

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF MISSOURI  
EASTERN DIVISION

**FILED**

**AUG 18 2021**

**U. S. DISTRICT COURT  
EASTERN DISTRICT OF MO  
ST. LOUIS**

UNITED STATES OF AMERICA,

Plaintiff,

v.

KATIE DIANA ROONEY,

Defendant.

**4:21CR466 SEP/NAB**

**INDICTMENT**

The Grand Jury charges:

**Introduction**

1. At all times relevant to this indictment, the defendant Katie Diana Rooney (“Rooney”) was a resident of St. Charles, Missouri. At various times, Rooney and her minor children were enrolled in and received benefits from the Missouri Medicaid Program. One of the Medicaid benefits Rooney received was insurance coverage for prescription drugs that doctors prescribed for her and her children.

2. In the State of Missouri, the Medicaid Program, also called “MO HealthNet,” reimburses providers, including pharmacies, for health care services and items provided to eligible low income or disabled Medicaid recipients. MO HealthNet is jointly funded by the State of Missouri and the federal government, through the Centers for Medicare & Medicaid Services (“CMS”), an agency within the United States Department of Health and Human Services (“HHS”). MO HealthNet is a health care benefit program as defined in Title 18, United States Code, Section 24.

3. The Missouri Department of Social Services, MO HealthNet Division, administers the MO HealthNet Program. MO HealthNet will only pay for prescription drugs that

a doctor or other authorized prescriber (hereafter collectively referred to as “doctor”) determines are medically necessary for a patient. MO HealthNet will not pay for prescription drugs obtained by patients for the purpose of selling or providing the drugs to persons for whom the prescription drugs were not prescribed.

4. Certain prescription drugs are defined by federal and state law as controlled substances, which are drugs that have some potential for abuse or dependence. Controlled substances are placed into one of five schedules, based on the potential for abuse and the severity of the effects if a person abuses the drug. Of the controlled drugs that can legally be prescribed, Schedule II drugs have the highest potential for abuse because of the risks of severe psychological or physical dependence.

5. Oxycodone and Dextroamphetamine/Amphetamine (Adderall) are Schedule II drugs. Alprazolam (Xanax) is a Schedule IV controlled substance.

6. Patients may not legally distribute controlled substance drugs, either by selling or otherwise transferring the controlled substance drugs to other persons for whom the drugs were not prescribed.

**COUNTS 1-10**  
**HEALTH CARE FRAUD SCHEME**  
**Title 18, United States Code, Section 1347(a) and Section 2**

7. Paragraphs 1 to 6 are incorporated by reference as if fully set out herein.

8. Prior to obtaining a prescription, patients must describe their symptoms or otherwise indicate to their doctors that they have a medical problem for which they are seeking medical treatment. The information provided by the patients is often the most important information that the doctor considers in determining a patient treatment plan, including what drugs to prescribe.

9. It was part of the scheme and artifice to defraud that on numerous occasions Rooney visited a doctor and falsely represented to the doctor that she was seeking prescription drugs to treat medical conditions that she or her minor children had. When Rooney made these representations to the doctor, she had already decided to sell all or part of the controlled substance drugs to other persons.

10. It was further part of the scheme and artifice to defraud that Rooney took the prescriptions received from the doctors to pharmacies that filled the prescriptions. On one or more occasions, Rooney had an undercover law enforcement agent drive her to a pharmacy so she could obtain and then immediately sell the controlled substance drugs to the agent. At the time Rooney received the prescription drugs, she was aware that the pharmacies would request and receive reimbursement from Medicaid for the drugs she received.

11. It was further part of the scheme and artifice to defraud that Rooney used telephone and text messages to set up meetings where she sold some of the prescription drugs she received. In recorded conversations, Rooney told an undercover agent that she was willing to sell some of the drugs she received but kept the rest for her own use.

12. On or about the dates indicated below, in the Eastern District of Missouri,

**KATIE DIANA ROONEY,**

the defendant herein, knowingly and willfully executed and attempted to execute, the above described scheme and artifice to defraud a health care benefit program, in connection with the delivery and payment for health care benefits, items, and services, that is, Rooney caused pharmacies to submit reimbursement claims to the Missouri Medicaid Program, a health care benefit program, for the prescription drugs listed below, which the defendant intended to sell to others at the time the drugs were dispensed to her.

Count	Patient Name	Date of Prescription	Date of Claim	Controlled Substance Drug
1	K.N.	7/11/2018	8/10/2018	Dextroamphetamine / amphetamine 20mg
2	K.N.	7/11/2018	9/8/2018	Dextroamphetamine / amphetamine 15mg
3	K.N.	7/11/2018	9/8/2018	Dextroamphetamine / amphetamine 5mg
4	K.N.	10/3/2018	10/4/2018	Dextroamphetamine / amphetamine 20mg
5	K.N.	10/3/2018	10/4/2018	Dextroamphetamine / amphetamine 15mg
6	K.N.	10/3/2018	10/4/2018	Dextroamphetamine / amphetamine 5mg
7	E.N.	10/3/2018	10/4/2018	Dextroamphetamine / amphetamine 30mg
8	E.N.	10/3/2018	11/2/2018	Dextroamphetamine / amphetamine 30mg
9	K.N.	10/3/2018	11/2/2018	Dextroamphetamine / amphetamine 20mg
10	E.N.	10/4/2018	10/4/2018	Dextroamphetamine / amphetamine 10mg

All in violation of Title 18, United States Code, Section 1347(a) and Section 2.

**COUNTS 11-18**

**CONTROLLED SUBSTANCE - SELL, DISTRIBUTE, OR DISPENSE**

**Title 21, United States Code, Section 841(a)(1) and Title 18, United States Code, Section 2**

13. Paragraphs 1 to 6 and 8 to 11 are incorporated by reference as if fully set out herein.

14. On or about the dates indicated below, in the Eastern District of Missouri,

**KATIE DIANA ROONEY,**

the defendant herein, knowingly possessed with intent to distribute the controlled substances identified below:

Count	Date of Sale	Controlled Substance Drug/ Schedule	Quantity Sold	Rooney Was Paid
11	7/30/2018	Alprazolam 2mg tablets / Schedule IV	20 tablets	\$100.00
12	8/1/2018	Alprazolam 1mg tablets / Schedule IV	8 tablets	\$ 24.00
13	8/7/2018	Oxycodone 15mg tablets / Schedule II	20 tablets	\$260.00
14	8/10/2018	Adderall 20mg tablets/ Schedule II (Dextroamphetamine /amphetamine)	15 tablets	\$ 95.00
15	9/10/2018	Dextroamphetamine/amphetamine 15mg tab Dextroamphetamine/amphetamine 5mg tab Oxycodone 15mg tablet	21 tablets 30 tablets 1 tablet	\$200.00
16	10/5/2018	Dextroamphetamine/amphetamine 20mg tab Dextroamphetamine/amphetamine 15mg tab Dextroamphetamine /amphetamine 10mg tab Dextroamphetamine /amphetamine 5mg tab	1 tablet 6 tablets 29 tablets 29 tablets	\$360.00

Count	Date of Sale	Controlled Substance Drug/ Schedule	Quantity Sold	Rooney Was Paid
17	10/11/2018	Dextroamphetamine/amphetamine 30mg tab	5 tablets	\$ 40.00
18	11/2/2018	Dextroamphetamine/amphetamine 20mg tab	30 tablets	\$350.00
		Dextroamphetamine/amphetamine 15mg tab	30 tablets	
		Dextroamphetamine/amphetamine 30mg tab	2 tablets	
		Dextroamphetamine /amphetamine 5mg tab	4 tablets	

All in violation of Title 21, United States Code, Section 841(a)(1) and Title 18, United States Code, Section 2.

**Counts 19-25**  
**OBTAINING CONTROLLED SUBSTANCE BY**  
**FRAUD, DECEPTION, OR SUBTERFUGE**  
**Title 21, United States Code, Section 843(a)(3) and Title 18, United States Code, Section 2**

15. Paragraphs 1 to 6 and 8 to 11 are incorporated by reference as if fully set out herein.

16. At all times relevant to this indictment, Rooney knew that a doctor would not prescribe prescription drugs and a pharmacy would not dispense prescription drugs to her if it were known that she was going to sell the drugs. Therefore, Rooney concealed her true purpose and falsely represented to the doctors and pharmacies that the drugs were to be used to treat a medical condition or disease.

17. On or about the dates listed below, in the Eastern District of Missouri,

**KATIE DIANA ROONEY,**

the defendant herein, did knowingly and intentionally acquire and obtain possession of a controlled substance, to wit: Dextroamphetamine/amphetamine, a Schedule II controlled substance, by misrepresentation, fraud, forgery, deception, and subterfuge:

Count	Patient	Date Prescription Written	Date Prescription Filled	Controlled Substance	Doctor Listed on Prescription
19	K.N.	10/3/2018	10/4/2018	Dextroamphetamine /amphetamine	Dr. Richard Leahy
20	K.N.	10/3/2018	10/4/2018	Dextroamphetamine /amphetamine	Dr. Richard Leahy
21	K.N.	10/3/2018	10/4/2018	Dextroamphetamine /amphetamine	Dr. Richard Leahy
22	E.N.	10/3/2018	10/4/2018	Dextroamphetamine /amphetamine	Dr. Richard Leahy
23	E.N.	10/3/2018	11/2/2018	Dextroamphetamine /amphetamine	Dr. Richard Leahy
24	K.N.	10/3/2018	11/2/2018	Dextroamphetamine /amphetamine	Dr. Richard Leahy
25	E.N.	10/4/2018	10/4/2018	Dextroamphetamine /amphetamine	Dr. Richard Leahy

All in violation of Title 21, United States Code, Section 843(a)(3) and Title 18,

United States Code, Section 2.

A TRUE BILL.

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FOREPERSON

SAYLER A. FLEMING  
United States Attorney

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DOROTHY L. McMURTRY, #37727MO  
Assistant United States Attorney