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IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ARIZONA

United States of America,
Plaintiff,

vs.

IRA DENNY,
Defendant.

No. CR-25-00944-PHX-SPL (JZB)

I N F O R M A T I O N

VIO: 18 U.S.C. § 1349 (Conspiracy to
Commit Health Care Fraud)

18 U.S.C. § 981(a)(1)(C);
28 U.S.C. § 2461;
18 U.S.C. § 982(a)(7)
(Forfeiture Allegations)

THE UNITED STATES ATTORNEY'S OFFICE CHARGES:

BACKGROUND

At all times relevant to this Information:

The Medicare Program

1. The Medicare program ("Medicare") was a federal health care program providing benefits to persons who were 65 years of age or older or disabled. Medicare was



1 administered by the Centers for Medicare and Medicaid Services (“CMS”), a federal
2 agency under the United States Department of Health and Human Services. Individuals
3 who received benefits under Medicare were referred to as Medicare “beneficiaries.”

4 2. Medicare was a “health care benefit program,” as defined by Title 18,
5 United States Code, Section 24(b), and a “Federal health care program,” as defined by
6 Title 42, United States Code, Section 1320a-7b(f).

7 3. Medicare covered different types of benefits and was separated into different
8 program “parts.” Medicare “Part A” covered, among others, health services provided by
9 skilled nursing facilities, hospices, and home health agencies. Medicare “Part B” covered,
10 among other things, medical items and services provided by physicians, nurse practitioners,
11 group practices, and other qualified health care providers, that were medically necessary
12 and ordered by licensed medical doctors or qualified health care providers.

13 4. Physicians, nurse practitioners, group practices, and other health care
14 providers (collectively, “providers”) that provided services to beneficiaries were able to
15 apply for and obtain a “provider number.” A provider that received a Medicare provider
16 number was able to file claims with Medicare to obtain reimbursement for items and
17 services provided to beneficiaries.

18 5. A Medicare claim was required to contain certain important information,
19 including: (a) the beneficiary’s name; (b) a description of the health care benefit, item, or
20 service that was provided or supplied to the beneficiary; (c) the billing codes for the benefit,
21 item, or service; (d) the date upon which the benefit, item, or service was provided or
22 supplied to the beneficiary; and (e) the name of the referring or rendering physician or other
23 health care provider, as well as a unique identifying number, known either as the Unique
24 Physician Identification Number or National Provider Identifier. The claim form could be
25 submitted in hard copy or electronically via interstate wire.

26 6. When submitting claims to Medicare for reimbursement, providers were
27 required to certify that: (a) the contents of the forms were true, correct, and complete;
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1 (b) the forms were prepared in compliance with the laws and regulations governing
2 Medicare; and (c) the items and services were reasonable and medically necessary.

3 7. Medicare claims were required to be properly documented in accordance
4 with Medicare rules and regulations.

5 8. As a requirement to enroll as a Medicare provider, Medicare required
6 providers to agree to abide by Medicare laws, regulations, and program instructions.
7 Medicare further required providers to certify that they understood that payment of a claim
8 by Medicare was conditioned upon the claim and the underlying transaction complying
9 with these laws, regulations, and program instructions, including the Federal Anti-
10 Kickback Statute. Accordingly, Medicare would not pay claims procured through
11 kickbacks and bribes.

12 **The Defendant and Related Entities**

13 9. Defendant IRA DENNY was a resident of Surprise, Arizona, in the District
14 of Arizona. IRA DENNY was a nurse practitioner licensed by the State of Arizona and an
15 enrolled Medicare provider. From in or around June 2023 through in or around
16 March 2024, IRA DENNY applied amniotic allografts sold by Company 1 to Medicare
17 beneficiaries as an independent contractor with APX Mobile Medical LLC (“APX”).

18 10. APX was a limited liability company formed under the laws of Arizona, with
19 its principal place of business in Phoenix, Arizona. APX was an enrolled Medicare provider
20 and submitted claims to Medicare for payment, including claims for the furnishing of
21 allografts purchased from Company 1.

22 11. Apex Medical LLC (“Apex”) was a limited liability company formed under
23 the laws of Arizona, with its principal place of business in Phoenix, Arizona. Apex
24 arranged for and recommended the ordering and purchasing of allografts sold by
25 Company 1. Apex referred patients to APX for the furnishing of allografts purchased from
26 Company 1.

27 12. Company 1 was a limited liability company formed under the laws of Texas,
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1 with its principal place of business in Fort Worth, Texas. Company 1 was a wholesale
2 distributor of various amniotic allografts. Medicare reimbursed claims for allografts sold
3 by Company 1 at an extremely high rate, exceeding \$1,000 per square centimeter for certain
4 allografts.

5 **COUNT 1**
6 **18 U.S.C. § 1349**
7 **(Health Care Fraud Conspiracy)**

8 13. Paragraphs 1 through 12 of this Information are re-alleged and incorporated
9 by reference as though fully set forth herein.

10 14. Beginning in or around June 2023, and continuing through in or around
11 March 2024, in the District of Arizona and elsewhere, IRA DENNY did knowingly and
12 willfully combine, conspire, confederate, and agree with individuals associated with APX
13 and Apex, and others known and unknown to the United States, to execute a scheme and
14 artifice to defraud Medicare, a health benefit program affecting commerce, as defined in
15 Title 18, United States Code, Section 24(b), and to obtain, by means of materially false and
16 fraudulent pretenses, representations, and promises, money and property owned by, and
17 under the custody and control of, said health care benefit program, in connection with the
18 delivery of and payment for health care benefits, items, and services, in violation of Title
19 18, United States Code, Section 1347.

20 **Purpose of the Conspiracy**

21 15. It was the purpose of the conspiracy for IRA DENNY and others, known and
22 unknown to the United States, to unlawfully enrich themselves by, among other things:
23 (a) submitting and causing the submission of false and fraudulent claims to Medicare for
24 items and services that were (i) medically unreasonable and unnecessary, (ii) ineligible for
25 reimbursement, and (iii) procured through kickbacks and bribes; (b) concealing the
26 submission of false and fraudulent claims to Medicare and the receipt and transfer of the
27 proceeds from the fraud; and (c) diverting proceeds of the fraud for the personal use and
28 benefit of IRA DENNY and his co-conspirators, and to further the fraud.

Manner and Means

The manner and means by which IRA DENNY and his co-conspirators sought to accomplish the purpose of the conspiracy included, among other things, the following:

16. From approximately June 2023 through approximately March 2024, IRA DENNY, as an independent contractor with APX, agreed with others to order and apply amniotic allografts that were medically unreasonable and unnecessary, ineligible for reimbursement, and procured through kickbacks and bribes.

17. During this time, Apex paid medically untrained sales representatives to identify elderly Medicare beneficiaries with a wound or wounds of any stage to which Company 1's allografts could be applied.

18. Apex sales representatives referred these patients to APX's nurse practitioners, including IRA DENNY, based on the sales representatives' own assessments of the patients' wounds.

19. APX's nurse practitioners, including IRA DENNY, applied Company 1's allografts to patients identified by Apex sales representatives without exercising independent medical judgment and in the amount and frequency determined by Apex and its sales representatives.

20. From approximately June 2023 through approximately March 2024, APX billed Medicare approximately \$209,359,607 for amniotic allografts purchased from Company 1 and ordered and applied by IRA DENNY that were medically unreasonable and unnecessary, ineligible for reimbursement, and procured through kickbacks and bribes. Medicare paid APX approximately \$138,590,922 based on those false and fraudulent claims. APX paid IRA DENNY approximately \$302,000 in exchange for ordering and applying the amniotic allografts billed to Medicare.

FORFEITURE ALLEGATIONS
**(18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461;
18 U.S.C. § 982(a)(7))**

21. The above allegations contained in this Information are hereby incorporated by reference as if fully set forth herein for the purpose of alleging forfeiture against the defendant, IRA DENNY, pursuant to Title 18, United States Code, Sections 981(a)(1)(C) and 982(a)(7), and Title 28, United States Code, Section 2461.

22. Pursuant to Title 18, United States Code, Sections 981(a)(1)(C) and 982(a)(7), together with Title 28, United States Code, Section 2461, as a result of the foregoing violation as charged in Count 1 of this Information, the defendant, IRA DENNY, shall forfeit to the United States: any property, real or personal (a) which constitutes or is derived from proceeds traceable to the commission of the offense, and (b) that constitutes or is derived, directly or indirectly, from gross proceeds traceable to the commission of the offense.

23. Such property includes, but is not limited to, a forfeiture money judgment, in an amount to be proved in this matter, representing the total amount of proceeds and/or gross proceeds obtained as a result of the defendant's violation as charged in Count 1 of this Information.

24. Pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982(b), the defendant, IRA DENNY, shall forfeit substitute property, up to the value of the properties described above or identified in any subsequent forfeiture bills of particular, if, by any act or omission of the defendant, the property cannot be located upon the exercise of due diligence; has been transferred or sold to, or deposited with, a third party; has been placed beyond the jurisdiction of the Court;

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1 has been substantially diminished in value; or has been commingled with other property
2 that cannot be subdivided without difficulty.

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4 Dated this 24th day of June, 2025.

5 TIMOTHY COURCHAINED
6 United States Attorney
7 District of Arizona

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8 Matthew Williams
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for

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15 Shane Butland
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