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CLERK'S OFFICE  
U.S. DISTRICT COURT  
SAN JUAN, P.R.

IN THE UNITED STATES DISTRICT COURT FOR THE  
DISTRICT OF PUERTO RICO

UNITED STATES OF AMERICA,  
Plaintiff,

v.

WILDO VARGAS,  
Defendant.

Criminal No. 13-538 (FAB)  
13-539 (FAB)

PLEA AGREEMENT  
(Pursuant to Rule 11(c)(1)(A) and (B) FRCP)

TO THE HONORABLE COURT:

COMES NOW the United States of America, by and through its attorneys, Rosa Emilia Rodríguez-Vélez, United States Attorney for the District of Puerto Rico, [REDACTED] [REDACTED] First Assistant United States Attorney, and [REDACTED] Special Assistant United States Attorney, and the defendant, WILDO VARGAS, and defendant's counsel, [REDACTED], and pursuant to Rule 11(c)(1)(A) and (B) of the Federal Rules of Criminal Procedure, state to this Honorable Court, that they have reached an agreement, the terms and conditions of which are as follows:

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m-

**1. COUNT TO WHICH DEFENDANT PLEADS GUILTY**

The defendant agrees to plead guilty to Count One of the Indictment in Criminal Case No. 13-538 (FAB), and Count One of Criminal Case No. 13-539 (FAB), both of which charge the defendant, WILDO VARGAS, with having made a materially false, fictitious, and fraudulent statement and representation to the Social Security Administration, on April 10, 2013, and August 6, 2012, respectively, in violation of

Title 42, United States Code, §408(a)(3). The false statements were made in connection with two medical report provided in support of Disability Insurance Benefit applications for “Person B’ and “Person A”, respectively. The reports misrepresented the medical condition of Person B and Person A, in order to maximize the possibility that Person B <sup>and Person A</sup> obtained the benefits, to which they were not entitled, in violation of Title 42, U. S. C. §408(a)(3).

## 2. STATUTORY PENALTIES

The statutory penalty for Title 42, United States Code, §408(a)(3), is a term of imprisonment of no more than five years, a fine of not more than two hundred fifty thousand dollars (\$250,000.00), or both, and a term of supervised release of not more than three (3) years in addition to any term of incarceration.

## 3. SPECIAL MONETARY ASSESSMENT

*u*  
*nr-*  
Defendant understands that the Court must impose a mandatory penalty assessment of one hundred dollars (\$100.00) per count of conviction, for a total of two hundred dollars (\$200.00) to be deposited in the Crime Victim Fund, pursuant to Title 18, United States Code, Section 3013. Prior to or at the time of sentencing, the defendant shall pay the special monetary assessment pursuant to Title 18, United States Code, Section 3013(a).

## 4. FINES AND RESTITUTION

The defendant is aware that the Court may, pursuant to Section 5E1.2(i) of the Sentencing Guidelines, Policy Statements, Application, and Background Notes, order the defendant to pay a fine sufficient to reimburse the government for the costs of any imprisonment, probation or supervised release. Because Persons B and A were

working in conjunction with law enforcement in the investigation of this case, no losses incurred to the Social Security Administration.

5. **SENTENCING GUIDELINE CALCULATIONS**

Defendant acknowledges that the Court may impose a sentence in accordance with the applicable provisions of the Sentencing Guidelines, Title 18, United States Code, Section 3551, et. seq. (hereinafter Guidelines) as Guidelines are advisory in nature. Furthermore, the defendant acknowledges to be aware that parole has been abolished and that the imposition of sentence may not be suspended.

The United States and the defendant agree that the following Sentencing Guidelines calculations are reasonable for the imposition of sentence in this case:

<b>SENTENCING GUIDELINES CALCULATION TABLE</b>	
BASE OFFENSE LEVEL [ U.S.S.G. § 2B1.1]	6
SPECIFIC OFFENSE CHARACTERISTIC (Between \$120,000 and \$200,000 <b>intended loss</b> )	10
SPECIAL SKILLS [§3B1.3]	+2
ACCEPTANCE OF RESPONSIBILITY [U.S.S.G. § 3E1.1]	- 3
TOTAL OFFENSE LEVEL (18-24 months)	15

*W*  
*W-*

6. **RULE 11(c)(1)(A) and (B)**

The defendant is aware that the sentence is within the sound discretion of the sentencing judge and may be imposed in accordance with the United States Sentencing Guidelines, Policy Statements, Application, and Background Notes, which are advisory. The defendant is aware that the Court has jurisdiction and authority to impose any sentence within the statutory maximum set for the offense to which the defendant pleads guilty. If the Court should impose a sentence up to

the maximum established by statute, the defendant cannot, for that reason alone, withdraw a guilty plea, and will remain bound to fulfill all of the obligations under this plea agreement.

**7. SPECIFIC SENTENCE RECOMMENDATION**

The government will recommend a sentence at the lower end of the guidelines (18 months). The defendant reserves the right to argue for any sentence under the U.S.S.G., including a departure or a variance.

**8. STIPULATION AS TO CRIMINAL HISTORY CATEGORY**

The parties do not stipulate to Criminal History Category.

**9. SATISFACTION WITH COUNSEL**

The defendant represents to the Court he is satisfied with counsel, [REDACTED], and indicates that counsel has rendered effective legal assistance.

**10. RIGHTS SURRENDERED BY DEFENDANT THROUGH GUILTY PLEA**

Defendant understands that by entering into this agreement, defendant surrenders certain rights as provided in this agreement. Defendant understands that the rights of criminal defendants include the following:

a. If the defendant had persisted in a plea of not guilty to the charges, defendant would have had the right to a speedy jury trial with the assistance of counsel. The trial may be conducted by a judge sitting without a jury if the defendant, the United States and the judge agree.

b. If a jury trial is conducted, the jury would be composed of twelve lay persons selected at random. The defendant and the defendant's attorneys would assist in selecting the jurors by removing prospective jurors for cause where actual bias or other disqualification is shown, or by removing prospective jurors without cause by exercising

peremptory challenges. The jury would have to agree, unanimously, before it could return a verdict of either guilty or not guilty. The jury would be instructed that the defendant is presumed innocent, and that it could not convict the defendant unless, after hearing all the evidence, it was persuaded of the defendant's guilt beyond a reasonable doubt, and that it was to consider each charge separately, if there were multiple charges.

c. If a trial is held by the judge without a jury, the judge would find the facts and, after hearing all the evidence and considering each count separately, determine whether or not the evidence established the defendant's guilt beyond a reasonable doubt.

d. At a trial, the United States would be required to present its witnesses and other evidence against the defendant. The defendant would be able to confront those witnesses and defendant's attorney would be able to cross-examine them. In turn, the defendant could present witnesses and other evidence on defendant's own behalf. If the witnesses for the defendant would not appear voluntarily, defendant could require their attendance through the subpoena power of the Court.

e. At a trial, the defendant could rely on the privilege against self-incrimination to decline to testify, and no inference of guilt could be drawn from the defendant's refusal to testify. If the defendant desired to do so, the defendant could testify on the defendant's own behalf.

#### 11. STATEMENT OF FACTS

The accompanying Statement of Facts signed by the defendant is hereby incorporated into this Plea Agreement. Defendant adopts the Statement of Facts and agrees that the facts therein are accurate in every respect and, had the matter proceeded to trial, that the United States would have proven those facts beyond a reasonable doubt.

**12. LIMITATIONS OF PLEA AGREEMENT**

Defendant understands that this plea agreement extends only to the United States Attorney's Office for the District of Puerto Rico and the defendant; it does not bind any other federal district, state or local authorities.

**13. ENTIRETY OF PLEA AGREEMENT**

This written agreement constitutes the complete Plea Agreement between the United States, the defendant, and the defendant's counsels. The United States has made no promises or representations except as set forth in writing in this plea agreement and deny the existence of any other terms and conditions not stated herein.

**14. AMENDMENTS TO PLEA AGREEMENT**

No other promises, terms or conditions will be entered unless in writing and signed by all of the parties.

**15. VOLUNTARINESS OF GUILTY PLEA**

The defendant understands that the defendant is entering into this plea agreement without compulsion, threats, or any other promises from the United States Attorney or any of its agents. The defendant acknowledges that no threats have been made against the defendant and that the defendant is pleading guilty freely and voluntarily because the defendant is guilty.

**16. WAIVER OF APPEAL**

The defendant hereby agrees that if this Honorable Court accepts this agreement and sentences her according to its term, conditions and recommendations, defendant waives and surrenders his right to appeal the judgment and sentence in this case.

ROSA EMILIA RODRIGUEZ-VELEZ  
United States Attorney

[REDACTED]  
First Assistant U.S. Attorney  
Dated: 9/16/, 2014

[REDACTED]  
Special Assistant U. S. Attorney  
Dated: 9/16/, 2014

[REDACTED]  
Counsel for Defendant  
Dated: Sept 16, 2014

x WILDO VARGAS  
WILDO VARGAS  
Defendant  
Dated: Sept 16, 2014

**GOVERNMENT'S VERSION OF THE FACTS**


In conjunction with the submission of the accompanying Plea Agreement in this case, the United States of America submits the following statement setting forth the United States' version of the facts leading to the defendant's acceptance of criminal responsibility for defendant's violations of Title <sup>42</sup> ~~18~~, United States Code, Sections <sup>408(a)(3)</sup> ~~and 2419~~. *m — and mka*

Persons A and B were introduced as a putative patients of Dr. Wildo Vargas,, as part of a collaborative investigation spearheaded by the Social Security Administration OIG and the Federal Bureau of Investigation, to identify beneficiaries who were filing fraudulent applications for Social Security Disability Benefits, and physicians who were filing fraudulent medical reports in support of those claims. The benefits provided include wage loss and medical benefits, if the employee is unable to work due to a disability. If the disability remains unchanged, then these tax-free benefits would continue until the beneficiary attained his/her retirement age, and were then converted to retirement benefits.

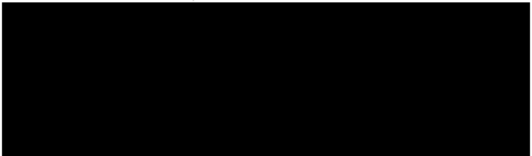
Persons A and B were selected for this covert role due to the fact that they were in good physical health, and sound mental health, and would not legitimately qualify for disability benefits. WILDO VARGAS, a physician with a specialty in Rehabilitative Medicine and Psysiatry, submitted false and fraudulent medical reports to the SSA, indicating that Persons A and B were disabled and unable to work. Specifically, with respect to Person A, on August 6, 2012, the defendant indicated that he was limited in physical activities, was unable to use his upper extremities, was unable to sit, stand, walk, carry or lift objects, and was unable to carry out the responsibilities of any occupational activities, now or in the future. With respect to Person B, on April 10, 2013, the defendant indicated that she was unable to carry out the responsibilities of any occupational activities, and was permanently and totally impaired.


In fact, Persons A and B were not suffering from any disabling medical or psychiatric conditions.

Had this case gone to trial, the government would have introduced the testimony of Persons A and B, who would have testified that they were not disabled, as well as videos of the medical appointments of Persons A and B with Dr. Vargas, which demonstrate that the defendant was advised that Persons A and B were not suffering from disabling conditions, but did not want to return to work. The government would have further introduced copies of the medical reports submitted by the defendant to the Social Security Administration, and the testimony of an agency representative to testify with respect to the materiality and importance of the medical evidence submitted by the defendant for a determination of disability by SSA.



First Assistant U.S. Attorney  
Dated: 9-16, 2014



Counsel for Defendant  
Dated: Sept 16, 2014  
  
WILDO VARGAS, M.D.  
Defendant  
Dated: Sept 16, 2014