IRWIN

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TENNESSEE
WESTERN DIVISION

UNITED STATES OF AMERICA,	)	
	)	2:25cr20128-JTF
Plaintiff,	)	**Cr. No.: _____**
	)	
vs.	)	**18 U.S.C. § 2**
	)	**18 U.S.C. § 1347**
KOSSIE LAMON SIMMONS,	)	**18 U.S.C. § 1349**
KATINA MARZIE SIMMONS, and	)	
TRITIA MARGALIZITA TOWNSEND,	)	
	)	
Defendants.	)	**Notice of Forfeiture**

I N D I C T M E N T

THE GRAND JURY CHARGES:

At all times material to this Indictment:

Health Care Benefit Programs and Claims Submission Process

1. The Federal Employees' Compensation Act ("FECA") provided for payment of workers' compensation benefits to federal employees who suffered injury, disease, or death in the performance of duty. Benefits under FECA were paid out of the federal Employees' Compensation Fund, which was financed by appropriations from Congress.

2. FECA was a "health care benefit program," as defined by Title 18, United States Code, Section 24(b).

3. Injured federal workers insured under FECA were generally referred to as "claimants."

4. FECA covered, among other things, necessary medical care and pharmaceuticals necessary to treat symptoms that were the result of a work-related injury

when prescribed by a practitioner and medically necessary to cure, give relief, reduce the degree or period of disability, or aid in lessening the amount of monthly compensation.

5. FECA was administered by the United States Department of Labor ("DOL"), Office of Workers' Compensation Program ("OWCP"). Providers of health care services were required to enroll with DOL-OWCP to receive a provider identification number and reimbursement under FECA. Form OWCP-1168 was utilized for enrollment and updating provider information. By completing and submitting Form OWCP-1168, a provider certified that all Federal and State licensure and regulatory requirements applicable to its provider type were satisfied.

6. To qualify for reimbursement under DOL-OWCP, all items provided or services rendered needed to be: (a) medically necessary and actually provided or rendered; (b) prescribed or recommended by a qualified practitioner; and (c) supported by medical documentation.

7. DOL-OWCP contracted with Affiliated Computer Services, Inc. ("ACS") to provide medical claims processing and payments. ACS served as the billing administrator for FECA and, in that capacity, received provider enrollment forms from prospective FECA providers, assigned provider numbers, and processed and paid claims for benefits under FECA.

8. All providers who enrolled with DOL-OWCP did so through ACS. Once enrolled, a provider was given access to the ACS online system, through which a provider could submit claims, check the status of pending claims, and perform other billing-related functions. Providers were required to identify themselves on each claim for services provided, as well as the items or services provided on each claim. The submission of a

claim and acceptance of payment by a provider signified that the item or service for which reimbursement was sought was performed as described, and was necessary, appropriate, and properly billed in accordance with accepted industry standards. It was not within industry standards, among other things, to charge for items or services that were not provided, were not medically necessary, and were not legitimately prescribed. FECA paid claims for prescriptions on behalf of claimants to the pharmacy's financial institution by wire, check, and electronic transfer.

9. Starting in February 2021, DOL-OWCP entered into a contract with Optum Workers' Compensation Services of Florida ("Optum") to serve as its Pharmacy Benefit Manager ("PBM"). On or about March 9, 2021, FECA mandated that all claimants receive their prescription drug benefits from a pharmacy enrolled in Optum's network. As the PBM, Optum's responsibilities included adjudicating and processing payment for prescription drug claims submitted by eligible pharmacies. Optum also audited participating pharmacies to ensure compliance with its rules and regulations.

10. Pharmacies participating in DOL-OWCP's pharmacy program were required to enter into provider agreements with Optum. By contracting with Optum, pharmacies agreed to comply with all applicable laws, rules, and regulations.

11. Electronic claims submitted to DOL-OWCP and FECA, through ACS or Optum, by providers located in Tennessee and Arkansas, necessarily traveled by interstate wire to be adjudicated. For example, regardless of the location of the pharmacies that provided pharmacy benefits, ACS adjudicated claims submitted electronically in Pittsburgh, Pennsylvania, and Optum adjudicated claims submitted electronically in Westerville, Ohio.

Reimbursement for Prescription Drugs

12. Section 505 of the Food, Drug, and Cosmetic Act ("Food and Drug Act") required drug manufacturers and producers to receive approval by the United States Food and Drug Administration ("FDA") before introducing new drugs into interstate commerce.

13. If an FDA-approved medication was unable to treat a patient's condition, practitioners could prescribe compounded medications. Compounded medications were combined, mixed, or altered drug ingredients tailored to the needs of an individual patient. Compounded medications were prescribed after considering patients' diagnoses, medical conditions, health factors, and reactions to other medications.

14. Section 503A of the Food and Drug Act exempted compounded medications from receiving FDA approval if the compounded medication was compounded, mixed, or altered by a licensed pharmacist, or other licensed professional, for an identified individual, based on the receipt of a valid prescription that was medically necessary for the identified individual.

15. Although drug ingredients in compounded medications were generally approved by the FDA, the compounded form of these medications were not. There were risks associated with prescribing drugs that did not meet federal quality standards.

16. In the United States, each drug or drug product was identified by a ten-or eleven-digit number, called a National Drug Code ("NDC"), which was applied for by pharmaceutical manufacturers, repackagers, and distributors (collectively, "pharmaceutical producers") and assigned and approved by the FDA.

17. The NDC was divided into three segments. The first five digits, known as

the labeler code, were assigned by the FDA. The labeler code identified the drug's pharmaceutical producer. The remaining two segments, selected by the pharmaceutical producers, identified the drug product and its packaging, respectively.

18. Pharmacies dispensing compounded medications used the pharmacy claims system. As compounded medications were combinations of existing drugs, typically each drug ingredient included in the compounded medication bore a separately assigned NDC. Typically, pharmacies submitted claims identifying each drug ingredient contained within dispensed compounded medications, including each drug's NDC, and were reimbursed accordingly.

19. Although the FDA assigned and approved NDCs to and for certain drugs and drug products, such assignment did not mean that the drugs or drug products were "FDA-approved" as being safe and effective. Rather, for drugs and drug products to be "FDA-approved," the FDA implemented a separate, more rigorous approval process to determine safety and efficacy.

20. Additionally, although pharmaceutical producers supplied a marketing start date to the FDA, the assignment of an NDC to a drug or drug product did not mean that drug or drug product was being manufactured or distributed.

21. Health care benefit programs or PBMs typically reimbursed pharmacies the Average Wholesale Price ("AWP") of each drug or drug ingredient included in medications dispensed, including compounded medications, minus any negotiated discount. AWP referred to the average price at which drugs or drug ingredients were sold at the wholesale level. AWP was not a direct reflection of prices that pharmacies paid for medications;

however, AWP was a benchmark that the industry, including DOL-OWCP, relied upon to determine reimbursement amounts.

22. Health care benefit programs, including DOL-OWCP, obtained the AWP for drugs and drug ingredients for which they reimbursed from commercial publishers of drug pricing data ("pricing publishers"), such as Medi-Span, First Databank, and Red Book. Pricing publishers did not themselves set the AWP for drugs or drug ingredients. Instead, pharmaceutical producers set the AWP for the drugs or drug ingredients that they manufactured or distributed.

23. Pharmaceutical producers set the AWP either directly, by providing the purported AWP to pricing publishers, or indirectly, by providing the purported Wholesale Acquisition Cost ("WAC")—the amount paid by drug wholesalers for manufactured drugs—to pricing publishers, who, then and as a matter of course, added a certain percentage to the WAC to calculate the AWP.

24. As pharmaceutical producers set the WAC and the AWP of the drugs and drug ingredients reimbursed by health care benefit programs, including DOL-OWCP, the pricing system was thus dependent on the pharmaceutical producers' honesty in setting the AWP with a reasonable relationship to cost.

25. The difference between what a pharmacy actually paid the pharmaceutical producers to obtain the drug and the amount the pharmacy was reimbursed by health care benefit programs or PBMs for dispensing the drug was referred to as the "spread." The higher the spread, the more profitable dispensing a drug was for the pharmacy.

26. Health care benefit programs, such as DOL-OWCP, pulled drug data from the pricing publishers daily and maintained proprietary protocols for including drugs or

drug ingredients on their drug formulary, a list of medications approved for prescription coverage, and for determining whether the drug or drug ingredient would be covered.

27. The Division of Federal Employees' Compensation ("DFEC") published a list of NDCs that would be denied coverage. If the drug was not on the deny list, FECA would generally pay for the drug in full, with claimants not being required to pay copayments associated with their prescription benefits.

28. When seeking reimbursement from DOL-OWCP, service providers submitted the cost of the item or service together with the appropriate "procedure code," as defined by the American Medical Association, and as set forth and maintained in the Current Procedural Terminology ("CPT") Manual, or by the Healthcare Common Procedure Coding System ("HCPCS").

29. HCPCS codes beginning with the letter "J" were used to report non-self-administered medication and chemotherapy drugs and were often referred to as "J codes." J codes were utilized by non-pharmacy medical providers to bill DOL-OWCP for drugs dispensed in an office setting, including compounded medications. Most J codes were assigned to a specific drug and quantity of drug. J-3409 was used for non-coded, unclassified drugs when another J code did not describe the drug being administered.

30. In 2018, in recognition of the potential for fraud, waste, and abuse in the dispensation of compounded medications, DOL-OWCP began placing restrictions on the coverage of J codes to only cover those medications that needed to be administered by a physician, and not medications that ordinarily could be self-administered and obtained in a pharmacy setting, including compounded medications. Specifically, on May 18, 2018, DOL-OWCP issued FECA Circular No. 18-06, which required unspecified J codes to be

submitted with an NDC and the day's supply, and also required that the submission be subject to prior authorization by claims staff.

The Defendants and Relevant Entities and Individuals

31. Defendant **KOSSIE LAMON SIMMONS** ("**KOSSIE**"), of Shelby County, Tennessee, controlled and managed MedPartners, Inc. ("MedPartners") and SarJo Pharmacy, Inc. ("SarJo"), located in the Western District of Tennessee and elsewhere, which purported to treat injured postal workers. **KOSSIE** controlled and managed MedPartners and SarJo despite that, on January 18, 2007, **KOSSIE** was added to the United States Department of Health and Human Services, Office of Inspector General ("HHS-OIG") Exclusion List, excluding him from participating in any federal health care program for a period of 25 years.

32. Defendant **KATINA MARZIE SIMMONS** ("**KATINA**"), of Shelby County, Tennessee, held a recorded ownership interest in and purportedly managed both MedPartners and SarJo.

33. Defendant **TRITIA MARGALIZITA TOWNSEND** ("**TOWNSEND**"), of Shelby County, Tennessee, was a pharmacist licensed in the State of Tennessee and the pharmacist-in-charge ("PIC") of SarJo.

34. MedPartners, formed on or about July 15, 2016, was a medical clinic with locations in Memphis, Tennessee, Nashville, Tennessee, and Little Rock, Arkansas, controlled and operated by **KOSSIE** and **KATINA**.

35. SarJo, formed on or about April 10, 2018, was a pharmacy located in Memphis, Tennessee, which was controlled and operated by **KOSSIE** and **KATINA**.

36. Co-conspirator 1, of Shelby County, Tennessee, held a recorded 30% ownership interest in MedPartners and SarJo.

37. Provider 1, of Shelby County, Tennessee, was a nurse practitioner licensed to practice in the State of Tennessee who worked at MedPartners' Memphis location.

38. Provider 2, of Fayette County, Tennessee, was a physician licensed to practice in the State of Tennessee.

39. Provider 3, of Shelby County, Tennessee, was a nurse practitioner licensed to practice in the States of Arkansas and Tennessee who worked at MedPartners' Nashville and Little Rock locations.

40. Provider 4, of Jefferson County, Arkansas, was a physician licensed to practice in the State of Arkansas.

The Fraudulent Scheme

41. From in or around August 2018 through in or around December 2021, **KOSSIE**, **KATINA**, **TOWNSEND**, and their co-conspirators engaged in a scheme and artifice to defraud FECA by submitting and causing the submission of false and fraudulent claims for prescription medications through interstate wires to FECA, consisting of claims for prescription drugs that were billed, but in fact never prescribed for or dispensed to claimants. Over the course of the scheme, **KOSSIE**, **KATINA**, and **TOWNSEND** submitted, caused to be submitted, and facilitated the submission of approximately $28,738,532.90 in false and fraudulent claims to FECA, and SarJo was paid approximately $16,262,445.70 for those false and fraudulent claims. **KOSSIE**, **KATINA**, and **TOWNSEND** personally profited from their participation in the scheme by receiving fraud proceeds for the personal use and benefit of themselves and others, directly or

indirectly, through interstate wires.

Purpose of the Scheme

42. The purpose of the scheme was for **KOSSIE**, **KATINA**, **TOWNSEND**, and their co-conspirators to unlawfully enrich themselves and others by:

a. dispensing medically unnecessary medications to claimants through SarJo when those medications had not been prescribed by a qualified practitioner;

b. submitting and causing the submission of false and fraudulent claims through SarJo to FECA for the dispensing of these medically unnecessary medications and for the purported dispensing of medications that had not, in fact, been dispensed to claimants and were not carried in stock at SarJo;

c. receiving and obtaining the reimbursements paid by FECA based on the false and fraudulent claims submitted; and

d. diverting proceeds of the fraud for the personal use and benefit of **KOSSIE**, **KATINA**, **TOWNSEND**, and others, and to further the fraud.

Manner and Means of the Scheme

43. The manner and means by which **KOSSIE**, **KATINA**, **TOWNSEND**, and their co-conspirators sought to accomplish the object and purpose of the scheme included, among others, the following:

a. On or about January 18, 2007, **KOSSIE** was excluded from participating in any federally funded health care program for a period of 25 years. On or about October 2, 2007, **KOSSIE** affirmed in a filing in the Western District of Tennessee that he "will abide by the terms of the exclusion imposed by the Department of Health and Human Services and will refrain from any participation in any capacity in any

government health care program(s)." Nevertheless, in or around July 2016, **KOSSIE** began having conversations with Co-conspirator 1 about billing federally funded health care programs for compounded medications in connection with the medical treatment of injured federal workers.

b. Beginning in or around August 2016, **KOSSIE** and Co-conspirator 1 would exchange text messages about their intention to begin billing for high-adjudication medications. For example, on or about August 2, 2016, **KOSSIE** sent a text message to Co-conspirator 1, stating, "been patiently waiting for the planets to come back into alignment from my first go round, now can attack this opportunity with the most valuable weapon of all EXPERIENCE." Then, on or about August 17, 2016, **KOSSIE** sent text messages to Co-conspirator 1 advising Co-conspirator 1 of DOL-OWCP regulations and commented, "we juat [sic] went from 95 to 99%, the good gubment tells you exactly how to bill for the compound."

c. On or about August 22, 2016, **KATINA** submitted Provider Enrollment Form OWCP-1168 to DOL-OWCP to enroll MedPartners as a billing agent. A billing agent could submit claims for reimbursement to DOL-OWCP under J codes for drugs prescribed by treating providers.

d. In or around September 2016, **KOSSIE** and Co-conspirator 1 began visiting DOL-OWCP providers to persuade them to prescribe compounded medications to claimants. On or about September 22, 2016, **KOSSIE** and Co-conspirator 1 approached a provider at a medical center located in Shelby County, Tennessee, stating that they had struck a deal with the United States Postal Service unions to find medical clinics to treat injured workers and were seeking providers to prescribe a specific

compounded pain cream to these injured workers. **KOSSIE** and Co-conspirator 1 were not successful in their efforts to recruit a DOL-OWCP provider to prescribe compounded medications to claimants.

e. In furtherance of the scheme, on October 4, 2016, Co-conspirator 1 emailed **KOSSIE** a list of NDCs of various drugs along with their corresponding AWPs.

f. On or about February 10, 2017, Provider 1 began working for MedPartners. During Provider 1's employment with MedPartners, Provider 1 never wrote a prescription for any MedPartners patients, but merely determined whether patients were eligible for certain types of medications.

g. In or around February 2017, Provider 2 entered into an agreement with MedPartners to work as a collaborating physician for Provider 1. Although Provider 2 had a signature stamp for Provider 1 to utilize as authorized on documents, Provider 2 did not authorize Provider 1 or anyone else to utilize Provider 2's signature stamp on prescriptions and had no knowledge of Provider 2's signature stamp being used on prescriptions. Provider 2 did not write any prescriptions for MedPartners or SarJo patients.

h. On or about March 10, 2017, **KATINA** submitted Provider Enrollment Form OWCP-1168 to DOL-OWCP to enroll MedPartners as a physician office. **KATINA** falsely certified on that form that no owners, officers, or managing employees of MedPartners were currently sanctioned, suspended, or excluded by any federal or state health care program, despite her knowledge that **KOSSIE** would be controlling MedPartners and had been excluded from participation in any federal health care program.

i. **KATINA** also exchanged text messages with Co-conspirator 1 regarding the scheme to defraud. For example, on or about April 7, 2017, **KATINA** texted Co-conspirator 1, "I'm ready to see that first payment drop."

j. On or about October 10, 2017, **KATINA** submitted Provider Enrollment Form OWCP-1168 to DOL-OWCP to enroll MedPartners' Little Rock location as a physician office. Again, **KATINA** falsely certified on that form that no owners, officers, or managing employees of MedPartners Little Rock were currently sanctioned, suspended, or excluded by any federal or state health care program, despite her knowledge that **KOSSIE** would be controlling MedPartners Little Rock and had been excluded from participation in any federal health care program.

k. Provider 4 entered into an agreement with MedPartners to serve as the Medical Director of MedPartners' Little Rock location. Although Provider 4 initially authorized Provider 3 to utilize Provider 4's signature stamp, Provider 4 had concerns with doing so and disallowed its use. Provider 4 did not write any prescriptions for MedPartners patients and did not give anyone permission to fill prescriptions under Provider 4's name or registration number.

l. Between on or about May 25, 2017 and on or about June 14, 2018, MedPartners submitted 221 claims in the amount of approximately $2,180,290, and was paid approximately $1,805,151.49 for compounded medications utilizing CPT Code J3490—"Unclassified Drugs – Drugs administered other than oral method, chemotherapy drugs."

m. These prescriptions were purportedly authorized by Provider 1 or Provider 4; however, Provider 1 and Provider 4 denied writing any prescriptions for

MedPartners patients and did not authorize any prescriptions to be written.

n. On or about August 16, 2018, following the May 2018 issuance of FECA Circular No. 10-06 restricting the use of unspecified J codes, **TOWNSEND** appeared for the opening inspection of SarJo by the Tennessee Board of Pharmacy as the PIC. On or about August 17, 2018, SarJo was issued a pharmacy license with **TOWNSEND** listed as the pharmacist.

o. On or about September 7, 2018, **KATINA** registered SarJo with the National Council for Prescription Drug Programs, Inc. and listed **TOWNSEND** as the PIC.

p. On or about September 12, 2018, **KATINA** submitted Provider Enrollment Form OWCP-1168 to enroll SarJo as a pharmacy with DOL-OWCP. Again, **KATINA** falsely certified on that form that no owners, officers, or managing employees of SarJo were currently sanctioned, suspended, or excluded by any federal or state health care program, despite her knowledge that **KOSSIE** would be controlling SarJo and had been excluded from participation in any federal health care program.

q. **TOWNSEND** was listed as the PIC and was the only pharmacist employed at SarJo. **TOWNSEND** purportedly worked at SarJo for four hours one day each week and her job duties consisted of filling prescriptions for lidocaine and diclofenac. **TOWNSEND** did not dispense any other medications through SarJo. According to Tennessee Pharmacy Board regulations, SarJo representatives were not allowed into the pharmacy if **TOWNSEND** was not present.

r. **KOSSIE** ordered the medications for SarJo and submitted claims to health care benefit programs, including DOL-OWCP, for prescription medications purportedly dispensed by SarJo.

s. On or about September 23, 2020, the Tennessee Board of Pharmacy conducted an investigation of SarJo based on a complaint of noncompliant compounding practices. The investigation uncovered, among other things, that SarJo had been billing for prescription medications based upon determinations of eligibility for compounded medications made by Provider 1 rather than upon prescription orders for a specific drug.

t. **TOWNSEND** was not initially present when the Tennessee Board of Pharmacy investigator arrived, but **KOSSIE** and Co-conspirator 1 were present in the pharmacy. **TOWNSEND** later met with the investigator and discussed discrepancies identified, including being asked for records of prescriptions corresponding with SarJo's billing activity and why SarJo billed for but did not dispense medication.

u. On or about July 21, 2021, after DOL-OWCP entered into a contract with Optum to serve as PBM, and, after FECA mandated that all DOL-OWCP claimants receive their prescription drug benefits from pharmacies enrolled in Optum's network, **KATINA** submitted an Independent Pharmacy Credentialing Application to Optum on behalf of SarJo, listing herself as the Pharmacy Manager and listing **TOWNSEND** as the pharmacist.

v. From on or about August 17, 2018 through or on about August 26, 2021, SarJo submitted approximately 4,052 claims for prescription drugs to DOL-OWCP, for a billed amount of approximately $27,344,891.90. SarJo was paid approximately $15,212,389.10 based upon that billing.

w. Of those 4,052 claims, none were supported by a valid prescription because the only prescribers listed as authorizing the prescriptions were Provider 2 or Provider 4, neither of whom authorized prescriptions for any of the medications billed to

DOL-OWCP by SarJo. Likewise, Provider 1 and Provider 3 did not write any prescriptions for MedPartners patients and did not have access to a prescription pad. Rather, Provider 1 and Provider 3 completed eligibility forms determining whether patients were eligible for certain medications, including "Compound Medication," "Pain Gel," or a "Pain Patch."

x. The majority of those 4,052 claims billed by SarJo were for prescription drugs that were not carried in stock by SarJo, and were therefore not dispensed to claimants, as claimed by SarJo.

y. Indeed, approximately 500 of the 4,052 claims for prescription drugs billed by SarJo to DOL-OWCP were for drugs that had registered NDCs but were not actually in production or available to be purchased or dispensed. From on or about August 17, 2018 through on or about August 26, 2021, SarJo submitted approximately $2,250,702.40 in prescription drug claims for drugs that were never actually manufactured, and was paid approximately $1,563,862.76.

z. On August 26, 2021, investigators lawfully executed three search warrants on the MedPartners locations in Memphis and Arkansas and on SarJo. In connection with the execution of the search warrants, various MedPartners and SarJo representatives were interviewed and confronted with evidence of the fraudulent scheme, including **TOWNSEND**.

aa. Nevertheless, following the execution of the search warrants, and continuing through in or around December 2021, **TOWNSEND** stayed on as the PIC, and SarJo submitted 227 additional prescription drug claims. SarJo billed Optum an additional approximately $1,394,493.62 for those claims and was paid approximately $1,050,056.64.

bb. At least 226 of those additional prescription claims were submitted for drugs that SarJo did not carry in stock at the pharmacy and did not dispense to claimants.

cc. In total, at the direction of **KOSSIE** and **KATINA**, and facilitated by **TOWNSEND**, SarJo billed DOL-OWCP and Optum approximately $28,738,532.90 for prescription drugs that were not based on valid prescriptions or dispensed to claimants, and FECA ultimately paid SarJo approximately $16,262.445.70 for those prescription drugs billed.

COUNT 1
Conspiracy to Commit Wire Fraud and Health Care Fraud
(18 U.S.C. § 1349)

44. Paragraphs 1 through 43 of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

45. Beginning in or around August 2018, and continuing through in or around December 2021, in Shelby County, in the Western District of Tennessee, and elsewhere, the defendants,

KOSSIE LAMON SIMMONS,
KATINA MARZIE SIMMONS, **and**
TRITIA MARGALIZITA TOWNSEND,

did knowingly and willfully, that is, with the intent to further the objects of the conspiracy, combine, conspire, confederate and agree with each other, Co-conspirator 1, and other persons known and unknown to the Grand Jury, to commit certain offenses against the United States, that is:

a. to knowingly and with the intent to defraud, devise and intend to devise a scheme and artifice to defraud, and to obtain money and property by means of

materially false and fraudulent pretenses, representations, and promises, knowing that the pretenses, representations, and promises were false and fraudulent when made, and to knowingly transmit and cause to be transmitted, by means of wire communication in interstate commerce, writings, signs, signals, pictures, and sounds for the purpose of executing such a scheme and artifice, in violation of Title 18, United States Code, Section 1343; and

b. to knowingly and willfully execute a scheme and artifice to defraud a health care benefit program affecting commerce, as defined in Title 18, United States Code, Section 24(b), that is FECA and other health care benefit programs, by means of materially false and fraudulent pretenses, representations, and promises, money and property owned by, and under the custody and control of, said health care benefit programs, in connection with the delivery of and payment for health care benefits, items, and services, in violation of Title 18, United States Code, Section 1347.

Purpose of the Conspiracy

46. It was a purpose of the conspiracy for **KOSSIE**, **KATINA**, **TOWNSEND**, and their co-conspirators to unlawfully enrich themselves, as described in Paragraph 42 of this Indictment, which is re-alleged and incorporated by reference as though fully set forth herein.

Manner and Means of the Conspiracy

47. In furtherance of the conspiracy, and to accomplish its object and purpose, the methods, manner, and means that were used are described in Paragraph 43 of this Indictment, and incorporated by reference as though fully set forth herein.

All in violation of Title 18, United States Code, Section 1349.

COUNTS 2-8
Health Care Fraud
(18 U.S.C. §§ 1347 and 2)

48. Paragraphs 1 through 43 of this Indictment are re-alleged and incorporated by reference as though fully set forth herein.

49. Beginning in or around October 2018, and continuing through in or around December 2021, in the Western District of Tennessee, and elsewhere, the defendants,

KOSSIE LAMON SIMMONS,
KATINA MARZIE SIMMONS, and
TRITIA MARGALIZITA TOWNSEND,

in connection with the delivery of and payment for health care benefits, items, and services, did knowingly and willfully execute, and attempt to execute, a scheme and artifice to defraud a health care benefit program affecting commerce, as defined in Title 18, United States Code, Section 24(b), that is, FECA, and to obtain, by means of materially false and fraudulent pretenses, representations, and promises, money owned by, and under the custody and control of, FECA.

50. The scheme to defraud is more fully described in Paragraphs 41 through 43 of this Indictment and is re-alleged and incorporated by reference as if fully set forth herein.

51. On or about the dates specified below, in the Western District of Tennessee, and elsewhere, the defendants, aided and abetted by others, and aiding and abetting others known and unknown to the Grand Jury, submitted and caused to be submitted the following false and fraudulent claims to FECA for medications that were not actually prescribed or dispensed to claimants, in an attempt to execute, and in execution of the

scheme to defraud, as described in Paragraphs 41 through 43 of this Indictment, with each execution set forth below forming a separate count:

Count	Claimant	Approx. Date of Claim	Drug Billed	Approx. Amount Reimbursed	Defendant(s)
2	H.F.	6/26/2020	Sure Result DSS Premium Pak NDC #69837050005	$8,280.69	**KOSSIE SIMMONS KATINA SIMMONS**
3	J.D.	8/5/2020	Diclofenac Sodium NDC #60760011295	$5,781.10	**KOSSIE SIMMONS KATINA SIMMONS TRITIA TOWNSEND**
4	T.F.	8/28/2020	Diclofenac Sodium NDC #60760011295	$5,781.10	**KOSSIE SIMMONS KATINA SIMMONS TRITIA TOWNSEND**
5	A.S.	9/25/2020	Sure Result DSS Premium Pak NDC #69837050005	$8,280.69	**KOSSIE SIMMONS KATINA SIMMONS**
6	D.B.	10/22/2020	Neptune Ice Patch NDC #72594184708	$2,622.34	**KOSSIE SIMMONS KATINA SIMMONS**
7	M.B.	3/18/2021	Capsaicin .25% Topical Cream NDC #70645002525	$3,028.00	**KOSSIE SIMMONS KATINA SIMMONS**
8	L.B.	10/29/2021	Diclofenac Sodium 100% Miscell Powder NDC #71092998303	$5,656.00	**KOSSIE SIMMONS KATINA SIMMONS TRITIA TOWNSEND**

Each of the above is a violation of Title 18, United States Code, Sections 1347 and 2.

NOTICE OF CRIMINAL FORFEITURE
(18 U.S.C. §§ 981 and 982, 21 U.S.C. § 853)

52. The allegations contained in Counts 1 through 8 of this Indictment are hereby realleged and incorporated by reference for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Section 982.

53. Upon conviction of any of the offenses set forth above, the defendant shall forfeit to the United States pursuant to 18 U.S.C. § 982(a)(7), all property, real and personal, that constitutes or is derived, directly or indirectly, from gross proceeds

traceable to the commission of the violations, including but not limited to a sum of money equal to the amount of the gross proceeds of the offenses.

54. If any of the above-described forfeitable property, as a result of any act or omission of the defendant:

a. cannot be located upon the exercise of due diligence;

b. has been transferred or sold to, or deposited with, a third party;

b. has been placed beyond the jurisdiction of the court;

c. has been substantially diminished in value; or

d. has been commingled with other property which cannot be divided without difficulty,

it is the intent of the United States, pursuant to 21 U.S.C. § 853(p) as incorporated by 18 U.S.C. § 982(b), to seek forfeiture of any other property of the defendant up to the value of the forfeitable property described above.

A TRUE BILL:

_____

F O R E P E R S O N

DATED: June 12, 2025

_____

JOSEPH C. MURPHY, JR.
INTERIM UNITED STATES ATTORNEY

LORINDA LARYEA
ACTING CHIEF, CRIMINAL DIVISION, FRAUD SECTION
UNITED STATES DEPARTMENT OF JUSTICE

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF TENNESSEE
WESTERN DIVISION

UNITED STATES OF AMERICA,	)	
	)	2:25cr20128-JTF
Plaintiff,	)	**Cr. No.: _____**
	)	
vs.	)	**18 U.S.C. § 2**
	)	**18 U.S.C. § 1347**
KOSSIE LAMON SIMMONS,	)	**18 U.S.C. § 1349**
KATINA MARZIE SIMMONS, and	)	
TRITIA MARGALIZITA TOWNSEND,	)	
	)	
Defendants.	)	**Notice of Forfeiture**

NOTICE OF PENALTIES

COUNT 1

[nmt 20 yrs. imprisonment; nmt $250,000 fine, or both, nmt a 3 yr. period of supervised release and a special assessment of $100, see 18 U.S.C. § 3013 (a)].

COUNTS 2-8

[nmt 10 yrs. imprisonment; nmt $250,000 fine, or both, nmt a 3 yr. period of supervised release and a special assessment of $100, see 18 U.S.C. § 3013 (a)].