

1 ROB BONTA
2 Attorney General of California
3 JENNIFER B. EULER
4 Chief Assistant Attorney General
5 HARDY GOLD, State Bar No. 113328
6 Supervising Deputy Attorney General
7 KRISTOFFER A. REICH, State Bar No. 299576
8 JESSICA SPRINGER, State Bar No. 279844
9 Deputies Attorney General
10 Division of Medi-Cal Fraud & Elder Abuse
11 829 Marlborough Ave.
12 Riverside, CA 92507
13 Telephones:
14 DAG Reich (619) 358-1055
15 DAG Springer (714) 922-2862
16 Fax: (951) 782-4383
17 E-mails:
18 Kristoffer.Reich@doj.ca.gov
19 Jessica.Springer@doj.ca.gov

20 Attorneys for The People of the State of California

21 SUPERIOR COURT OF THE STATE OF CALIFORNIA

22 COUNTY OF SAN BERNARDINO, RANCHO CUCAMONGA DISTRICT

23 THE PEOPLE OF THE STATE OF
24 CALIFORNIA,

25 PLAINTIFF,

26 vs.

27 (01) RALPH DECSIEJO TANGHAL
28 CANALES,
[DOB: 12/09/1978],
(02) GIOVANNI IBALÉ,
[DOB: 07/05/1977],
(03) ROCHELL LAPUT PARAGADOS
CANALES,
[DOB: 06/07/1975],
(04) MAUREEN SAPLOT IBALÉ
[DOB: 12/15/1976],
(05) ROMEO RODRIGUEZ,
[DOB: 05/16/1939],
(06) ESTRELLA PINEDA ASEJO,
[DOB: 09/28/1944]
(07) LEMUEL URSALES,
[DOB: 04/23/1951],
(08) SHERWIN BOBSON TANGHAL
CANALES,


Case No.: FWV22000555
A.G. Docket No. RV2017106669

FELONY COMPLAINT

Ct 1: Conspiracy, PC §182(a)(1) / PC §550(b)(3)
/ PC §549 / PC §487(a) (Ds 1-16)
Ct 2: Insurance Fraud (Medicare), PC §550(b)(3)
(Ds 1-16)
Ct 3: Insurance Fraud (Medi-Cal), PC §550(b)(3)
(Ds 1-16)
Ct 4: Fraudulent Claims, PC §549 (Ds 1-16)
Ct 5: Grand Theft (Medicare), PC §487(a)
(Ds 1-16)
Ct 6: Grand Theft (Medi-Cal), PC §487(a)
(Ds 1-16)
Ct 7-15: ID Theft, PC §530.5(a) (Ds 1, 2, 5-7, 10)
Ct 16-26: Money Laundering >\$5,000, PC
§186.10(a) (Ds 1-4)
Ct 27-31: Money Laundering >\$50,000, PC
§186.10(c)(1)(A) (Ds 1-4)
Ct 32-33: Money Laundering >\$150,000, PC
§186.10(c)(1)(B) (Ds 2, 4)
Ct 34: False Employment Tax Reporting –
Sterling UIC §2117.5 (Ds 1, 2, 4)
Ct 35: Employment Tax Evasion – Sterling UIC
§2118.5 (Ds 1, 2, 4)
Ct 36: False Employment Tax Reporting – New
Hope UIC §2117.5 (Ds 1-3)

FILED
SUPERIOR COURT OF CALIFORNIA
COUNTY OF SAN BERNARDINO
RANCHO CUCAMONGA DISTRICT

FEB 16 2022

BY 
CELBA LUIS MORALES, DEPUTY

1 [DOB: 09/08/1982],
 2 (09) ROSALINDA LEE *aka* ROSE LEE
 3 *aka* ROSALINDA D. BITANTOS *aka*
 4 ROSIE LEE STEWART CAIN *aka*
 5 ROSALINA DITALTOS ,
 6 [DOB: 09/20/1965],
 7 (10) MARIETA ANCHETA MIRANDA
 8 *aka* MARIETA BRUAN ANCHETA *aka*
 9 MARIETA ANCHETA *aka* MARIETA
 10 RILVERIA,
 11 [DOB: 08/01/1968],
 12 (11) SHEMEI POSTRERO *aka* SHEMEI
 13 JUAREZ POSTRERO,
 14 [DOB: 11/18/1953],
 15 (12) JULIET VIOLA NICOLAS MEER,
 16 [DOB: 02/10/1953],
 17 (13) ELBERTO RUIS CABUSAO *aka*
 18 ALBERTO CABUSAO,
 19 [DOB: 09/01/1975]
 20 (14) EMERITA MANICANE *aka* EMY
 21 LARSEN *aka* EMRITA TORRECHIVA,
 22 [DOB: 05/03/1959],
 23 (15) MYRNA CADA VONA *aka* MYRNA
 24 BUMANGLAG CADOVONA *aka*
 25 MYRNA BYMAN CADOVONA,
 26 [DOB: 12/02/1955],
 27 (16) MELITA CACHAPERO *aka*
 28 MELITA DUMINCIL CACHAPERO *aka*
 MELITA SWANSON,
 [DOB: 11/09/1959],

DEFENDANTS.

Ct 37: Employment Tax Evasion – New Hope
 UIC §2118.5 (Ds 1-3)
 Ct 38: Income Tax Evasion, RT§19706(Ds 1 & 4)
 Ct 39: Income Tax Evasion, RT§19706(Ds 1 & 4)
 Ct 40: Income Tax Evasion, RT§19706(Ds 2 & 3)
 Ct 41: Income Tax Evasion, RT§19706(Ds 2 & 3)
 Ct 42: Income Tax Evasion, RT§19706(Ds 2 & 3)
 Ct 43: Income Tax Evasion, RT§19706 (D 1)
 Ct 44: Income Tax Evasion, RT§19706(Ds 1 & 3)
 Ct 45: Income Tax Evasion, RT§19706(Ds 1 & 3)
 Ct 46: Income Tax Evasion, RT§19706(Ds 1 & 3)
 Ct 47: Income Tax Evasion, RT§19706 (D 2)
 Ct 48: Income Tax Evasion, RT§19706 (D 2)
 Ct 49: Income Tax Evasion, RT§19706 (D 2)
 Ct 50: Income Tax Evasion, RT§19706 (D 2)
 Ct 51: Income Tax Evasion, RT§19706 (D 4)
 Ct 52: Income Tax Evasion, RT§19706 (D 4)
 Ct 53: Income Tax Evasion, RT§19706 (D 4)
 Ct 54: Income Tax Evasion, RT§19706 (D 4)

SPECIAL ALLEGATIONS

Presumption Probation Ineligible, PC §1203.045
 White Collar Loss > \$100,000, PC § 186.11(a)(3)
 White Collar Loss > \$500,000, PC §186.11(a)(2)
 Great Taking, Loss > \$65,000, PC § 12022.6(a)(1)
 Great Taking, Loss > \$200,000, PC §12022.6(a)(2)
 Extended Statute of Limitations,
 PC §§ 803(c)/801.5
 PC §1170(b)- RofCt 4.421(a)(1), (3), (4), (8),
 (9), & (11)

20 The People of the State of California allege that in the County of San Bernardino and
 21 elsewhere within the State of California, Defendants **RALPH DECSIEJO TANGHAL**
 22 **CANALES** (hereafter “**RALPH CANALES**”), **GIOVANNI IBALE**, **ROCHELL LAPUT**
 23 **PARAGADOS CANALES** (hereafter “**ROCHELL PARAGADOS**”), **MAUREEN SAPLOT**
 24 **IBALE** (hereinafter “**MAUREEN IBALE**”), **ROMEO RODRIGUEZ**, **ESTRELLA PINEDA**
 25 **ASEJO** (hereinafter “**ESTRELLA ASEJO**”), **SHERWIN BOBSON TANGHAL CANALES**
 26 (hereinafter “**SHERWIN CANALES**”), **LEMUEL URSALES**, **ROSALINDA LEE *aka***
 27 **ROSE LEE *aka* ROSALINDA D. BITANTOS *aka* ROSIE LEE STEWART CAIN *aka***
 28 **ROSALINA DITALTOS** (hereinafter “**ROSE LEE**”), **MARIETA ANCHETA MIRANDA**

1 *aka* MARIETA BRUAN ANCHETA *aka* MARIETA RILVERIA (hereinafter “MARIETA
2 ANCHETA”), SHEMEI POSTRERO *aka* SHEMEI JUAREZ POSTRERO, JULIET
3 VIOLA NICOLAS MEER (hereinafter “JULIET MEER”), ELBERTO RUIS CABUSAO
4 *aka* ALBERTO CABUSAO (hereinafter “ALBERTO CABUSAO”), EMERITA
5 MANICANE *aka* EMY LARSEN *aka* EMRITA TORRECHIVA (hereinafter “EMERITA
6 MANICANE”), MYRNA CADAVONA *aka* MYRNA BUMANGLAG CADOVONA *aka*
7 MYRNA BYMAN CADOVONA (hereinafter “MYRNA CADAVONA”), and MELITA
8 CACHAPERO *aka* MELITA DUMINCIL CACHAPERO *aka* MELITA SWANSON
9 (hereinafter “MELITA CACHAPERO”) did commit the following criminal offenses before the
10 filing of this felony complaint:

11 **COUNT 1**

12 **(All Defendants)**

13 **Conspiracy to Cheat & Defraud/Conspiracy to Commit Insurance Fraud/Fraudulent**
14 **Claims/Grand Theft – PC §182(a)(1) / PC § 550(b)(3) / PC §549 / PC §487(a)**

15 Starting on or before March 25, 2013, and continuing at least until May 3, 2021, defendants
16 **RALPH CANALES, ROCHELL PARAGADOS, GIOVANNI IBALE, MAUREEN IBALE,**
17 **ROMEO RODRIGUEZ, ESTRELLA ASEJO, SHERWIN CANALES, LEMUEL**
18 **URSALES, ROSE LEE, MARIETA ANCHETA, SHEMEI POSTRERO, JULIET MEER,**
19 **ALBERTO CABUSAO, EMERITA MANICANE, MYRNA CADAVONA, and MELITA**
20 **CACHAPERO**, willfully and unlawfully conspired with one another and with others known and
21 unknown, to cheat and defraud by means that were illegal including paying kickbacks to obtain
22 patients without regard to whether they qualified for hospice care, and failing to disclose to the
23 Medicare or Medi-Cal program that kickbacks were paid and that their patients did not have a life
24 expectancy of six months or less, and to commit the crimes of Insurance Fraud, Fraudulent
25 Claims, and Grand Theft, in violation of Penal Code § 182(a)(1) / Penal Code § 550(b)(3) / Penal
26 Code § 549, and Penal Code § 487(a), a felony.

27 ///

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

OBJECT OF THE CONSPIRACY

The goal of the defendants was to steal money from Medicare and Medi-Cal by billing these government benefits programs for services that were not medically justified, month after month, year after year.

MEANS OF THE CONSPIRACY

RALPH CANALES and his wife, **ROCHELL PARAGADOS**, joined with **GIOVANNI IBALE** and his wife, **MAUREEN IBALE**, and together they operated two hospice companies in the Inland Empire. The first one was Sterling Hospice Care, Inc. ("Sterling"), and the second was New Hope Hospice, Inc. ("New Hope"). They turned in applications to Medicare for Sterling and later for New Hope so the companies could provide hospice services to Medicare patients. Medicare is the main health insurance coverage for the elderly. They also submitted applications so the two companies could provide hospice services to Medi-Cal patients. Medi-Cal is the state program which provides health insurance coverage for the poor, disabled, and refugees. Both Sterling and New Hope were approved by Medicare and Medi-Cal.

The applications that Sterling and New Hope submitted to become Medicare and Medi-Cal providers included mandatory terms. These terms included that they agreed to comply with all laws and regulations governing the Medicare and Medi-Cal programs, including that they would not commit fraud or abuse. They also agreed not to engage in any conduct that is contrary to the public health, morals, welfare and safety of the patients in the programs. When Medicare and Medi-Cal approved Sterling and New Hope's applications, the provider applications became binding contracts between the government and the companies.

The way things were supposed to work was as follows: When doctors, in their medical judgment, reach the conclusion that their patients are terminally ill and that the patients will die within six months, the patients are eligible to be placed on hospice. Hospice services are not intended to extend the patients' lives. Rather, the purpose of hospice is to provide comfort care as the patients live out their final days. Hospice services can include nursing care, pain management, counseling and spiritual support, including grief counseling to close family

1 members. The rules that govern Medicare and Medi-Cal require the patients, or the patients'
2 representatives to make a knowing and informed choice: If they choose hospice services, they are
3 giving up the opportunity to receive treatments aimed at curing their terminal disease, such as
4 radiation and chemotherapy to treat cancer, or bypass surgery to treat heart blockage. In essence,
5 the patients are choosing to let their terminal condition run its course, and to die peacefully. Once
6 that choice is made, Medicare and Medi-Cal will pay a hospice company to provide comfort
7 services to the dying patient, whether the patient is in their own home, an assisted living facility, a
8 nursing home or hospital. However, Medicare and Medi-Cal will not pay for treatments that are
9 intended to cure patients on hospice.

10 Patients or their loved ones can choose which hospice company they want. They are often
11 given recommendations of hospice companies by their personal physicians, or hospital social
12 workers when the patients are given the news that they are going to die. It is illegal for anyone to
13 accept a bribe or kickback from a hospice company to refer a patient.

14 Hospice companies are required to have licensed health care professionals to address the
15 needs of their dying patients and provide quality care in consultation with the patients' primary
16 care doctors. This staff includes a medical director and a director of nursing. The hospice
17 medical director can step in to assess the patient if the patient does not have a regular doctor. In
18 those situations, it is the hospice company's medical director who approves hospice services for
19 the patient based on the doctor's training, experience, and objective findings that the patient's
20 condition will end their life within six months. The director of nursing and medical director
21 develop a plan of care for the patient, and they meet with the care givers who work with the
22 patient on a regular basis to reassess the patient's condition and revise the care plan as necessary.

23 Medicare and Medi-Cal both require hospice companies to have medical records for their
24 hospice patients. Those records must detail the circumstances that medically justify why the
25 particular patient qualifies for hospice, their treatment plan, and the services performed. When a
26 hospice company bills Medicare or Medi-Cal, they must be honest in the claims they submit for
27 payment, the claims must be backed up by the patient chart, and the patient cannot be steered to
28

1 the hospice company as a result of an illegal kickback. If the claims are not truthful, the patient
2 charts do not support the services billed, or the patient became a patient because of a kickback,
3 then neither Medicare nor Medi-Cal will pay for the service. That is part of the contract that all
4 hospice companies agree to abide by when they become Medicare and Medi-Cal providers.

5 The reality at Sterling and New Hope was much different: **RALPH CANALES,**
6 **ROCHELL PARAGADOS, GIOVANNI IBALE,** and **MAUREEN IBALE** became the
7 corporate officers and shareholders of the two hospice companies, intent on making money from
8 Medicare and Medi-Cal by, building their businesses by paying illegal kickbacks for patient
9 referrals, and taking in patients who did not qualify for hospice.

10 **RALPH CANALES** and **GIOVANNI IBALE** hired Dr. **ROMEO RODRIGUEZ** as their
11 medical director for both Sterling and New Hope. Dr. **RODRIGUEZ** routinely approved patients
12 for hospice regardless if they were dying or not.

13 **RALPH CANALES** and **GIOVANNI IBALE** paid Dr. **ESTRELLA ASEJO** to refer
14 them hospice patients whether they were terminally ill or not.

15 **RALPH CANALES** and **GIOVANNI IBALE** hired **LEMUEL URSALES** as their
16 director of nursing who facilitated interdisciplinary team meetings where patients' medical status
17 was discussed and certification of terminal illness was determined. This included patients who
18 were not in fact terminally ill nor eligible to receive initial or ongoing hospice services.

19 Licensed Vocational Nurse **SHERWIN CANALES** was hired by his brother, **RALPH**
20 **CANALES**, as a patient care manager who supervised the hospice care for many patients
21 knowing they were not terminally ill and were in fact ineligible to receive hospice services from
22 the Medicare and Medi-Cal programs.

23 **RALPH CANALES** and **GIOVANNI IBALE** paid **ROSE LEE** to be a nurse but also
24 paid her illegally on the side to bring in patients regardless of whether they were medically
25 eligible for hospice.

26 **JULIET MEER, MARIETA ANCHETA, ALBERTO CABUSAO, EMERITA**
27 **MANICANE, MYRNA CADAVONA,** and **MELITA CACHAPERO** all received illegal
28

1 kickbacks from **RALPH CANALES** and **GIOVANNI IBALE**'s personal or company bank
2 accounts in exchange for referring hospice patients to Sterling and New Hope, regardless of
3 whether the patients were medically eligible for hospice. In addition, **RALPH CANALES** and
4 **GIOVANNI IBALE** also paid money to the company's accountant, **SHEMEI POSTRERO**.
5 **POSTRERO** would then deposit the funds into his personal bank account and paid illegal
6 kickbacks to **JULIET MEER** and **EMERITA MANICANE** for referring patients to Sterling
7 and New Hope without regard to whether the patients qualified for hospice services.

8 Among the patients who were illegally referred to Sterling and New Hope were patients
9 who had no idea they were ever placed on hospice. Their Medicare card and Medi-Cal card
10 information was used without their knowledge by Sterling and New Hope to bill for hospice
11 services these patients did not need.

12 In addition, there were also patients of Sterling and New Hope who weren't terminally ill
13 and had no idea that hospice was only for terminally ill patients.

14 There were also Sterling hospice patients who were taken off hospice and then placed back
15 onto hospice as patients of New Hope. Similarly, patients of New Hope were taken off hospice
16 and then started again as hospice patients of Sterling. The patients didn't choose to change
17 hospice companies. Rather, by shifting patients from one of their companies to the other, the
18 defendants made it more difficult for law enforcement and regulatory agencies to discover the
19 fraud scheme.

20 As a result of defendants' scheme, Sterling and New Hope together were paid more than
21 \$4,290,000 from Medicare and Medi-Cal, combined, for hospice services where patients lived
22 more than a year on hospice with some living more than two years on hospice.

23 **OVERT ACTS IN FURTHERANCE OF THE CONSPIRACY**

24 1. On approximately March 25, 2013, **MAUREEN IBALE**, filed Sterling's Articles of
25 Incorporation with the California Secretary of State.

26 2. On approximately July 17, 2013, **GIOVANNI IBALE** and **MAUREEN IBALE** opened
27 Sterling's Chase Bank account # 235178995.

28

1 3. On approximately February 19, 2014, Sterling Chief Executive Officer and Chief
2 Operations Officer **RALPH CANALES** and President **MAUREEN IBALE** enrolled Sterling
3 into the Medicare program, listing **ROMEO RODRIGUEZ** as the company's medical director.

4 4. On or about December 8, 2014, **RALPH CANALES'** brother, **SHERWIN CANALES**,
5 negotiated his first employment check drafted from Sterling's Chase Bank account # 235178995
6 signed by **GIOVANNI IBALE**.

7 5. On or about February 2, 2015, **SHEMEI POSTRERO** deposited his first employment
8 check drafted from Sterling's Chase Bank account # 235178995 signed by **GIOVANNI IBALE**.

9 6. On or about March 13, 2015, Licensed Vocational Nurse **ROSE LEE** deposited her
10 first employment check drafted from Sterling's Chase Bank account # 679191051 signed by
11 **GIOVANNI IBALE**.

12 7. On approximately April 24, 2015, **MAUREEN IBALE** signed and submitted an
13 Electronic Funds Transfer Authorization Agreement enrollment to the Department of Health and
14 Human Services Centers for Medicare and Medicaid Services on behalf of Sterling listing
15 Business Chase Bank account #235178995 to receive payment reimbursement for hospice
16 services.

17 8. On or after December 30, 2015, **ALBERT CABUSAO** received payment from Sterling
18 Chase Bank account # 235178995 (Check #1121), signed by **GIOVANNI IBALE**, in the amount
19 of \$400.00 for the illegal referral of at least one hospice patient.

20 9. On or about March 31, 2016, **MELITA CACHAPERO** received payment from Sterling
21 Chase Bank account # 235178995 (Check #1225), signed by **GIOVANNI IBALE**, in the amount
22 of \$1,400.00 for the illegal referral of at least one hospice patient.

23 10. On approximately June 2, 2016, **RALPH CANALES** was added as a signer on Sterling
24 Chase Bank accounts 235178995 and 679191051.

25 11. On or about August 19, 2016, **JULIET MEER** received payment from **RALPH**
26 **CANALES'** personal Chase bank account 838387292 (Check #7022), signed by **RALPH**
27
28

1 CANALES, in the amount of \$8,700.00, that was deposited into JULIET MEER's personal
2 Wells Fargo bank account 2631333990, for the illegal referral of hospice patients.

3 12. On or about August 19, 2016, GIOVANNI IBALE signed a check from his personal
4 Chase Bank account 106224650 in the amount of \$7,010 to ROSE LEE. Between this date and
5 April 21, 2017, GIOVANNI IBALE wrote several checks to ROSE LEE from his personal
6 account, which totaled more than \$60,000. This amount was in addition to and separate from her
7 \$76,675 in compensation from New Hope and Sterling during the same approximate period.

8 13. On August 21, 2016, GIOVANNI IBALE signed a check from his personal Chase
9 Bank account 106224650 in the amount of \$7,390 to ROSE LEE's husband Walter Lee who was
10 not an employee of Sterling or New Hope.

11 14. On or about October 26, 2016, EMERITA MANICANE received payment from
12 JULIET MEER's personal Wells Fargo bank account 2631333990 (Check #1050), signed by
13 JULIET MEER, in the amount of \$1,500.00 for the illegal referral of hospice patients.

14 15. On or about November 14, 2016, MYRNA CADAVONA received payment from
15 JULIET MEER's personal Wells Fargo Bank account 2631333990 (Check #1041), signed by
16 JULIET MEER, in the amount of \$1,500.00 for the illegal referral of at least one hospice
17 patient.

18 16. On December 9, 2016, RALPH CANALES and or ROCHELL PARAGADOS used
19 their personal Chase Bank account #838397292 to take funds received from Sterling and purchase
20 \$34,871 worth of merchandise from high-end fashion retailer Hermes in New York.

21 17. In or about January, 2017, Dr. ESTRELLA ASEJO referred her patient, *Melecio A.*,
22 father of co-defendant MIRANDA ANCHETA, to Sterling even though *Melecio* was not eligible
23 for hospice services and was not terminally ill.

24 18. On approximately March 3, 2017, New Hope Chief Financial Officer GIOVANNI
25 IBALE filed a statement of information with the California Secretary of State listing ROCHELL
26 PARAGADOS as Chief Executive Officer of New Hope.

27 ///

28

1 19. On approximately March 7, 2017, **ROCHELL PARAGADOS** initialed and signed a
2 software agreement with Hospice MD, Inc. on behalf of New Hope.

3 20. On approximately March 9, 2017, **GIOVANNI IBALE** opened New Hope Chase Bank
4 accounts 125558608 and 125559226.

5 21. On approximately March 28, 2017, **ROCHELL PARAGADOS** was added as a signer
6 on New Hope Chase Bank accounts 125558608 and 125559226.

7 22. On approximately April 8, 2017, Chief Executive Officer **MAUREEN IBALE** filed a
8 statement of information with the California Secretary of State listing **RALPH CANALES** as
9 Chief Financial Officer of Sterling.

10 23. On approximately May 3, 2017, **RALPH CANALES** was added as a signer on New
11 Hope Chase Bank accounts 125558608 and 125559226.

12 24. On or about June 21, 2017, **JULIET MEER** received payment from Sterling/New
13 Hope employee **SHEMEI POSTRERO**'s personal Chase Bank account 773216077 (Check
14 #1063), signed by **SHEMEI POSTRERO**, in the amount of \$3,000.00 for the illegal referral of
15 at least one hospice patient.

16 25. On or about June 21, 2017, **EMERITA MANICANE** received payment from
17 Sterling/New Hope employee **SHEMEI POSTRERO**'s personal Chase Bank account
18 773216077 (Check #1062), signed by **SHEMEI POSTRERO**, in the amount of \$4,200.00 for the
19 illegal referral of at least one hospice patient.

20 26. On or about July 19, 2017, **RALPH CANALES** signed two checks on his personal
21 Chase Bank account #838392792 in the amount of \$18,453; **SHEMEI POSTRERO** then
22 negotiated the checks through his (**POSTRERO**'s) personal Chase Bank account 773216077.

23 27. On or about July 20, 2017, **SHEMEI POSTRERO** withdrew \$7,000 from his personal
24 Chase Bank Account 773216077.

25 28. On or about July 21, 2017, **SHEMEI POSTRERO** withdrew an additional \$7,000 from
26 his personal Chase Bank Account 773216077, for a total of \$14,000 cash withdrawn in two days.

27 ///

28

1
2 29. On or about September 22, 2017, **RALPH CANALES** and or **ROCHELL**
3 **PARAGADOS** used their joint personal Chase Bank account #838397292 to take \$100,000
4 received from their hospice companies and wire transferred the money out of the United States to
5 the Philippines for a real estate transaction.

6 30. In or about October 2017, **RALPH CANALES** hired **LEMUEL URSALES**, a
7 registered nurse, to be the Director of Patient Care Services for Sterling and New Hope.

8 31. In or about November, 2017, Licensed Vocational Nurse **SHERWIN CANALES**,
9 brother of **RALPH CANALES**, participated in Interdisciplinary Team Meetings of Sterling
10 hospice patients which he knew were not terminally ill.

11 32. On or before November 4, 2017, **RALPH CANALES** hired **MIRANDA ANCHETA**
12 to be a paid Community Liaison for Sterling and New Hope to refer patients to Sterling and New
13 Hope for hospice services in San Bernardino, Kern, and Tulare Counties.

14 33. On or about November 4, 2017, **MIRANDA ANCHETA** and Dr. **ESTRELLA**
15 **ASEJO** referred **MIRANDA ANCHETA**'s father, *Melecio A.*, to New Hope, knowing that
16 *Melecio* was not terminally ill, and listed **MIRANDA ANCHETA** as her father's emergency
17 contact.

18 34. On or about November 6, 2017, Dr. **ROMEO RODRIGUEZ**, medical director for
19 New Hope and Sterling, certified **MIRANDA ANCHETA**'S father, *Melecio A.*, as terminally ill
20 when there was no medical condition that justified *Melecio*'s initial admission and subsequent
21 hospice certifications.

22 35. On or about November 20, 2017, **RALPH CANALES** wrote a check from his personal
23 Chase Bank account #838397292 in the amount of \$10,000 to **MIRANDA ANCHETA**. This
24 was the first of a series of payments by **RALPH CANALES** to **MIRANDA ANCHETA**,
25 through March 28, 2018, totaling in excess of \$60,000. This was in addition to and separate from
26 her more than \$20,000 in compensation from Sterling during the same approximate period.
27
28

1 36. On or about April 20, 2018, **ROSE LEE** deposited \$8,970.02 into her personal Chase
2 Bank account 528885630. The money deposited consisted of \$6,000 cash, plus a check for
3 \$1,200 written on New Hope Chase Bank account 125559226, signed by **RALPH CANALES**,
4 and a check for \$1,770.02 written on Chase Bank account 125558608, also signed by **RALPH**
5 **CANALES**.

6 37. On or about April 23, 2018, **SHEMEI POSTRERO** wrote a check in the amount of
7 \$4,120 on his personal Chase Bank account #773216077 paid to **EMERITA MANICANE**
8 which was deposited into her personal Chase Bank account 705866756 for the illegal referral of
9 at least one hospice patient.

10 38. On or about April 27, 2018, **ALBERT CABUSAO** received payment from
11 **GIOVANNI IBALE**'s personal Chase Bank account 106227650 (Check #1581), signed by
12 **GIOVANNI IBALE**, in the amount of \$1,050.00 for the illegal referral of at least one hospice
13 patient.

14 39. On or about July 27, 2018, **GIOVANNI IBALE** and or **MAUREEN IBALE** used their
15 joint personal Chase Bank account #106227650 to take \$165,000 received from their hospice
16 companies and wire transferred the money to a TD Ameritrade brokerage account.

17 40. On or about December 12, 2018, **ROSE LEE** deposited \$808.15 into her personal
18 Chase Bank account #528885630, received from New Hope written on Chase Bank account
19 125558608, and signed by **RALPH CANALES**.

20 41. On or about July 6, 2020, New Hope submitted its final claim that was paid by
21 Medicare, for patient *Betty W.* This patient was on hospice for approximately 448 days and was
22 certified as terminally ill by New Hope's medical director, **ROMEO RODRIGUEZ**.

23 42. On or about July 9, 2020, New Hope received its final Medicare payment for hospice
24 patient, *Betty W.* which was direct deposited into a New Hope bank account controlled by
25 defendants **RALPH CANALES**, **GIOVANNI IBALE**, and **MAUREEN PARAGADOS**.

26 43. On or about May 3, 2021, Sterling received its final Medi-Cal payment for a hospice
27 patient who was on hospice for approximately 518 days, and they payment was directly deposited
28

1 into a bank account controlled by defendant **RALPH CANALES**. This patient was referred to
2 Sterling by **Dr. ESTRELLA ASEJO**, and certified as terminally ill by Sterling's medical
3 director, **ROMEO RODRIGUEZ**.

4 **COUNT 2**

5 **(All Defendants)**

6 **Insurance Fraud (Medicare) – Penal Code §550(b)(3)**

7 Starting on or before January 1, 2015, and continuing at least until July 9, 2020, defendants
8 **RALPH CANALES, ROCHELL PARAGADOS, GIOVANNI IBALE, MAUREEN IBALE,**
9 **ROMEO RODRIGUEZ, ESTRELLA ASEJO, SHERWIN CANALES, LEMUEL**
10 **URSALES, ROSE LEE, MARIETA ANCHETA, SHEMEI POSTRERO, JULIET MEER,**
11 **ELBERTO CABUSAO, EMERITA MANICANE, MYRNA CADAVONA, and MELITA**
12 **CACHAPERO**, did knowingly and willfully, by their conduct, or acting in conspiracy with co-
13 conspirators, or by aiding and abetting other co-defendants, conceal or fail to disclose the
14 occurrence of events that affected the initial or continued right or entitlement of a person or
15 persons to insurance benefits and payments in excess of \$950 for payment of health care benefits,
16 to wit: *hospice services billed to Medicare* in violation of Penal Code §550(b)(3), a felony.

17 **COUNT 3**

18 **(All Defendants)**

19 **Insurance Fraud (Medi-Cal) – Penal Code §550(b)(3)**

20 Starting on or before January 1, 2015, and continuing at least until May 3, 2021, defendants
21 **RALPH CANALES, ROCHELL PARAGADOS, GIOVANNI IBALE, MAUREEN IBALE,**
22 **ROMEO RODRIGUEZ, ESTRELLA ASEJO, SHERWIN CANALES, LEMUEL**
23 **URSALES, ROSE LEE, MARIETA ANCHETA, SHEMEI POSTRERO, JULIET MEER,**
24 **ELBERTO CABUSAO, EMERITA MANICANE, MYRNA CADAVONA, and MELITA**
25 **CACHAPERO**, did knowingly and willfully, by their conduct, or acting in conspiracy with co-
26 conspirators, or by aiding and abetting other co-defendants, conceal or fail to disclose the
27 occurrence of events that affected the initial or continued right or entitlement of a person or
28

1 persons to insurance benefits and payments in excess of \$950 for payment of health care benefits,
2 to wit: *hospice services billed to Medi-Cal* in violation of Penal Code §550(b)(3), a felony.

3 **COUNT 4**

4 **(All Defendants)**

5 **Fraudulent Insurance Claims – Penal Code §549**

6 Starting on or before January 1, 2015, and continuing at least until April 27, 2018,
7 defendants **RALPH CANALES, ROCHELL PARAGADOS, GIOVANNI IBALE,**
8 **MAUREEN IBALE, ROMEO RODRIGUEZ, ESTRELLA ASEJO, SHERWIN CANALES,**
9 **LEMUEL URSALES, ROSE LEE, MARIETA ANCHETA, SHEMEI POSTRERO,**
10 **JULIET MEER, ELBERTO CABUSAO, EMERITA MANICANE, MYRNA**
11 **CADAVONA, and MELITA CACHAPERO,** did knowingly and willfully, by their conduct, or
12 acting in conspiracy with co-conspirators, or by aiding and abetting other co-defendants,
13 unlawfully solicit, accept, or refer business, to wit: *Medicare or Medi-Cal patients for hospice*
14 *care*, to and from an individual or entity with knowledge that, or with reckless disregard for
15 whether, the individual or entity for and from whom the solicitation and referral is made, and the
16 individual or entity who is soliciting and referred, intended to commit insurance fraud, in
17 violation of Penal Code §549, a felony.

18 **COUNT 5**

19 **(All Defendants)**

20 **Grand Theft – Penal Code §487(a)**

21 Starting on or before January 1, 2015, and continuing at least until July 9, 2020, defendants
22 **RALPH CANALES, ROCHELL PARAGADOS, GIOVANNI IBALE, MAUREEN IBALE,**
23 **ROMEO RODRIGUEZ, ESTRELLA ASEJO, SHERWIN CANALES, LEMUEL**
24 **URSALES, ROSE LEE, MARIETA ANCHETA, SHEMEI POSTRERO, JULIET MEER,**
25 **ELBERTO CABUSAO, EMERITA MANICANE, MYRNA CADAVONA, and MELITA**
26 **CACHAPERO,** did knowingly and willfully, or acting in conspiracy with co-conspirators, or by
27
28

1 aiding and abetting other co-defendants, take from the Medicare Program, more than \$950, in
2 violation of Penal Code §487(a), a felony.

3 **COUNT 6**

4 **(All Defendants)**

5 **Grand Theft – Penal Code §487(a)**

6 Starting on or before January 1, 2015, and continuing at least until May 3, 2021, defendants
7 **RALPH CANALES, ROCHELL PARAGADOS, GIOVANNI IBALE, MAUREEN IBALE,**
8 **ROMEO RODRIGUEZ, ESTRELLA ASEJO, SHERWIN CANALES, LEMUEL**
9 **URSALES, ROSE LEE, MARIETA ANCHETA, SHEMEI POSTRERO, JULIET MEER,**
10 **ELBERTO CABUSAO, EMERITA MANICANE, MYRNA CADA VONA, and MELITA**
11 **CACHAPERO,** did knowingly and willfully, or acting in conspiracy with co-conspirators, or by
12 aiding and abetting other co-defendants, take from the Medi-Cal Program, more than \$950, in
13 violation of Penal Code §487(a), a felony.

14 **SPECIAL ALLEGATIONS**

15 **Aggravated White Collar Crime Enhancement, Loss Over \$100,000**

16 **Penal Code §186.11(a)(3)**

17 It is further alleged that the crimes defendants 1 through 16 are charged with in Counts 1
18 through 6 above are related felonies, a material element of which is fraud, and that the resulting
19 loss exceeded more than \$100,000.00 within the meaning of Penal Code §186.11(a)(3).

20 **Aggravated White Collar Crime Enhancement, Loss Over \$500,000**

21 **Penal Code §186.11(a)(2)**

22 It is further alleged that the crimes defendants 1 through 16 are charged with in Counts 1
23 through 6 above are related felonies, a material element of which is fraud, and that the resulting
24 loss exceeded more than \$500,000.00 within the meaning of Penal Code §186.11(a)(2).

25 ///

26 ///

27 ///

28

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

Great Taking, Loss over \$65,000

Penal Code §12022.6(a)(1)

It is further alleged that in the commission of the felonies charged above in Counts 1 through 6, defendants 1 through 16, with the intent to do so, caused the loss of, or took property of, a value in excess of \$65,000 before January 1, 2018, within the meaning of Penal Code §12022.6(a)(1).

Great Taking, Loss over \$200,000

Penal Code §12022.6(a)(2)

It is further alleged that in the commission of the felonies charged above in Counts 1 through 4, defendants 1 through 16, with the intent to do so, caused the loss of, or took property of, a value in excess of \$200,000 before January 1, 2018, within the meaning of Penal Code §12022.6(a)(2).

Probation Limitation – Penal Code §1203.045

It is further alleged that in the commission of Counts 1 through 6 charged above, that defendants 1 through 16, with the intent to do so, unlawfully took in excess of \$100,000.00, within the meaning of the Penal Code §1203.045, thereby requiring defendants be denied probation.

Factors in Aggravation – Penal Code §1170(b)

Rule 4.421(a)(1)

(Defendants 1-9)

It is further alleged that each of the crimes charged in Counts 1 through 6 above involved acts of cruelty, viciousness, or callousness.

Rule 4.421(a)(4)

(Defendants 1-12)

It is further alleged that each of these defendants induced others to participate in the commission of the crimes alleged in Counts 1 through 6 above, or occupied a position of leadership or dominance of other participants in the commission of these crimes.

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

Rule 4.421(a)(8)

(All Defendants)

It is further alleged that each crime alleged in Counts 1 through 6 above was committed with planning, sophistication, or professionalism.

Rule 4.421(a)(9)

(Defendants 1-4)

It is further alleged that each crime alleged in Counts 1 through 6 above involved an attempted or actual taking of great monetary value.

Rule 4.421(a)(11)

(Defendants 1-8)

It is further alleged that in committing each crime alleged in Counts 1 through 6 above that these defendants took advantage of a position of trust or confidence.

COUNT 7

(Defendants 1, 2, 5-7, 10)

Identity Theft – Penal Code §530.5(a)

Starting on or before January 26, 2017, and continuing at least until January 31, 2018, defendants **RALPH CANALES, GIOVANNI IBALE, ROMEO RODRIGUEZ, ESTRELLA ASEJO, SHERWIN CANALES, LEMUEL URSALES, MARIETA ANCHETA**, by their conduct, or by acting in conspiracy with co-conspirators, or by aiding and abetting co-defendants, did willfully and unlawfully obtain personal identifying information of *Melecio A.* and use that information for an unlawful purpose and to obtain and attempt to obtain credit, goods, or services, without consent of *Melecio A.*, in violation of Penal Code §530.5(a), a felony.

Special Allegation: It is further alleged under Penal Code §803.5 (Statute of Limitations tolled from date of discovery) that the identity theft of victim *Melecio A.* was not discovered until March 9, 2020 during an interview with his son Eduardo regarding *Melecio A.*'s overall health and circumstances.

///

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

COUNT 8

(Defendants 1, 2, 5-7)

Identity Theft – Penal Code §530.5(a)

Starting on or before February 8, 2017, and continuing at least until October 31, 2018, **RALPH CANALES, GIOVANNI IBALE, ROMEO RODRIGUEZ, ESTRELLA ASEJO,** and **LEMUEL URSALES**, by their conduct, by acting in conspiracy with co-conspirators, or by aiding and abetting co-defendants, did willfully and unlawfully obtain personal identifying information of *John B.* and use that information for an unlawful purpose and to obtain and attempt to obtain credit, goods, or services, without consent of *John B.*, in violation of Penal Code §530.5(a), a felony.

Special Allegation: It is further alleged under Penal Code § 803.5 (Statute of Limitations tolled from date of discovery) that the identity theft of victim *John B.* was not discovered until May 22, 2019 during an interview with him and his wife Angelita regarding *John B.*'s overall health and circumstances.

COUNT 9

(Defendants 1, 2, 5, 7)

Identity Theft – Penal Code §530.5(a)

Starting on or before September 13, 2017, and continuing at least until November 28, 2018, **RALPH CANALES, GIOVANNI IBALE, ROMEO RODRIGUEZ,** and **LEMUEL URSALES**, by their conduct, by acting in conspiracy with co-conspirators, by aiding and abetting co-defendants, did willfully and unlawfully obtain personal identifying information of *Javier F.* and use that information for an unlawful purpose and to obtain and attempt to obtain credit, goods, or services, without consent of *Javier F.*, in violation of Penal Code §530.5(a), a felony.

Special Allegation: It is further alleged under Penal Code § 803.5 (Statute of Limitations tolled from date of discovery) that the identity theft of victim *Javier F.* was not discovered until March 9, 2020 during an interview with him and his wife Lucia and his daughter Maria regarding *Javier F.*'s overall health and circumstances.

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

COUNT 10

(Defendants 1, 2, 5, 7)

Identity Theft – Penal Code §530.5(a)

Starting on or before August 15, 2016, and continuing at least until January 25, 2018, **RALPH CANALES, GIOVANNI IBALE, ROMEO RODRIGUEZ, and LEMUEL URSALES**, by their conduct, by acting in conspiracy with co-conspirators, by aiding and abetting co-defendants, did willfully and unlawfully obtain personal identifying information of *Robert G.* and use that information for an unlawful purpose and to obtain and attempt to obtain credit, goods, or services, without consent of *Robert G.*, in violation of Penal Code §530.5(a), a felony.

Special Allegation: It is further alleged under Penal Code § 803.5 (Statute of Limitations tolled from date of discovery) that the identity theft of victim *Robert G.* was not discovered until February 3, 2020 during an interview with *Robert G.* regarding his overall health and circumstances.

COUNT 11

(Defendants 1, 2, 5, 7)

Identity Theft – Penal Code §530.5(a)

Starting on or before January 1, 2017, and continuing at least until November 29, 2018, **RALPH CANALES, GIOVANNI IBALE, ROMEO RODRIGUEZ, and LEMUEL URSALES**, by their conduct, by acting in conspiracy with co-conspirators, or by aiding and abetting co-defendants, did willfully and unlawfully obtain personal identifying information of *Ripney J.* and use that information for an unlawful purpose and to obtain and attempt to obtain credit, goods, or services, without consent of *Ripney J.*, in violation of Penal Code §530.5(a), a felony.

Special Allegation: It is further alleged under Penal Code § 803.5 (Statute of Limitations tolled from date of discovery) that the identity theft of victim *Ripney J.* was not discovered until February 3, 2020 during an interview with *Ripney J.* regarding his overall health and circumstances.

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

COUNT 12

(Defendants 1, 2, 5-7)

Identity Theft – Penal Code §530.5(a)

Starting on or before June 29, 2017, and continuing at least until May 8, 2018, **RALPH CANALES, GIOVANNI IBALE, ROMEO RODRIGUEZ, ESTRELLA ASEJO**, and **LEMUEL URSALES**, by their conduct, by acting in conspiracy with co-conspirators, or by aiding and abetting co-defendants, did willfully and unlawfully obtain personal identifying information of *Dionicia P.* and use that information for an unlawful purpose and to obtain and attempt to obtain credit, goods, or services, without consent of *Dionicia P.*, in violation of Penal Code §530.5(a), a felony.

Special Allegation: It is further alleged under Penal Code § 803.5 (Statute of Limitations tolled from date of discovery) that the identity theft of victim *Dionicia P.* was not discovered until May 22, 2019 during an interview with her and her granddaughter, Shylla. regarding *Dionicia P.'s* overall health and circumstances.

COUNT 13

(Defendants 1, 2, 5-7)

Identity Theft – Penal Code §530.5(a)

Starting on or before August 18, 2017, and continuing at least until November 23, 2018, **RALPH CANALES, GIOVANNI IBALE, ROMEO RODRIGUEZ, ESTRELLA ASEJO**, and **LEMUEL URSALES**, by their conduct, by acting in conspiracy with co-conspirators, or by aiding and abetting co-defendants, did willfully and unlawfully obtain personal identifying information of *Silverio R.* and use that information for an unlawful purpose and to obtain and attempt to obtain credit, goods, or services, without consent of *Silverio R.*, in violation of Penal Code §530.5(a), a felony.

Special Allegation: It is further alleged under Penal Code § 803.5 (Statute of Limitations tolled from date of discovery) that the identity theft of victim *Silverio R.* was not discovered until

1 February 11, 2020 during an interview with his wife Simplicia R., grandson Mathew, and
2 daughter Milagros regarding *Silverio R.*'s overall health and circumstances.

3 **COUNT 14**

4 **(Defendants 1, 2, 5-7)**

5 **Identity Theft – Penal Code §530.5(a)**

6 Starting on or before August 18, 2017, and continuing at least until October 1, 2018,
7 **RALPH CANALES, GIOVANNI IBALE, ROMEO RODRIGUEZ, ESTRELLA ASEJO,**
8 **and LEMUEL URSALES,** by their conduct, by acting in conspiracy with co-conspirators, or by
9 aiding and abetting co-defendants, did willfully and unlawfully obtain personal identifying
10 information of *Simplicia R.* and use that information for an unlawful purpose and to obtain and
11 attempt to obtain credit, goods, or services, without consent of *Simplicia R.*, in violation of Penal
12 Code §530.5(a), a felony.

13 Special Allegation: It is further alleged under Penal Code § 803.5 (Statute of Limitations
14 tolled from date of discovery) that the identity theft of victim *Simplicia R.*, was not discovered
15 until February 11, 2020 during an interview with her husband Silverio R., grandson Mathew, and
16 daughter Milagros regarding *Simplicia R.*'s overall health and circumstances.

17 **COUNT 15**

18 **(Defendants 1, 2, 5-7)**

19 **Identity Theft – Penal Code §530.5(a)**

20 Starting on or before April 1, 2017, and continuing at least until October 1, 2018, **RALPH**
21 **CANALES, GIOVANNI IBALE, ROMEO RODRIGUEZ, ESTRELLA ASEJO,** and
22 **LEMUEL URSALES,** by their conduct, by acting in conspiracy with co-conspirators, or by
23 aiding and abetting co-defendants, did willfully and unlawfully obtain personal identifying
24 information of *Zosima A.* and use that information for an unlawful purpose and to obtain and
25 attempt to obtain credit, goods, or services, without consent of *Zosima A.*, in violation of Penal
26 Code §530.5(a), a felony.

27

28

COUNT/DEF	ELECTRONIC TRANSFER DATE/ACCNT	AMOUNT
16 (D 2) GIOVANNI IBALE	3/13/18 Chase Account # 769313870	\$50,000.00
17 (D 2) GIOVANNI IBALE	1/16/18 Chase Account # 769313870	\$40,000.00
18 (D 2) GIOVANNI IBALE	11/18/16 Chase Account # 769313870	\$30,000.00
19 (Ds 2, 4) GIOVANNI IBALE, MAUREEN IBALE	7/19/2017 Chase Account # 106277650	\$50,000.00
20 (Ds 2, 4) GIOVANNI IBALE, MAUREEN IBALE	5/23/2017 Chase Account # 106277650	\$34,960.00
21 (Ds 2, 4) GIOVANNI IBALE, MAUREEN IBALE	5/15/17 Chase Account # 106277650	\$25,000.00
22 (Ds 1, 3) CANALES, PARAGADOS	3/14/18 Chase Account # 3626508221	\$50,000.00
23 (Ds 1, 3) CANALES, PARAGADOS	6/5/18 Chase Account # 3626508221	\$46,500.00
24 (Ds 1, 3) CANALES, PARAGADOS	10/18/18 Chase Account # 838397292	\$40,000.00
25 (Ds 1, 3) CANALES, PARAGADOS	12/9/16 Chase Account # 838397292	\$34,871.00
26 (Ds 1, 3) CANALES, PARAGADOS	11/10/17 Chase Account # 838397292	\$31,000.00

COUNTS 27-31

(Defendants 1-4 as specified)

Money Laundering – Penal Code §186.10(c)(1)(A)

On or about each date specified below (identified in the center column of the following table), defendants, as specified below, did launder money in that he or she willfully and unlawfully conducted transactions involving monetary instruments of a value exceeding \$50,000 (as specified in the right hand column next to each respective date), through a financial institution knowing that such monetary instruments represented the proceeds of, or were derived directly or indirectly from the proceeds of criminal activity, to wit: theft from the Medicare or Medi-Cal program, in violation of Penal Code § 186.10(c)(1)(A) a felony:

///

COUNT/DEF	ELECTRONIC TRANSFER DATE/ACCNT	AMOUNT
27 (D 2) GIOVANNI IBALE	12/28/17 Chase Account # 769313870	\$90,000.00
28 (D 2) GIOVANNI IBALE	2/28/17 Chase Account # 769313870	\$75,000.00
29 (Ds 2, 4) GIOVANNI IBALE, MAUREEN IBALE	10/29/15 Chase Account # 106277650	\$149,157.64
30 (Ds 1, 3) CANALES, PARAGADOS	9/22/17 Chase Account # 838397292	\$100,000.00
31 (Ds 1, 3) CANALES, PARAGADOS	2/28/17 Chase Account # 838397292	\$75,000.00

COUNTS 32 -33

(Defendants 2 & 4)

Money Laundering – Penal Code §186.10(c)(1)(B)

On or about each date specified below (identified in the center column of the following table), defendants, as specified below, did launder money in that he or she willfully and unlawfully conducted transactions involving instruments of a value exceeding \$150,000 (as specified in the right hand column next to each respective date), through a financial institution knowing that such monetary instruments represented the proceeds of, or were derived directly or indirectly from the proceeds of criminal activity, to wit: theft from the Medicare or Medi-Cal program, in violation of Penal Code § 186.10(c)(1)(B) a felony:

COUNT/DEF	ELECTRONIC TRANSFER DATE/ACCNT	AMOUNT
32 (D 2) GIOVANNI IBALE	11/29/16 Chase Account # 769313870	\$220,000.00
33 (Ds 2, 4) GIOVANNI IBALE, MAUREEN IBALE	7/27/2018 Chase Account # 106277650	\$165,000.00

///

///

1 or statement or supply any false or fraudulent information to the Employment Development
2 Department, in violation of Unemployment Insurance Code §2117.5, a felony.

3 **COUNT 35**

4 **(Defendants 1, 2 & 4)**

5 **Employment Tax Evasion (Sterling) – Unemployment Insurance Code §2118.5**

6 Starting on or before April 1, 2014 and continuing at least until December 31, 2018,
7 Defendants **RALPH CANALES, GIOVANNI IBALE** and **MAUREEN IBALE**, who were
8 required to collect, account for, and pay over any tax or amount required to be withheld, did
9 willfully fail to collect or truthfully account for and pay the tax or amount to the Employment
10 Development Department, in violation of Unemployment Insurance Code §2118.5, a felony.

11 **COUNT 36**

12 **(Defendants 1-3)**

13 **False Employment Tax Reporting (New Hope) – Unemployment Insurance Code §2117.5**

14 Starting on or before April 1, 2017 and continuing at least until December 31, 2018,
15 Defendants **RALPH CANALES, ROCHELL PARAGADOS** , and **GIOVANNI IBALE** did
16 willfully fail to file a return or report, or to supply any information with intent to evade any
17 required tax, or willfully and with like intent, make, render, sign, or verify any false or fraudulent
18 return, report, or statement or supply any false or fraudulent information to the Employment
19 Development Department, in violation of Unemployment Insurance Code §2117.5, a felony.

20 **COUNT 37**

21 **(Defendants 1-3)**

22 **Employment Tax Evasion (New Hope) – Unemployment Insurance Code §2118.5**

23 Starting on or before April 1, 2017 and continuing at least until December 31, 2018,
24 defendants **RALPH CANALES, ROCHELL PARAGADOS**, and **GIOVANNI IBALE**, who
25 were required to collect, account for, and pay over any tax or amount required to be withheld, did
26 willfully fail to collect or truthfully account for and pay over the tax or amount to the
27
28

1 Employment Development Department, in violation of Unemployment Insurance Code §2118.5,
2 a felony.

3 **COUNT 38**

4 **(Defendant 1 & 4)**

5 **Tax Evasion (Sterling Corporate Return 2016 tax year) - Revenue & Taxation Code §19706**

6 On or about October 31, 2017, defendants **RALPH CANALES** and **MAUREEN IBALE**
7 did willfully and unlawfully and with intent to evade an income tax made, rendered, or verified a
8 fraudulent 2016 Amended California Corporate Income Tax Return (Sterling Hospice Care, Inc.)
9 or supplied fraudulent information to the Franchise Tax Board, in violation of Revenue and
10 Taxation Code §19706, a felony.

11 **COUNT 39**

12 **(Defendants 1 & 4)**

13 **Tax Evasion (Sterling Corporate Return, 2017 tax year)-Revenue & Taxation Code §19706**

14 On or about September 17, 2018, defendants **RALPH CANALES** and **MAUREEN**
15 **IBALE** did willfully and unlawfully and with intent to evade an income tax made, rendered, or
16 verified a fraudulent 2017 California Corporate Income Tax Return (Sterling Hospice Care, Inc.)
17 or supplied fraudulent information to the Franchise Tax Board, in violation of Revenue and
18 Taxation Code §19706, a felony.

19 **COUNT 40**

20 **(Defendants 1 & 4)**

21 **Tax Evasion (Sterling Corporate Return, 2018 tax year)- Revenue & Taxation Code §19706**

22 Starting on or about April 15, 2019, and continuing through at least February 11, 2022,
23 defendants **RALPH CANALES** and **MAUREEN IBALE** did willfully and unlawfully and with
24 intent to evade an income tax fail to file a 2018 California Corporate Income Tax Return (Sterling
25 Hospice Care, Inc.) with the Franchise Tax Board, in violation of Revenue and Taxation Code
26 §19706, a felony.

27 ///

28

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

COUNT 41

(Defendants 2 & 3)

Tax Evasion (New Hope Corporate Return, 2017 tax year)

Revenue & Taxation Code §19706

On or about September 20, 2018, defendants **GIOVANNI IBALE** and **ROCHELL PERAGADOS** did willfully and unlawfully and with intent to evade an income tax made, rendered, or verified a fraudulent 2017 California Corporate Income Tax Return (New Hope Hospice, Inc.) or supplied fraudulent information to the Franchise Tax Board, in violation of Revenue and Taxation Code §19706, a felony.

COUNT 42

(Defendants 2 & 3)

Tax Evasion (New Hope Corporate Return, 2018 tax year)

Revenue & Taxation Code §19706

Starting on or about April 15, 2019, and continuing through at least February 11, 2022, defendants **GIOVANNI IBALE** and **ROCHELL PERAGADOS** did willfully and unlawfully and with intent to evade an income tax fail to file a 2018 California Corporate Income Tax Return (New Hope Hospice, Inc.) with the Franchise Tax Board, in violation of Revenue and Taxation Code §19706, a felony.

COUNT 43

(Defendant 1)

Tax Evasion (Personal Return, 2015 tax year)-Revenue & Taxation Code §19706

On or about October 1, 2016, defendant **RALPH CANALES** did willfully and unlawfully and with intent to evade an income tax made, rendered, or verified a fraudulent 2015 California Personal Income Tax Return or supplied fraudulent information to the Franchise Tax Board, in violation of Revenue and Taxation Code §19706, a felony.

///

///

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

COUNT 44

(Defendant 1 & 3)

Tax Evasion (Personal Return, 2016 tax year)-Revenue & Taxation Code §19706

On or about October 15, 2017, defendants **RALPH CANALES** and **ROCHELL PERAGADOS** did willfully and unlawfully and with intent to evade an income tax made, rendered, or verified a fraudulent 2016 California Personal Income Tax Return or supplied fraudulent information to the Franchise Tax Board, in violation of Revenue and Taxation Code §19706, a felony.

COUNT 45

(Defendant 1 & 3)

Tax Evasion (Personal Return, 2017 tax year)-Revenue & Taxation Code §19706

On or about December 31, 2017, defendants **RALPH CANALES** and **ROCHELL PERAGADOS** did willfully and unlawfully and with intent to evade an income tax made, rendered, or verified a fraudulent 2017 California Personal Income Tax Return or supplied fraudulent information to the Franchise Tax Board, in violation of Revenue and Taxation Code §19706, a felony.

COUNT 46

(Defendant 1 & 3)

Tax Evasion (Personal Return, 2018 tax year)-Revenue & Taxation Code §19706

On or about January 1, 2019, defendants **RALPH CANALES** and **ROCHELL PERAGADOS** did willfully and unlawfully and with intent to evade an income tax made, rendered, or verified a fraudulent 2018 California Personal Income Tax Return or supplied fraudulent information to the Franchise Tax Board, in violation of Revenue and Taxation Code §19706, a felony.

///
///
///

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

COUNT 47

(Defendant 2)

Tax Evasion (Personal Return, 2015 tax year)-Revenue & Taxation Code §19706

On or about September 4, 2017, defendant **GIOVANNI IBALE** did willfully and unlawfully and with intent to evade an income tax made, rendered, or verified a fraudulent 2015 California Personal Income Tax Return or supplied fraudulent information to the Franchise Tax Board, in violation of Revenue and Taxation Code §19706, a felony.

COUNT 48

(Defendant 2)

Tax Evasion (Personal Return, 2016 tax year)-Revenue & Taxation Code §19706

On or about February 19, 2018, defendant **GIOVANNI IBALE** did willfully and unlawfully and with intent to evade an income tax made, rendered, or verified a fraudulent 2016 California Personal Income Tax Return or supplied fraudulent information to the Franchise Tax Board, in violation of Revenue and Taxation Code §19706, a felony.

COUNT 49

(Defendant 2)

Tax Evasion (Personal Return, 2017 tax year)-Revenue & Taxation Code §19706

On or about October 16, 2018, defendant **GIOVANNI IBALE** did willfully and unlawfully and with intent to evade an income tax made, rendered, or verified a fraudulent 2017 California Personal Income Tax Return or supplied fraudulent information to the Franchise Tax Board, in violation of Revenue and Taxation Code §19706, a felony.

COUNT 50

(Defendant 2)

Tax Evasion (Personal Return, 2018 tax year)- Revenue & Taxation Code §19706

Starting on or about April 15, 2019, and continuing through at least February 11, 2022, defendants **GIOVANNI IBALE** did willfully and unlawfully and with intent to evade an income

1 tax fail to file a 2018 California Personal Income Tax Return with the Franchise Tax Board, in
2 violation of Revenue and Taxation Code §19706, a felony.

3 **COUNT 51**

4 **(Defendant 4)**

5 **Tax Evasion (Personal Return, 2015 tax year)-Revenue & Taxation Code §19706**

6 On or about September 6, 2017, defendant **MAUREEN IBALE** did willfully and
7 unlawfully and with intent to evade an income tax made, rendered, or verified a fraudulent 2015
8 California Personal Income Tax Return or supplied fraudulent information to the Franchise Tax
9 Board, in violation of Revenue and Taxation Code §19706, a felony.

10 **COUNT 52**

11 **(Defendant 4)**

12 **Tax Evasion (Personal Return, 2016 tax year)-Revenue & Taxation Code §19706**

13 On or about October 9, 2018, defendant **MAUREEN IBALE** did willfully and unlawfully
14 and with intent to evade an income tax made, rendered, or verified a fraudulent 2016 California
15 Personal Income Tax Return or supplied fraudulent information to the Franchise Tax Board, in
16 violation of Revenue and Taxation Code §19706, a felony.

17 **COUNT 53**

18 **(Defendant 4)**

19 **Tax Evasion (Personal Return, 2017 tax year)-Revenue & Taxation Code §19706**

20 On or about October 10, 2018, defendant **MAUREEN IBALE** did willfully and unlawfully
21 and with intent to evade an income tax made, rendered, or verified a fraudulent 2017 California
22 Personal Income Tax Return or supplied fraudulent information to the Franchise Tax Board, in
23 violation of Revenue and Taxation Code §19706, a felony.

24 ///

25 ///

26 ///

27 ///

28

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

COUNT 54

(Defendant 4)

Tax Evasion (Personal Return, 2018 tax year)- Revenue & Taxation Code §19706

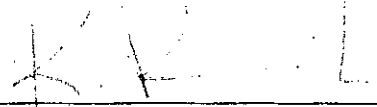
Starting on or about April 15, 2019, and continuing through at least February 11, 2022, defendants MAUREEN IBALE did willfully and unlawfully and with intent to evade an income tax fail to file a 2018 California Personal Income Tax Return with the Franchise Tax Board, in violation of Revenue and Taxation Code §19706, a felony.

DECLARATION

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

Dated: February 15, 2022

ROB BONTA
Attorney General of California



KRISTOFFER A. REICH
Deputy Attorney General
California Department of Justice
Declarant

DOJ Docket No. RV2017106669

Restitution Claimed:

- None
- \$ _____
- To be determined

Time estimate for preliminary examination: 4 Days

PURSUANT TO PENAL CODE §1054.5(b), THE PEOPLE ARE HEREBY INFORMALLY REQUESTING THAT DEFENDANTS' COUNSEL PROVIDE DISCOVERY TO THE PEOPLE AS REQUIRED BY PENAL CODE §1054.3.