

# Operators of physical therapy chain charged in fraud scheme

Thursday, August 24, 2023

## For Immediate Release

U.S. Attorney's Office, Southern District of Texas

McALLEN, Texas – Two individuals involved in a state-wide chain of physical therapy clinics have been charged with defrauding a federal worker's compensation program, announced U.S. Attorney Alamdar S. Hamdani.

Authorities took Ricardo Cano, 46, McAllen, and Rosita Cano Meeks, 56, Edinburg, into custody today. They are expected to make their initial appearances before U.S. Magistrate Judge J. Scott Hacker at 1 p.m.

The 18-count indictment charges Cano and Meeks with conspiracy to commit health care fraud and 10 counts of health care fraud. Cano is also charged with seven counts of money laundering.

The indictment alleges between 2014 and 2019, the clinics operated under the name Texas Federal Wellness Center. During that time, they allegedly billed more than \$80 million to the Department of Labor – (DOL) Office of Worker's Compensation Program for physical therapy services provided to injured federal employees.

According to the indictment, Cano and Meeks allegedly caused the clinics to submit inflated claims for therapy, fictional medical visits, excessive therapy and fraudulent durable medical equipment. The charges allege Cano and Meeks directed clinic employees to falsify patient checkout times on medical records to conceal the inflated therapy claims. Meeks was in charge of, and oversaw, the fraudulent billing, according to the indictment.

The charges also allege Cano is not a physician. He was only a physician's assistant and allegedly instructed employees to refer to him as Dr. Cano.

According to the indictment, Cano entered into an arrangement with a physician to falsely give the appearance a licensed doctor oversaw, managed and controlled the

clinics, as Texas law requires. The charges allege Cano is, in fact, the true owner of the enterprise which he managed and controlled.

As part of the scheme, Cano allegedly coordinated with that physician to obstruct a Texas Medical Board inquiry into a complaint about Cano's role in operating the clinics and submitting false corporate records. The indictment also alleges Cano transferred approximately \$43 million from the Texas Federal Wellness Center clinics to various bank accounts in Cano's name or in the name of clinics Cano controlled.

If convicted, they each face up to 10 years in prison for conspiracy to commit health care fraud and substantive counts of health care fraud. Cano also faces up to 10 years for each conviction of money laundering.

The U.S. Postal Service-Office of Inspector General (OIG), FBI, Department of Homeland Security-OIG and DOL-OIG conducted the investigation.

Assistant U.S. Attorney Andrew Swartz is prosecuting the case.

***An indictment is a formal accusation of criminal conduct, not evidence. A defendant is presumed innocent unless convicted through due process of law.***

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**Topic**

**HEALTH CARE FRAUD**

**Component**

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