

UNITED STATES DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA  
SOUTHERN DIVISION

UNITED STATES OF AMERICA,  
  
Plaintiff,  
  
v.  
  
ISRAEL CLAUSTRO,  
  
Defendant.

No. 8:26-cr-00001-FWS  
  
I N F O R M A T I O N  
  
[18 U.S.C. § 1341: Mail Fraud]

The United States of America charges:

[18 U.S.C. § 1341]

A. INTRODUCTORY ALLEGATIONS

At times relevant to this Information:

1. Defendant ISRAEL CLAUSTRO was an attorney, was not a physician or other medical professional, and resided in Orange County within the Central District of California.

2. Liberty Medical Group Inc. ("Liberty") was a medical corporation incorporated in November 2015 and located in San Bernardino County within the Central District of California. Defendant CLAUSTRO operated Liberty.

3. California's Subsequent Injuries Benefits Trust Fund

1 ("SIBTF") was a special fund administrated by the California Division  
2 of Workers' Compensation ("DWC"), providing additional compensation  
3 to injured workers who previously had a disability or impairment at  
4 the time of an injury.

5 4. Co-schemer Kevin Tien Do ("Do"), was a licensed physician  
6 in the state of California. In 2003, Co-schemer Do was convicted of  
7 federal health care fraud, a felony, in violation of 18 U.S.C.  
8 § 1347, for which he was sentenced to 12 months of imprisonment.

9 5. On or about October 19, 2018, the DWC issued a final order  
10 suspending Co-schemer Do from participating in California's workers'  
11 compensation system, which included the SIBTF. Co-schemer Do  
12 received notice of the final order by certified U.S. Mail on or about  
13 October 19, 2018. Defendant CLAUSTRO was aware of Co-Schemer Do's  
14 criminal conviction and suspension from California's workers'  
15 compensation program.

16 B. THE SCHEME TO DEFRAUD

17 6. Beginning no later than in or around March 2022, and  
18 continuing through at least in or around September 2022, in Orange  
19 County, Los Angeles County, Riverside County, and San Bernardino  
20 County, within the Central District of California, and elsewhere,  
21 defendant CLAUSTRO, together with others known and unknown, knowingly  
22 and with the intent to defraud, devised, participated in, and  
23 executed a scheme to defraud SIBTF as to material matters, and to  
24 obtain money and property by means of material false and fraudulent  
25 pretenses, representations, and promises.

26 7. The fraudulent scheme operated, in substance, as follows:

27 a. Despite being prohibited from doing so because he was  
28 neither a physician nor a medical professional, defendant CLAUSTRO

1 owned, operated, and controlled Liberty, a medical corporation,  
2 including hiring other doctors and employees of Liberty and signing  
3 checks from Liberty to other doctors and employees, including to Co-  
4 schemer Do.

5           b. Notwithstanding Co-schemer Do's October 2018  
6 suspension from participating in California's workers' compensation  
7 programs, which included the SIBTF program, defendant CLAUSTRO  
8 employed Co-schemer Do to work for Liberty on workers' compensation  
9 matters, including drafting and preparing SIBTF-related medical-legal  
10 reports, which Liberty mailed to the California SIBTF with billing  
11 forms, requesting payment.

12           c. To cover up Co-Schemer Do's involvement, defendant  
13 CLAUSTRO and Co-schemer Do caused other doctors' names to be listed  
14 on the reports and forms mailed by Liberty to the California SIBTF  
15 for payment, despite the fact that Co-schemer Do was authoring the  
16 reports.

17           d. Defendant CLAUSTRO caused Liberty to pay Co-schemer Do  
18 for drafting and preparing SIBTF-related medical reports after he had  
19 been suspended from participating in California's workers'  
20 compensation programs.


21 C. USE OF THE MAIL

22           7. On or about February 10, 2022, in Orange County, within the  
23 Central District of California, and elsewhere, defendant CLAUSTRO,  
24 for the purpose of executing the above-described scheme to defraud,  
25 caused a medical-legal evaluation report for patient O.M. to be  
26 placed in an authorized depository for mail matter to be sent and  
27 delivered by the United States Postal Service according to the  
28 directions thereon, specifically from Liberty in Rancho Cucamonga,

1 California addressed to SIBTF at 1750 Howe Avenue, Suite 370,  
2 Sacramento, California.

3  
4 TODD BLANCHE  
Deputy Attorney General

5 BILAL A. ESSAYLI  
6 First Assistant United States  
Attorney

7  
8   
9 ALEXANDER B. SCHWAB  
Assistant United States Attorney  
10 Acting Chief, Criminal Division

11 STEPHANIE L. ORRICK  
12 Special Assistant United States  
Attorney  
13 Orange County Office