lot 4-(LRC) Psd-28128, L.R.C. Rec. N.),
Title No. 118139
Book ___, page 139 Registry of Deeds for Angles City
Entered March 6, 2001
14. Certain land situated in the Barrio of San Roque, Municipality of Marikina, Province of Rizal, Republic of the Philippines
Lot No. 10, Blk. 9 of the subd. plan. Psd-04-000857, being a portion of Lot 50-A-6-A, (LRC) Psd-56040, L.R.C. Rec. No. 7672) ,
Title No. 430155
Book T-2136, page 155 Registry of Deeds for Marikina City
Entered August 14, 2002
15. Certain land situated in the Barrio of Barretto, Olongapo City, Republic of the Philippines
Plan Msi-03-03-012231-D,
Title No. T-10655
Registry of Deeds for Olongapo, City
Entered October 1, 2002
16. Certain land situated in the Barrio of San Antonio, Municipality of Noveleta, Province of Cavite, Republic of the Philippines
Lot No. 8_A_1 of the subdivision plan, Psd-04-098094, being a portion of Lot 8_A Psd_04-087294, LRC Rec No.)
Title No. T-997290
Book ___, page 90 Registry of Deeds for Province of Cavite
Entered April 12, 2002

17. Certain land situated in the Barrio of San Roque, Municipality of Marikina, Province of Rizal, Republic of the Philippines
Lot No. 11, Blk. 9 of the subd. plan. Psd-04-000857, being a portion of Lot 50-A-6-A, (LRC) Psd-56040, L.R.C. Rec. No. 7672) ,
Title No. 416505
Registry of Deeds for Marikina City
Entered October 22, 2001
18. Certain land situated in the Barrio of San Roque, Municipality of Marikina, Province of Rizal, Republic of the Philippines
Lot No. 12, Blk. 9 of the subd. plan. Psd-04-000857, being a portion of Lot 50-A-6-A, (LRC) Psd-56040, L.R.C. Rec. No. 7672) ,
Title No. 416506
Book T-2_7_, page 106 Registry of Deeds for Marikina City
Entered October 22, 2001
19. Certain land situated in Barrio Malabanas, City of Angles, Republic of the Philippines
Lot 5, Block 2 of the Cons.,-subd., plan, Pos-035401-00567, being a portion of consolidated Lot 3 (LRC) Psd-21634, 2-1 (LRC) Psd-350731, L.R.C. Rec. No.).
Title No. 128450
Registry of Deeds for Angles City
Entered May 6, 2004
20. Certain land situated in Barrio Santol, City of Angles, Republic of the Philippines
Lot 6, Block 28 of the subdivision plan (LRC), Psd-23701 (sheet 3),, being a portion of Lot 2, dewcribed on plan (LRC) Pos-2126, LRC (GLRO) Cad. Rec. No. 124)
Title No. 118004
Book 600, Page 04 Registry of Deeds for Angles City
Entered February 12, 2001
21. 35-foot yacht named "Queen Janice," harbored at the Subic Bay Yacht Club
22. All vehicles of any kind owned by Health Visions Corporation
23. Land, building, equipment, supplies for the Veterans Assistance Center in Angles City, Republic of the Philippines

Property in the United States of America

1. 4704 Castlewood Court
Columbia , MO 65201
County: Boone County
Subdivision Plat Book/Page: 0032 0038
Section /Township/ Range : 17 48 13
Legal Description: Stonebridge Plat 2
Lot 248
Lot Size 75 x 122

Deed Book/Page 1725 0563

2. 204 Haywood Court
Columbia , MO 65201
County: Boone County
Subdivision Plat Book/Page: 0032 0021
Section /Township/ Range : 17 48 13
Legal Description: Stonebridge Estates Plat 1
Lot 141
Lot Size 100 x 325.57
Deed Book/Page 1645 0135
3. 1976 Cessna 421
Fixed Wing Multi Engine/ Reciprocating engine
N49TD
Registered to JKT Management LLC