UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

Case No. 18-20560-CR-MARTINEZ/OTAZO-REYES

18 U.S.C. § 1349
18 U.S.C. § 982(a)(7)

UNITED STATES OF AMERICA

vs.

ALEXANDRIA SUHANOV,

Defendant.
_____/

INFORMATION

The United States Attorney charges that:

GENERAL ALLEGATIONS

At all times relevant to this Information:

Controlled Substances

1. The Controlled Substances Act ("CSA") governed the manufacture, distribution, and dispensing of controlled substances in the United States. With limited exceptions for medical professionals, the CSA made it unlawful for any person to knowingly or intentionally manufacture, distribute, or dispense a controlled substance or conspire to do so.

2. The CSA and its implementing regulations set forth which drugs and other substances are defined by law as "controlled substances," and assigned those controlled substances to one of five schedules (Schedule I, II, III, IV, or V) depending on their potential for abuse, likelihood of physical or psychological dependency, accepted medical use, and accepted safety for use under medical supervision.

The Medicare Program

3. The Medicare Program ("Medicare") was a federally funded program that provided free or below-cost health care benefits to certain individuals, primarily the elderly, blind, and disabled. The benefits available under Medicare were governed by federal statutes and regulations. The United States Department of Health and Human Services, through its agency, the Centers for Medicare and Medicaid Services ("CMS"), oversaw and administered Medicare. Individuals who received benefits under Medicare were commonly referred to as Medicare "beneficiaries." Medicare programs covering different types of benefits were separated into different program "parts." Part B of the Medicare program covered, among other things, medical services provided by physicians, medical clinics, and other qualified health care providers, as well as medications, including various inhalation medication prescribed incident to such services. Part D of Medicare subsidized the costs of prescription drugs for Medicare beneficiaries in the United States.

4. Medicare regulations required Medicare providers providing services to Medicare beneficiaries to maintain complete and accurate medical records reflecting the medical assessment and diagnoses of the patients, as well as records documenting the actual treatment of patients to whom services were provided and for whom claims for reimbursement were submitted by the medical provider. These medical records were required to be sufficiently complete to permit Medicare, through its contractors, to review the appropriateness of Medicare payments made to the provider.

5. Medicare was a "health care benefit program[s]," as defined by Title 18, United States Code, Section 24(b).

The Medicare Part B Program

6. Medicare Part B was administered in Florida by First Coast Service Options, a company that contracted with CMS to receive, adjudicate, process and pay certain Part B claims.

7. Payments under the Medicare Program were often made directly to the physician, medical clinic, or other qualified provider of the medical goods or services, rather than to the beneficiary. This occurred when the provider accepted assignment of the right to payment from the beneficiary. In that case, the provider submitted the claims to Medicare for payment, either directly or through a billing company.

8. Physicians, medical clinics, and other health care providers that provided services to Medicare beneficiaries were able to apply for and obtain a "provider number." A health care provider who was issued a Medicare provider number was able to file bills, known as "claims," with Medicare and to obtain reimbursement for services provided to beneficiaries. The claim form was required to contain certain important information, including: (a) the Medicare beneficiary's name and Health Insurance Claim Number (HICN); (b) a description of the health care benefit, item, or services that was provided or supplied to the beneficiary; (c) the billing codes for the benefit, item, or service; (d) the date upon which the benefit, item, or service was provided or supplied to the beneficiary; and (e) the name of the referring physician or other health care provider, as well as a unique identifying number, known either as the Unique Physician Identification Number (UPIN) or National Provider Identifier (NPI). The claim form could be submitted in hard copy or electronically.

9. When a claim was submitted to Medicare, the provider certified that the contents of the form were true, correct, complete, and that the form was prepared in compliance with the laws

and regulations governing the Medicare program. The provider further certified that the services being billed were medically necessary and were in fact provided as billed.

10. Pursuant to federal statutes and regulations, Medicare only paid for health care benefits, items, or other services that were medically necessary and ordered by a licensed doctor or other licensed, qualified health care provider.

The Medicare Part D Program

11. The Medicare Part D Program was enacted as part of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, and went into effect on January 1, 2006.

12. In order to receive Part D benefits, a beneficiary enrolled in a Medicare drug plan. Medicare drug plans were operated by private companies approved by Medicare. Those companies were often referred to as drug plan "sponsors." A beneficiary in a Medicare drug plan could fill a prescription at a pharmacy and use his or her plan to pay for some or all of the prescription.

13. A pharmacy could participate in Part D by entering a retail network agreement with one or more Pharmacy Benefit Managers ("PBMs"). A PBM acted on behalf of one or more Medicare drug plans. Through a plan's PBM, a pharmacy could join the plan's network. When a Part D beneficiary presented a prescription to a pharmacy, the pharmacy submitted a claim either directly to the plan or to a PBM that represented the beneficiary's Medicare drug plan. The plan or PBM determined whether the pharmacy was entitled to payment for each claim and periodically paid the pharmacy for outstanding claims. The drug plan's sponsor reimbursed the PBM for its payments to the pharmacy.

14. A pharmacy could also submit claims to a Medicare drug plan to whose network the pharmacy did not belong. Submission of such out-of-network claims was not common and often resulted in smaller payments to the pharmacy by the drug plan sponsor.

15. Medicare, through CMS, compensated the Medicare drug plan sponsors. Medicare paid the sponsors a monthly fee for each Medicare beneficiary of the sponsors' plans. Such payments were called capitation fees. The capitation fee was adjusted periodically based on various factors, including the beneficiary's medical conditions. In addition, in some cases where a sponsor's expenses for a beneficiary's prescription drugs exceeded that beneficiary's capitation fee, Medicare reimbursed the sponsor for a portion of those additional expenses.

16. Medicare drug plan sponsors were "health care benefit program[s]," as defined by Title 18, United States Code, Section 24(b).

The Defendant, A Related Individual and Relevant Entities

17. American Pain Management Center, Inc. ("American Pain Management Center") was a corporation organized under the laws of the State of Florida and a registered pain management clinic doing business at 7710 NW 71st Court, Suite 202, Tamarac, Florida.

18. American Pain Management of Palm Beach, Inc. ("American Pain Management Palm Beach,") together with American Pain Management Center, ("American Pain Management") was a corporation organized under the laws of the State of Florida and a registered pain management clinic doing business at 2100 45th Street, Suite B4, West Palm Beach, Florida.

19. Pacific Pharmacy Inc. ("Pacific Pharmacy") was a corporation organized under the laws of the State of Florida, doing business at 8876 SW 24th Street, #11, Miami, Florida, purportedly providing prescription drugs to individuals.

20. Scott Novick, a resident of Broward County, was the owner of American Pain Management and Pacific Pharmacy.

21. Defendant **ALEXANDRIA SUHANOV**, a resident of Mecklenburg County, in the State of North Carolina, was the receptionist and office manager of American Pain Management.

CONSPIRACY TO COMMIT HEALTH CARE FRAUD
(18 U.S.C. § 1349)

From in or around January 2009, through in or around April 2018, in Miami-Dade County, in the Southern District of Florida, and elsewhere, the defendant,

ALEXANDRIA SUHANOV,

did willfully, that is, with the intent to further the object of the conspiracy, and knowingly combine, conspire, confederate, and agree with Scott Novick, and others, known and unknown to the United States Attorney, to violate Title 18, United States Code, Section 1349, that is, 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, Medicare and Medicare drug plan sponsors, and to obtain 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

It was a purpose of the conspiracy for the defendant and her co-conspirators to unlawfully enrich themselves by, among other things: (a) submitting and causing the submission of false and fraudulent claims to Medicare and Medicare drug plan sponsors through American Pain Management and Pacific Pharmacy for physician services and prescription medications that were not medically necessary and not eligible for reimbursement; (b) concealing and causing the concealing of false and fraudulent claims to Medicare and Medicare drug plan sponsors; and (c) diverting fraud proceeds for their personal use and benefit, the use and benefit of others, and to further the fraud.

Manner and Means of the Conspiracy

The manner and means by which the defendant and her co-conspirators sought to accomplish the object and purpose of the conspiracy included, among other things, the following:

22. **ALEXANDRIA SUHANOV**, Scott Novick, and their co-conspirators prescribed and dispensed, and caused to be prescribed and dispensed, to Medicare beneficiaries excessive and inappropriate quantities and combinations of controlled substances, including oxycodone and oxymorphone, that were not medically necessary and not eligible for reimbursement.

23. **ALEXANDRIA SUHANOV**, Scott Novick, and their co-conspirators prescribed and dispensed, and caused to be prescribed and dispensed, to Medicare beneficiaries excessive and inappropriate quantities of non-controlled substances along with controlled substances in order to disguise the excessive and inappropriate quantity of controlled substances that they prescribed and dispensed to Medicare beneficiaries.

24. **ALEXANDRIA SUHANOV**, Scott Novick, and their co-conspirators dispensed, and caused to be dispensed, to Medicare beneficiaries expired medications that were not eligible for reimbursement.

25. **ALEXANDRIA SUHANOV**, Scott Novick, and their co-conspirators submitted, and caused Pacific Pharmacy to submit, approximately $1,035,969 in false and fraudulent claims to Medicare Part D for items and services that were not medically necessary and not eligible for reimbursement.

26. **ALEXANDRIA SUHANOV**, Scott Novick and their co-conspirators submitted, and caused American Pain Management to submit, approximately $785,420 in false and fraudulent claims to Medicare Part B for items and services that were not medically necessary and not eligible for reimbursement.

27. **ALEXANDRIA SUHANOV**, Scott Novick, and their co-conspirators used the proceeds from the false and fraudulent Medicare Part B and Part D claims for their own use, the use of others, and to further the fraud.

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

FORFEITURE
(18 U.S.C. § 982(a)(7))

1. The allegations contained in this Information are realleged and incorporated by reference as though fully set forth herein for the purpose of alleging forfeiture to the United States of certain property in which the defendant, **ALEXANDRIA SUHANOV**, has an interest.

2. Upon conviction of any violation of Title 18, United States Code, Section 1349, as alleged in in this Information, the defendant shall forfeit all of her right, title and interest to the United States of any property, real or personal, that constitutes or is derived, directly or indirectly, from gross proceeds traceable to the commission of such violations, pursuant to Title 18, United States Code, Section 982(a)(7).

3. The property subject to forfeiture includes, but is not limited to, the sum of at least $310,768 in United States currency, which is a sum of money equal in value to the gross proceeds traceable to the commission of the violation alleged in this Information, which the United States will seek as a forfeiture money judgment as part of the defendant's sentence.

4. If any of the property described above, 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;

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

d. has been substantially diminished in value; or

e. has been commingled with other property which cannot be divided without difficulty;

it is the intent of the United States to seek forfeiture of substitute property, pursuant to Title 21, United States Code, Section 853(p).

All pursuant to Title 18, United States Code, Sections 982(a)(7) and 981(a)(1)(C), as incorporated by Title 28, United States Code, Section 2461(c), and the procedures set forth in Title 21, United States Code, Section 853.

BENJAMIN G. GREENBERG
UNITED STATES ATTORNEY
SOUTHERN DISTRICT OF FLORIDA

JOSEPH BEEMSTERBOER
DEPUTY CHIEF
CRIMINAL DIVISION, FRAUD SECTION
U.S. DEPARTMENT OF JUSTICE

TIMOTHY P. LOPER
TRIAL ATTORNEY
CRIMINAL DIVISION, FRAUD SECTION
U.S. DEPARTMENT OF JUSTICE