



2. On September 1, 2003, Respondent's license to practice chiropractic in the State of New Jersey was suspended without a hearing by operation of law, N.J.S.A 45:1-7.1(b) and (c), for failure to renew . (Exhibit A, Affidavit of Kevin B. Earle, annexed hereto and made a part hereof).

3. On November 6, 2006, Respondent pleaded guilty in the United States District Court for the District of New Jersey to the following crimes: Health Care Fraud, in violation of 18 U.S.C. § 1347, in that Respondent had on various occasions from in or about January 2000 through in or about December 2002, submitted claims to health care insurers falsely representing that medical doctors formerly employed in his practice had rendered medical services to patients of Respondent's practice, when in fact the medical services claimed had not been rendered at all; and Attempt to Evade or Defeat Tax in violation of 26 U.S.C. § 7201, in that for three years, Respondent failed to file United States Individual Income Tax Returns with the Internal Revenue Service, thereby attempting to evade and defeat \$330,071.00 in income tax due and owing by him to the United States for tax years 2000 through 2002. As part of his plea agreement, Respondent agreed to file, prior to his sentencing, accurate personal tax returns for 2000 through 2004, with appropriate documentation, and to pay all taxes and penalties owed on those returns. (Exhibit B, Information and Plea Agreement annexed hereto and made a part hereof).

4. On April 18, 2007, Respondent was sentenced to be committed to the custody of the United States Bureau of Prisons to be imprisoned for a term of four (4) months on each count, such terms to run concurrently; thereafter to be placed on supervised release for a term of three (3) years; and to make restitution totaling \$688,785.00. (Exhibit C, Judgment in a Criminal Case annexed hereto and made a part hereof).

#### CONCLUSIONS OF LAW

1. The aforesaid conduct provides grounds for the suspension or revocation of Respondent's license to practice chiropractic in New Jersey pursuant to N.J.S.A 45:1-21(e) and (f), in that Respondent has engaged in professional misconduct as determined by the Board, and has been convicted of a crime which relates adversely to the practice of chiropractic.

Respondent desiring to amicably settle this matter by agreeing to the surrender to be deemed a revocation of his license to practice chiropractic; and the Board determining that the within Order is adequately protective of the public health, safety and welfare; and for good cause shown;

IT IS ON THIS 13<sup>th</sup> DAY OF December, 2007;

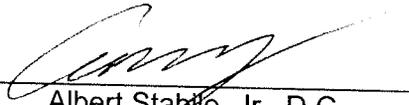
ORDERED AND AGREED that;

1. Respondent's license to practice chiropractic in this State shall be and hereby is voluntarily surrendered to be deemed a revocation of such license, effective on the date of issuance of this Order.

2. The Directives of the Board applicable to any Chiropractic Board licensee who is suspended, revoked or whose surrender of licensure has been accepted are incorporated by reference as though fully set forth herein, whether or not they are attached hereto.

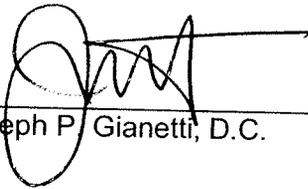
STATE BOARD OF CHIROPRACTIC EXAMINERS

By:



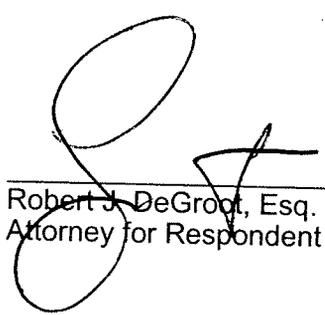
Albert Stable, Jr., D.C.  
Board President

I have read the above terms of the within Order. I understand the terms of the Order and I agree to be bound by same.



Joseph P. Gianetti, D.C.

Consent is hereby given as to the form and entry of this Order.



Robert J. DeGroot, Esq.  
Attorney for Respondent

EXHIBIT A



JON S. CORZINE  
Governor

## New Jersey Office of the Attorney General

Division of Consumer Affairs  
State Board of Chiropractic Examiners  
124 Halsey Street, 6<sup>th</sup> Floor, Newark, NJ 07102



STUART RABNER  
Attorney General

STEPHEN B. NOLAN  
Acting Director

**Mailing Address:**  
P.O. Box 45004  
Newark, NJ 07101  
(973) 504-6395

### CERTIFICATION

March 8, 2007

To: Joanne M. Young  
Senior Probation Officer  
United States District Court- District of New Jersey  
U.S. Court House  
50 Walnut Street, Room 1005  
Newark, New Jersey 07101-0459

Ref: Joseph P. Gianetti, D.C.  
License Number 38MC002221300

I, Kevin B. Earle, being of full age, do hereby certify as follows:

1. I am the Executive Director of the New Jersey State Board of Chiropractic Examiners. In that capacity, I serve as the custodian of records for that agency.
2. I have caused to be searched the licensing records of the Board of Chiropractic Examiners regarding the above captioned chiropractor.
3. The above referenced individual was issued a license to practice chiropractic in the State of New Jersey on February 1, 1982.
4. As of August 31, 2003, Dr. Gianetti's license to practice chiropractic lapsed due to non-payment of biennial renewal fees. By operation of law at N.J.S.A. 45:9-41.11, and pursuant to the provision of the Uniform Enforcement Act at N.J.S.A. 45:1-7c, the license is now considered suspended due to failure to renew.
5. There is no record of disciplinary action concerning this licensee.
6. On February 22, 2007, the Board office received an application for reinstatement to the active practice of chiropractic, along with check in the amount of \$825.00 in payment of back registration fees and reinstatement fee as required by law. The application and fees have been returned to the applicant as the application is incomplete.

CERTIFICATION

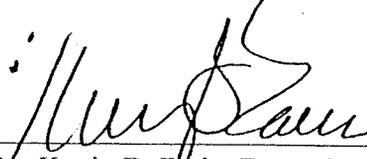
March 8, 2007

Joseph P. Gianetti, D.C.

Page 2

I hereby certify that the foregoing statements made by me are true to the best of my knowledge. I further certify that if statements made by me are later found to be willfully false, I shall be subject to penalty.

STATE BOARD OF CHIROPRACTIC EXAMINERS



By: Kevin B. Earle, Executive Director

Seal

cc: John D. Hugelmeyer, D.A.G.

**EXHIBIT B**

ASW/2003R00488

UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Crim. No. 06- 701  
v. : Hon.  
JOSEPH GIANETTI, JR. : 18 U.S.C. § 1347 and  
26 U.S.C. § 7201

I N F O R M A T I O N

The defendant having waived in open court prosecution by indictment, the United States Attorney for the District of New Jersey charges:

COUNT 1  
(Health Care Fraud)

The Defendant and His Business

1. At all times relevant to this Information:
  - a. Defendant JOSEPH GIANETTI, JR. was a resident of New Jersey who held himself out as a chiropractor licensed to practice in the State of New Jersey.
  - b. Defendant JOSEPH GIANETTI, JR. operated a business, Bridgeview Chiropractic Center, which was located in Fort Lee, New Jersey and provided chiropractic and medical services.
  - c. Defendant JOSEPH GIANETTI, JR. was not a medical doctor, and was not licensed to provide medical services.

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EXHIBIT # 5  
PAGE 1 OF 10 PAGES

2. At various times relevant to this Information, defendant JOSEPH GIANETTI, JR. submitted bills and claims to health care insurers, including Horizon Blue Cross Blue Shield ("HBCBS") for chiropractic services ostensibly provided to patients of Bridgeview Chiropractic Center.

3. In or about early 1999, defendant JOSEPH GIANETTI, JR. hired Dr. R.D., a licensed medical doctor, to provide medical services at Bridgeview Chiropractic Center. Pursuant to this arrangement, defendant JOSEPH GIANETTI, JR. paid Dr. R.D. at an hourly rate to conduct medical evaluations of, and provide medical services to, patients of Bridgeview Chiropractic Center. Defendant JOSEPH GIANETTI, JR. was responsible for handling all billing matters with patients and insurers regarding those medical services.

4. In order to facilitate such billing, Dr. R.D. provided her licensing information to defendant JOSEPH GIANETTI, JR. Defendant JOSEPH GIANETTI, JR. used this information to submit bills and claims to health care insurers, including HBCBS, for medical services provided by Dr. R.D. This arrangement continued until in or about December 1999, when Dr. R.D. ended her employment with Bridgeview Chiropractic Center.

5. In or about November 2000, defendant JOSEPH GIANETTI, JR. hired Dr. J.A., a licensed medical doctor, to provide medical services at Bridgeview Chiropractic Center. As with Dr. R.D.,

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EXHIBIT 3  
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defendant JOSEPH GIANETTI, JR. paid Dr. J.A. at an hourly rate, and used Dr. J.A.'s licensing information to submit bills and claims to health care insurers, including HBCBS, for medical services provided by Dr. J.A. This arrangement continued until in or about April 2001, when Dr. J.A. ended his employment with Bridgeview Chiropractic Center.

The Scheme to Defraud

6. From in or about January 2000 through in or about October 2003, in Bergen County in the District of New Jersey and elsewhere, defendant

JOSEPH GIANETTI, JR.

did knowingly and willfully execute and attempt to execute a scheme and artifice to defraud health care benefit programs and to obtain money from such programs by means of false and fraudulent pretenses, representations and promises, in connection with the delivery and payment of health care benefits and services, which scheme and artifice was in substance as described below.

The Object of the Scheme

7. It was a principal object of the scheme for defendant JOSEPH GIANETTI, JR. to submit to HBCBS and other health care insurers false and fraudulent claims in the names of medical doctors R.D. and J.A, in order to obtain payments to which defendant JOSEPH GIANETTI, JR. was not entitled for medical

services that had never been rendered.

The Means and Methods of the Scheme

8. Among the means and methods used by defendant JOSEPH GIANETTI, JR. to carry out the scheme to defraud and effect its unlawful object were those set forth in paragraphs 9 through 15 below.

9. On various occasions from in or about January 2000 through in or about December 2002, defendant JOSEPH GIANETTI, JR. submitted claims to HCBBS and other health care insurers falsely representing that Dr. R.D. had rendered medical services to patients of Bridgeview Chiropractic Center (the "fraudulent R.D. claims"). Many of the fraudulent R.D. claims alleged that Dr. R.D. had rendered medical services at a time when she was no longer employed at Bridgeview Chiropractic Center. In fact, the medical services alleged in the fraudulent R.D. claims had not been rendered at all.

10. In response to the fraudulent R.D. claims, HCBBS and other health care insurers issued insurance checks made payable to Dr. R.D. which were sent to Bridgeview Chiropractic Center. Defendant JOSEPH GIANETTI, JR. converted these checks to his personal use by forging Dr. R.D.'s signature and then either cashing the checks or endorsing them to third parties to whom defendant JOSEPH GIANETTI, JR. owed money.

11. On various occasions from at least in or about November 2000 through in or about October 2003, defendant JOSEPH GIANETTI, JR. submitted claims to HBCBS and other health care insurers falsely representing that Dr. J.A. had rendered medical services to patients of Bridgeview Chiropractic Center (the "fraudulent J.A. claims"). Many of the fraudulent J.A. claims alleged that Dr. J.A. had rendered medical services at a time when he was no longer employed at Bridgeview Chiropractic Center. In fact, the medical services alleged in the fraudulent J.A. claims had not been rendered at all.

12. In response to the fraudulent J.A. claims, HBCBS and other health care insurers issued insurance checks made payable to Dr. J.A. which were sent to Bridgeview Chiropractic Center. Defendant JOSEPH GIANETTI, JR. converted these checks to his personal use by forging Dr. J.A.'s signature and then either cashing the checks or endorsing them to third parties to whom defendant JOSEPH GIANETTI, JR. owed money.

13. By the above means, from in or about January 2000 through in or about December 2002, defendant JOSEPH GIANETTI, JR. obtained approximately \$688,736 from HBCBS and other health care insurers in payment on fraudulent claims for medical services.

14. In or about January 2003, HBCBS began an inquiry into suspicious claims emanating from Bridgeview Chiropractic Center. In connection with this inquiry, representatives of HBCBS

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conducted an audit interview at the offices of Bridgeview Chiropractic Center. During that interview, defendant JOSEPH GIANETTI, JR. posed as Dr. J.A. in order to conceal his fraudulent claim scheme.

15. In or about March 2003, defendant JOSEPH GIANETTI, JR., posing as Dr. J.A., met again with representatives of HBCBS to discuss the questionable claims.

In violation of Title 18, United States Code, Section 1347.

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COUNT 2  
(Tax Evasion)

1. Paragraphs 1 through 5 and 7 through 15 of Count 1 of this Information are hereby realleged and incorporated as though set forth in full herein.

2. At all times relevant to this Information, defendant JOSEPH GIANETTI, JR. operated Bridgeview Chiropractic Center as a sole proprietor. As the sole proprietor, JOSEPH GIANETTI, JR. received income from and incurred expenses on behalf of the business.

3. For tax years 1998 and 1999, defendant JOSEPH GIANETTI, JR. filed U.S. Individual Income Tax Return Forms 1040 which included Schedule C Forms that reported income and expenses of Bridgeview Chiropractic Center.

4. During 2000, defendant JOSEPH GIANETTI, JR. received approximately \$172,701 from HCBBS and other health care insurers in payment on fraudulent claims for medical services. On this income, \$66,011 in tax was due and owing to the United States.

5. Defendant JOSEPH GIANETTI, JR. failed to file with the Internal Revenue Service a U.S. Individual Income Tax Return for tax year 2000, and failed to pay the tax due and owing on his income for that year.

6. During 2001, defendant JOSEPH GIANETTI, JR. received approximately \$118,883 in income from Bridgeview Chiropractic Center, and approximately \$254,070 from HCBBS and other health

care insurers in payment on fraudulent claims for medical services. After deducting legitimate business expenses, \$127,984 in tax was due and owing to the United States on this income.

7. Defendant JOSEPH GIANETTI, JR. failed to file with the Internal Revenue Service a U.S. Individual Income Tax Return for tax year 2001, and failed to pay the tax due and owing on his income for that year.

8. During 2002, defendant JOSEPH GIANETTI, JR. received approximately \$144,828 in income from Bridgeview Chiropractic Center, and approximately \$261,965 from HBCBS and other health care insurers in payment on fraudulent claims for medical services. After deducting legitimate business expenses, \$136,076 in tax was due and owing to the United States on this income.

9. Defendant JOSEPH GIANETTI, JR. failed to file with the Internal Revenue Service a U.S. Individual Income Tax Return for tax year 2002, and failed to pay the tax due and owing on his income for that year.

10. By this conduct, defendant JOSEPH GIANETTI, JR. attempted to evade and defeat \$330,071 in income tax due and owing by him to the United States for tax years 2000 through 2002.

11. On or about April 15, 2003, in the District of New Jersey, and elsewhere, defendant

JOSEPH GIANETTI, JR.

did knowingly and willfully attempt to evade and defeat the income tax due and owing by him to the United States for tax year 2002 by failing to make and file with the Internal Revenue Service a U.S. Individual Income Tax Return, Form 1040, for that tax year as required by law, as described in paragraph 9 of this Count; and by failing to pay to the Internal Revenue Service income tax in the amount of \$136,076 due and owing on his income for that tax year, as described in paragraphs 8 and 9 of this Count.

In violation of Title 26, United States Code, Section 7201.

  
CHRISTOPHER J. CHRISTIE  
United States Attorney

CASE NUMBER: \_\_\_\_\_

United States District Court  
District of New Jersey

UNITED STATES OF AMERICA

v.

JOSEPH GIANETTI, JR.

INFORMATION FOR

18 U.S.C. § 1347 and 26 U.S.C. § 7201

CHRISTOPHER J. CHRISTIE  
U.S. ATTORNEY NEWARK, NEW JERSEY

AMY S. WINKELMAN  
ASSISTANT U.S. ATTORNEY  
NEWARK, NEW JERSEY  
(973) 645-2700

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U.S. Department of Justice

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United States Attorney  
District of New Jersey

970 Broad Street, Suite 700  
Newark, NJ 07102

973/645-2700

[ASW/PL AGR  
[2004R00488]

April 12, 2006

Robert J. DeGroot, Esq.  
56 Park Place  
Newark, NJ 07102

06-901

Re: Plea Agreement with Joseph Gianetti, Jr.

Dear Mr. DeGroot:

This letter sets forth the plea agreement between your client, Joseph Gianetti, Jr., and the United States Attorney for the District of New Jersey ("this Office").

Charge

Conditioned on the understandings specified below, this Office will accept a guilty plea from Joseph Gianetti, Jr. to a two-count information, which charges him with health care fraud, in violation of 18 U.S.C. § 1347, and tax evasion, in violation of 26 U.S.C. § 7201. If Joseph Gianetti, Jr. enters a guilty plea and is sentenced on these charges, and otherwise fully complies with all of the terms of this agreement, this Office will not initiate any further criminal charges against Joseph Gianetti, Jr. in connection with: (1) his submission of false claims for payment to health care benefit programs; and (2) his attempt to evade and defeat the payment of income tax, during the years 2000 through 2002. However, in the event that the judgment of conviction entered as a result of this guilty plea does not remain in full force and effect, any dismissed charges and any other charges that are not time-barred by the applicable statute of limitations on the date this agreement is signed by Joseph Gianetti, Jr. may be commenced against him, notwithstanding the expiration of the limitations period after Joseph Gianetti, Jr. signs the agreement. Joseph Gianetti, Jr. agrees to waive any statute of limitations with respect to any crime that would otherwise expire after Joseph Gianetti, Jr. signs the agreement.

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Sentencing

The violation of 18 U.S.C. § 1347 to which Joseph Gianetti, Jr. agrees to plead guilty carries a statutory maximum prison sentence of 10 years, and a statutory maximum fine equal to the greatest of: (1) \$250,000; (2) twice the gross amount of any pecuniary gain that any persons derived from the offense; or (3) twice the gross amount of any pecuniary loss sustained by any victims of the offense.

The violation of 26 U.S.C. § 7201 to which Joseph Gianetti, Jr. agrees to plead guilty carries a statutory maximum prison sentence of 5 years, and a statutory maximum fine equal to the greatest of: (1) \$250,000; (2) twice the gross amount of any pecuniary gain that any persons derived from the offense; or (3) twice the gross amount of any pecuniary loss sustained by any victims of the offense.

The sentence on each count may run consecutively. Fines imposed by the sentencing judge may be subject to the payment of interest.

The sentence to be imposed upon Joseph Gianetti, Jr. is within the sole discretion of the sentencing judge, subject to the provisions of the Sentencing Reform Act, 18 U.S.C. § 3551-3742, and the sentencing judge's consideration of the United States Sentencing Guidelines. The United States Sentencing Guidelines are advisory, not mandatory. The sentencing judge may impose any reasonable sentence up to and including the statutory maximum term of imprisonment and the maximum statutory fine. This Office cannot and does not make any representation or promise as to what guideline range may be found by the sentencing judge, or as to what sentence Joseph Gianetti, Jr. ultimately will receive.

Further, in addition to imposing any other penalty on Joseph Gianetti, Jr., the sentencing judge: (1) will order Joseph Gianetti, Jr. to pay an assessment of \$100 per count pursuant to 18 U.S.C. § 3013, which assessment must be paid by the date of sentencing; (2) must order Joseph Gianetti, Jr. to pay restitution pursuant to 18 U.S.C. §§ 3663 et seq.; (3) may order Joseph Gianetti, Jr., pursuant to 18 U.S.C. § 3555, to give notice to any victims of his offenses; (4) may order Joseph Gianetti, Jr. to pay the costs of prosecution; and (5) pursuant to 18 U.S.C. § 3583, may require Joseph Gianetti, Jr. to serve a term of supervised release of not more than three years, which will begin at the expiration of any term of imprisonment imposed. Should Joseph Gianetti, Jr. be placed on a term of supervised

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release and subsequently violate any of the conditions of supervised release before the expiration of its term, Joseph Gianetti, Jr. may be sentenced to not more than two years' imprisonment in addition to any prison term previously imposed, regardless of the statutory maximum term of imprisonment set forth above and without credit for time previously served on post-release supervision, and may be sentenced to an additional term of supervised release.

Rights of this Office Regarding Sentencing

Except as otherwise provided in this agreement, this Office reserves its right to take any position with respect to the appropriate sentence to be imposed on Joseph Gianetti, Jr. by the sentencing judge, to correct any misstatements relating to the sentencing proceedings, and to provide the sentencing judge and the United States Probation Office all law and information relevant to sentencing, favorable or otherwise. In addition, this Office may inform the sentencing judge and the United States Probation Office of: (1) this agreement; and (2) the full nature and extent of Joseph Gianetti, Jr.'s activities and relevant conduct with respect to this case.

Stipulations

This Office and Joseph Gianetti, Jr. agree to stipulate at sentencing to the statements set forth in the attached Schedule A, which hereby is made a part of this plea agreement. This agreement to stipulate, however, cannot and does not bind the sentencing judge, who may make independent factual findings and may reject any or all of the stipulations entered into by the parties. To the extent that the parties do not stipulate to a particular fact or legal conclusion, each reserves the right to argue the existence of and the effect of any such fact or conclusion upon the sentence. Moreover, this agreement to stipulate on the part of this Office is based on the information and evidence that this Office possesses as of the date of this agreement. Thus, if this Office obtains or receives additional evidence or information prior to sentencing that it determines to be credible and to be materially in conflict with any stipulation in the attached Schedule A, this Office shall not be bound by any such stipulation. A determination that any stipulation is not binding shall not release either this Office or Joseph Gianetti, Jr. from any other portion of this agreement, including any other stipulation. If the sentencing court rejects a stipulation, both parties reserve the right to argue on appeal or at post-sentencing proceedings that the sentencing court was within its discretion and authority to do so. These stipulations do not

restrict the Government's right to respond to questions from the Court and to correct misinformation that has been provided to the Court.

Waiver of Appeal and Post-Sentencing Rights

As set forth in Schedule A, this Office and Joseph Gianetti, Jr. waive certain rights to file an appeal, collateral attack, writ or motion after sentencing, including but not limited to an appeal under 18 U.S.C. § 3742 or a motion under 28 U.S.C. § 2255.

Other Provisions

This agreement is limited to the United States Attorney's Office for the District of New Jersey and cannot bind other federal, state, or local authorities. However, this Office will bring this agreement to the attention of other prosecuting offices, if requested to do so.

This agreement was reached without regard to any civil or administrative matters that may be pending or commenced in the future against Joseph Gianetti, Jr. This agreement does not prohibit the United States, any agency thereof (including the Internal Revenue Service), or any third party from initiating or prosecuting any civil proceeding against Joseph Gianetti, Jr..

Prior to the date of sentencing, Joseph Gianetti, Jr. shall: (1) file accurate personal returns for calendar years 2000 through 2004; (2) provide all appropriate documentation to the Internal Revenue Service in support of such returns, upon request; (3) pay to the Internal Revenue Service all taxes and any penalties owed on those returns or, if unable to do so, make satisfactory repayment arrangements with the Internal Revenue Service; and (4) fully cooperate with the Internal Revenue Service and comply with the tax laws of the United States. Further, Joseph Gianetti, Jr. agrees to allow the contents of his IRS criminal file to be given to civil attorneys and support staff of the Internal Revenue Service to enable them to investigate any and all civil penalties that may be due and owing by Joseph Gianetti, Jr. With respect to disclosure of the criminal file to the Internal Revenue Service, Joseph Gianetti, Jr. waives any rights under Title 26, United States Code, Section 7213 and Fed. R. Crim. P. 6(e), and any other right of privacy with respect to Joseph Gianetti, Jr.'s tax returns and return information.

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No Other Promises

This agreement constitutes the plea agreement between Joseph Gianetti, Jr. and this Office and supersedes any previous agreements between them. No additional promises, agreements, or conditions have been made or will be made unless set forth in writing and signed by the parties.

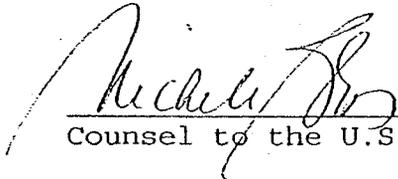
Very truly yours,

CHRISTOPHER J. CHRISTIE  
United States Attorney



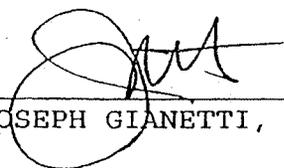
By: AMY S. WINKELMAN  
Assistant U.S. Attorney  
Chief, Criminal Division

APPROVED:

  
Counsel to the U.S. Attorney

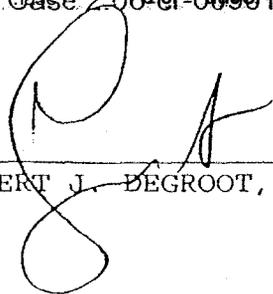
I have received this letter from my attorney, Robert J. DeGroot, Esq., I have read it, and I understand it fully. I hereby accept the terms and conditions set forth in this letter and acknowledge that it constitutes the plea agreement between the parties. I understand that no additional promises, agreements, or conditions have been made or will be made unless set forth in writing and signed by the parties.

AGREED AND ACCEPTED:

  
JOSEPH GIANETTI, JR.

4/21/06  
Date:

FILE # 31-48207-390  
EXHIBIT # 6  
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ROBERT J. DEGROOT, ESQ.

Date:

4/21/06

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Plea Agreement With Joseph Gianetti, Jr.

Schedule A

1. This Office and Joseph Gianetti, Jr. recognize that the United States Sentencing Guidelines are not binding upon the Court. This Office and Joseph Gianetti, Jr. nevertheless agree to the stipulations set forth herein, and agree that the Court should sentence Joseph Gianetti, Jr. within the Guidelines range that results from the total Guidelines offense level set forth below. This Office and Joseph Gianetti, Jr. further agree that neither party will argue for the imposition of a sentence outside the Guidelines range that results from the agreed total Guidelines offense level.

2. The version of the United States Sentencing Guidelines effective November 1, 2005 applies in this case.

Health Care Fraud Offense

3. As to the health care fraud offense charged in Count 1 of the Information, the applicable guideline is U.S.S.G. § 2B1.1. This guideline carries a base offense level of 6.

4. This offense caused a loss greater than \$400,000 but less than \$1,000,000. Specific Offense Characteristic U.S.S.G. § 2B1.1(b)(1)(H) therefore applies. This Specific Offense Characteristic results in an increase of 14 levels.

Tax Evasion Offense

5. As to the tax evasion charged in Count 2 of the Information, the applicable guideline is U.S.S.G. § 2T1.1.

6. Because this offense resulted in a tax loss, the base offense level must be determined by reference to the tax table at U.S.S.G. § 2T4.1 [U.S.S.G. § 2T1.1(a)(1)]. The amount of the tax loss occasioned by this offense was more than \$200,000 and less than \$400,000, requiring a base offense level of 18 pursuant to U.S.S.G. § 2T4.1(G).

7. Because this offense involved Joseph Gianetti, Jr.'s failure to report and correctly identify the source of income exceeding \$10,000 in a given year from criminal activity, an increase of 2 levels is required under U.S.S.G. § 2T1.1(b)(1).

Grouping of Multiple Counts

8. The health care fraud offense and the tax evasion offense did not involve the same victim or substantially the same harm. Accordingly, these offenses should not be grouped together. Pursuant to U.S.S.G. § 3D1.4, the combined offense level for these offenses is 22.

Acceptance of Responsibility

9. As of the date of this letter, Joseph Gianetti, Jr. has clearly demonstrated a recognition and affirmative acceptance of personal responsibility for the offenses charged. Therefore, a downward adjustment of 2 levels for acceptance of responsibility is appropriate if Joseph Gianetti, Jr.'s acceptance of responsibility continues through the date of sentencing. See U.S.S.G. § 3E1.1(a).

10. As of the date of this letter, Joseph Gianetti, Jr. has assisted authorities in the investigation or prosecution of his own misconduct by timely notifying authorities of his intention to enter a plea of guilty, thereby permitting the government to avoid preparing for trial and permitting the government and the court to allocate their resources efficiently. If Joseph Gianetti, Jr. enters a plea pursuant to this agreement and qualifies for a 2-point reduction for acceptance of responsibility pursuant to U.S.S.G. § 3E1.1(a), and if in addition Joseph Gianetti, Jr.'s offense level under the Guidelines prior to the operation of § 3E1.1(a) is 16 or greater, Joseph Gianetti, Jr. will be entitled to a further 1-point reduction in his offense level pursuant to U.S.S.G. § 3E1.1(b).

11. In accordance with the above, the parties agree that the total Guidelines offense level applicable to Joseph Gianetti, Jr. is 19 (the "agreed total Guidelines offense level").

12. The parties agree not to seek or argue for any upward or downward departure or any upward or downward adjustment not set forth herein. The parties further agree that a sentence within the Guidelines range that results from the agreed total Guidelines offense level of 19 is reasonable.

13. Joseph Gianetti, Jr. knows that he has and, except as noted below in this paragraph, voluntarily waives, the right to file any appeal, any collateral attack, or any other writ or motion, including but not limited to an appeal under 18 U.S.C. § 3742 or a motion under 28 U.S.C. § 2255, which challenges the

sentence imposed by the sentencing court if that sentence falls within or below the Guidelines range that results from the agreed total Guidelines offense level of 19. This Office will not file any appeal, motion or writ which challenges the sentence imposed by the sentencing court if that sentence falls within or above the Guidelines range that results from the agreed total Guidelines offense level of 19. The parties reserve any right they may have under 18 U.S.C. § 3742 to appeal the sentencing court's determination of the criminal history category. The provisions of this paragraph are binding on the parties even if the Court employs a Guidelines analysis different from that stipulated to herein. Furthermore, if the sentencing court accepts a stipulation, both parties waive the right to file an appeal, collateral attack, writ, or motion claiming that the sentencing court erred in doing so.

14. Both parties reserve the right to oppose or move to dismiss any appeal, collateral attack, writ, or motion barred by the preceding paragraph and to file or to oppose any appeal, collateral attack, writ or motion not barred by the preceding paragraph.

EXHIBIT C

UNITED STATES DISTRICT COURT  
District of New Jersey

UNITED STATES OF AMERICA

v.

Case Number 2:06CR901-01

JOSEPH GIANETTI, JR.

Defendant.

**JUDGMENT IN A CRIMINAL CASE**  
(For Offenses Committed On or After November 1, 1987)

The defendant, JOSEPH GIANETTI, JR., was represented by Robert DeGroot, Esq..

The defendant pled guilty to count(s) One and Two of the Information on 11/6/06. Accordingly, the court has adjudicated that the defendant is guilty of the following offense(s):

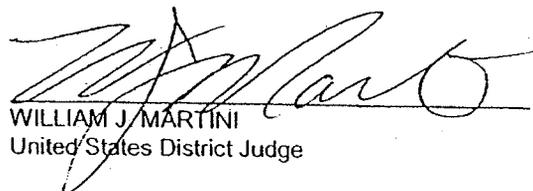
<u>Title &amp; Section</u>	<u>Nature of Offense</u>	<u>Date of Offense</u>	<u>Count Number(s)</u>
18:1347	Health Care Fraud	01/00 - 10/03	One
26:7201	Attempt to Evade or Defeat Tax	01/00 - 10/03	Two

As pronounced on 4/18/07, the defendant is sentenced as provided in pages 2 through 5 of this Judgment. The sentence is imposed pursuant to the Sentencing Reform Act of 1984.

It is ordered that the defendant shall pay to the United States a special assessment of \$200, for count(s) One and Two, which shall be due immediately. Said special assessment shall be made payable to the Clerk, U.S. District Court.

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.

Signed this the 19<sup>th</sup> day of April, 2007.

  
WILLIAM J. MARTINI  
United States District Judge

07624

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PAGE 1 OF 5 PAGES

Defendant: JOSEPH GIANETTI, JR.  
Case Number: 2:06CR901-01

**IMPRISONMENT**

The defendant is hereby committed to the custody of the United States Bureau of Prisons to be imprisoned for a term of 4 Months on each of Counts One and Two, such terms to run concurrent.

The defendant shall surrender for service of sentence at the institution designated by the Bureau of Prisons.

**RETURN**

I have executed this Judgment as follows:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Defendant delivered on \_\_\_\_\_ To \_\_\_\_\_  
At \_\_\_\_\_, with a certified copy of this Judgment.

\_\_\_\_\_  
United States Marshal  
By \_\_\_\_\_  
Deputy Marshal

FILE # 31-456-07-390  
PAGE 2 OF 5 PAGES

Defendant: JOSEPH GIANETTI, JR.  
Case Number: 2:06CR901-01

STANDARD CONDITIONS OF SUPERVISED RELEASE

While the defendant is on supervised release pursuant to this Judgment:

- 1) The defendant shall not commit another federal, state, or local crime during the term of supervision.
- 2) The defendant shall not illegally possess a controlled substance.
- 3) If convicted of a felony offense, the defendant shall not possess a firearm or destructive device.
- 4) The defendant shall not leave the judicial district without the permission of the court or probation officer.
- 5) The 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.
- 6) The defendant shall answer truthfully all inquiries by the probation officer and follow the instructions of the probation officer.
- 7) The defendant shall support his or her dependents and meet other family responsibilities.
- 8) The defendant shall work regularly at a lawful occupation unless excused by the probation officer for schooling, training, or other acceptable reasons.
- 9) The defendant shall notify the probation officer within seventy-two hours of any change in residence or employment.
- 10) The 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.
- 11) The defendant shall not frequent places where controlled substances are illegally sold, used, distributed, or administered.
- 12) The 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.
- 13) The 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.
- 14) The defendant shall notify the probation officer within seventy-two hours of being arrested or questioned by a law enforcement officer.
- 15) The 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.
- 16) As directed by the probation officer, the defendant shall notify third parties of risks that may be occasioned by the defendant's criminal record or personal history or characteristics, and shall permit the probation officer to make such notifications and to confirm the defendant's compliance with such notification requirement.

*For Official Use Only - - U.S. Probation Office*

Upon a finding of a violation of probation or supervised release, I understand that the Court may (1) revoke supervision or (2) extend the term of supervision and/or modify the conditions of supervision.

These conditions have been read to me. I fully understand the conditions, and have been provided a copy of them.

You shall carry out all rules, in addition to the above, as prescribed by the Chief U.S. Probation Officer, or any of his associate Probation Officers.

(Signed) \_\_\_\_\_ Defendant \_\_\_\_\_ Date \_\_\_\_\_

\_\_\_\_\_  
U.S. Probation Officer/Designated Witness \_\_\_\_\_ Date \_\_\_\_\_

FILE # 31-456-07-390  
PAGE 4 OF 5 PAGES

Defendant: JOSEPH GIANETTI, JR.  
Case Number: 2:06CR901-01

RESTITUTION AND FORFEITURE

RESTITUTION

The defendant shall make restitution to the following persons in the following amounts:

<u>Name of Payee (Victim)</u>	<u>Amount of Restitution</u>
Horizon Blue Cross/Blue Shield Riverfront Plaza PO Box 200145 Newark, NJ 07102-0303	\$548,585.00
Cigna Health Care of New Jersey Routing W-22 900 Cottage Grove Road Hartford, Ct. 06152 Ref No. P-2006-236	\$79,784
Joint Welfare Fund Local 164 IBEW c/o Gary A. Carlson, Esq. Kroll, Heineman, Giblin Metro Corporate Campus 1 99 Wood Avenue South, Suite 307 Iselin, NJ 08830	\$14,179.00
Morris Bergen Passaic Health Insurance Fund c/o Russell Huntington, Esq. 312 Kinderkamack Road Westwood, NJ 07675	\$46,188

Payments of restitution are to be made payable to U.S. Treasury and mailed to Clerk, U.S.D.C., 402 East State Street, Rm 2020, Trenton, New Jersey 08608 for distribution to the victim(s).

Restitution is due immediately. Recommended that Defendant participate in the Bureau of Prisons Inmate Financial Responsibility Program. In the event the entire restitution is not paid prior to the commencement of supervision, the defendant shall satisfy the amount due in monthly installments of no less than \$500, to commence 30 days after release from confinement.

Unless the court has expressly ordered otherwise, if this judgment imposes imprisonment, payment of criminal monetary penalties is due during 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 the court.

Payments shall be applied in the following order: (1) assessment, (2) restitution principal, (3) restitution interest, (4) fine principal, (5) community restitution, (6) fine interest, (7) penalties, and (8) costs, including cost of prosecution and court costs.

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EXHIBIT 7  
PAGE 5 OF 2 PAGES

DIRECTIVES APPLICABLE TO ANY CHIROPRACTIC BOARD LICENSEE  
WHO IS SUSPENDED, REVOKED OR WHOSE SURRENDER OF LICENSURE  
HAS BEEN ACCEPTED

A practitioner whose license is suspended or revoked or whose surrender of license with or without prejudice has been accepted by the Board, shall conduct him/herself as follows:

1. Document Return and Agency Notification

The licensee shall promptly deliver to the Board office at 124 Halsey Street, 6th floor, Newark, New Jersey 07102, the original license and current biennial registration certificate. With respect to suspensions of a finite term, at the conclusion of the term, the licensee may contact the Board office for the return of the documents previously surrendered to the Board.

2. Practice Cessation

The licensee shall cease and desist from engaging in the practice of chiropractic in this State. This prohibition not only bars a licensee from rendering professional services, but also from providing an opinion as to professional practice or its application, or representing him/herself as being eligible to practice. Although the licensee need not affirmatively advise patients or others of the revocation, suspension or surrender, the licensee must truthfully disclose his/her licensure status in response to inquiry. The disciplined licensee is also prohibited from occupying, sharing or using office space in which another licensee provides health care services. The disciplined licensee may contract for, accept payment from another licensee for or rent at fair market value office premises and/or equipment. In no case may the disciplined licensee authorize, allow or condone the use of his/her provider number by the practice or any other licensee or health care provider. In situations where the licensee has been suspended for less than one year, the licensee may accept payment from another professional who is using his/her office during the period that the licensee is suspended, for the payment of salaries for office staff employed at the time of the Board action.

A licensee whose license has been revoked, suspended for one (1) year or more or permanently surrendered must remove signs and take affirmative action to stop advertisements by which his eligibility to practice is represented. The licensee must also take steps to remove his/her name from professional listings, telephone directories,

professional stationery, or billings. If the licensee's name is utilized in a group practice title, it shall be deleted.

### 3. Practice Income Prohibitions/Divestiture of Equity Interest in Professional Service Corporations

A licensee shall not charge, receive or share in any fee for professional services rendered by him/herself or others while barred from engaging in the professional practice. The licensee may be compensated for the reasonable value of services lawfully rendered and disbursements incurred on a patient's behalf prior to the effective date of the Board action.

A licensee who is a shareholder in a professional service corporation organized to engage in the professional practice, whose license is revoked, surrendered or suspended for a term of one (1) year or more shall be deemed to be disqualified from the practice within the meaning of the Professional Service Corporation Act. (N.J.S.A. 14A:17-11). A disqualified licensee shall divest him/herself of all financial interest in the professional service corporation pursuant to N.J.S.A. 14A:17-13(c). Such divestiture shall occur within 90 days following the disqualification to own shares in the corporation. Upon divestiture, a licensee shall forward to the Board a copy of documentation forwarded to the Secretary of State, Commercial Reporting Division, demonstrating that the interest has been terminated. If the licensee is the sole shareholder in a professional service corporation, the corporation must be dissolved within 90 days of the licensee's disqualification.

### 4. Patient Records

If, as a result of the Board's action, a practice is closed or transferred to another location, the licensee shall ensure that during the three (3) month period following the effective date of the disciplinary order, a message will be delivered to patients calling the former office premises, advising where records may be obtained. The message should inform patients of the names and telephone numbers of the licensee (or his/her attorney) assuming custody of the records. The same information shall also be disseminated by means of a notice to be published at least once per month for three (3) months in a newspaper of general circulation in the geographic vicinity in which the practice was conducted. At the end of the three month period, the licensee shall file with the Board the name and telephone number of the contact person who will have access to medical records of former patients. Any change in that individual or his/her telephone number shall be promptly reported to the Board. When a patient or his/her representative requests a copy of his/her medical record or asks that that record be forwarded to another health care provider, the licensee shall promptly provide the record without charge to the patient.

### 5. Probation/Monitoring Conditions

A disciplined practitioner whose active suspension of license has been stayed in full or in part, conditioned upon compliance with a probation or monitoring program, shall fully cooperate with the Board or its designated representatives, including the Enforcement Bureau of the Division of Consumer Affairs, in ongoing monitoring of the licensee's status and practice. Such monitoring shall be at the expense of the disciplined practitioner.

(a.) Monitoring of practice conditions may include, but is not limited to, inspection of professional premises and equipment, and inspection and copying of patient records (confidentiality of patient identity shall be protected by the Board) to verify compliance with Board Order and accepted standards of practice.

(b.) Monitoring of status conditions for an impaired practitioner may include, but is not limited to, practitioner cooperation in providing releases permitting unrestricted access to records and other information to the extent permitted by law from any treatment facility, other treating practitioner, support group or other individual or facility involved in the education, treatment, monitoring or oversight of the practitioner, or maintained by the rehabilitation program for impaired practitioners. If bodily substance monitoring has been ordered, the practitioner shall fully cooperate by responding to a demand for breath, blood, urine or other sample in a timely manner and by providing the designated sample.

NOTICE OF REPORTING PRACTICES OF BOARD  
REGARDING DISCIPLINARY ACTIONS

Pursuant to N.J.S.A. 52:14B-3(3), all orders of the New Jersey State Board of Chiropractic Examiners are available for public inspection. Should any inquiry be made concerning the status of a licensee, the inquirer will be informed of the existence of the order and a copy will be provided if requested. All evidentiary hearings, proceedings on motions or other applications which are conducted as public hearings and the record thereof, including the transcript and documents marked in evidence, are available for public inspection upon request.

Pursuant to Public Law 101-191, the Health Insurance Portability and Accountability Act, the Board is obligated to report to the Healthcare Integrity and Protection Data Bank any adverse action relating to a chiropractor:

- (1) Which revokes or suspends (or otherwise restricts) a license, or
- (2) Which censures, reprimands or places on probation, or restricts the right to apply or renew a license, or
- (3) Under which a license is surrendered.

In accordance with an agreement with the Federation of Chiropractic Licensing Boards of the United States, a report of all disciplinary orders is provided to that organization on a monthly basis.

Within the month following entry of an order, a summary of the order may appear on the public agenda for the monthly Board meeting and is forwarded to those members of the public requesting a copy. In addition, the same summary will appear in the minutes of that Board meeting, which are also made available to those requesting a copy.

On a periodic basis the Board disseminates to its licensees a newsletter which includes a brief description of all of the orders entered by the Board.

From time to time, the Press Office of the Division of Consumer Affairs may issue releases including the summaries of the content of public orders.

Nothing herein is intended in any way to limit the Board, the Division or the Attorney General from disclosing any public document.